

NATIONAL MARINE FISHERIES SERVICE REPORT

National Marine Fisheries Service (NMFS) Northwest Region will briefly report on recent regulatory developments relevant to groundfish fisheries and issues of interest to the Pacific Fishery Management Council (Council).

NMFS Northwest Fisheries Science Center (NWFSC) will also briefly report on groundfish-related science and research activities.

Council Task:

Discussion.

Reference Materials:

1. Agenda Item F.1.a, Attachment 1: *Federal Register* Notices Published Since the Last Council Meeting.

Agenda Order:

- a. Regulatory Activities
- b. Fisheries Science Center Activities
- c. Reports and Comments of Management Entities and Advisory Bodies
- d. Public Comment
- e. Council Discussion

Frank Lockhart
Elizabeth Clarke

PFMC
03/19/09

FEDERAL REGISTER NOTICES

**Groundfish and Halibut Notices
3/1/2009 through 3/18/2009**

**Documents available at NMFS Sustainable Fisheries Groundfish Web Site
[http://www.nwr.noaa.gov/Groundfish-Halibut/Groundfish-Fishery-
Management/index.cfm](http://www.nwr.noaa.gov/Groundfish-Halibut/Groundfish-Fishery-Management/index.cfm)**

74 FR 9079. Pacific Coast Groundfish Fishery; Application for an EFP. NMFS announces the intent to issue exempted fishing permits to Pacific Whiting shoreside vessels and first receivers that participate in a maximized retention & monitor program - 3/2/09

74 FR 9874. Pacific Coast Groundfish Fishery; 2009-2010 Biennial Specifications and Management Measures. Action: Final Rule. This final rule sets the 2009-2010 harvest specifications and management measures for groundfish - 3/6/09

74 FR 10189. Pacific Coast Groundfish Fishery; Amendment 15. NMFS issues this final rule to implement Amendment 15 to the Pacific Coast Groundfish Fishery Management Plan - 3/10/09

CONSIDERATION OF INSEASON ADJUSTMENTS

Management measures for the 2009 groundfish season were set by the Council with the understanding these measures would likely need to be adjusted throughout the biennial period to attain, but not exceed, the optimum yields (OYs). This agenda item will consider inseason adjustments to ongoing 2009 fisheries.

In March of 2005, the Council adopted a policy stating “Management measures should not be liberalized until the June Council meeting at the earliest unless data errors or model errors warrant earlier consideration”. Therefore, unless warranted by significant changes in current information relative to existing projections, liberalizations to Rockfish Conservation Area boundaries and commercial and recreational catch limits would not be considered under this agenda item.

The Groundfish Management Team and the Groundfish Advisory Subpanel will meet prior to this agenda item to discuss and recommend inseason adjustments to 2009 groundfish fisheries. After hearing this advisory body advice and public comments, the Council will consider preliminary or final inseason adjustments. Agenda Item F.6 is scheduled for Thursday, April 9 should further analysis or clarification be needed.

Council Action:

Consider information on the status of 2009 fisheries and adopt preliminary or final inseason adjustments as necessary.

Reference Materials:

Agenda Item F.2.c, Public Comment

Agenda Order:

- a. Agenda Item Overview
 - b. Reports and Comments of Agencies and Advisory Bodies
 - c. Public Comment
 - d. **Council Action:** Adopt Preliminary or Final Recommendations for Adjustments to 2009 Groundfish Fisheries
- Merrick Burden

PFMC
03/19/09

GROUND FISH ADVISORY SUBPANEL REPORT ON CONSIDERATION OF INSEASON ADJUSTMENTS

At the March Council meeting the Groundfish Advisory Subpanel (GAP), in conjunction with advice from the Groundfish Management Team (GMT), requested inseason adjustments to ongoing groundfish fisheries. The Council delayed action due in part to the lack of any catch and effort information at the time and also cited a 2005 policy adopted by the Council that June would be the earliest meeting in which management measures could be liberalized unless data or model errors warranted earlier consideration. However, the GAP believes there are other considerations.

Open Access Daily-Trip-Limit Between 36° and 40°10' N Latitude

The GAP requests an increase in the daily-trip-limit (DTL) open access sablefish limit from the current 2,200 pounds per two month period to 2,500 pounds as recommended by the GMT. The lack of a salmon season in 2008 and the unknown transfer of effort to open access sablefish during that year warranted low trip limits in anticipation of exceeding the open access allocation. However, in 2009 the northern sablefish optimum yield (OY) increased 23 percent from 5,723 mt to 7,052 mt. The GAP anticipates the lack of a salmon season in 2009 will likely result in the same level of open access effort as last year and the higher sablefish OY should accommodate a higher bimonthly limit. This inseason adjustment is needed by the fleet to help compensate for the lack of other fishing opportunities. Limits can be decreased in September for the last quarter if the allocation is projected to be attained prematurely.

Limited Entry Fixed Gear Daily-Trip-Limit Between 36° and 40°10' N Latitude

The GAP also requests an increase in the limited entry fixed gear DTL limits from 300 pounds per day or one landing per week up to 1,000 pounds not to exceed 5,000 pounds per two months to 500 pounds per day or one landing per week up to 1,500 pounds not to exceed 5,500 pounds per two months. The higher OY in 2009 and the lack of attainment of the sablefish allocation by the limited entry fixed gear sector in recent years compels this increase.

Limited Entry Trawl

Chilipepper Small Footrope Trip Limit for South of 40°10' N Latitude

The GAP also requests increased trip limits using small footrope trawls south of 40°10' N latitude for chilipepper rockfish. The trawl fleet is consistently encountering chilipepper while targeting other species, such as flatfish shoreward of the RCA. The chilipepper biomass is increasing and we need to turn discards into landed catch.

Slope Rockfish Trip Limits

The GAP requests that the slope rockfish cumulative limits be increased as suggested by the GMT in April. Increased access to slope rockfish can be accommodated by the availability of

darkblotched in the scorecard. This opportunity can make a substantial financial difference to the trawl fleet since slope rockfish is the mainstay of trawl fleet and easily marketable.

Whiting Trip Limit for the California Shoreside Fishery

The GAP requests a whiting trip limit of 100,000 lbs for the California shoreside whiting fishery to slow the pace of the fishery. It is estimated that with the smaller quota this year (5 percent of the shoreside sector quota or 2,100 mt) the fishery may last only five days. If this trip limit cannot be routinely decided for this year's fishery, the GAP would like to know what process needs to occur to consider this adjustment in the future. The northern processor representative notes that the establishment of this trip limit will negatively change the current business practice of northern whiting processors.

Recreational

The GAP would like to explore the possibility of adding a new management line at or near the Mendocino-Humboldt county line to better manage yelloweye impacts in the northern California fishery. The GAP would like to know what process needs to occur to consider adding this new line for the 2010 fishery.

PFMC

04/06/09

THE GROUNDFISH MANAGEMENT TEAM REPORT ON CONSIDERATION OF INSEASON ADJUSTMENTS

The Groundfish Management Team (GMT) considered the most recent information from the West Coast Groundfish Observer Program (WCGOP) and the status of ongoing fisheries. The GMT also gave consideration to the Council's policy of not liberalizing management measures until June. The primary rationale of this policy was to wait until adequate inseason fishery information becomes available to inform adjustments to management measures. In addition to recognized errors we note that there may be other instances where new information becomes available that does not directly conflict with this underlying principle (e.g. models were misspecified). Such new information may also warrant consideration of liberalized measures prior to June. The GMT offers the following considerations and recommendations.

Research Updated

As of March 2009, the projected research take of widow rockfish was 1.1 mt. A recent cruise by the Northwest Fisheries Science Center (NWFSC) took an estimated 4.6 mt of unanticipated widow rockfish, which would be in addition to the other previously anticipated projects. Therefore, the projected research catch of widow rockfish was updated to 5.7 mt.

Commercial Fisheries

Limited Entry Non-Whiting Trawl

Chilipepper Rockfish

The GMT received a request to increase chilipepper limits in the non-whiting trawl fishery in areas south of 40° 10' N. lat. The GMT notes that chilipepper limits in areas shoreward of the trawl Rockfish Conservation Area (RCA) were increased to 5,000 lbs /2 months beginning in 2009 and the effect of those limits is not yet known. However, the NWFSC total mortality reports indicate that bocaccio bycatch in the trawl fishery has been declining over the past several years and as a result opportunities may exist for increasing chilipepper opportunities in the south. The GMT recommends waiting until June to examine the possibility of increasing chilipepper limits based on the progress of the fishery.

Slope Rockfish including Darkblotched

The GMT also received a request from the Groundfish Advisory Subpanel (GAP) to explore providing more opportunity for deep water species if there is enough darkblotched available. Based on Council deliberation of this request in March, the GMT recommends waiting until June to examine increases in trip limits for slope species when more inseason data will be available.

Limited Entry Non-Tribal Whiting Trawl

The GMT received a request to examine trip limits in the California early season portion of the non-tribal whiting fishery. This request has the goal of slowing down the fishery. It is our

understanding that such trip limits cannot be accommodated because they were not evaluated as part of the biennial specifications process.

Limited Entry Fixed Gear Model

While most of our models were updated in April based on the latest WCGOP data, the Limited Entry Fixed Gear model has not been. The GMT is working with observer program staff to align the results of the latest year of observer data with our modeling structure and expect to have that completed by the June meeting.

Limited Entry Sablefish N of 36°

The GMT received a request to analyze increased opportunities for the limited entry (LE) daily trip limit fishery (DTL). While the model has not yet been updated with bycatch rates of yelloweye on more refined spatial scales, the average bycatch rates appears stable with the inclusion of 2007 data. Also current model estimates assume that the full LE DTL allocation of sablefish is harvested. Over the past several years, the LE DTL fishery has underharvested the LE DTL allocation, and trip limits in place for the current year are similar to the limits in place in recent years. Therefore, the GMT believes that an increase in trip limits for the LE DTL fishery could be accommodated. However, it is difficult to assess the appropriate trip limits in this fishery due to a lack of variation in trip limits over the past several years. In other words, it is difficult to assess the effects of various trip limits through the use of historic data because opportunities have remained relatively stable. Such stability makes it difficult to examine the effects of regulatory changes. Due to this uncertainty, the GMT recommends a precautionary approach to any trip limit increases in this fishery and that those trip limits be re-evaluated throughout the year to determine their appropriateness. Current limits are 300 lb/day, or 1 landing per week of up to 1,000 lb, not to exceed 5,000 lb/2 months. Should the Council wish to increase the LE DTL opportunities, a precautionary approach could be 500 lb/day, or 1 landing per week of up to 1,500 lb, not to exceed 5,500 lb/2 months.

Open Access Nearshore Fishery North of 40° 10' N. lat.

At the March 2009 Council meeting, the GMT updated the nearshore overfished species impact projection model based on the most recent WCGOP observer data. However, the model was misspecified with the incorrect total landings of black rockfish. We have updated the model with the correct projection of black rockfish take and the scorecard now reflects those impacts.

Open Access Sablefish Fishery N of 36°

Public comment received under Agenda Item F.2 requested increases to the bi-monthly limit in the open access sablefish fishery N of 36°. During the specifications and management measure setting process the GMT did not contemplate increased trip limits commensurate with the increase in the sablefish optimum yield. Current trip limits are 2,400 lb/2 months and are scheduled to decrease to 2,200 lbs/2 months beginning May 1st. Even with the expectation of another relatively poor salmon year (and the corresponding increased effort), model results indicate that the increase could be accommodated while still staying within the Open Access allocation as well as current projected impacts to overfished species. However in contrast to the

LE DTL fishery the GMT cautions that effort shifts can be greater in this fishery with increases to trip limits. As such if the Council wanted to provide increased opportunity, we suggest changes to the bimonthly limit as effort is less sensitive to this limit compared to changes in the daily or weekly limits. Therefore, the Council could consider increasing the bi-monthly limit up to 2,500 lbs/2 months beginning May 1.

GMT Recommendations

1. Consider increasing the LE DTL trip limits to 500 lbs/day, 1,500 lbs/week, and 5,500 pounds per 2 months beginning May 1.
2. Consider increasing the bi-monthly limit for Open Access sablefish North of 36° up to 2,500 lbs/2 months beginning May 1.

Attachment 1. Scorecard from March and updated scorecard for April.

Projected mortality impacts (mt) of overfished groundfish species updated through March 2009.

| Fishery | Bocaccio b/ | Canary | Cowcod | Dkbl | POP | Widow | Yelloweye |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------------------------------------------------------------------------------|--------|-------|-------|-------|-----------|
| Limited Entry Trawl- Non-whiting | 15.1 | 16.2 | 1.3 | 214.4 | 82.1 | 18.1 | 0.3 |
| Limited Entry Trawl- Whiting | | | | | | | |
| At-sea whiting motherships a/ | | 4.3 | | 6.0 | 0.5 | 60.0 | 0.0 |
| At-sea whiting cat-proc a/ | | 6.1 | | 8.5 | 0.5 | 85.0 | 0.0 |
| Shoreside whiting a/ | | 7.6 | | 10.5 | 0.1 | 105.0 | 0.0 |
| Tribal whiting | | 1.4 | | 0.0 | 0.7 | 3.7 | 0.0 |
| Tribal | | | | | | | |
| Midwater Trawl | | 3.6 | | 0.0 | 0.0 | 40.0 | 0.0 |
| Bottom Trawl | | 0.8 | | 0.0 | 3.7 | 0.0 | 0.0 |
| Troll | | 0.5 | | 0.0 | 0.0 | | 0.0 |
| Fixed gear | | 0.3 | | 0.0 | 0.0 | 0.0 | 2.3 |
| Fixed Gear Sablefish | 0.0 | 0.3 | 0.0 | 1.0 | 0.2 | 0.3 | 1.1 |
| Fixed Gear Nearshore | 0.0 | 2.9 | 0.0 | 0.0 | 0.0 | 0.1 | 0.9 |
| Fixed Gear Other | 5.0 | 0.0 | 0.0 | 9.0 | 0.0 | 0.7 | 0.0 |
| Open Access: Incidental Groundfish | 2.0 | 0.9 | 0.0 | 0.0 | 0.0 | 4.0 | 0.3 |
| Recreational Groundfish c/ | | | | | | | |
| WA | | 20.9 | | | | | 5.2 |
| OR | | | | | | 1.0 | |
| CA | 67.3 | 22.9 | 0.1 | | | 6.2 | 2.8 |
| EFPs | 13.7 | 2.7 | 0.3 | 1.3 | 0.0 | 5.5 | 0.3 |
| Research: Includes NMFS trawl shelf-slope surveys, the IPHC halibut survey, and expected impacts from SRPs and LOAs. | | | | | | | |
| | 2.0 | 8.0 | 0.2 | 2.0 | 2.0 | 1.1 | 2.4 |
| TOTAL | 105.1 | 99.4 | 1.9 | 252.7 | 89.8 | 330.7 | 15.6 |
| 2009 OY d/ | 288 | 105 | 4.0 | 285 | 189 | 522 | 17 |
| Difference | 182.9 | 5.6 | 2.1 | 32.3 | 99.2 | 191.4 | 1.4 |
| Percent of OY | 36.5% | 94.6% | 47.5% | 88.7% | 47.5% | 63.3% | 91.9% |
| Key | | = either not applicable; trace amount (<0.01 mt); or not reported in available data | | | | | |
| a/ Non-tribal whiting values for canary, darkblotched, and widow reflect bycatch limits for the non-tribal whiting sectors. The widow bycatch limit is the difference between the OY and the projected impacts in all non-whiting fisheries. All other species' impacts are projected from the GMT's whiting impact projection model. The Council may elect to change these bycatch limits when setting final whiting management measures in March of 2009 or 2010 or under any inseason action at any of their future meetings. | | | | | | | |
| b/ South of 40°10' N. lat. | | | | | | | |
| c/ Values in scorecard represent projected impacts for all species except canary and yelloweye rockfish, which are the prescribed harvest guidelines. | | | | | | | |
| d/ 2009 and 2010 OYs are the same except for darkblotched (291 mt in 2010), POP (200 mt in 2010), and widow (509 mt in 2010). | | | | | | | |

Projected mortality impacts (mt) of overfished groundfish species updated with most recent research estimates and fishery projections through April 2009.

| Fishery | Bocaccio b/ | Canary | Cowcod | Dkbl | POP | Widow | Yelloweye |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|--------|--------|-------|-------|-------|-----------|
| Limited Entry Trawl- Non-whiting | 15.1 | 16.2 | 1.3 | 214.4 | 82.1 | 18.1 | 0.3 |
| Limited Entry Trawl- Whiting | | | | | | | |
| At-sea whiting motherships a/ | | 4.3 | | 6.0 | 0.5 | 60.0 | 0.0 |
| At-sea whiting cat-proc a/ | | 6.1 | | 8.5 | 0.5 | 85.0 | 0.0 |
| Shoreside whiting a/ | | 7.6 | | 10.5 | 0.1 | 105.0 | 0.0 |
| Tribal whiting | | 1.4 | | 0.0 | 0.7 | 3.7 | 0.0 |
| Tribal | | | | | | | |
| Midwater Trawl | | 3.6 | | 0.0 | 0.0 | 40.0 | 0.0 |
| Bottom Trawl | | 0.8 | | 0.0 | 3.7 | 0.0 | 0.0 |
| Troll | | 0.5 | | 0.0 | 0.0 | | 0.0 |
| Fixed gear | | 0.3 | | 0.0 | 0.0 | 0.0 | 2.3 |
| Fixed Gear Sablefish | 0.0 | 0.3 | 0.0 | 1.0 | 0.2 | 0.3 | 1.1 |
| Fixed Gear Nearshore | 0.3 | 3.1 | 0.0 | 0.0 | 0.0 | 0.3 | 1.0 |
| Fixed Gear Other | 5.0 | 0.0 | 0.0 | 9.0 | 0.0 | 0.7 | 0.0 |
| Open Access: Incidental Groundfish | 2.0 | 0.9 | 0.0 | 0.0 | 0.0 | 4.0 | 0.3 |
| Recreational Groundfish c/ | | | | | | | |
| WA | | 20.9 | | | | | 5.2 |
| OR | | | | | | 1.0 | |
| CA | 67.3 | 22.9 | 0.1 | | | 6.2 | 2.8 |
| EFPs | 13.7 | 2.7 | 0.3 | 1.3 | 0.0 | 5.5 | 0.3 |
| Research: Includes NMFS trawl shelf-slope surveys, the IPHC halibut survey, and expected impacts from SRPs and LOAs. | | | | | | | |
| | 2.0 | 8.0 | 0.2 | 2.0 | 2.0 | 5.7 | 2.4 |
| TOTAL | 105.4 | 99.6 | 1.9 | 252.7 | 89.8 | 335.5 | 15.7 |
| 2009 OY d/ | 288 | 105 | 4.0 | 285 | 189 | 522 | 17 |
| Difference | 182.6 | 5.4 | 2.1 | 32.3 | 99.2 | 186.5 | 1.3 |
| Percent of OY | 36.6% | 94.9% | 47.5% | 88.7% | 47.5% | 64.3% | 92.4% |
| Key | = either not applicable; trace amount (<0.01 mt); or not reported in available data | | | | | | |
| a/ Non-tribal whiting values for canary, darkblotched, and widow reflect bycatch limits for the non-tribal whiting sectors. | | | | | | | |
| b/ South of 40°10' N. lat. | | | | | | | |
| c/ Values in scorecard represent projected impacts for all species except canary and yelloweye rockfish, which are the prescribed harvest guidelines. | | | | | | | |
| d/ 2009 and 2010 OYs are the same except for darkblotched (291 mt in 2010), POP (200 mt in 2010), and widow (509 mt in 2010). | | | | | | | |

SALMON TROLLERS MARKETING ASSOCIATION

PO Box 137
Ft. Bragg, CA 95437
Phone: 707/964-5500
Fax: 707/964-6985

RECEIVED

MAR 18 2009

March 15, 2009

PPMC

Chairman Hansen,

I am writing on behalf of the Ft. Bragg open access fishermen who are members of this local Association. We respectfully request an in-season adjustment to at least 2,500 lbs of sablefish for the current two-month limits. All other sectors received significant increases this year, and we are at a loss to explain to our members why open-access has not received a proportionate increase. Over a year ago we were told that there would be significant increases across the board in 2009.

We need to put as much sablefish on the back decks of our boats as possible this year due to the combined hardships of another summer without salmon and a crab season which is already over for most of the fleet. There is no reason to wait until the middle of summer for increases when there are fish available now and there is immediate economic need among fishermen, as well.

In Noyo Harbor, the more boats which are able to keep fishing, the better it is for our families, our gear stores, our fuel dock, our processors and our coastal community. We urge the Council to do their part to keep our fleet active during these tough times.

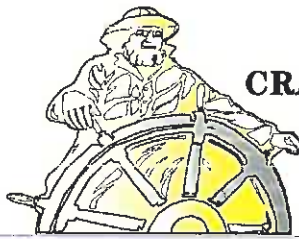
Sincerely,



Ben Platt
Boardmember,
STMA/FB

cc: John Devore, PPMC

Dan Platt, Open Access Representative, GAP/PPMC



CRAB BOAT OWNERS ASSOCIATION, Inc.

2907 Jones Street
San Francisco, California 94133-1115
415-885-1180

March 15, 2009
Don Hanson, Chairman
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 200
Portland, Oregon 97220-1384

Agenda Item G.2

RECEIVED
MAR 18 2009
PFMC

Re: In-season adjustment

Chairman Hanson and Council Members:

The Crab Boat Owners Association of San Francisco represents the working fishing men and women of the San Francisco Bay Area. Our members fish for crab, salmon, herring, rockfish, black cod, California halibut and albacore. We are a 50 foot and under fleet.

It has come to our attention that the black cod quotas for open access have not increased for 2009 when the other sector quotas have seen dramatic increases in 2009 over-all and bi-monthly quotas. Was there some mistake here? This doesn't seem equitable.

Some of our members are relying on open access black cod as they are unable to fish for salmon this summer. We're hoping that our harbor's fleet can stay intact while waiting for the salmon to return.

We are requesting an in-season adjustment be made to correct this disparity.

Sincerely,

Larry Collins, President

cc: John Devore
cc: Dan Platt

SALMON TROLLERS MARKETING ASSOCIATION

PO Box 137

Ft. Bragg, CA 95437

Phone: 707/964-5500

Fax: 707/964-6985

RECEIVED

March 15, 2009

MAR 18 2009

Chairman Hansen,

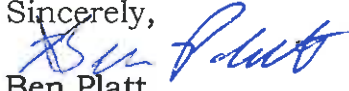
PFMC

I am writing on behalf of the Ft. Bragg open access fishermen who are members of this local Association. We respectfully request an in-season adjustment to at least 2,500 lbs of sablefish for the current two-month limits. All other sectors received significant increases this year, and we are at a loss to explain to our members why open-access has not received a proportionate increase. Over a year ago we were told that there would be significant increases across the board in 2009.

We need to put as much sablefish on the back decks of our boats as possible this year due to the combined hardships of another summer without salmon and a crab season which is already over for most of the fleet. There is no reason to wait until the middle of summer for increases when there are fish available now and there is immediate economic need among fishermen, as well.

In Noyo Harbor, the more boats which are able to keep fishing, the better it is for our families, our gear stores, our fuel dock, our processors and our coastal community. We urge the Council to do their part to keep our fleet active during these tough times.

Sincerely,



Ben Platt

Boardmember,

STMA/FB

cc: John Devore, PFMC

Dan Platt, Open Access Representative, GAP/PFMC

Subject:

From: "b-faye" <b-faye@pacbell.net>

Date: Thu, 19 Mar 2009 10:24:55 -0700

MIME-Version: 1.0

Content-Type: multipart/alternative; boundary="-----=_NextPart_000_0014_01C9A87C.FDD69780"

X-Priority: 3

X-MSMail-Priority: Normal

X-Unsent: 1

X-MimeOLE: Produced By Microsoft MimeOLE V6.00.2900.3350

**HALF MOON BAY
FISHERMENS MARKETING
ASSOCIATION**

P.O. Box 340
El Granada, Ca. 94018

March 18, 2009

TO: John DeVore

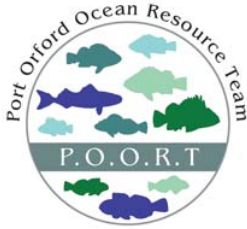
RE: Open Access Sablefish trip limits

John,

We understand the council will be considering open access trip limit increases at the April meeting in Milbrae. We support the GMT's recommendation for increasing those limits and urge the council move forward with implimenting them.

Sincerely'

Duncan F MacLean
president HMBFMA



Port Orford Ocean Resource Team

P.O. Box 679
351 6th Street
Port Orford, OR 97465
P: 541.332.0627
F: 541.332.1170

info@oceanresourceteam.org
<http://oceanresourceteam.org>

April 2, 2009

Mr. Donald K. Hansen
Chairman
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 101
Portland, Oregon 97220-1384

Dear Chairman Hansen:

I am writing to express concern about an issue which affects nearshore hook and line fishermen. We were alarmed to hear that commercial nearshore fisheries could be severely impacted by in-season adjustments to prevent overharvest of yelloweye rockfish. We understand the soft targets for nearshore fisheries modeled an impact of around a metric ton of fish for the present harvest limits. While it was thought that this would be plenty of fish to accommodate the nearshore fishery in 2009, the GMT reports that recent observed bycatch rates might require as much as a 50% reduction in commercial catch of black rockfish to achieve the scorecard target. We believe that all nearshore species harvest opportunities would likely be adversely affected if new black rockfish limits are put in place. We strongly urge the Council to modestly increase the soft target for our nearshore fisheries – overall impacts to yelloweye are still very small compared to other sectors. We also recommend that the GMT review statistical estimates associated with bycatch projections for these smaller fisheries. Is there a possibility that small sample sizes or larger variation in sample data could lead to problems in estimating impacts? Also, as yelloweye and other overfished species recover, nearshore fisheries with its small scorecard target may be adversely affected as the nearshore is the place where younger fish will recruit first.

We know that the Council considers our fleet of nearshore vessels as Open Access, yet all of our vessels are under state limited entry permits and are no longer Open Access from a state perspective. These fishermen make an important contribution to our small community and we ask that you consider this when setting soft targets for rebuilding plans, using observer data, and making in-season adjustments.

Sincerely,

Leesa Cobb
Executive Director
Port Orford Ocean Resource Team



Port Orford Ocean Resource Team

P.O. Box 679
351 6th Street
Port Orford, OR 97465
P: 541.332.0627
F: 541.332.1170
info@oceanresourceteam.org
<http://oceanresourceteam.org>

April 2, 2009

Mr. Donald K. Hansen
Chairman
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 101
Portland, Oregon 97220-1384

Dear Chairman Hansen:

The Port Orford Ocean Resource Team would like to bring to the Council's attention a concern regarding its policy for in-season adjustments that reduces opportunities for small boat ports. We understand the Council's policy currently does not allow consideration of in-season adjustments until the June Council meeting. For several years, the Limited Entry Fixed Gear sablefish trip limits for the DTL fishery have resulted in the LE fixed gear fleet under-achieving the OY (this was referenced in the Council newsletter). At time in the past this was brought to the attention of the Council and the DTL was increased, but the increase was too late in the season to access the fish. The primary reason for boats not being successful with season adjustments implemented in October-December is that weather is much more severe that time of year and we have fewer fishing days. When in-season adjustments are made late in the year, the increase comes too late in the season for small boat fishing communities, like Port Orford.

For the 2009 season, we ask the Council to revisit its current policy of waiting until June for soliciting recommendations for in-season adjustments and consider an increase in the Fixed-gear sablefish DTL to be implemented in May or June.

We recognize that a better way to approach this issue long-term is to start the year with a DTL that is at the correct level. We would like the Council to consider increasing the amount of the LE fixed gear sablefish (daily) trip limit during its annual specifications process so as to allow more of the OY to be taken, especially in areas where bycatch rates of overfished species are low.

Thank you!

Sincerely,

Leesa Cobb
Executive Director
Port Orford Ocean Resource Team



CRAB BOAT OWNERS ASSOCIATION, Inc.

2907 Jones Street
San Francisco, California 94133-1115
415-885-1180

March 15, 2009
Don Hanson, Chairman
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 200
Portland, Oregon 97220-1384

Re: In-season adjustment

Chairman Hanson and Council Members:

The Crab Boat Owners Association of San Francisco represents the working fishing men and women of the San Francisco Bay Area. Our members fish for crab, salmon, herring, rockfish, black cod, California halibut and albacore. We are a 50 foot and under fleet.

It has come to our attention that the black cod quotas for open access have not increased for 2009 when the other sector quotas have seen dramatic increases in 2009 over-all and bi-monthly quotas. Was there some mistake here? This doesn't seem equitable.

Some of our members are relying on open access black cod as they are unable to fish for salmon this summer. We're hoping that our harbor's fleet can stay intact while waiting for the salmon to return.

We are requesting an in-season adjustment be made to correct this disparity.

Sincerely,

A handwritten signature in black ink, appearing to read 'Larry Collins'.

Larry Collins, President

cc: John Devore
cc: Dan Platt

FISHERY MANAGEMENT PLAN AMENDMENT 21 - INTERSECTOR ALLOCATION

The Council has pursued a Groundfish Fishery Management Plan (FMP) amendment (Amendment 21) in consideration of formal allocations of groundfish species and species' complexes for sectors of the groundfish fishery since initial scoping in 2004. Intersector allocations are needed to support rationalization of the limited entry trawl fishery (Amendment 20), implementation of FMP Amendment 18 bycatch mitigation policies, and development of biennial groundfish specifications and management measures. While all these initiatives are important, intersector allocations are critical to effectively implement the trawl rationalization program since the initial allocation of quota shares (QS) requires a sector allocation. Further, many of the decisions by QS holders in the rationalized fishery, such as buying, selling, or leasing QS, would be benefitted by longer term business planning than can be afforded by the short-term sector allocations typically decided in the biennial specifications and management measures process. Thus, the Council has refined the focus of this allocation amendment to just trawl dominant species and those species necessary for successful rationalization of the trawl fishery.

There are five decision points considered in this action: 1) decide long-term trawl and non-trawl allocations for species subject to Amendment 21 allocations; 2) decide the initial sector allocation of species to be managed using individual fishing quotas (IFQs) to the shoreside whiting and shoreside non-whiting trawl sectors; 3) decide yield set-asides for bycatch species in the at-sea whiting fishery; 4) decide a total catch limit for Pacific halibut bycatch in trawl fisheries; and 5) decide how future sector allocations and potential re-allocation of Amendment 21 species will be decided.

A preliminary draft environmental impact statement (DEIS) is provided (Agenda Item F.3.a, Attachment 1). The trawl and non-trawl allocation alternatives and analyses in the DEIS are informed by a mix of historical landings (1995-2005) and total catch (2003-2005) data. A new intersector allocation alternative recommended for analysis by National Marine Fisheries Service (NMFS) and the Groundfish Allocation Committee (GAC) (Agenda Item F.3.b, GAC Report) is also described in the DEIS, as well as a GAC-recommended alternative for trawl and non-trawl allocations. The analysis of the new intersector allocation alternative recommended for Council consideration by NMFS and the GAC is provided in a supplemental NMFS report (Agenda Item F.3.b, Supplemental NMFS Report on Intersector Allocation).

The DEIS also analyzes alternatives for deciding initial allocations to the shoreside whiting and shoreside non-whiting trawl sectors. Under the Council's Amendment 20 trawl rationalization decision, the two shoreside trawl sectors will be combined into one sector and managed with IFQs. However, an initial allocation to both shoreside sectors is needed to make the initial allocation of QS to eligible participants in the shoreside trawl sector. Likewise, analysis of the historical bycatch observed in the at-sea whiting fisheries is provided to inform the decision on yield set-asides required to prosecute those fisheries under trawl rationalization. The shoreside allocations and at-sea sector set-asides would apportion the overall trawl allocations decided in the first decision step described above.

The Council has also decided to consider a total catch limit of Pacific halibut for managing trawl bycatch of this prohibited species in the intersector allocation process. The Council's intent is to establish an initial bycatch limit of Pacific halibut for the rationalized trawl fishery and further reduce this bycatch over time to allow a greater allocation to directed commercial and recreational halibut fisheries in Area 2A (i.e., waters off Washington, Oregon, and California). Originally, two Pacific halibut total catch limits were decided for analysis based on the 2005 and 2006 estimated trawl bycatch as a percentage of the Area 2A constant exploitation yields (CEYs) specified for those years. In November 2008, under the Amendment 20 trawl rationalization decision, the Council decided to limit Pacific halibut bycatch to 10 percent of the Area 2A CEY. The GAC therefore recommended dropping these alternatives from the Amendment 21 analysis. However, at the March 2009 Council meeting, a fourth Pacific halibut total catch limit alternative was decided for analysis and characterized as preliminary preferred. Therefore, the DEIS provides analysis of all four alternatives for final action at this meeting.

Finally, the Council may wish to decide how future sector allocations are decided, including any future reconsideration of Amendment 21 species' allocations. Options could include specifying formal allocations in the FMP, which would require an FMP amendment to change, or frameworking the allocation process in the FMP to allow consideration of formal allocations within the biennial specifications and management measures process, which would require a less burdensome regulatory amendment. Council staff recommends maintaining the FMP provision that formal allocations are automatically suspended if a stock with a formal allocation is subsequently declared overfished. In this circumstance, sector allocations can be decided in the development of a rebuilding plan.

The Council task at this meeting is to adopt a final preferred intersector allocation alternative for analysis.

Council Action:

- 1. Adopt a final preferred intersector allocation alternative for trawl and non-trawl allocations.**
- 2. Adopt a final preferred alternative for shoreside whiting and shoreside non-whiting trawl sector allocations.**
- 3. Adopt a final preferred alternative for yield set-asides for bycatch species in the at-sea whiting sectors.**
- 4. Adopt a final preferred alternative for Pacific halibut total catch limits in the trawl fishery.**
- 5. Decide how future sector allocations are decided.**

Reference Materials:

1. Agenda Item F.3.a, Attachment 1: Allocation of Harvest Opportunity Between Sectors of the Pacific Coast Groundfish Fishery; Chapters 1, 2, and 4 of the Preliminary Draft Environmental Impact.
2. Agenda Item F.3.b, GAC Report: Groundfish Allocation Committee Report from January 2009 Regarding Intersector Allocation: Amendment 21.
3. Agenda Item F.3.b, Supplemental NMFS Report: NMFS Report on Alternative 4 in the Intersector Allocation EIS on Amendment 21 to the Groundfish FMP
4. Agenda Item F.3.c, Public Comments.

Agenda Order:

- a. Agenda Item Overview
- b. Reports and Comments of Management Entities and Advisory Bodies
- c. Public Comment
- d. **Council Action:** Adopt Final Preferred Alternative

John DeVore

PFMC
03/23/09

**ALLOCATION OF HARVEST OPPORTUNITY
BETWEEN SECTORS OF THE PACIFIC COAST
GROUNDFISH FISHERY**

PRELIMINARY

DRAFT ENVIRONMENTAL IMPACT STATEMENT

PREPARED BY
THE PACIFIC FISHERY MANAGEMENT COUNCIL
7700 NE AMBASSADOR PLACE, SUITE 101
PORTLAND, OR 97220
503-820-2280
WWW.PCOUNCIL.ORG

AND THE

NATIONAL MARINE FISHERIES SERVICE
7600 SAND POINT WAY NE, BIN C15700
SEATTLE, WA 98115-0070
206-526-6150

MARCH 2009

CHAPTER 1 **PURPOSE AND NEED FOR THE PROPOSED ACTION**

1.1 Introduction

This document provides background information about, and analyses for alternative allocations of groundfish species and species complexes to west coast fishing sectors that target federally-managed groundfish species. This action requires an amendment to the Pacific Coast Groundfish Fishery Management Plan (FMP), which contains the policies and framework for allocating the harvestable surplus of groundfish. This action must conform to the Magnuson-Stevens Fishery Conservation and Management Act (MSA), the principal legal basis for fishery management within the Exclusive Economic Zone (EEZ), which extends from the outer boundary of the territorial sea to a distance of 200 nautical miles from shore.

In addition to addressing MSA mandates, this document is an environmental impact statement (EIS), pursuant to the National Environmental Policy Act (NEPA) of 1969, as amended. This document is organized so that it contains the analyses required under NEPA, the Regulatory Flexibility Act (RFA), and Executive Order (EO) 12866. For brevity, this document is referred to as an EIS, although it contains required elements of an Initial Regulatory Flexibility Analysis (IRFA) pursuant to the RFA and a Regulatory Impact Review (RIR) pursuant to EO 12866.

Environmental impact statements (and environmental assessments or EAs) have four essential components: a description of the purpose and need for the proposed action; a range of alternatives, including the proposed action, that represent different ways of accomplishing the purpose and need; a description of the human environment affected by the proposed action; and an evaluation of the predicted direct, indirect, and cumulative impacts of the alternatives. The human environment is interpreted comprehensively to include the natural and physical environment and the relationship of people with that environment (40 CFR 1508.14). These elements allow the decision maker to look at different approaches to accomplishing a stated goal and understand the likely consequences of each choice or alternative. In this EIS, chapters 1 and 2 cover the purpose and need for the action and describe the alternatives, and chapters 3 and 4 focus on the biological, physical, and human environments potentially affected by the proposed actions. These chapters describe both the status quo environment potentially affected by the proposed actions and the predicted impacts of each of the alternatives. Based on this structure, the document is organized in 11 chapters:

- The rest of this chapter, Chapter 1, discusses the reasons for formal allocations of groundfish species and species complexes to west coast groundfish fisheries. This description of purpose and need defines the scope of the subsequent analysis.
- Chapter 2 outlines different alternatives that have been considered to address the purpose and need. The Council will choose their preferred alternative from among these alternatives. The preferred alternative covering long term trawl allocations will be submitted to NMFS as FMP Amendment 21.
- Chapter 3 describes the human environment potentially affected by the proposed actions. The human environment includes the physical environment (i.e., west coast marine ecosystems and essential fish habitat); biological environment (i.e., west coast groundfish and non-groundfish species), and socioeconomic environment (i.e., west coast fisheries and fishing communities).
- Chapter 4 describes the possible environmental consequences of the proposed actions. These include possible impacts to west coast marine ecosystems and essential fish habitat; target and non-target groundfish fishery management unit species and non-target, non-groundfish species; and west coast fisheries and fishing communities.
- Chapter 5 describes the possible cumulative impacts of the proposed actions in association with other reasonably foreseeable actions.
- Chapter 6 addresses consistency of the proposed action with the goals and objectives of the groundfish FMP, ten National Standards set forth in the MSA (Section 301(a)), and the goals and objectives of the Council's groundfish strategic plan, "Transition to Sustainability".
- Chapter 7 provides information on those laws and executive orders, in addition to the MSA and NEPA, with which an action must be consistent, and how these actions have satisfied those mandates.
- Chapters 8 through 11 include required supporting information: the list of preparers, the list of agencies and organizations consulted in the preparation of this document, responses to EIS comments, and the bibliography.
- Appendix A provides the sector catch tables which inform the Amendment 21 analyses.
- Appendix B provides the minutes and recommendations of each meeting of the Groundfish Allocation Committee when intersector allocation was discussed. The GAC was given the charge to develop intersector allocation alternatives by the Council, although formal Council action was still required to decide intersector allocation alternatives, including the preferred alternative. The GAC therefore recommended intersector allocation alternatives and design concepts to the Council in this process.

1.2 Description of the Proposed Actions

The Council/NMFS *proposed actions*, evaluated in this document, are:

1. To simplify or streamline future decisions by making formal allocations of specified groundfish. Formal allocations are fixed and do not have to be decided through every biennial process or developed indirectly through the structure of management measures.
2. To support rationalization of the limited entry trawl fishery (Amendment 20). While allocations could be made biennially to support trawl rationalization, this would be a more difficult and controversial process than making those decisions in advance.
3. To limit the bycatch of Pacific halibut in future limited entry trawl fisheries. A total catch limit of Pacific halibut, with the intent of further minimization of Pacific halibut bycatch in Area 2A trawl fisheries, is consistent with the Magnuson-Stevens Act mandate to minimize bycatch and will provide increased benefits to Area 2A fishermen targeting Pacific halibut.

1.3 Purpose and Need for the Proposed Actions

Formal long term allocations of groundfish species and species complexes must be consistent with the goals, objectives, and management framework described in the groundfish FMP. The proposed actions fall within the management framework described in the groundfish FMP, which enumerates two goals that formal allocations must satisfy: Goal 2 - Economics - Maximize the value of the groundfish resource as a whole; and Goal 3 - Utilization - Achieve the maximum biological yield of the overall groundfish fishery, promote year-round availability of quality seafood to the consumer, and promote recreational fishing opportunities. The management regime described in the Groundfish FMP is itself consistent with 10 National Standards described in the MSA. Finally, the goals and objectives of the Council's Groundfish Strategic Plan, "Transition to Sustainability", are relevant for deciding formal allocations of groundfish species and complexes. Chapter 6 details how the proposed actions meet these goals and objectives. These sources provide a general context for the purpose and need for the proposed actions. *The specific purposes of the actions are:*

1. To reduce the risk of any one sector of the groundfish fishery (trawl, non-trawl, and recreational) exceeding a harvest guideline or OY and closing the other sectors prematurely.
2. To provide certainty to the trawl sector by reducing the risk that the trawl sector would be closed because of other non-trawl sectors exceeding their allocation. Such certainty would be especially important if IFQs or cooperatives are implemented in the future because it would make it easier for fishermen to make long range planning decisions based on the allocation of harvest privileges.
3. To provide increased benefits to Area 2A fisheries targeting Pacific halibut by minimizing halibut bycatch in Area 2A trawl fisheries.

1.4 Action Area

The action area for the proposed action comprises the fishing grounds used by federally-managed U.S. west coast groundfish fisheries and associated coastal communities. In general, the fishing grounds are within the west coast EEZ, which stretches from 3 to 200 nautical miles off the coasts of Washington, Oregon, and California (Figure 1-1), although groundfish fishing is largely confined to depths of 300 fathoms or less, or roughly within 30 miles of the coast. Some federally-managed groundfish fishing that could be affected by the proposed action occurs in state waters from the shoreline to 3 nautical miles offshore. Groundfish fisheries are an important part of the local economy and social fabric in coastal communities in all three west coast states.

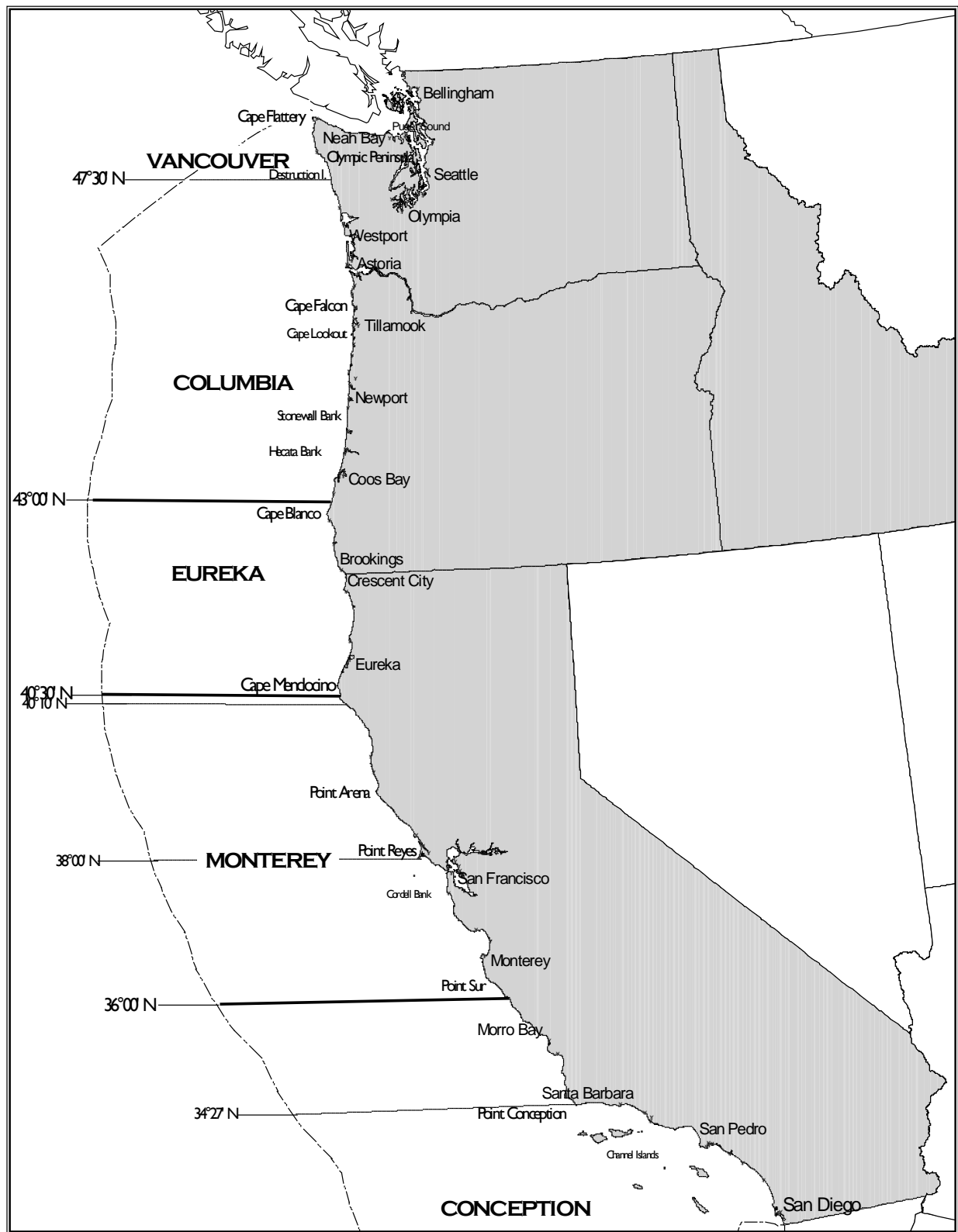


Figure 1-1. The west coast Exclusive Economic Zone and some of the latitudinal management lines used in groundfish management.

1.5 Scoping Process

1.5.1 Background to Scoping

According to the NEPA, the public and other agencies must be involved in the decision-making process for agency actions. Scoping is an important part of this process. Scoping is designed to provide interested citizens, government officials, and tribes an opportunity to help define the range of issues and alternatives that should be evaluated in the EA. NEPA regulations stress that agencies should provide public notice of NEPA-related proceedings and hold public hearings whenever appropriate during EA development (40 CFR 1506.6).

The scoping process is designed to ensure all significant issues are properly identified and fully addressed during the course of the NEPA process. The main objectives of the scoping process are to provide stakeholders with a basic understanding of the proposed action; explain where to find additional information about the project; provide a framework for the public to ask questions, raise concerns, identify issues, and recommend options other than those being considered by the agency conducting the scoping; and ensure those concerns are included within the scope of the EIS.

1.5.2 Council and Agency NEPA Scoping

The Council process, which is based on stakeholder involvement and allows for public participation and public comment on fishery management proposals during Council, subcommittee, and advisory body meetings, is the principal mechanism to scope the EIS. The advisory bodies involved in groundfish management include the Groundfish Management Team (GMT), with representation from state, federal, and tribal fishery scientists; and the Groundfish Advisory Subpanel (GAP), whose members are drawn from the commercial, tribal, and recreational fisheries, fish processors, and environmental advocacy organizations. The Groundfish Allocation Committee (GAC), a subpanel of the whole Council, provides advice on allocating harvest opportunity among the various fishery sectors. Meetings of the Council and its advisory bodies constitute the Council scoping process, involving the development of alternatives and consideration of the impacts of the alternatives.

The Council first determined the need for intersector allocations in 2004 as they considered elements for designing a new trawl management program contemplating the use of individual fishing quotas (IFQs) and harvest cooperatives. In June, 2004 the Council discussed separating development of a trawl IFQ program and deciding formal long term allocations of future available yields of groundfish species to limited entry trawl sectors. The Council determined that the GAC should design intersector allocation alternatives. The GAC is comprised of Council members representing the National Marine Fisheries Service, the California Department of Fish and Game, the Oregon Department of Fish and Wildlife, the Washington Department of Fish and Wildlife, the Council chairman, and the Council parliamentarian and is advised by NOAA legal Counsel and Council staff. In November 2004 the Council appointed representatives from different sectors of the west coast groundfish fishery to advise the GAC in their intersector allocation deliberations. These advisors represented the limited entry trawl sector, the limited entry fixed gear sector, the open access sector, the recreational sector, the at-sea processing sector, the shoreside processing sector, and an environmental non-governmental organization representative. The first GAC meeting to discuss intersector allocations occurred in January 2005 (Appendix A). Seven more GAC meetings were convened between January 2005 and January 2009 to develop and recommend intersector allocation alternatives for Council consideration. In June 2005 the Council directed Council staff to publish a Notice of Intent (NOI) in the Federal Register to prepare an EIS to analyze intersector allocations and begin the public scoping process for developing intersector allocation alternatives for analysis.

On November 21, 2005, NMFS and the Council published the NOI in the Federal Register (70 FR 70054) announcing their intent to prepare an EIS in accordance with NEPA for deciding intersector allocations. The NOI described the proposed action and the way in which alternatives to be analyzed in the EIS would be formulated; it also enumerated a preliminary list of potentially significant impacts that could result from implementing the proposed action. A period for accepting written public comments on the scope of the EIS ended on February 6, 2006, as announced in the NOI. On December 27, 2005, NMFS and the Council published an extension of the public comment deadline for scoping the EIS in the Federal Register (70 FR 76447) until May 24, 2006 as recommended by the Council in preparation for their June 2006 meeting in Foster City, California. The Council extended the public scoping comment deadline two more times in 2006 (71 FR 34306, 71 FR 38863), with a final deadline for written public comments of October 27, 2006 in preparation for their November 2006 meeting, where a preliminary range of intersector allocation alternatives were adopted for public review .

The GAC met two more times in 2007 as did the Council to further refine the intersector allocation alternatives and provide guidance on analyses. In June 2007 the Council decided to limit the scope of the proposed action to deciding formal allocations of specified groundfish species to limited entry trawl sectors of the west coast groundfish fishery under Amendment 21 and then possibly consider formal allocations of specified groundfish species to the non-trawl sectors later in one or more trailing amendments. After considerations at four Council meetings and seven GAC meetings since January 2005 (Appendix A), the Council decided the preliminary range of intersector allocation alternatives analyzed in this EIS at their November 2007 meeting (see Chapter 2). At this meeting, the Council significantly reduced the scope of the proposed intersector allocation actions by removing the non-trawl-dominant overfished species (i.e., bocaccio, canary rockfish, cowcod, and yelloweye rockfish), the species comprising the minor shelf rockfish complexes, and the species other than spiny dogfish comprising the Other Fish complex from the intersector allocation analysis. The species remaining for intersector allocation consideration are largely trawl-dominant, with a few exceptions, and the intersector allocation alternatives do not specify sector catch percentages that vary much from those observed in the recent past. This course of action was taken to reduce the complexity of analyses informing the decision on a preferred alternative and the potential significant impacts associated with determining formal allocations of the non-trawl-dominant overfished species. The non-trawl-dominant overfished species' rebuilding plans constrain all sectors of the west coast groundfish fishery unlike the trawl-dominant overfished species (i.e., darkblotched rockfish, Pacific ocean perch, and widow rockfish), which constrain fishing opportunities for the limited entry trawl sectors. Therefore, Council and NMFS staff discussion in January 2008 concluded an EA rather than an EIS was the appropriate document for analyzing intersector allocation alternatives.

A preliminary draft EA was provided to the Council in April 2008 to inform their decision on a preferred intersector allocation alternative. The Council decided not to choose a preferred alternative, but did decide to structure the NEPA analysis as an EIS as recommended by two environmental organizations (Environmental Defense and Natural Resources Defense Council) and the Groundfish Advisory Subpanel. The National Marine Fisheries Service also explained they were going to develop a new intersector allocation alternative for consideration by the GAC in January 2009 and the Council in the spring of 2009, when intersector allocation was anticipated to next be scheduled on the Council's agenda.

In January 2009, additional analysis and the new intersector allocation alternative developed by NMFS were presented to the GAC. The GAC decided to add the new alternative for analysis (see Chapter 2 for a description of this new alternative). The GAC also recommended: 1) trawl:non-trawl splits that differed slightly from their recommendation in February 2008 (see Appendix A), 2) rules for determining yield set-asides for some of the bycatch species in the at-sea whiting fisheries, 3) to remove spiny dogfish from the list of intersector allocation species subject to long-term allocation, and 4) to decide any buffers that address management uncertainty in a separate amendment process that incorporates new National

Standard 1 guidelines in the groundfish FMP. All of these recommendations will be presented to the Council in April 2009, when a final decision on intersector allocations is scheduled. Further the Council is scheduled to decide allocations to the shoreside whiting and shoreside non-whiting trawl sectors in April 2009. These with-in trawl sector allocations are needed to properly allocate future quota shares to individual permit-holders prior to implementation of a new trawl rationalization program. Once the new trawl rationalization program is implemented, it is anticipated the two shoreside trawl sectors will be combined into one sector and managed under an IFQ system.

1.5.3 Summary of Comments Received

1.5.3.1 Comments from Nongovernmental Organizations

Environmental Defense urged the Council in August, 2004 to begin the intersector allocation process as soon as possible and to modify the membership of the GAC to include representation from all affected sectors and stakeholders when designing intersector allocation alternatives. The Council heeded this advice as described in the previous section.

The Pacific Marine Conservation Council (PMCC) recommended area allocation of OY for west coast groundfish should be employed as a hedge against unpredictable spawning success at the November 2006 Council meeting. The Council conceptually agreed with the PMCC and decided that intersector allocation alternatives should allocate OYs by area as they are specified in biennial regulations. These OYs are based on recommended stock assessments, which are required in the stock assessment terms of reference to explore spatial needs of the stock and how fishery removals, which vary in time and area, affect the abundance and structure of the stock's spawning biomass.

In public testimony to the GAC at their February 2008 meeting, the Natural Resources Defense Council and Environmental Defense recommended that the intersector allocation analysis be developed as an EIS rather than an EA. They stated that formal allocations to the trawl sector would have significant impacts to species and EFH. These recommendations were also made to the Council at their April 2008 meeting. The Council acted at that meeting to develop an EIS rather than an EA as the principal NEPA analysis informing the decision on intersector allocations.

1.5.3.2 Other Scoping Comments

The Pacific Coast Federation of Fishermen's Associations in July 2004 recommended the Council consider the needs of the non-trawl harvesting sectors, including the open access sector, prior to establishing a trawl IFQ system and allocating quota share to individual trawl fishermen. The Council largely agreed and has since determined that decision-making in the intersector allocation and trawl rationalization processes can occur independently, but intersector allocations need to be done prior to implementing trawl rationalization measures. Intersector allocation alternative 2 (see section 2.1.4) does attempt to meet the recommendation to consider the needs of the non-trawl sectors before deciding trawl sector allocations.

The Coastal Jobs Coalition, a group formed by the West Coast Seafood Processors Association and representing a consortium of fish processors and related support industries, in June 2004 recommended the Council determine allocations between groundfish harvesting sectors prior to developing a trawl rationalization program. As stated above, the Council largely agreed with this recommendation.

The West Coast Seafood Processors Association recommended in July 2004 the Council consider and decide intersector allocations prior to developing a trawl IFQ program. As stated above, the Council largely agreed with this recommendation.

The United Anglers of California and the United Anglers of Southern California recommended in August 2004 that the Council consider and decide intersector allocations prior to developing a trawl IFQ program. As stated above, the Council largely agreed with this recommendation.

Representatives of sectors of the limited entry trawl whiting fishery were unanimous in recommending the status quo formal allocations of Pacific whiting to limited entry trawl sectors. The GAC and Council supported that position and decided to continue using the status quo formal trawl sector allocations of Pacific whiting.

Representatives of the limited entry fixed gear and directed open access sectors recommended reconsidering formal allocations of sablefish for fisheries north of 36° N latitude, while representatives of the limited entry trawl shoreside non-whiting sector recommended continuing the use of the status quo formal allocation between the three fleets. The GAC and Council decided on the latter course since reconsidering sablefish allocations would likely be a contentious process that could complicate and extend the process of deciding intersector allocations under Amendment 21.

Mr. William Daspit provided comments at numerous Council and GAC meetings recommending a personally conceived plan termed, OSHUA (Optimum Species Harvesting Unified Allocation). The OSHUA plan contemplates biennial allocations of available yields of groundfish species to individual commercial fishermen across all sectors of the fishery based on their ability to minimize bycatch. These allocations would not be IFQs, which are transferable quotas that allow fishermen to trade quota pounds and shares. The GAC and Council did not embrace the OSHUA plan and it was not considered in the range of trawl rationalization or intersector allocation alternatives.

Mr. Peter Huhtula recommended in November 2007 that the OSHUA plan be analyzed in the intersector allocation process because it created one commercial sector. The Council rejected this idea since it was beyond the scope of the proposed action to consider formal allocations of specified groundfish species to limited entry trawl sectors of the west coast groundfish fishery.

The Council's Trawl Individual Quota Committee (TIQC) recommended in November 2007 revisiting intersector allocations for overfished species once those species are rebuilt. This is contemplated for the non-trawl-dominant overfished species in the current range of intersector allocation alternatives. However, the intersector allocation action alternatives contemplate an allocation framework for the trawl-dominant overfished species. See section 4.4 for more detail on this allocation framework.

The Pacific Coast Federation of Fishermen's Associations recommended to the GAC in January 2009 to disband the non-voting members of the GAC who represent various sectors of the groundfish fishery. The GAC did not recommend this change to the Council.

1.5.4 Criteria Used to Evaluate Impacts of the Proposed Action

The proposed action to make formal allocations of specified groundfish species (a portion of the fish management unit) to limited entry trawl sectors of the west coast groundfish fishery does not affect overall harvest levels of any species, nor does it affect management measures for any sector of fishery. The proposed action is not expected to change the magnitude or distribution of trawl efforts. Such actions and effects are analyzed and decided separately in a biennial Council process. Therefore, the proposed action is expected to have no direct impacts and potentially low indirect impacts to the west coast

biological environment (i.e., affected species) or the physical environment (i.e., west coast marine ecosystems and essential fish habitat).

The anticipated impacts of the proposed action are largely socioeconomic. Therefore, most of the environmental consequences of the proposed action are discussed in section 4.4.

One overall objective of the intersector allocation process is to optimally use the available harvest of target groundfish species. This objective is guided by two of the three management goals in the Groundfish FMP: 1) goal 2 – Economics – maximize the value of the groundfish resource as a whole; and 2) goal 3 – Utilization – achieve the maximum biological yield of the overall groundfish fishery, promote year-round availability of quality seafood to the consumer, and promote recreational fishing opportunities (see section 6.1). While the proposed action is to determine long term formal allocations of a portion of the Groundfish FMP species to the limited entry trawl sectors, this decision cannot be made without understanding the needs of the directed non-trawl sectors. This is the intent of analyzing Intersector Allocation Alternative 2 and understanding how target opportunities may be constrained by the bycatch of some of the species under consideration in the proposed action. Analyses attempt to tease out these constraints to all the groundfish sectors, so that trawl allocations will not unnecessarily constrain other groundfish sectors by allocating enough yield for their needs.

The utilization goal is first addressed in these analyses by understanding the available yields or annual catch limits of the groundfish species under consideration during 1995-2005 and the harvests in each sector relative to these annual catch limits and relative to the annual catch in all non-treaty directed sectors combined.

The economics goal is addressed by estimating the ex-vessel value of potential trawl allocations under the alternatives. Potential value is only calculated for the shoreside trawl sector (i.e., the combined whiting and non-whiting sectors after implementation of Amendment 20 trawl rationalization) with an assumption that all the allocation will be harvested. Projected tribal catches, research catches, and incidental bycatch in non-groundfish fisheries, as well as the recommended set-asides for the at-sea whiting sectors are subtracted from annual catch limits to determine the trawl allocation amounts under the alternatives. The average 2004-2006 ex-vessel prices of Amendment 21 species are applied to the estimated shoreside sector amounts given the trawl allocation percentages under the alternatives and the set-aside amounts to determine potential shoreside trawl sector values.

CHAPTER 2 DESCRIPTION OF THE ALTERNATIVES

Federally-managed west coast groundfish species' yields are allocated to fishing sectors that target these species through long term allocations specified in the Pacific Coast Groundfish Fishery Management Plan (FMP) (i.e., Pacific whiting and sablefish N. of 36° N latitude) or with short term (i.e., two-year) allocations decided in the biennial harvest specifications and management measures process. Prior to allocating the available harvest of a stock, some portion of the yield is set aside or subtracted from the optimum yield (OY) or annual catch limit to accommodate tribal fisheries, the projected bycatch in non-groundfish fisheries, and projected research catch. Yield set-asides can also be specified to accommodate the incidental bycatch in some fisheries targeting other groundfish species. Set-asides differ from an allocation. A set-aside is not necessarily accompanied with a specific and direct management tool, while an allocation is a direct management target that necessarily is accompanied with a management tool. Yield set-asides are decided to minimize the risk of constraining target fishing opportunities while also minimizing the risk of exceeding specified annual catch limits.

Long term allocations contemplated under FMP Amendment 21 and analyzed in this EIS are designed to allow effective implementation of FMP Amendment 20 trawl rationalization measures. Most of the species considered for a long term trawl allocation under Amendment 21 are dominant to the trawl fishery; however, other species subject to a formal allocation under Amendment 21 are caught in significant amounts in both trawl and non-trawl fisheries. Only trawl allocations are proposed under Amendment 21. However, there is significant exploration of the utilization and dependence of these species in west coast non-trawl fisheries to ensure that trawl allocations do not disrupt non-trawl fisheries. Once trawl allocations are decided for these species, a portion of that amount needs to be allocated to the four existing trawl sectors in order to effectively implement trawl rationalization provisions under Amendment 20. These within-trawl allocations take the form of historical sector catch percentages for the two shoreside trawl sectors (see section 2.2.1) or set-aside amounts for the at-sea whiting sectors (see section 2.2.2).

There are five decisions contemplated in this EIS: 1) limited entry trawl and non-trawl allocations, 2) shoreside whiting and shoreside non-whiting sector allocations, 3) at-sea whiting sector set-asides, 4) Pacific halibut total catch limits, and 5) decide how future sector allocations and potential re-allocation of Amendment 21 species will be decided. Each of the first four allocation decisions is informed by the intersector alternatives described below and are treated separately in the following sections. A discussion regarding how future allocations decisions might be made is provided in section 4.5.

2.1 Trawl and Non-trawl Allocation Alternatives

The limited entry trawl and non-trawl intersector allocation alternatives analyzed in this EIS were largely developed by the Council's Groundfish Allocation Committee (GAC) with formal consideration and approval by the Council. The GAC met eight times between January 2005 and January 2009 with agency and fishing industry advisors¹ to develop these alternatives (Appendix A). The goals and objectives of the FMP as well as those outlined in the Groundfish Strategic Plan, "Transition to Sustainability", were considered in this process. While longer term intersector allocations provide more stability to fishing interests in charting future business plans affected by groundfish fishing opportunities, the primary need for intersector allocations is to more effectively implement a trawl rationalization program contemplating management of the limited entry groundfish trawl sector using a system of harvesting cooperatives and individual fishing quotas. To this end the Council decided early in the process of developing intersector allocation alternatives that this action would focus on making long term allocations to the limited entry trawl sector. These allocations will be specified in the FMP under Amendment 21 once a final recommendation on limited entry trawl allocations is made to the National Marine Fisheries Service (NMFS). Longer term allocations to non-tribal, non-trawl groundfish sectors may be considered later in one or more trailing amendments to the FMP. If the Council decides to pursue longer term groundfish allocations for any of the four west coast tribes with groundfish fishing rights in the west coast EEZ, they will request NMFS engage in government-to-government negotiations with the tribes to decide these allocations.

The basic elements decided for the intersector allocation alternatives analyzed in this EIS are the groundfish FMP species to be considered, the fishing sectors for which these allocations will apply, the analytical basis for the decision (i.e., historical catch periods by sector), and any yield set-asides (i.e., buffers) to be assumed for analysis (Table 2-1Table 2-1). Alternatives analyzed in this EIS use the landings and discard mortality estimates by directed groundfish sectors found in the Council's 2008 Stock Assessment and Fishery Evaluation (SAFE) Volume 1 document {PFMC, 2008 1529 /id}. Landings data were extracted in November 2006 from the Pacific Fishery Information Network (PacFIN). Recreational landings and discard mortalities were extracted in September 2006 from the Recreational Fishery Information Network (RecFIN) and updated by the states in October 2006. The PacFIN and RecFIN databases are managed by the Pacific States Marine Fisheries Commission and available online at <http://www.psmfc.org/pacfin/> and <http://www.psmfc.org/recfin/>, respectively. Discard mortality estimates by species or species complex and sector were provided by the NMFS Northwest Fisheries Science Center (annual total catch reports available online at <http://www.nwfsc.noaa.gov/research/divisions/fram/observer/datareport/index.cfm>).

There are existing long-term allocations for Pacific whiting and sablefish (for fisheries north of 36° N latitude). The Council decided not to re-visit these allocations; however, there is a need to apportion the limited trawl allocation of sablefish north of 36° N latitude to the four trawl sectors identified in these analyses to effectively implement trawl rationalization measures. The Council also decided not to consider long term allocations of nearshore groundfish species at this time since those allocations are currently decided by the states under the auspices of nearshore fishery management plans and state policies for managing groundfish within their territorial waters (i.e., 0-3 nm). Furthermore, the Council decided not to consider long term allocations of non-trawl-dominant overfished species (i.e., bocaccio, canary rockfish, cowcod, and yelloweye rockfish), the minor shelf rockfish species, and the species in

¹ GAC advisors included representatives from the limited entry trawl sector, the limited entry fixed gear sector, the open access sector, the recreational sector, the processing sector, the at-sea whiting sectors, and the environmental community. Also advising the GAC were state representatives from the Groundfish Management Team, NOAA General Counsel, and Council staff.

the Other Fish complex². These shelf species have been caught extensively by both trawl and non-trawl sectors in the past and current harvest opportunities for these species are significantly constrained by rebuilding plans for the non-trawl-dominant overfished species. Harvest opportunities for each sector are predicted to vary considerably by time and area depending on the future allowable yield of each of the non-trawl-dominant overfished species and the selectivity of the sector's gear in avoiding these species. Predicting an equitable balance of fishing opportunities and economic outcomes under such a dynamic mix of target and constraining species led the Council to recommend against pursuing long term allocations for these species. Any species not allocated in this process are recommended for short term allocations every two years in the Council process to decide biennial harvest specifications and management measures. While this may compromise some of the fishery stability and certainty inherent in deciding long term allocations, such short term allocations can be better informed with new assessments and other information relevant to making these decisions.

There are yield buffer options under each action alternative of 5%, 15%, and 25% that are designed to buffer against sector catch overages that might risk exceeding prescribed OYs or to accommodate new emerging fisheries. The former objective of buffering against OY overage is one explicitly discussed by the Council when specifying the buffer options for analysis. This objective recognizes the catch monitoring uncertainty inherent in estimating catch, especially in recreational fisheries, and is borne from recent experience of unexpected catch overages that exceeded some sectors' harvest guidelines. The second objective of accommodating new emerging fisheries is not one explicitly discussed by the Council, but one that was discussed at the February, 2008 GAC meeting. Buffers, their use in future groundfish management and implications associated with the size of potential buffers are further discussed in Appendix C. Since 2008, new National Standard 1 (NS1) guidelines that accommodate conservation mandates in the re-authorized Magnuson-Stevens Act of 2006 were finalized in January 2009. One feature of the new NS1 guidelines is to consider buffers to annual catch limits (ACLs; analogous to the current definition of optimum yields) to account for management uncertainty. These buffers are designed to prevent overfishing (i.e., exceeding a target exploitation rate (F_{MSY}) which is used to set an ABC). The Council is contemplating a separate FMP amendment to bring the FMP into compliance with the new NS1 guidelines. The GAC recommended consideration of buffers under this new amendment rather than under this Amendment 21 action. The Council is scheduled to decide this, among other Amendment 21 actions, at their April 2009 meeting.

² Spiny dogfish, a species currently managed in the Other Fish complex, was considered for a formal allocation with the expectation there would be an assessment done in 2009 for the spiny dogfish stock. However, in September 2008, the Council decided not to recommend a spiny dogfish assessment. Therefore, the stock was recommended for removal from an Amendment 21 allocation consideration (see section 2.4 for more details).

Table 2-1. Intersector Allocation Alternatives Decided by the Council in November 2007.

| Feature | Status Quo | Alt. 1 | Alt. 2 | Alt. 3 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Species with Allocations a/ | Sablefish (N of 36° N lat.), Pacific whiting, and all nearshore species allocated by the states | Status quo plus all other species (including Conception area sablefish) except bocaccio, canary, cowcod, yelloweye, minor shelf rockfish, and species in the Other Fish complex. Suboptions: Pacific halibut “trawl allocation” based on 2005 or 2006 Area 2A CEY b/ | Status quo plus all other species (including Conception area sablefish) except bocaccio, canary, cowcod, yelloweye, minor shelf rockfish, and species in the Other Fish complex. Suboptions: Pacific halibut “trawl allocation” based on 2005 or 2006 Area 2A CEY b/ | Status quo plus all other species (including Conception area sablefish) except bocaccio, canary, cowcod, yelloweye, minor shelf rockfish, and species in the Other Fish complex. Suboptions: Pacific halibut “trawl allocation” based on 2005 or 2006 Area 2A CEY b/ |
| Sectors with Allocations c/ | Status quo described in scoping information document | 4 LE trawl sectors + all other sectors combined | 4 LE trawl sectors, LE fixed gear, directed open access, recreational | 4 LE trawl sectors + all other sectors combined |
| Variation in Allocation Percentages (Analytical Basis for an Allocation Scheme) | Status quo described in scoping information document | 2003-05 sector total catch percentages | 2003-05 sector total catch percentages | 1995-2005 sector landed catch percentages |
| Set-Asides | Set-asides will be determined for projected research catches, EFPs, incidental open access catches, and yield buffers of 5%, 15%, and 25%. | | | |
| a/ Under any alternative, there may be different allocation schemes decided for overfished versus non-overfished groundfish species. | | | | |
| b/ Suboptions for trawl allocations of Pacific halibut are based on the estimated constant exploitation yield (CEY) of trawl-caught halibut in Area 2A in 2005 or 2006 for purposes of capping future trawl mortality. | | | | |
| c/ Tribal allocations may be considered in a separate government to government process (see October 2006 Groundfish Allocation Committee minutes for details). Projected tribal catches by species will be deducted from available yields in the analysis of intersector allocation alternatives. | | | | |

2.1.1 The No Action Trawl and Non-trawl Allocation Alternative

Under the No Action alternative, only long term fixed allocations for Pacific whiting and sablefish north of 36° N latitude exist (see sections 2.1.1.1 and 2.1.1.2). Amendment 6, which established the commercial non-treaty limited entry system, also established allocation procedures for any species to be newly allocated between commercial open access (including directed and incidental open access) and

limited entry sectors based on catch history for the license limitation allocation period (July 11, 1984 through August 1, 1988; Table 2-2). The FMP also suspends such allocations for overfished species. In current practice, the limited entry and open access allocations are rarely met due to constraints imposed by management measures designed to rebuild overfished species. Therefore, allocating the available harvest of groundfish species and species complexes occurs in the Council process of deciding biennial harvest specifications and management measures and, as such, can be considered ad hoc allocations. Thirdly, the Council will set aside some yield for non-groundfish fisheries, tribal fisheries, exempted fishing permits (EFPs), projected research catch, and to serve as a buffer against unexpected catch overages in any sector of the groundfish fishery. Set-asides are not quotas or harvest guidelines and, if inseason information indicates that a sector will exceed its set-aside, inseason action to prevent that occurrence is not necessarily required. In some cases, allocations and/or set-asides are designated for only a few of these uses. In other cases, all of the uses will have an allocation/set-aside and the total will be less than the OY. When total allocations and set-asides are less than the OY, there is a residual yield which is generally available to any fishery that may need it during the year. For some species, geographic allocations are also specified as harvest guidelines (i.e., state-specific recreational harvest guidelines (HGs) for canary, black, and yelloweye rockfish). Intersector allocation decisions for nearshore groundfish species and complexes are currently deferred to the states of Washington, Oregon, and California, where policies and nearshore groundfish FMPs (in Oregon and California) guide those decisions.

Table 2-2. Limited entry and open access allocations established by Groundfish FMP Amendment 6.

| Species or Species Complex | Limited Entry Share | Open Access Share |
|-------------------------------------------------------|----------------------------|--------------------------|
| Lingcod | 81% | 19% |
| Minor Rockfish South (including Chilipepper Rockfish) | 55.7% | 44.3% |
| Minor Rockfish North (including Yellowtail Rockfish) | 91.7% | 8.3% |
| Shortspine Thornyhead (north of Conception Area) | 99.73% | 0.27% |

2.1.1.1 *Pacific Whiting*

Projected total mortalities of Pacific whiting in recreational, research, and non-groundfish fisheries are first set aside (2,000 mt have been set aside annually for these fisheries in recent years with 4,000 mt set aside in 2009 based on a higher bycatch of juvenile whiting in 2007 shrimp trawls), then a yield amount is set-aside for to accommodate tribal whiting fisheries. Prior to 2009, the tribal allocation was set aside for the Makah Tribe, the only coastal tribe prosecuting a whiting fishery, based on a sliding scale of the range of annually specified U.S. OYs for Pacific whiting (Table 2-3). In 2009, the Makah Tribe requested a tribal whiting set-aside of 17.5% of the U.S. whiting OY. In addition, the Quileute Tribe announced their intent to enter the whiting fishery. The Council initially set aside 8,000 mt of whiting to accommodate the Quileute's Tribe's request; however, this was prior to the more pessimistic whiting assessment result available for management decision-making. In March 2009, the Council was apprised that state, federal, and tribal co-managers would negotiate the 2009 whiting yield to be set aside for the Quileute Tribe and the final set-aside amount was anticipated to be decided by April. Once the projected non-whiting fishery bycatch, research fishery catch amounts, and tribal allocations are deducted from the U.S. whiting OY, the remaining yield is made available for the nontribal commercial whiting fishery.

Table 2-3. The tribal whiting allocation based on a sliding scale of the U.S. OY.

| Whiting OY Range | | Tribal Share |
|------------------|------------|--------------------------|
| More Than | Less Than | |
| 0 mt | 145,000 mt | 15% of the commercial OY |
| 145,000 mt | 175,000 mt | 25,000 mt |
| 175,000 mt | 200,000 mt | 27,500 mt |
| 200,000 mt | 225,000 mt | 30,000 mt |
| 225,000 mt | 250,000 mt | 32,500 mt |
| 250,000 mt | - | 35,000 mt |

The nontribal commercial share of whiting is allocated to directed whiting trawl sectors as follows: 42 % for the shoreside whiting sector, 24% for the at-sea mothership whiting sector, and 34% for the at-sea catcher-processor whiting sector. In some years the whiting set-aside may be increased to accommodate other programs, such as EFPs. Five percent of the shoreside whiting sector's allocation may be taken south of 42° N latitude prior to the start of the shore-based whiting season north of 42° N latitude (in waters off Oregon and Washington).

2.1.1.2 Sablefish North of 36° N Latitude

Fixed allocations of sablefish are based on the OY specified for the area north of 36° N latitude (to the U.S.-Canada border). Sablefish allocations north of 36° N latitude are determined by first deducting the tribal share from the OY specified for north of 36° N latitude, then deducting the estimated total mortality of sablefish in research and non-groundfish fisheries, then dividing the remaining yield (non-tribal share) between open access and limited entry fisheries, with the limited entry share divided between the trawl and fixed gear (longline and fishpot) sectors. The proportions of each of these divisions are indicated in Figure 2-1. The limited entry fixed gear share is then generally divided 85% to the primary fishery for limited entry fixed gear vessels with sablefish endorsements and 15% for the daily-trip-limit fishery, for such vessels with and without sablefish endorsements.

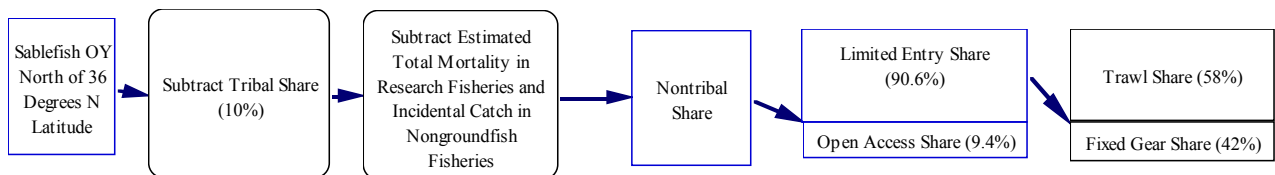


Figure 2-1. Fixed intersector allocations of sablefish north of 36° N latitude.

2.1.2 The Status Quo Allocation Alternative

Status quo allocations assume the sector total catch percentages in directed non-treaty fisheries in 2005 relative to the total non-treaty catch of groundfish species subject to intersector allocation (Table 2-4), the most recent catch year used in the analyses in this EIS. The analysis of impacts in Chapter 4 apply these sector total catch percentages to specified 2010 OYs in determining potential intersector impacts after the estimated take of groundfish species in treaty, research and incidental open access fisheries is deducted from OYs.

Table 2-4. Status quo intersector allocation alternative (fixed allocations for Pacific whiting and sablefish north of 36° N lat. (not displayed); state allocations for nearshore species (not displayed); 2005 total catch percentages by sector of annual non-treaty total catch in directed groundfish fisheries).

| Stock or Complex | 2005 Total Catch % | | | | | | | |
|----------------------------|--------------------|--------------|-------------------|-----------------------|------------------------------|---------------|-------------|-------------|
| | LE Trawl | | | | All Non-Treaty Trawl Sectors | LE Fixed Gear | Directed OA | Rec. |
| | CP | MS | Shoreside Whiting | Shoreside Non-whiting | | | | |
| Lingcod - coastwide | 0.0% | 0.1% | 0.4% | 19.3% | 19.8% | 1.4% | 7.7% | 71.1% |
| Pacific Cod | 0.0% | 0.0% | 0.1% | 98.1% | 98.2% | 0.6% | 0.1% | 1.1% |
| Sablefish N. of 36° | 0.3% | 0.1% | 1.2% | 48.8% | 50.3% | 37.4% | 12.2% | 0.1% |
| Sablefish S. of 36° | 0.0% | 0.0% | 0.0% | 41.9% | 41.9% | 46.2% | 11.9% | 0.0% |
| PACIFIC OCEAN PERCH | 1.8% | 0.3% | 0.5% | 96.9% | 99.5% | 0.2% | 0.1% | 0.3% |
| WIDOW | 22.3% | 16.8% | 43.7% | 8.6% | 91.4% | 0.8% | 0.8% | 7.0% |
| Chilipepper S. of 40°10' | 0.0% | 0.0% | 0.0% | 94.0% | 94.0% | 1.9% | 0.7% | 3.4% |
| Splitnose | 0.0% | 0.0% | 0.0% | 99.8% | 99.8% | 0.2% | 0.1% | 0.0% |
| Yellowtail N. of 40°10' | 6.3% | 4.3% | 39.2% | 38.6% | 88.4% | 0.4% | 0.7% | 10.4% |
| Shortspine N. of 34°27' | 2.1% | 0.1% | 0.1% | 96.2% | 98.4% | 1.5% | 0.0% | 0.0% |
| Shortspine S. of 34°27' | 0.0% | 0.0% | 0.0% | 58.0% | 58.0% | 41.7% | 0.3% | 0.0% |
| Longspine N. of 34°27' | 0.0% | 0.0% | 0.0% | 99.4% | 99.4% | 0.6% | 0.0% | 0.0% |
| Longspine S. of 34°27' | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 99.2% | 0.8% | 0.0% |
| DARKBLOTCHED | 2.7% | 1.6% | 1.5% | 93.0% | 98.7% | 0.7% | 0.6% | 0.0% |
| Minor Slope RF North | 9.0% | 1.4% | 0.9% | 69.7% | 81.0% | 16.3% | 2.6% | 0.0% |
| Minor Slope RF South | 0.0% | 0.0% | 0.0% | 63.3% | 63.3% | 17.7% | 18.8% | 0.2% |
| Dover Sole | 0.0% | 0.0% | 0.0% | 99.9% | 99.9% | 0.1% | 0.0% | 0.0% |
| English Sole | 0.0% | 0.0% | 0.0% | 100.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| Petrale Sole - coastwide | 0.0% | 0.0% | 0.0% | 99.9% | 100.0% | 0.0% | 0.0% | 0.0% |
| Arrowtooth Flounder | 0.0% | 0.0% | 0.0% | 99.1% | 99.2% | 0.7% | 0.2% | 0.0% |
| Starry Flounder | 0.0% | 0.0% | 0.0% | 87.5% | 87.5% | 0.0% | 0.1% | 12.5% |
| Other Flatfish | 0.2% | 0.0% | 0.0% | 97.5% | 97.7% | 0.0% | 0.1% | 2.1% |

**2.1.3 Intersector Allocation Alternative 1:
Recent Total Catch Percentages by Combined Trawl Sectors and Combined
Non-treaty Non-trawl Sectors**

Intersector allocation alternative 1 applies the 2003-05 average total catch (landings plus discard mortalities) percentages to the four limited entry trawl sectors combined plus all the non-treaty, non-trawl, directed groundfish sectors combined relative to the total non-treaty catch of groundfish species subject to intersector allocation (Table 2-5). Relative to Intersector Allocation Alternative 3, total catch impacts by sector are better described under this alternative due to availability of discard estimates from the West Coast Groundfish Observer Program and more precise estimates of recreational catch. The analyses of impacts in Chapter 4 apply these sector total catch percentages to specified 2010 OYs in determining potential intersector impacts.

Table 2-5. Intersector allocation alternative 1 (status quo allocations plus all other species; four non-treaty, trawl sectors + all non-treaty, non-trawl sectors combined; 2003-05 average percentage of annual non-treaty total catch in directed groundfish fisheries).

| Stock or Complex | 2003-05 Ave. Total Catch % | |
|----------------------------|---------------------------------|----------------------------------|
| | All Non-Treaty LE Trawl Sectors | All Non-Treaty Non-Trawl Sectors |
| Lingcod - coastwide | 19.8% | 80.2% |
| Pacific Cod | 98.2% | 1.8% |
| Sablefish N. of 36° a/ | 50.3% | 49.7% |
| Sablefish S. of 36° | 41.9% | 58.1% |
| PACIFIC OCEAN PERCH | 99.5% | 0.5% |
| WIDOW | 91.4% | 8.6% |
| Chilipepper S. of 40°10' | 94.0% | 6.0% |
| Splitnose | 99.8% | 0.2% |
| Yellowtail N. of 40°10' | 88.4% | 11.6% |
| Shortspine N. of 34°27' | 98.4% | 1.6% |
| Shortspine S. of 34°27' | 58.0% | 42.0% |
| Longspine N. of 34°27' | 99.4% | 0.6% |
| Longspine S. of 34°27' | 0.0% | 100.0% |
| DARKBLOTCHED | 98.7% | 1.3% |
| Minor Slope RF North | 81.0% | 19.0% |
| Minor Slope RF South | 63.3% | 36.7% |
| Dover Sole | 99.9% | 0.1% |
| English Sole | 100.0% | 0.0% |
| Petrale Sole - coastwide | 100.0% | 0.0% |
| Arrowtooth Flounder | 99.2% | 0.8% |
| Starry Flounder | 87.5% | 12.5% |
| Other Flatfish | 97.7% | 2.3% |

a/ Sablefish N. of 36° are not recommended for intersector allocation. These percentages are displayed to allow comparison with intersector allocation alternative 4, where this stock is considered for intersector allocation.

**2.1.4 Intersector Allocation Alternative 2:
Recent Total Catch Percentages by All Trawl Sectors and All Non-trawl Sectors**

Intersector Allocation Alternative 2 is identical to Intersector Allocation 1 except recent year total catch percentages relative to the total non-treaty catch of groundfish species subject to intersector allocation are displayed for each directed groundfish sector (Table 2-6). The analyses of impacts in Chapter 4 apply these sector total catch percentages to specified 2010 OYs in determining potential intersector impacts.

Table 2-6. Intersector allocation alternative 2 (status quo plus all other species.; four non-treaty trawl sectors plus limited entry fixed gear, directed open access, and recreational sectors; 2003-05 average percentage of annual non-treaty total catch in directed groundfish fisheries).

| Stock or Complex | 2003-05 Ave. Total Catch % | | | | | | | |
|----------------------------|----------------------------|--------------|-------------------|-----------------------|------------------------------|---------------|-------------|-------------|
| | LE Trawl | | | | All Non-Treaty Trawl Sectors | LE Fixed Gear | Directed OA | Rec. |
| | CP | MS | Shoreside Whiting | Shoreside Non-whiting | | | | |
| Lingcod - coastwide | 0.0% | 0.1% | 0.4% | 19.3% | 19.8% | 1.4% | 7.7% | 71.1% |
| Pacific Cod | 0.0% | 0.0% | 0.1% | 98.1% | 98.2% | 0.6% | 0.1% | 1.1% |
| Sablefish S. of 36° | 0.0% | 0.0% | 0.0% | 41.9% | 41.9% | 46.2% | 11.9% | 0.0% |
| PACIFIC OCEAN PERCH | 1.8% | 0.3% | 0.5% | 96.9% | 99.5% | 0.2% | 0.1% | 0.3% |
| WIDOW | 22.3% | 16.8% | 43.7% | 8.6% | 91.4% | 0.8% | 0.8% | 7.0% |
| Chilipepper S. of 40°10' | 0.0% | 0.0% | 0.0% | 94.0% | 94.0% | 1.9% | 0.7% | 3.4% |
| Splitnose | 0.0% | 0.0% | 0.0% | 99.8% | 99.8% | 0.2% | 0.1% | 0.0% |
| Yellowtail N. of 40°10' | 6.3% | 4.3% | 39.2% | 38.6% | 88.4% | 0.4% | 0.7% | 10.4% |
| Shortspine N. of 34°27' | 2.1% | 0.1% | 0.1% | 96.2% | 98.4% | 1.5% | 0.0% | 0.0% |
| Shortspine S. of 34°27' | 0.0% | 0.0% | 0.0% | 58.0% | 58.0% | 41.7% | 0.3% | 0.0% |
| Longspine N. of 34°27' | 0.0% | 0.0% | 0.0% | 99.4% | 99.4% | 0.6% | 0.0% | 0.0% |
| Longspine S. of 34°27' | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 99.2% | 0.8% | 0.0% |
| DARKBLOTCHED | 2.7% | 1.6% | 1.5% | 93.0% | 98.7% | 0.7% | 0.6% | 0.0% |
| Minor Slope RF North | 9.0% | 1.4% | 0.9% | 69.7% | 81.0% | 16.3% | 2.6% | 0.0% |
| Minor Slope RF South | 0.0% | 0.0% | 0.0% | 63.3% | 63.3% | 17.7% | 18.8% | 0.2% |
| Dover Sole | 0.0% | 0.0% | 0.0% | 99.9% | 99.9% | 0.1% | 0.0% | 0.0% |
| English Sole | 0.0% | 0.0% | 0.0% | 100.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| Petrale Sole - coastwide | 0.0% | 0.0% | 0.0% | 99.9% | 100.0% | 0.0% | 0.0% | 0.0% |
| Arrowtooth Flounder | 0.0% | 0.0% | 0.0% | 99.1% | 99.2% | 0.7% | 0.2% | 0.0% |
| Starry Flounder | 0.0% | 0.0% | 0.0% | 87.5% | 87.5% | 0.0% | 0.1% | 12.5% |
| Other Flatfish | 0.2% | 0.0% | 0.0% | 97.5% | 97.7% | 0.0% | 0.1% | 2.1% |

**2.1.5 Intersector Allocation Alternative 3:
Historical Landed Catch Percentages by All Trawl Sectors and Combined Non-trawl Sectors**

Intersector Allocation Alternative 3 applies the 1995-05 average landed catch percentages to each of the four limited entry trawl sectors plus all the non-treaty, non-trawl, directed groundfish sectors combined relative to the total non-treaty catch of groundfish species subject to intersector allocation (Table 2-7). This retrospective look at sector catch percentages is more indicative of catch sharing under a management regime much less constrained by the need to rebuild overfished species. Consequently, many target species could be harvested close to the annual limits specified for each sector or for the fishery in its entirety. However, without the availability of WCGOP data, total catch impacts are not as well known despite the fact that regulatory discards were likely less than under the current management regime.

Table 2-7. Intersector allocation alternative 3 (status quo plus all other species; four non-treaty, trawl sectors plus all non-treaty, non-trawl sectors combined; 1995-05 average percentage of annual non-treaty landed catch in directed groundfish fisheries).

| Stock or Complex | 1995-05 Ave. Landed Catch % | | | | | |
|----------------------------|-----------------------------|-------------|-------------------|-----------------------|---------------------------------|----------------------------------|
| | CP | MS | Shoreside Whiting | Shoreside Non-whiting | All Non-Treaty LE Trawl Sectors | All Non-Treaty Non-Trawl Sectors |
| Lingcod - coastwide | 0.0% | 0.0% | 0.1% | 39.3% | 39.5% | 60.5% |
| Pacific Cod | 0.0% | 0.0% | 0.1% | 99.0% | 99.1% | 0.9% |
| Sablefish S. of 36° | 0.0% | 0.0% | 0.0% | 47.7% | 47.7% | 52.3% |
| PACIFIC OCEAN PERCH | 1.7% | 1.1% | 2.1% | 94.4% | 99.4% | 0.6% |
| WIDOW | 2.6% | 2.3% | 5.1% | 88.0% | 98.0% | 2.0% |
| Chilipepper S. of 40°10' | 0.0% | 0.0% | 0.0% | 79.5% | 79.5% | 20.5% |
| Splitnose | 0.0% | 0.0% | 0.0% | 97.2% | 97.2% | 2.8% |
| Yellowtail N. of 40°10' | 5.3% | 8.2% | 10.7% | 72.1% | 96.3% | 3.7% |
| Shortspine N. of 34°27' | 1.1% | 0.0% | 0.1% | 96.7% | 97.9% | 2.1% |
| Shortspine S. of 34°27' | 0.0% | 0.0% | 0.0% | 78.8% | 78.8% | 21.2% |
| Longspine N. of 34°27' | 0.0% | 0.0% | 0.0% | 98.8% | 98.9% | 1.1% |
| Longspine S. of 34°27' | 0.0% | 0.0% | 0.0% | 0.3% | 0.3% | 99.7% |
| DARKBLOTCHED | 2.3% | 0.8% | 0.6% | 95.3% | 99.0% | 1.0% |
| Minor Slope RF North | 6.7% | 1.2% | 1.1% | 78.5% | 87.5% | 12.5% |
| Minor Slope RF South | 0.0% | 0.0% | 0.0% | 69.9% | 69.9% | 30.1% |
| Dover Sole | 0.0% | 0.0% | 0.0% | 99.9% | 100.0% | 0.04% |
| English Sole | 0.0% | 0.0% | 0.1% | 99.9% | 100.0% | 0.0% |
| Petrale sole - coastwide | 0.0% | 0.0% | 0.0% | 99.9% | 99.9% | 0.1% |
| Arrowtooth Flounder | 0.1% | 0.0% | 0.0% | 99.8% | 99.9% | 0.1% |
| Starry Flounder | 0.0% | 0.0% | 0.0% | 48.9% | 48.9% | 51.1% |
| Other Flatfish | 0.2% | 0.0% | 0.1% | 97.0% | 97.3% | 2.7% |

2.1.6 **Proposed Intersector Allocation Alternative 4: Higher Non-trawl Allocations**

The NMFS proposed a new intersector allocation alternative be analyzed that increases the non-trawl allocations of some of the species subject to intersector allocation under Amendment 21. The NMFS informed the Council at their April 2008 meeting of their intent to develop this new alternative and present it to the GAC at the January 2009 GAC meeting. The GAC recommended this new alternative for analysis that proportionally increases the non-trawl percentage under intersector allocation alternative 1 by 10% for the following species: lingcod (coastwide), Pacific cod, sablefish (north and south), widow rockfish, chilipepper rockfish, yellowtail rockfish, shortspine thornyhead (north and south), minor slope rockfish (north and south), and starry flounder (Table 2-8).

Table 2-8. Proposed intersector allocation alternative 4 (10% higher non-trawl allocation of select species relative to intersector allocation alternative 1).

| Stock or Complex | All Non-Treaty LE Trawl Sectors | All Non-Treaty Non-Trawl Sectors |
|----------------------------|---------------------------------|----------------------------------|
| Lingcod - coastwide | 11.8% | 88.2% |
| Pacific Cod | 98.0% | 2.0% |
| Sablefish N. of 36° | 45.3% | 54.7% |
| Sablefish S. of 36° | 36.1% | 63.9% |
| PACIFIC OCEAN PERCH | 99.5% | 0.5% |
| WIDOW | 90.6% | 9.4% |
| Chilipepper S. of 40°10' | 93.4% | 6.6% |
| Splitnose | 99.8% | 0.2% |
| Yellowtail N. of 40°10' | 87.3% | 12.7% |
| Shortspine N. of 34°27' | 98.3% | 1.7% |
| Shortspine S. of 34°27' | 53.8% | 46.2% |
| Longspine N. of 34°27' | 99.4% | 0.6% |
| Longspine S. of 34°27' | 0.0% | 100.0% |
| DARKBLOTCHED | 98.7% | 1.3% |
| Minor Slope RF North | 79.1% | 20.9% |
| Minor Slope RF South | 59.6% | 40.4% |
| Dover Sole | 99.9% | 0.1% |
| English Sole | 100.0% | 0.0% |
| Petrale Sole - coastwide | 100.0% | 0.0% |
| Arrowtooth Flounder | 99.2% | 0.8% |
| Starry Flounder | 86.2% | 13.8% |
| Other Flatfish | 97.7% | 2.3% |

2.1.7 *The Groundfish Allocation Committee-Recommended Alternative for Trawl and Non-Trawl Allocations*

Details of the eight GAC meetings between January 2005 and January 2009, including their recommendations through the course of deciding intersector allocation alternatives, are provided in Appendix B.

The GAC met in January 2009 to discuss intersector allocations and recommended the limited entry trawl and non-trawl allocations in Table 2-9. The limited entry trawl and non-trawl sector allocations recommended by the GAC in January 2009 were the same allocations recommended by the GAC in February 2008, except that all species' limited entry trawl allocations $\geq 95\%$ were limited to a maximum of 95%.

Table 2-9. Limited entry trawl and non-trawl allocations recommended by the Groundfish Allocation Committee in January 2009.

| Stock or Complex | All Non-Treaty LE Trawl Sectors | All Non-Treaty Non-Trawl Sectors |
|----------------------------|---------------------------------|----------------------------------|
| Lingcod - coastwide | 45.0% | 55.0% |
| Pacific Cod | 95.0% | 5.0% |
| Sablefish N. of 36° a/ | 52.5% | 47.5% |
| Sablefish S. of 36° | 42.0% | 58.0% |
| PACIFIC OCEAN PERCH | 95.0% | 5.0% |
| WIDOW | 91.0% | 9.0% |
| Chilipepper S. of 40°10' | 80.0% | 20.0% |
| Splitnose S. of 40°10' | 95.0% | 5.0% |
| Yellowtail N. of 40°10' | 88.0% | 12.0% |
| Shortspine N. of 34°27' | 95.0% | 5.0% |
| Shortspine S. of 34°27' | 58.0% | 42.0% |
| Longspine N. of 34°27' | 95.0% | 5.0% |
| Longspine S. of 34°27' | 5.0% | 95.0% |
| DARKBLOTCHED | 95.0% | 5.0% |
| Minor Slope RF North | 81.0% | 19.0% |
| Minor Slope RF South | 63.0% | 37.0% |
| Dover Sole | 95.0% | 5.0% |
| English Sole | 95.0% | 5.0% |
| Petrable Sole - coastwide | 95.0% | 5.0% |
| Arrowtooth Flounder | 95.0% | 5.0% |
| Starry Flounder | 87.0% | 13.0% |
| Other Flatfish | 95.0% | 5.0% |

a/ The GAC is not recommending a modification of the status quo allocation of sablefish N. of 36°. The LE trawl percentage is status quo but re-calculated as a percent of the total non-treaty available yield (90.6 % (the LE allocation) \times 58% (the LE trawl alloc. of the total LE amount)).

2.1.8 *The Council-Preferred Alternative for Trawl and Non-trawl Allocations*

The Council is expected to adopt their preferred alternative at their April 2009 meeting in Millbrae, California.

2.2 Within-Trawl Sector Allocations

Allocations to each of the four current trawl sectors - shoreside non-whiting, shoreside whiting, and the two at-sea whiting sectors (catcher-processor and mothership) are needed to effectively implement Amendment 20 trawl rationalization measures. An initial allocation of species to be managed using individual fishing quotas (IFQs) needs to be made to the shoreside trawl sectors and set-aside amounts need to be specified for the at-sea whiting sectors. Those species subject to Amendment 21 allocation are also considered for within-trawl allocation and treated as initial sector allocations for the shoreside trawl sectors and set-asides for the at-sea whiting sectors.

In the trawl rationalization program, several species/sector combinations are not scheduled to be managed using IFQs or bycatch caps. It is these sector/species combinations where set-asides are necessary and where allocations are not necessarily appropriate. The perspective taken to establish a set-aside is different from the perspective taken for establishing allocations. Since set-asides are not accompanied with a firm and direct management tool, the appropriate amount of fish attributed to a set-aside is best examined as an amount that can reasonably accommodate the incidental amount of fish that a sector could take. This differs from an allocation where a firm catch level is established that is a direct target, and that target may be lower than historic catch amounts.

The species that would be treated with an initial allocation to the shoreside trawl sectors and the species set-asides are outlined in Table 2-10. This table is based on the Council's motion on trawl rationalization which identified the species for which each sector would have IFQ or bycatch limits. Those species which have "white" cells require an allocation. Those species where a "grey" cell exists require a set-aside. In those cases where each trawl sector has a "grey" cell, no decision on set-asides or allocations is necessary. In other words, set-asides are necessary if A) an allocation is made to the trawl sector, and B) one or more of the trawl sub-sectors does not have IFQ or bycatch caps. Any of the species requiring a trawl allocation yet not allocated to trawl sectors under this Amendment 21 process, will be allocated in the biennial harvest specifications and management measures process.

Table 2-10. The trawl allocation process by species and species complex contemplated under the provisions of FMP Amendments 20 and 21.

| Allocation Process | Stock or Complex | SHORESIDE | | MS | CP |
|--------------------------------------------------------------------------------------------|------------------------------------|-------------|---------|----|----|
| | | Non-Whiting | Whiting | | |
| Sector Allocations Decided Through ISA Process | Lingcod | | | | |
| | Pacific Cod | | | | |
| | Pacific Whiting (U.S.) | | a/ | a/ | a/ |
| | Sablefish N. of 36° | | | | |
| | Sablefish S. of 36° | | NA | NA | NA |
| | PACIFIC OCEAN PERCH | | | | |
| | WIDOW | | | | |
| | Chilipepper S. of 40°10' | | NA | NA | NA |
| | Splitnose S. of 40°10' | | NA | NA | NA |
| | Yellowtail N. of 40°10' | | | | |
| | Shortspine Thornyhead N. of 34°27' | | | | |
| | Shortspine Thornyhead S. of 34°27' | | NA | NA | NA |
| | Longspine Thornyhead N. of 34°27' | | | | |
| | Longspine Thornyhead S. of 34°27' | NA | NA | NA | NA |
| | DARKBLOTCHED | | | | |
| | Minor Slope RF N. | | | | |
| | Minor Slope RF S. | | | NA | NA |
| | Dover Sole | | | | |
| | English Sole | | | | |
| | Petrale Sole - coastwide | | | | |
| | Arrowtooth Flounder | | | | |
| | Starry Flounder | | | | |
| | Other Flatfish | | | | |
| Sector Allocations Decided Through Biennial Specifications and Management Measures Process | CANARY ROCKFISH | | | | |
| | BOCACCIO | | | | |
| | COWCOD | | | | |
| | YELLOWEYE | | | | |
| | Black Rockfish (WA) | | | | |
| | Black Rockfish (OR & CA) | | | | |
| | Minor Nearshore RF N. | | | | |
| | Minor Nearshore RF S. | | | | |
| | Minor Shelf RF N. | | | | |
| | Minor Shelf RF S. | | | | |
| | California scorpionfish | | | | |
| | Cabezon (off CA only) | | | | |
| | Other Fish | | | | |
| | Longnose Skate | | | | |

a/ Allocations fixed in the FMP; however, an initial allocation must be made for the two shoreside sectors before quota shares are allocated.

Key:

| | |
|--|-----------------------------------|
| | set-aside/no allocation necessary |
| | allocation necessary |

2.2.1 At-sea Whiting Trawl Sector Set-asides

Under Amendment 20, the rationalized at-sea sectors of the whiting fishery will be managed as closed sectors in a system of harvest cooperatives. Most of the species subject to intersector allocations under Amendment 21 are caught incidentally in the at-sea fishery. Pacific whiting are formally allocated to these sectors in the FMP. The allocation rules for the overfished Amendment 21 species (e.g., widow, darkblotched, and POP), as well as canary rockfish, have been decided under Amendment 20, which specify eligible participants in the at-sea sectors will receive an allocation based on the bycatch rate of these species to whiting across the entire sector and apportioned according to the pro rata allocation of whiting. The GAC recommends setting aside enough yield for the remaining Amendment 21 species so that these sectors are not constrained given the interannual variation in sector catches. The GAC recommended a 5 mt minimum set-aside for any incidentally-caught species in the at-sea fisheries and all set-asides should be rounded up to the nearest 5 mt. The analyses of these yield set-asides, as well as a strawman proposal for set-aside amounts consistent with the GAC recommendation are found in section 4.4.2.1.

2.2.2 Shoreside Trawl Sector Allocations

The Council decided in their Amendment 20 trawl rationalization decision to manage the shoreside trawl fishery as a single sector. However, the quota share (QS) allocation formula for each of the shoreside trawl sectors is different. This creates the need for a temporary within-trawl allocation between the shoreside whiting and non-whiting fisheries in order to complete the initial QS allocation.

For the shoreside non-whiting sector, 90% of the allocation will be to the permits and 10% to an adaptive management program (AMP). Non-overfished species QS will be allocated based on permit catch history for each individual species and will include an equal allocation component from the catch histories of retired trawl permits from the buy-back program. Overfished species QS allocated to permits will be allocated using each individual permit's logbooks, fleet bycatch rates, and target species QS allocations. For the shoreside whiting sector, QS for all species other than whiting will be allocated to qualifying permits and processors in proportion to each entity's whiting QS allocation. Each of these methods will result in QS allocations which sum to 100% for each sector. The initial allocations of QS to each sector then need to be adjusted so that they sum to 100% when the two sectors are combined. This will be done using the results from the intersector allocation process. Figure 2-2 illustrates how the initial darkblotched QS allocations for two permits will be calculated on the basis of the separate sector allocation rules and then adjusted using the allocation results from the intersector allocation process. Permit A, one for a shoreside non-whiting participant, is initially allocated 1% of the shoreside non-whiting sector darkblotched rockfish QS; and permit B, one for a shoreside whiting participant, is initially allocated 1% of the whiting sector allocation of darkblotched rockfish QS. These QS allocations are then multiplied by the results from the intersector allocation process to determine the amount of combined shoreside sector darkblotched QS each permit will receive. If 98% of the initial allocation goes to the shoreside sector, then Permit A will end up with 0.98% of the combined sector's darkblotched QS and Permit B will end up with 0.02% of that QS.

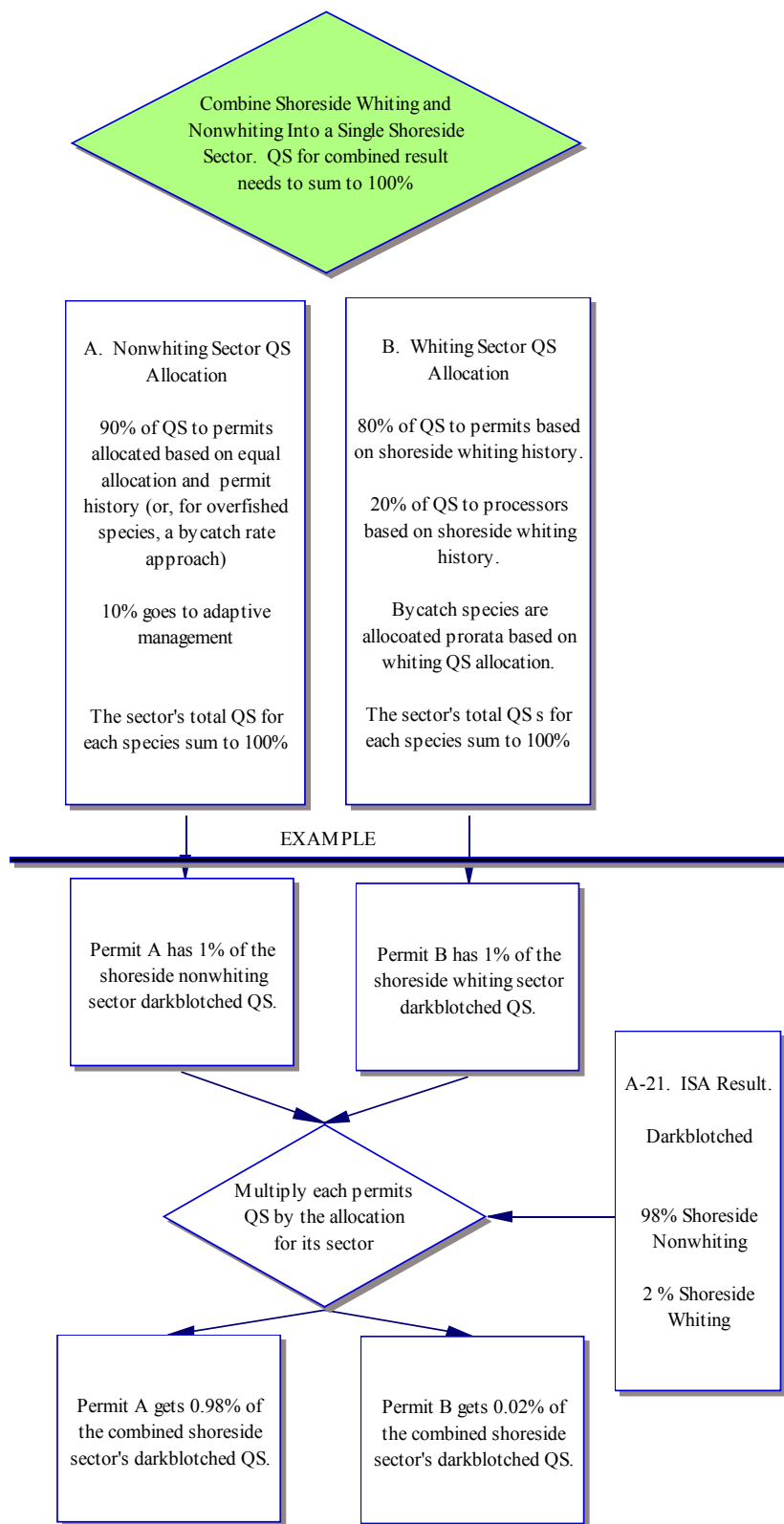


Figure 2-2. Flow diagram of how allocations to the shoreside trawl sectors (i.e., whiting and non-whiting) affect the allocation of quota shares (QS) to eligible participants in a combined shoreside sector under trawl rationalization.

It has been the Council's intent to allocate QS among participants based on need. The initial sector allocation should also be based on need. To accomplish this, historical catch percentages can be used to weight allocations (Table 2-11). Such a weighting scheme will likely reduce the amount of QS transfers in the initial years of the IFQ program relative to an equal weighting scheme or some other mechanism for deciding the initial sector allocation. Table 2-11 provides the shoreside sector catch percentages during the 1995-2005 period, which was less influenced by the conservative management regime under rebuilding plans, and the sector catch percentages during 2003-2005 when groundfish management was heavily influenced by rebuilding plans.

Table 2-11. Percentages of total shoreside trawl catches of intersector allocation species caught by the whiting and non-whiting sectors, 1995-2005.

| Stocks and Stock Complexes | Shoreside Trawl Sectors | | | |
|-----------------------------|-----------------------------------|-------------|-----------------------------------|--------------|
| | 1995-2005 Sector Catch Percentage | | 2003-2005 Sector Catch Percentage | |
| | Non-whiting | Whiting | Non-whiting | Whiting |
| Lingcod - coastwide | 99.7% | 0.3% | 98.1% | 1.9% |
| Pacific Cod | 99.9% | 0.1% | 99.9% | 0.1% |
| Pacific Whiting - coastwide | 0.1% | 99.9% | 2.8% | 97.2% |
| Sablefish N. of 36° | 98.2% | 1.8% | 97.6% | 2.4% |
| Sablefish S. of 36° | 100.0% | 0.0% | 100.0% | 0.0% |
| PACIFIC OCEAN PERCH | 97.8% | 2.2% | 99.5% | 0.5% |
| WIDOW | 94.5% | 5.5% | 16.5% | 83.5% |
| Chilipepper S. of 40°10' | 100.0% | 0.0% | 100.0% | 0.0% |
| Splitnose S. of 40°10' | 100.0% | 0.0% | 100.0% | 0.0% |
| Yellowtail N. of 40°10' | 87.0% | 13.0% | 49.6% | 50.4% |
| Shortspine N. of 34°27' | 99.9% | 0.1% | 99.9% | 0.1% |
| Shortspine S. of 34°27' | 100.0% | 0.0% | 100.0% | 0.0% |
| Longspine N. of 34°27' | 100.0% | 0.0% | 100.0% | 0.0% |
| Longspine S. of 34°27' | 100.0% | 0.0% | 100.0% | 0.0% |
| DARKBLOTCHED | 99.3% | 0.7% | 98.5% | 1.5% |
| Minor Slope RF North | 98.6% | 1.4% | 98.7% | 1.3% |
| Dover Sole | 100.0% | 0.0% | 100.0% | 0.0% |
| English Sole | 99.9% | 0.1% | 100.0% | 0.0% |
| Petrale Sole - coastwide | 100.0% | 0.0% | 100.0% | 0.0% |
| Arrowtooth Flounder | 100.0% | 0.0% | 100.0% | 0.0% |
| Starry Flounder | 100.0% | 0.0% | 100.0% | 0.0% |
| Other Flatfish | 99.9% | 0.1% | 100.0% | 0.0% |

The appropriate intersector allocation formula or weighting scheme may depend on where the stock is projected to be at the time of initial allocation. Using a widow rockfish example, if the stock is not rebuilt, the appropriate shoreside whiting sector allocation may be about 83.5% (i.e., the 2003-2005 percentage) to appropriately provide the needed access to whiting, but if widow is rebuilt an allocation of 5.5% (i.e., the 1995-2005 percentage) may be more appropriate (Table 2-11). If the stock becomes rebuilt after the QS allocation is made, the market might be relied on to reallocate to those vessels that would target on widow. Alternatively, a provision in the trawl rationalization program allows for reallocation of QS after a stock is rebuilt; however, it has not been determined how that reallocation would be achieved. The two stocks whose distribution between the shoreside whiting and non-whiting participants will be most affected by rebuilding are widow rockfish and yellowtail rockfish, a healthy stock with harvest access that has been constrained by widow rockfish rebuilding measures.

2.3 Pacific Halibut Total Catch Limit Alternatives

In November 2007 the Council decided to allocate a percentage of the Area 2A (i.e., all waters off Washington, Oregon, and California) total constant exploitation yield (TCEY) of Pacific halibut to the limited entry trawl sector based on the 2005 and 2006 estimated bycatch mortalities. Pacific halibut fisheries in the Northeast Pacific and Bering Sea are managed by the International Pacific Halibut Commission (IPHC). A long standing policy of the IPHC has been to prohibit retention of Pacific halibut in trawl fisheries. The Council's intent in this allocation is not to recommend a different policy to the IPHC, but to adopt a total catch limit of Pacific halibut in the west coast limited entry trawl fishery. The Council also expressed the intent to further reduce trawl bycatch of Pacific halibut in future fisheries to provide more yield for directed Area 2A halibut fisheries.

Alternative Pacific halibut total catch limits analyzed in this EIS are provided in Table 2-12. Each total catch limit alternative is applied to the area 2A TCEY decided annually by the IPHC. The alternatives differ by the percentage of the TCEY allocated to the west coast trawl fishery.

The first two alternatives for initial total catch limits of Pacific halibut originally specified by the Council for analysis were to use the trawl bycatch mortalities of legal-sized (≥ 32 in., > 81 cm) Pacific halibut in 2005 and 2006 as a percent of the Area 2A TCEYs. These two alternatives differ very little (14.6 and 14.7 percent). A third alternative was added in November 2008, as part of the Council's final preferred alternative for Amendment 20 trawl rationalization. The third alternative specified a total trawl bycatch limit of 10 percent of the Area 2A CEY (the Council did not specify whether it the Total CEY or the Fishery CEY³ should be used for the calculation).

A fourth alternative for Pacific halibut total catch limit alternative was added in March 2009 for analysis as follows:

Apply a halibut trawl bycatch reduction program in phases to provide sufficient time to establish a baseline of trawl halibut bycatch and for harvesters to explore methods (e.g., adjustments to time and/or area fished, gear modifications) to reduce halibut bycatch and bycatch mortality as follows:

Establish a limit for total Pacific halibut bycatch mortality (legal-sized and sublegal fish) through the use of an IBQ in the trawl fishery. The initial amount for the first two years of the trawl rationalization program would be calculated by taking 15% of the Area 2A Total Constant Exploitation Yield (CEY) as set by the International Pacific Halibut Commission (IPHC) for the previous year not to exceed 130,000 lbs per year for total mortality. For example, if the trawl rationalization program went into effect in 2013, the trawl halibut IBQ would be set at 15% of the Area 2A CEY adopted for 2012 or 130,000 lbs per year, whichever is less, for 2013 and 2014 (Years 1 and 2 of the program).

Note: 130,000 lbs represents an approximate reduction of 50% from the total bycatch estimate provided by the Northwest Fisheries Science Center for the most recent year

³ There are two CEYs determined by the IPHC: the fishery CEY, which is the allocated yield of legal-sized commercial halibut (≥ 32 in., > 81 cm) and recreational halibut with no current minimum size requirement, and the total CEY, which is the total allocated yield of Area 2A halibut. The FCEY does not contain the trawl portion of halibut caught and discarded in Area 2A, and therefore is not an appropriate starting point for calculating trawl bycatch amounts.

(2007) as contained in Agenda Item E.1.b, Supplemental NMFS Report, September 2008.

Beginning with the third year of implementation, the maximum amount set aside for the trawl rationalization program would be reduced to 100,000 lbs per year for total mortality. This amount may be adjusted downward through the biennial specifications process for future years.

Table 2-12. Alternative total catch limits in thousands of pounds net weight of Pacific halibut for the west coast limited entry trawl sector.

| Year | TCEY (lb., net weight) | Assumed Mortality for LE Trawl | Actual Mortality (lb, net) by LE Trawl ⁴ | Alternative 1 (14.6% of TCEY, in lbs.) | Alternative 2 (14.7% of TCEY in lbs.) | Alternative 3 (10% of TCEY in lbs.) | Alternative 4 (15% of TCEY in lbs.) |
|------|------------------------|--------------------------------|-----------------------------------------------------|----------------------------------------|---------------------------------------|-------------------------------------|-------------------------------------|
| 2004 | 2,110,000 | -- | 260,590 | 308,060 | 310,170 | 211,000 | 316,500 |
| 2005 | 1,560,000 | -- | 417,863 | 227,760 | 229,320 | 156,000 | 234,000 |
| 2006 | 1,710,000 | -- | 345,648 | 249,660 | 251,370 | 171,000 | 256,500 |
| 2007 | 1,580,000 | -- | 257,338 | 230,680 | 232,260 | 158,000 | 237,000 |
| 2008 | 940,000 | 345,648 | -- | 137,240 | 138,180 | 94,000 | 141,000 |
| 2009 | 640,000 | 257,338 | -- | 93,440 | 94,080 | 64,000 | 96,000 |

2.3.1 The Council-Preferred Alternative

The Council is expected to adopt their preferred alternative at their April 2009 meeting in Millbrae, California.

⁴ Rates of discard mortality are derived from observer assessment of fish viability, not the 50% discard mortality rate.

2.4 Alternatives Considered But Eliminated From Further Detailed Analysis

Early in the scoping process the Council decided not to reconsider allocating Pacific whiting to the three whiting trawl sectors. The Council also decided not to reconsider allocations of sablefish north of 36° N latitude to the limited entry trawl, limited entry fixed gear, and open access sectors. However, within-trawl allocations are considered for sablefish north of 36° N latitude to effectively implement new trawl rationalization management measures when and if that occurs. The Council also decided not to consider long term fixed allocations of any nearshore groundfish species (e.g., Minor Nearshore Rockfish North and South, black rockfish, blue rockfish, California scorpionfish, cabezon) since allocations are currently decided in state-managed nearshore fishery managed plans in California and Oregon (Washington only allows recreational groundfish fishing in its territorial waters, where nearshore groundfish species off Washington reside).

Mr. William Daspit provided comments at numerous Council and GAC meetings recommending a personally conceived plan termed OSHUA (Optimum Species Harvesting Unified Allocation) be analyzed. The OSHUA plan contemplates biennial allocations of available yields of groundfish species to individual commercial fishermen across all sectors of the fishery based on their ability to minimize bycatch. These allocations would not be IFQs, which are transferable quotas that allow fishermen to trade quota pounds and shares. This alternative would have considerably broadened the scope of the proposed actions analyzed in this EIS. For that and other reasons, the GAC and Council did not embrace the OSHUA plan and it was not considered in the range of trawl rationalization or intersector allocation alternatives and it is not analyzed further in this EIS.

In November 2007 the Council decided not to pursue long term fixed allocations of the non-trawl-dominant overfished species (bocaccio, canary rockfish, cowcod, and yelloweye rockfish) since these species' rebuilding plans currently constrain directed groundfish fishing opportunities coastwide. The multitude of possible allocation options and the significant effects each of those options might have on future fishing opportunities for each groundfish sector were too numerous to accurately analyze. Likewise, many shelf groundfish species and complexes constrained by rebuilding plans for the non-trawl-dominant overfished species, which also reside on the shelf, are not considered for long term fixed allocations for the same reason. These shelf species and complexes include Minor Shelf Rockfish North and South and species other than spiny dogfish in the Other Fish complex.

In September 2008 the Council decided not to pursue a spiny dogfish assessment. This assessment could have formed the basis for future spiny dogfish harvest specifications. Without an assessment, there would be no basis for allocating amounts of spiny dogfish to trawl sectors. Consequently, alternatives contemplated to allocate available yields of spiny dogfish or the species of the Other Fish complex without spiny dogfish to sectors of the groundfish fishery were eliminated from further detailed analysis. Alternative sector catch percentages were recalculated for species in the Other Fish complex after aggregating sector catches for all species that are expected to remain in the complex in 2011-12. In January 2009 the GAC recommended eliminating spiny dogfish allocation alternatives from further analysis.

Allocations for all of the above species and complexes considered but eliminated from further detailed analysis will continue to be ad hoc allocations decided in the biennial harvest specifications and management measures process as described under the No Action Alternative.

The Council originally adopted alternative buffer amounts for analysis, which were contemplated to address management uncertainty (see Appendix C for a detailed description of the potential need and use for buffers). Buffers of 1%, 5%, 10%, 15%, and 25% of any allocation to directed groundfish fisheries were considered, with the Council later paring down the range of buffers to no greater than

15%. The GAC recommended consideration of buffers against management uncertainty in a separate amendment process contemplated to bring the FMP into compliance with new National Standard 1 (NS1) guidelines, which represent the NMFS interpretation of best practices for adhering to the conservation mandates of the re-authorized Magnuson-Stevens Act. Buffers against specified annual catch limits are addressed in these new NS1 guidelines and the Council will begin scoping for this new amendment at their April 2009 meeting. Therefore, it is recommended that the use of buffers to address management uncertainty be considered under this separate amendment and eliminated from further detailed analysis in this Amendment 21 EIS.

2.5 Comparison of the Direct, Indirect, and Cumulative Effects of the Alternatives

To be completed after April, 2009 when the Council is scheduled to decide its preferred alternative.

CHAPTER 4 ENVIRONMENTAL CONSEQUENCES

4.1 Introduction

The proposed action to make formal allocations of specified groundfish species to limited entry trawl sectors of the west coast groundfish fishery does not affect overall harvest levels of any species, nor does it affect management measures for any sector of fishery. The proposed action is not expected to change the magnitude or distribution of trawl efforts. Such actions and effects are analyzed and decided separately in a biennial Council process. Therefore, the proposed action is expected to have no direct impacts and potentially low indirect impacts to the west coast biological environment (i.e., affected species) or the physical environment (i.e., west coast marine ecosystems and essential fish habitat).

The anticipated impacts of the proposed action are largely socioeconomic. Therefore, most of the environmental consequences of the proposed action are discussed in section 4.4.

4.2 West Coast Marine Ecosystems and Essential Fish Habitat

4.2.1 *The Effects of Fishing on Habitat and Marine Ecosystems*

The National Marine Fishery Service (NMFS) recently completed an Environmental Impact Statement (EIS) to comprehensively evaluate groundfish habitat and the effects of groundfish fishing on that habitat, in response to litigation (*American Oceans Campaign v. Daley et al.*, Civil Action No 99-982(GK)). The action analyzed in the EFH EIS, authorizing harvest of groundfish within EFH, is incorporated by reference. A Record of Decision for Pacific Coast Groundfish EFH was issued on March 8, 2006, and concluded that partial approval of Amendment 19 to the FMP would minimize to the extent practicable adverse impacts to EFH from fishing. Amendment 19, approved on March 8, 2006, provides for a comprehensive strategy to conserve EFH, including its identification, designation of Habitat Areas of Particular Concern (HAPC), and the implementation of measures to minimize to the extent practicable adverse impacts to EFH from fishing. The final rule implementing Amendment 19 provided measures necessary to conserve EFH. Based on the analyses in the EFH EIS (NMFS 2005) and the mitigation measures implemented as part of that action, NMFS concluded that the effects of 2009–10 harvest specifications were not significant.

There is currently insufficient information to predict the effects of fishing on the marine ecosystem in any precise way. NEPA regulations address this issue. When an agency is evaluating reasonably foreseeable significant adverse effects, there is incomplete or unavailable information, and the costs of obtaining it are exorbitant or the means unknown, the agency must, (1) so state, (2) describe the importance of the unavailable information to the assessment, (3) summarize any existing scientific information, and (4) evaluate impacts based on generally accepted scientific principles (40 CFR Part 1502.22), which may accord with the best professional judgment of agency staff.

NMFS acknowledges that the information necessary to fully evaluate impacts to EFH and marine ecosystems cannot be reasonably obtained at this time, and impacts are generally unknown. Furthermore, it is not possible to separate out the direct/indirect effects of the action on the ecosystem (fishery removals), which may be modest, and the cumulative effects of past and future groundfish fishing mortality (occurring as past or reasonably foreseeable future actions under the management framework).

The level of potential significant impact to the marine ecosystem under the proposed action alternatives is anticipated to be low or have no expected impact. The intersector allocation action alternatives would not have effects on the marine ecosystem and fish habitat outside of those analyzed under the NEPA documents for Amendments 16-4 and 19 to the FMP. The intersector allocation action would not affect overall harvest levels of groundfish since those decisions are analyzed in a separate NEPA document every other year. The intersector allocation action is not expected to change the magnitude or distribution of bottom trawl effort, which could otherwise have a negative impact on EFH. Therefore, no adverse impacts to groundfish EFH are anticipated from the proposed actions.

4.3 Possible Impacts of the Alternatives on Affected Species

The proposed action of deciding long term allocations of the future available harvest of some groundfish species to west coast limited entry sectors does not have direct impacts on any groundfish or non-groundfish species anticipated to be caught in future fisheries. Overall harvest levels of groundfish species are decided biennially in a separate Council process; a process which also contemplates the effects of future groundfish fishery management measures on non-groundfish species. Fishing practices are not anticipated to change by the proposed action.

The PMCC recommended that area allocation of OY for west coast groundfish should be employed as a hedge against unpredictable spawning success at the November, 2006 Council meeting. The Council conceptually agreed with the PMCC and decided that intersector allocation alternatives should allocate OYs as they are specified in biennial regulations. These OYs are based on SSC-recommended stock assessments, which are required in the stock assessment terms of reference to explore spatial needs of the stock and how fishery removals, which vary in time and area, affect the abundance and structure of the stock's spawning biomass. Such effects are considered when deciding species' OYs and management measures during the biennial specifications process.

The possible indirect impacts of the alternatives to groundfish and non-groundfish species due to gear selectivity effects are also expected to be minimal. Gear switching (e.g., harvesting groundfish using fixed gears rather than trawls) is contemplated for limited entry trawlers in the trawl rationalization process. Trawl fleet behavior (i.e., magnitude and distribution of trawl efforts) is anticipated to change significantly once trawl rationalization measures are implemented. Such effects will be evaluated in the trawl rationalization EIS. No other indirect impacts are associated with the proposed action.

No impact from the alternatives is anticipated to salmonids (ESA-listed and non-listed). This action would not affect overall harvest levels of groundfish, nor would fishing practices change as a result of

this action. Under any of the alternatives, west coast groundfish fishing would remain under guidance contained in the Biological Opinion for listed salmonids taken incidentally in this fishery.

No impact from the alternatives is anticipated to marine mammals and turtles. This action would not affect overall harvest levels of groundfish, and therefore would not increase the rate of interaction with marine mammals and turtles. This fishery already has low-to-zero mammal interactions and no known turtle bycatch. These bycatch levels are expected to remain unchanged under any of the alternatives because fishing practices would not be changed by this action.

No impact from the alternatives is anticipated to seabirds. This fishery's already low annual bycatch levels are expected to remain unchanged under any of the alternatives because fishing practices would not be changed by this action.

4.4 Possible Socioeconomic Impacts of the Alternatives

Since the action contemplated in this EIS concerns allocations of groundfish FMP species, the anticipated effects are largely socioeconomic. Differences in sector catch percentages between alternatives affect future fishing opportunities by sector differentially. Since the effort in the directed non-treaty groundfish sectors is not distributed uniformly along the west coast, there could be geographic variation in potential fishing opportunities across the alternatives. However, further spatial restrictions are not part of the proposed actions analyzed in this intersector allocation EIS and available yields by area as specified in 2010 harvest specifications are assumed in all analyses in this EIS. Since nearshore species and sablefish are the predominant targets in the fixed gear fleets (i.e., limited entry fixed gear and directed open access) and allocation of these species are not contemplated in this action (beyond within-trawl allocations of sablefish), significant fleet displacement from status quo is not anticipated. Trawl rationalization will likely result in redistribution of trawl effort, although this connected action is analyzed in a separate EIS and not considered further in any quantitative analysis in this EIS.

There are five decisions contemplated in this EIS: 1) limited entry trawl and non-trawl allocations, 2) shoreside whiting and shoreside non-whiting sector allocations, 3) at-sea whiting sector set-asides, 4) Pacific halibut total catch limits, and 5) decide how future sector allocations and potential re-allocation of Amendment 21 species will be decided. Each of the first four allocation decisions is informed by the intersector alternatives described in Chapter 2 and are treated separately in the following sections. A discussion regarding how future allocations decisions might be made is provided in section 4.5.

The first decision, deciding trawl sector and non-trawl sector allocations, is fundamental to the next two decisions, which apportion trawl allocations to the four trawl sectors that comprise the west coast limited entry trawl fishery. Alternative trawl and non-trawl allocations are informed by catch percentages during 1995-2005, a period when the west coast groundfish fishery was in transition from one relatively unconstrained to a fishery significantly constrained by rebuilding plans designed to minimize fishing mortality of overfished groundfish species. Using historical catch as the basis for intersector allocation 3 enables an exploration of how past regulatory limits have affected landings by sector. Using recent catch histories as the basis for intersector allocation alternatives 1 and 2 provide a better estimate of the discarded portion of the catch and how fishing opportunities are constrained by the more conservative management regime under groundfish rebuilding. Intersector allocation alternative 4, an alternative recommended for analysis by the GAC, allows exploration of a higher non-trawl allocation for some of the intersector allocation species by increasing the non-trawl allocations relative to alternative 1 by 10%. Finally, the GAC recommended an alternative at their January 2009 meeting

4.4.1 Trawl and Non-trawl Allocations

The trawl and non-trawl allocation decision has received the most attention to date in GAC and Council meetings concerning Amendment 21. Intersector allocation alternatives 1 and 2 differ only in the catch percentages for the various non-trawl sectors targeting groundfish species. Therefore, they are treated the same in comparing possible impacts of the alternatives to trawl vs. all non-trawl sectors combined. Consequently, economic impacts are compared between intersector allocation alternatives 1, 3, 4, and the GAC-recommended alternative. Table 4-1 provides the limited entry trawl and non-trawl (non-treaty catches is

4.4.1.1 Criteria Used to Evaluate Impacts

Three criteria are used to evaluate impacts of the trawl and non-trawl allocation alternatives: 1) a species utilization by sector ranking, 2) the estimated potential value of alternative trawl allocations, and 3) a comparison of historical catches of Amendment 21 species by trawl and non-trawl sectors to the estimated amount available to these sectors in 2010 under the alternatives.

Utilization of Yields by Limited Entry Trawl and Non-Trawl Sectors

One overall objective of the intersector allocation process is to optimally use the available harvest of target groundfish species. This objective is guided by two of the three management goals in the Groundfish FMP: 1) goal 2 – Economics – maximize the value of the groundfish resource as a whole; and 2) goal 3 – Utilization – achieve the maximum biological yield of the overall groundfish fishery, promote year-round availability of quality seafood to the consumer, and promote recreational fishing opportunities (see section 6.1). While the proposed action is to determine long term formal allocations of a portion of the groundfish FMP species to the limited entry trawl sectors, this decision cannot be made without understanding the needs of the directed non-trawl sectors. This is the intent of analyzing Intersector Allocation Alternative 2 and understanding how target opportunities may be constrained by the bycatch of some of the species under consideration in the proposed action. These analyses attempt to tease out these constraints to all the groundfish sectors, so that trawl allocations will not unnecessarily constrain other groundfish sectors by allocating enough yield for their needs. In some alternatives, trawl allocations are lower than observed since 1995, with the remaining available yield allocated to non-trawl sectors. In those cases potential trawl values are relatively lower with greater benefits to non-trawl sectors. The overall value of those higher non-trawl opportunities will depend on the ability to effectively catch and/or utilize some of Amendment 21 species given conservation goals, different gear selectivities, and the fact that many of these species are predominantly caught with trawls.

The utilization goal is first addressed in these analyses by understanding the available yields or annual catch limits of the groundfish species under consideration during 1995-2005 and the harvests in each sector relative to these annual catch limits and relative to the annual catch in all non-treaty directed sectors combined. Significant utilization of a groundfish species by a sector is defined as landing an average of at least 10% of the total annual non-treaty landings during the 1995-2005 period. Dominant utilization of a groundfish species by a sector is defined as landing an average of at least 90% of the total annual non-treaty landings during the 1995-2005 period. Species categorized thusly are characterized as “sector-dominant”. This evaluation is done for all the limited entry trawl sectors combined (referred to as the limited entry trawl sector), the limited entry line and pot/trap sectors combined (referred to as the limited entry fixed gear sector), the directed open access sector, and the recreational sector using Table 4-14. Shares landed in the incidental open access sector should be considered as set-asides in the intersector allocation process.

Potential Value of Alternative Shoreside Trawl Sector Allocations

The economics goal is addressed by first determining the risk to non-trawl sectors by allocating too much yield to the trawl sectors. Then the value of alternative shoreside trawl sector allocations is estimated after deducting yield for projected catch in tribal and research fisheries, as well as the incidental bycatch in non-groundfish and at-sea whiting fisheries. The maximum annual amount of the total catch of each species subject to intersector allocations in treaty fisheries was used for the tribal set-aside, except for lingcod and Pacific cod, where 250 mt and 400 mt respectively were requested by the coastal tribes and set aside. The maximum annual scientific research catch of each intersector allocation species during 2001-2006 was used for the research set-aside (Table 4-1). The estimated annual catch in incidental open access fisheries was also set aside for non-groundfish fisheries. All set-asides were subtracted from the 2010 OYs specified for intersector allocation species to estimate the total amount of each species that would potentially be available to non-treaty, directed groundfish sectors in 2010 (Table 4-2).

4-1. Summary of scientific research catches (mt) of groundfish species permitted by NMFS, 2001-2006.

| Stock/Category | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 | 2001 - 2006 | |
|-----------------------------------|------|------|------|------|------|------|-------------|------|
| | | | | | | | MAX | AVG |
| Lingcod | 5.7 | 4.2 | 4.3 | 4.5 | 3.3 | 10.1 | 10.1 | 5.4 |
| Sablefish North of 36° N. lat. | 13.6 | 30.1 | 16.2 | 43.5 | 15.0 | 61.6 | 61.6 | 30.0 |
| Sablefish South of 36° N. lat. | 1.7 | | | | | | | |
| PACIFIC OCEAN PERCH | 1.2 | 3.6 | 1.1 | 5.0 | 0.3 | 2.3 | 5.0 | 2.3 |
| WIDOW | 0.3 | 0.9 | 0.2 | 1.0 | 0.3 | 0.3 | 1.0 | 0.5 |
| Chilipepper S. of 40°10' | 8.3 | 12.6 | 8.6 | 12.6 | 1.7 | 10.8 | 12.6 | 9.1 |
| Yellowtail N. of 40°10' | 1.7 | 4.3 | 3.7 | 4.3 | 0.0 | 4.9 | 4.9 | 3.2 |
| Shortspine Thornyhead - coastwide | 4.2 | 3.8 | 2.9 | 8.1 | 5.4 | 13.3 | 13.3 | 6.3 |
| Longspine N. of 34°27' | 10.6 | 11.2 | 4.2 | 11.2 | 8.6 | 22.7 | 22.7 | 11.4 |
| Longspine S. of 34°27' | 1.0 | | | | | | 1.0 | 0.0 |
| DARKBLOTCHED | 0.9 | 3.8 | 1.4 | 5.1 | 0.1 | 1.9 | 5.1 | 2.2 |
| Minor Slope Rockfish North | 2.2 | 2.9 | 4.0 | 3.4 | 0.5 | 2.8 | 4.0 | 2.6 |
| Minor Slope Rockfish South | 1.4 | 1.9 | 2.6 | 2.2 | 0.3 | 1.8 | 2.6 | 1.7 |
| Dover Sole | 28.9 | 31.1 | 27.4 | 40.0 | 20.1 | 72.1 | 72.1 | 36.6 |
| English Sole | 2.5 | 4.1 | 7.5 | 4.1 | 1.3 | 6.6 | 7.5 | 4.3 |
| Petrals Sole - coastwide | 2.3 | 1.7 | 2.2 | 1.9 | 0.9 | 2.1 | 2.3 | 1.8 |
| Arrowtooth Flounder | 6.6 | 6.5 | 8.7 | 17.2 | 4.7 | 18.0 | 18.0 | 10.3 |
| Other Flatfish | 11.9 | 7.6 | 11.4 | 9.1 | 3.3 | 19.9 | 19.9 | 10.5 |

Table 4-2. The estimated yield set-asides and the total yield potentially available to non-treaty, directed sectors of the west coast groundfish fishery in 2010.

| Stock or Complex | 2010 OY (mt) | Set-asides | | | | | 2010 Total Non-Treaty (NT) Amt. (mt) |
|----------------------------|-----------------|-------------|-----------------|------------------|---------------|-----------|-----------------------------------------------|
| | | Tribal | Inc. OA (mt) | Research (mt) | Total (mt) | | |
| | | % | Amt. (mt) | | | | |
| Lingcod - coastwide | 4,829 | | 250 | 31 | 10 | 291 | 4,538 |
| Pacific Cod | 1,600 | | 450 | 3 | | 453 | 1,147 |
| Sablefish N. of 36° | 6,471 | 10.0% | 647 | | 62 | 709 | 5,762 |
| Sablefish S. of 36° | 1,258 | - | - | 2 | 2 | 4 | 1,254 |
| PACIFIC OCEAN PERCH | 200 | 0.9% | 2 | 3 | 5 | 9 | 191 |
| WIDOW | 509 | | 40 | 7 | 1 | 48 | 461 |
| Chilipepper S. of 40°10' | 2,447 | - | - | 4 | 13 | 17 | 2,430 |
| Splitnose S. of 40°10' | 461 | - | - | 1 | | 1 | 460 |
| Yellowtail N. of 40°10' | 4,562 | | 580 | 103 | 5 | 688 | 3,874 |
| Shortspine N. of 34°27' | 1,591 | | 15 | 1 | 13 | 29 | 1,562 |
| Shortspine S. of 34°27' | 410 | - | - | 0 | | 0 | 410 |
| Longspine N. of 34°27' | 2,175 | | 5 | 1 | 23 | 29 | 2,146 |
| Longspine S. of 34°27' | 385 | - | - | | 1 | 1 | 384 |
| DARKBLOTCHED | 291 | 0.9% | 3 | 3 | 5 | 11 | 280 |
| Minor Slope RF North | 1,160 | 2.5% | 29 | 5 | 4 | 38 | 1,122 |
| Minor Slope RF South | 626 | - | - | | | 0 | 626 |
| Dover Sole | 16,500 | 1.9% | 314 | 51 | 72 | 437 | 16,064 |
| English Sole | 9,745 | 2.6% | 253 | 24 | 8 | 284 | 9,461 |
| Petrale Sole - coastwide | 2,393 | 3.1% | 74 | 30 | 2 | 107 | 2,286 |
| Arrowtooth Flounder | 10,112 | | 160 | 8 | 18 | 186 | 9,926 |
| Starry Flounder | 1,077 | | 2 | 16 | | 18 | 1,059 |
| Other Flatfish | 4,884 | 1.0% | 49 | 60 | 20 | 129 | 4,755 |

The potential yield to trawl and non-trawl sectors is then estimated by applying the alternative sector catch percentages to the potential yield available to non-treaty, directed groundfish sectors.

Potential trawl allocation amounts are then multiplied by the 2004-2006 average ex-vessel price of each of the intersector allocation species to determine the potential value of alternative trawl allocations. The difference in the value of alternative trawl allocations provides a relative measure of economic impacts to trawl sectors assuming the full allocation is taken, although it is unlikely that trawl allocations will be fully attained. The full economic impacts of the alternatives also depend on the utilization of non-trawl. Income impact analyses are beyond the scope of the analyses in this EIS since intersector allocations to non-trawl sectors is not part of this action.

Trawl and Non-trawl Sector Dependence on Amendment 21 Species

The combined non-treaty trawl and combined non-treaty non-trawl sector catches during 1995-2005, as well as total catch by sector and species in 2006 and 2007 are evaluated to understand sector dependence of Amendment 21 species. Potential trawl and non-trawl allocation amounts in 2010 under

the intersector allocation alternatives are compared to the historical catch data to evaluate whether the trawl and non-trawl allocations meet sector needs and equitably allocate available yields. Further evaluation of the potential sector impacts by alternative and trawl and non-trawl sector dependence on Amendment 21 species is done on a species by species basis.

4.4.1.2 Socioeconomic Impacts of Alternative Trawl and Non-trawl Allocations

Utilization of Available Yields by Sector

Table 4-3 depicts the annual catch limits (called OYs, formerly harvest guidelines) for each of the groundfish species subject to intersector allocation during 1995-2008. Those species in Table 4-3 without an annual catch limit during all or part of this period were managed under a groundfish species complex with its own OY. It is important to note that annual catch limits evolved during this period from landed catch limits in 1995-1997, with a mix of landed catch and total catch limits (including estimated discard mortalities) in 1998, to total catch limits from 1999 to present.

Table 4-4 depicts the utilization of these annual catch limits for specified species by all directed groundfish sectors combined (including treaty fisheries), while Tables 4-5 to 4-9 show individual groundfish sector landings or deliveries as a percent of the annual catch limits. The most heavily utilized species of those subject to intersector allocations are lingcod, sablefish north of 36° N latitude, widow rockfish, shortspine thornyhead, darkblotched rockfish, Dover sole, and petrale sole.

Sector annual landings as a percent of the total annual landed catch in non-treaty fisheries for each of the specified species are provided to understand the utilization of yields by sector. Tables 4-10 through 4-13 depict landings as a percent of total non-treaty landings during 1995-2005 for the limited entry trawl sectors (at-sea whiting catcher-processors, at-sea whiting motherships, shoreside whiting, and shoreside non-whiting), the limited entry fixed gear sector, the open access sectors (directed and incidental), and the recreational groundfish sector, respectively. Tables 4-14 through 4-16 show the maximum, minimum, and average shares by sector, respectively.

Table 4-3. Annual catch limits (mt) for groundfish FMP species subject to intersector allocations, 1995-2010.

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|-----------------------------------|---------|---------|---------|--------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Stock or Complex | HG | HG | HG | Total Catch or Landed Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY |
| Lingcod - coastwide | 2,400 | 2,400 | 2,400 | 838 | 730 | 378 | 611 | 577 | 651 | 735 | 2,414 | 2,414 | 6,170 | 6,170 | 5,278 | 4,829 |
| Pacific Cod | | | | | | | | 3,200 | 3,200 | 3,200 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 | 1,600 |
| Pacific Whiting (U.S.) | 178,400 | 212,000 | 232,000 | 232,000 | 232,000 | 232,000 | 190,400 | 129,600 | 148,200 | 250,000 | 269,069 | 269,545 | 242,591 | 269,545 | 135,939 | TBD |
| Sablefish N. of 36° | 7,800 | 7,800 | 7,800 | 5,200 | 7,919 | 7,919 | 6,895 | 4,367 | 6,500 | 7,510 | 7,486 | 7,363 | 5,723 | 5,723 | 7,052 | 6,471 |
| Sablefish S. of 36° | 425 | 425 | 425 | 425 | 472 | 472 | 212 | 229 | 294 | 276 | 275 | 271 | 210 | 210 | 1,371 | 1,258 |
| PACIFIC OCEAN PERCH | 1,300 | 750 | 750 | 650 | 595 | 270 | 303 | 350 | 377 | 444 | 447 | 447 | 150 | 150 | 189 | 200 |
| Shortbelly Rockfish | 23,500 | 23,500 | 23,500 | 23,500 | 23,500 | 13,900 | 13,900 | 13,900 | 13,900 | 13,900 | 13,900 | 13,900 | 13,900 | 13,900 | 6,950 | 6,950 |
| WIDOW ROCKFISH | 6,500 | 6,500 | 6,500 | 4,960 | 5,023 | 4,333 | 2,300 | 856 | 832 | 284 | 285 | 289 | 368 | 368 | 522 | 509 |
| CANARY ROCKFISH | 850 | 850 | 1,000 | 1,045 | 857 | 200 | 93 | 93 | 44 | 47 | 47 | 47 | 44 | 44 | 105 | 105 |
| Chilepepper Rockfish | | | | | 3,724 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,000 | 2,885 | 2,447 |
| BOCACCIO | 1,700 | 1,700 | 387 | 230 | 230 | 100 | 100 | 100 | 20 | 250 | 307 | 308 | 218 | 218 | 288 | 288 |
| Splitnose Rockfish | | | | | 868 | 615 | 461 | 461 | 461 | 461 | 461 | 461 | 461 | 461 | 461 | 461 |
| Yellowtail Rockfish | 6,340 | 6,170 | 2,762 | 3,118 | 3,435 | 3,539 | 3,146 | 3,146 | 3,146 | 4,320 | 3,896 | 3,681 | 4,548 | 4,548 | 4,562 | 4,562 |
| Shortspine Thornyhead - coastwide | 1,500 | 1,500 | 1,380 | 1,300 | 1,325 | 1,145 | 751 | 955 | 955 | 983 | | | | | | |
| Shortspine N. of 34°27' | | | | | | | | | | | 999 | 1,018 | 1,634 | 1,634 | 1,608 | 1,591 |
| Shortspine S. of 34°27' | | | | | | | | | | | | | 421 | 421 | 414 | 410 |
| Longspine Thornyhead - coastwide | 6,000 | 6,000 | 6,000 | 4,102 | 4,102 | 4,102 | 2,461 | 2,461 | 2,461 | 2,461 | 2,656 | | | | | |
| Longspine N. of 34°27' | | | | | | | | | | | 2,461 | 2,461 | 2,220 | 2,220 | 2,231 | 2,175 |
| Longspine S. of 34°27' | | | | 428 | 429 | 429 | 195 | 195 | 195 | 195 | 195 | 195 | 476 | 476 | 395 | 385 |
| COWCOD | | | | | | 5 | 5 | 5 | 5 | 5 | 4 | 4 | 4 | 4 | 4 | 4 |
| DARKBLOTCHED | | | | | | | 130 | 168 | 172 | 240 | 269 | 294 | 290 | 330 | 285 | 291 |
| YELLOWEYE | | | | | | | | 14 | 22 | 22 | 26 | 27 | 23 | 20 | 17 | 17 |
| Black Rockfish - coastwide | | | | | | | | | 835 | 1,315 | | | | | | |
| Black Rockfish (WA) | | | | | | | | | | | 540 | 540 | 540 | 540 | 490 | 464 |
| Black Rockfish (OR-CA) | | | | | | | | | | | 753 | 736 | 722 | 722 | 1,000 | 1,000 |
| Minor Rockfish North | 4,610 | 4,160 | 2,894 | 2,894 | 2,325 | 3,814 | 3,137 | 3,115 | 2,251 | 2,251 | 2,250 | 2,250 | 2,270 | 2,270 | 22,863 | 2,283 |
| Minor Nearshore RF North | | | | | | | | | | | 122 | 122 | 142 | 142 | 155 | 155 |
| Minor Shelf RF North | | | | | | | | | | | 968 | 968 | 968 | 968 | 968 | 968 |
| Minor Slope RF North | | | | | | | | | | | 1,160 | 1,160 | 1,160 | 1,160 | 1,160 | 1,160 |

Table 4-3. Annual catch limits (mt) for groundfish FMP species subject to intersector allocations, 1995-2010 (continued).

| | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 |
|--------------------------|--------|--------|--------|-----------------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Stock or Complex | HG | HG | HG | Total Catch or Landed Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY | Total Catch OY |
| Minor Rockfish South | 11,500 | 11,500 | 8,897 | 8,209 | 2,475 | 1,899 | 2,040 | 2,015 | 2,015 | 1,968 | 1,968 | 1,968 | 1,904 | 1,904 | 1,990 | 1,990 |
| Minor Nearshore RF South | | | | | | | | | | | 615 | 615 | 564 | 564 | 650 | 650 |
| Minor Shelf RF South | | | | | | | | | | | 714 | 714 | 714 | 714 | 714 | 714 |
| Minor Slope RF South | | | | | | | | | | | 639 | 639 | 626 | 626 | 626 | 626 |
| California scorpionfish | | | | | | | | | | | | | 175 | 175 | 175 | 155 |
| Cabazon (off CA only) | | | | | | | | | | | 69 | 69 | 69 | 69 | 69 | 79 |
| Dover Sole | 13,600 | 11,050 | 11,050 | 9,426 | 9,426 | 9,426 | 7,677 | 7,440 | 7,440 | 7,440 | 7,476 | 7,564 | 16,500 | 16,500 | 16,500 | 16,500 |
| English Sole | | | | | | | | | 3,100 | 3,100 | 3,100 | 3,100 | 6,237 | 6,237 | 14,326 | 9,745 |
| Petrale Sole - coastwide | | | | | | | | | 2,762 | 2,762 | 2,762 | 2,762 | 2,499 | 2,499 | 2,433 | 2,393 |
| Arrowtooth Flounder | | | | | | | | | 5,800 | 5,800 | 5,800 | 5,800 | 5,800 | 5,800 | 11,267 | 10,112 |
| Starry Flounder | | | | | | | | | | | | | 890 | 890 | 1,004 | 1,077 |
| Other Flatfish | | | | | | | | | 7,700 | 7,700 | 4,909 | 4,909 | 4,884 | 4,884 | 4,884 | 4,884 |
| Longnose Skate | | | | | | | | | | | | | | | 1,349 | 1,349 |
| Other Fish | | | | | | | | | 14,700 | 14,700 | 7,300 | 7,300 | 7,300 | 7,300 | 5,600 | 5,600 |

Table 4-4. Landings or deliveries of groundfish species subject to intersector allocations as a share of annual catch limits by all directed groundfish sectors combined (including treaty), 1995-2005.

| Stock or Complex | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | Maximum share (%) | Minimum share (%) | Average share (%) |
|-----------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|--------|-------------------|-------------------|-------------------|
| Lingcod - coastwide | 77.9% | 86.4% | 83.6% | 84.6% | 114.3% | 113.6% | 67.8% | 153.8% | 211.4% | 66.2% | 29.6% | 211.4% | 29.6% | 99.0% |
| Pacific Cod | | | | | | | | 23.7% | 39.9% | 44.6% | 54.1% | 54.1% | 23.7% | 40.6% |
| Sablefish N. of 36° | 96.6% | 102.9% | 98.7% | 81.3% | 82.2% | 78.9% | 79.9% | 83.9% | 81.6% | 77.1% | 81.7% | 102.9% | 77.1% | 85.9% |
| Sablefish S. of 36° | 76.7% | 80.4% | 61.7% | 50.3% | 38.5% | 25.9% | 66.8% | 82.8% | 74.5% | 66.5% | 52.6% | 82.8% | 25.9% | 61.5% |
| PACIFIC OCEAN PERCH | 69.8% | 116.7% | 91.7% | 101.1% | 92.0% | 53.8% | 68.6% | 43.6% | 37.0% | 30.7% | 14.6% | 116.7% | 14.6% | 65.4% |
| WIDOW ROCKFISH | 103.1% | 97.2% | 103.1% | 85.4% | 83.3% | 93.8% | 86.1% | 50.4% | 5.2% | 35.7% | 67.7% | 103.1% | 5.2% | 73.7% |
| Chilipepper S. of 40°10' | | | | | 24.8% | 22.9% | 19.0% | 8.5% | 0.4% | 2.5% | 1.9% | 24.8% | 0.4% | 11.4% |
| Splitnose S. of 40°10' | | | | | 23.8% | 14.5% | 20.1% | 12.7% | 32.8% | 35.5% | 18.9% | 35.5% | 12.7% | 22.6% |
| Yellowtail N. of 40°10' | 82.2% | 93.5% | 82.9% | 100.8% | 102.6% | 101.0% | 63.2% | 39.5% | 15.4% | 15.4% | 23.0% | 102.6% | 15.4% | 65.4% |
| Shortspine Thornyhead - coastwide | 128.0% | 107.7% | 106.1% | 96.2% | 62.5% | 74.0% | 72.5% | 82.8% | 88.5% | 82.4% | 66.5% | 128.0% | 62.5% | 87.9% |
| Shortspine N. of 34°27' | | | | | | | | | | | 38.5% | 38.5% | 38.5% | 38.5% |
| Shortspine S. of 34°27' | | | | | | | | | | | | | | |
| Longspine Thornyhead - coastwide | 89.5% | 80.7% | 65.4% | 54.4% | 43.5% | 35.6% | 46.5% | 77.1% | 63.4% | 29.4% | 24.3% | 89.5% | 24.3% | 55.4% |
| Longspine N. of 34°27' | | | | | | | | | | | 25.9% | 25.9% | 25.9% | 25.9% |
| Longspine S. of 34°27' | | | | 2.6% | 3.5% | 6.2% | 15.8% | 6.5% | 5.5% | 3.9% | 4.0% | 15.8% | 2.6% | 6.0% |
| DARKBLOTCHED | | | | | | | 132.5% | 67.2% | 49.1% | 82.0% | 36.4% | 132.5% | 36.4% | 73.5% |
| Minor Slope Rockfish North | | | | | | | | | | | 21.4% | 21.4% | 21.4% | 21.4% |
| Minor Slope Rockfish South | | | | | | | | | | | 26.2% | 26.2% | 26.2% | 26.2% |
| Dover Sole | 77.0% | 111.0% | 92.2% | 86.1% | 98.2% | 94.2% | 89.5% | 85.4% | 100.9% | 97.0% | 95.0% | 111.0% | 77.0% | 93.3% |
| English Sole | | | | | | | | | 30.4% | 31.4% | 30.3% | 31.4% | 30.3% | 30.7% |
| Petrale Sole - coastwide | | | | | | | | | 73.9% | 70.7% | 101.2% | 101.2% | 70.7% | 81.9% |
| Arrowtooth Flounder | | | | | | | | | 40.5% | 42.7% | 39.5% | 42.7% | 39.5% | 40.9% |
| Starry Flounder | | | | | | | | | | | | | | |
| Other Flatfish | | | | | | | | | 20.5% | 17.9% | 24.0% | 24.0% | 17.9% | 20.8% |

Table 4-5. Landings or deliveries of groundfish species subject to intersector allocations as a share of annual catch limits by all limited entry trawl sectors, 1995-2005.

| Stock or Complex | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | Maximum share (%) | Minimum share (%) | Average share (%) |
|-----------------------------------|--------|--------|--------|--------|-------|-------|--------|-------|--------|-------|-------|-------------------|-------------------|-------------------|
| Lingcod - coastwide | 44.6% | 50.2% | 48.8% | 26.0% | 29.8% | 17.8% | 9.7% | 17.8% | 9.4% | 8.6% | 3.6% | 50.2% | 3.6% | 24.2% |
| Pacific Cod | | | | | | | | 21.6% | 32.5% | 34.5% | 45.8% | 45.8% | 21.6% | 33.6% |
| Sablefish N. of 36° | 45.5% | 50.8% | 46.1% | 40.1% | 38.9% | 34.1% | 37.0% | 35.5% | 35.4% | 33.6% | 31.3% | 50.8% | 31.3% | 38.9% |
| Sablefish S. of 36° | 48.6% | 50.4% | 36.1% | 26.9% | 17.6% | 7.7% | 13.4% | 21.4% | 26.4% | 29.0% | 20.0% | 50.4% | 7.7% | 27.0% |
| PACIFIC OCEAN PERCH | 68.9% | 114.5% | 89.7% | 100.8% | 90.0% | 53.4% | 68.3% | 43.2% | 36.3% | 29.8% | 13.7% | 114.5% | 13.7% | 64.4% |
| WIDOW ROCKFISH | 101.3% | 95.6% | 101.1% | 80.5% | 80.6% | 92.6% | 84.4% | 46.2% | 3.5% | 22.1% | 55.6% | 101.3% | 3.5% | 69.4% |
| Chilipepper S. of 40°10' | | | | | 21.0% | 18.0% | 14.9% | 7.7% | 0.4% | 2.0% | 1.5% | 21.0% | 0.4% | 9.3% |
| Splitnose S. of 40°10' | | | | | 23.7% | 13.6% | 19.6% | 12.1% | 32.7% | 35.5% | 18.7% | 35.5% | 12.1% | 22.3% |
| Yellowtail N. of 40°10' | 77.1% | 84.7% | 66.3% | 83.0% | 83.6% | 93.5% | 54.3% | 23.9% | 4.7% | 5.5% | 7.1% | 93.5% | 4.7% | 53.1% |
| Shortspine Thornyhead - coastwide | 124.1% | 100.9% | 101.4% | 91.3% | 53.8% | 68.5% | 64.8% | 71.0% | 71.3% | 68.1% | 51.2% | 124.1% | 51.2% | 78.8% |
| Shortspine N. of 34°27' | | | | | | | | | | | 36.7% | 36.7% | 36.7% | 36.7% |
| Shortspine S. of 34°27' | | | | | | | | | | | | | | |
| Longspine Thornyhead - coastwide | 88.6% | 79.2% | 64.2% | 54.2% | 43.2% | 34.8% | 46.0% | 77.1% | 63.1% | 29.3% | 23.8% | 88.6% | 23.8% | 54.8% |
| Longspine N. of 34°27' | | | | | | | | | | | 25.7% | 25.7% | 25.7% | 25.7% |
| Longspine S. of 34°27' | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.2% | 0.0% | 0.0% | 0.0% | 0.2% | 0.0% | 0.0% |
| DARKBLOTCHED | | | | | | | 130.2% | 65.6% | 48.7% | 81.6% | 34.8% | 130.2% | 34.8% | 72.2% |
| Minor Slope Rockfish North | | | | | | | | | | | 13.3% | 13.3% | 13.3% | 13.3% |
| Minor Slope Rockfish South | | | | | | | | | | | 17.4% | 17.4% | 17.4% | 17.4% |
| Dover Sole | 76.3% | 110.1% | 91.5% | 85.5% | 96.9% | 93.5% | 89.0% | 84.9% | 100.3% | 95.8% | 93.0% | 110.1% | 76.3% | 92.4% |
| English Sole | | | | | | | | | 27.6% | 28.6% | 28.0% | 28.6% | 27.6% | 28.1% |
| Petrals Sole - coastwide | | | | | | | | | 68.9% | 67.4% | 99.7% | 99.7% | 67.4% | 78.7% |
| Arrowtooth Flounder | | | | | | | | | 39.8% | 41.2% | 36.6% | 41.2% | 36.6% | 39.2% |
| Starry Flounder | | | | | | | | | | | | | | |
| Other Flatfish | | | | | | | | | 19.2% | 16.5% | 22.3% | 22.3% | 16.5% | 19.3% |

Table 4-6. Landings or deliveries of groundfish species subject to intersector allocations as a share of annual catch limits by the limited entry fixed gear sector, 1995-2005.

| Stock or Complex | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | Maximum share (%) | Minimum share (%) | Average share (%) |
|-----------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------------------|-------------------|-------------------|
| Lingcod - coastwide | 1.8% | 2.3% | 2.7% | 3.0% | 4.4% | 4.2% | 2.9% | 2.1% | 1.3% | 1.6% | 0.6% | 4.4% | 0.6% | 2.4% |
| Pacific Cod | | | | | | | | 0.0% | 0.1% | 0.1% | 0.1% | 0.1% | 0.0% | 0.1% |
| Sablefish N. of 36° | 33.9% | 32.4% | 35.3% | 28.6% | 29.8% | 29.5% | 26.1% | 29.5% | 27.7% | 27.0% | 28.9% | 35.3% | 26.1% | 29.9% |
| Sablefish S. of 36° | 10.4% | 20.2% | 24.2% | 22.4% | 18.3% | 14.7% | 46.6% | 48.2% | 36.3% | 27.8% | 26.4% | 48.2% | 10.4% | 26.9% |
| PACIFIC OCEAN PERCH | 0.3% | 1.3% | 0.3% | 0.0% | 0.2% | 0.1% | 0.0% | 0.1% | 0.1% | 0.0% | 0.0% | 1.3% | 0.0% | 0.2% |
| WIDOW ROCKFISH | 0.1% | 0.1% | 0.1% | 0.2% | 0.3% | 0.1% | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.3% | 0.0% | 0.1% |
| Chilipepper S. of 40°10' | | | | | 0.3% | 0.4% | 0.1% | 0.0% | 0.0% | 0.1% | 0.1% | 0.4% | 0.0% | 0.2% |
| Splitnose S. of 40°10' | | | | | 0.1% | 0.8% | 0.2% | 0.3% | 0.1% | 0.0% | 0.1% | 0.8% | 0.0% | 0.2% |
| Yellowtail N. of 40°10' | 0.2% | 0.5% | 1.3% | 1.4% | 1.0% | 0.1% | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 1.4% | 0.0% | 0.4% |
| Shortspine Thornyhead - coastwide | 2.2% | 5.2% | 3.8% | 4.4% | 7.5% | 4.5% | 6.8% | 10.8% | 16.3% | 13.6% | 14.2% | 16.3% | 2.2% | 8.1% |
| Shortspine N. of 34°27' | | | | | | | | | | | 0.7% | 0.7% | 0.7% | 0.7% |
| Shortspine S. of 34°27' | | | | | | | | | | | | | | |
| Longspine Thornyhead - coastwide | 0.4% | 1.3% | 0.9% | 0.1% | 0.3% | 0.8% | 0.5% | 0.1% | 0.4% | 0.0% | 0.6% | 1.3% | 0.0% | 0.5% |
| Longspine N. of 34°27' | | | | | | | | | | | 0.3% | 0.3% | 0.3% | 0.3% |
| Longspine S. of 34°27' | | | | 2.6% | 3.3% | 4.7% | 12.4% | 5.1% | 5.4% | 3.9% | 4.0% | 12.4% | 2.6% | 5.2% |
| DARKBLOTCHED | | | | | | | 1.7% | 0.1% | 0.1% | 0.1% | 0.8% | 1.7% | 0.1% | 0.6% |
| Minor Slope Rockfish North | | | | | | | | | | | 4.6% | 4.6% | 4.6% | 4.6% |
| Minor Slope Rockfish South | | | | | | | | | | | 4.1% | 4.1% | 4.1% | 4.1% |
| Dover Sole | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| English Sole | | | | | | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Petrable Sole - coastwide | | | | | | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Arrowtooth Flounder | | | | | | | | | 0.1% | 0.0% | 0.1% | 0.1% | 0.0% | 0.1% |
| Starry Flounder | | | | | | | | | | | | | | |
| Other Flatfish | | | | | | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |

Table 4-7. Landings or deliveries of groundfish species subject to intersector allocations as a share of annual catch limits by the open access sector (directed groundfish plus incidental groundfish fisheries), 1995-2005.

| Stock or Complex | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | Maximum share (%) | Minimum share (%) | Average share (%) |
|-----------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------------------|-------------------|-------------------|
| Lingcod - coastwide | 14.5% | 12.6% | 14.1% | 13.0% | 16.4% | 17.2% | 12.3% | 14.2% | 11.6% | 11.2% | 3.1% | 17.2% | 3.1% | 12.7% |
| Pacific Cod | | | | | | | | 0.1% | 0.2% | 0.0% | 0.0% | 0.2% | 0.0% | 0.1% |
| Sablefish N. of 36° | 7.3% | 8.7% | 7.0% | 4.0% | 4.5% | 6.3% | 7.2% | 8.7% | 9.0% | 6.9% | 12.1% | 12.1% | 4.0% | 7.4% |
| Sablefish S. of 36° | 17.7% | 9.9% | 1.3% | 0.9% | 2.6% | 3.5% | 6.8% | 13.2% | 11.8% | 9.6% | 6.2% | 17.7% | 0.9% | 7.6% |
| PACIFIC OCEAN PERCH | 0.5% | 0.9% | 0.8% | 0.2% | 1.6% | 0.2% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 1.6% | 0.0% | 0.4% |
| WIDOW ROCKFISH | 1.6% | 0.9% | 1.1% | 3.3% | 1.0% | 0.4% | 0.6% | 0.1% | 0.2% | 0.1% | 0.4% | 3.3% | 0.1% | 0.9% |
| Chilipepper S. of 40°10' | | | | | 2.8% | 2.5% | 1.4% | 0.2% | 0.0% | 0.1% | 0.0% | 2.8% | 0.0% | 1.0% |
| Splitnose S. of 40°10' | | | | | 0.1% | 0.1% | 0.3% | 0.3% | 0.0% | 0.0% | 0.0% | 0.3% | 0.0% | 0.1% |
| Yellowtail N. of 40°10' | 4.4% | 6.2% | 9.3% | 9.0% | 3.1% | 2.9% | 2.2% | 1.0% | 0.2% | 0.2% | 0.2% | 9.3% | 0.2% | 3.5% |
| Shortspine Thornyhead - coastwide | 1.2% | 1.0% | 0.4% | 0.2% | 0.7% | 0.7% | 0.3% | 0.4% | 0.3% | 0.1% | 0.1% | 1.2% | 0.1% | 0.5% |
| Shortspine N. of 34°27' | | | | | | | | | | | 0.0% | 0.0% | 0.0% | 0.0% |
| Shortspine S. of 34°27' | | | | | | | | | | | | | | |
| Longspine Thornyhead - coastwide | 0.5% | 0.2% | 0.3% | 0.1% | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.5% | 0.0% | 0.1% |
| Longspine N. of 34°27' | | | | | | | | | | | 0.0% | 0.0% | 0.0% | 0.0% |
| Longspine S. of 34°27' | | | | 0.0% | 0.2% | 1.6% | 3.3% | 1.1% | 0.1% | 0.0% | 0.0% | 3.3% | 0.0% | 0.8% |
| DARKBLOTCHED | | | | | | | 0.6% | 0.6% | 0.2% | 0.2% | 0.8% | 0.8% | 0.2% | 0.5% |
| Minor Slope Rockfish North | | | | | | | | | | | 0.9% | 0.9% | 0.9% | 0.9% |
| Minor Slope Rockfish South | | | | | | | | | | | 4.7% | 4.7% | 4.7% | 4.7% |
| Dover Sole | 0.6% | 0.9% | 0.7% | 0.6% | 1.3% | 0.7% | 0.4% | 0.2% | 0.2% | 0.1% | 0.1% | 1.3% | 0.1% | 0.5% |
| English Sole | | | | | | | | | 0.6% | 0.2% | 0.2% | 0.6% | 0.2% | 0.3% |
| Petrals Sole - coastwide | | | | | | | | | 1.9% | 0.2% | 0.4% | 1.9% | 0.2% | 0.8% |
| Arrowtooth Flounder | | | | | | | | | 0.3% | 0.0% | 0.0% | 0.3% | 0.0% | 0.1% |
| Starry Flounder | | | | | | | | | | | | | | |
| Other Flatfish | | | | | | | | | 0.5% | 0.6% | 0.1% | 0.6% | 0.1% | 0.4% |

Table 4-8. Landings of groundfish species subject to intersector allocations as a share of annual catch limits by the recreational groundfish sector, 1995-2005.

| Stock or Complex | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | Maximum share (%) | Minimum share (%) | Average share (%) |
|-----------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------------------------|------------------------------|----------------------------------|
| Lingcod - coastwide | 16.32% | 19.7% | 17.8% | 40.1% | 60.9% | 70.0% | 39.8% | 105.2% | 155.8% | 40.5% | 20.3% | 155.8% | 16.3% | 53.3% |
| Pacific Cod | | | | | | | | 0.1% | 0.3% | 0.4% | 0.5% | 0.5% | 0.1% | 0.3% |
| Sablefish N. of 36° | 0.04% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% | 0.2% | 0.1% | 0.0% | 0.0% | 0.2% | 0.0% | 0.0% |
| Sablefish S. of 36° | 0.00% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% |
| PACIFIC OCEAN PERCH | 0.00% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.2% | 0.3% | 0.0% | 0.0% | 0.3% | 0.0% | 0.0% |
| WIDOW ROCKFISH | 0.09% | 0.4% | 0.7% | 1.0% | 0.7% | 0.3% | 0.6% | 0.3% | 0.2% | 5.4% | 1.1% | 5.4% | 0.1% | 1.0% |
| Chilipepper S. of 40°10' | | | | | 0.7% | 1.9% | 2.6% | 0.6% | 0.0% | 0.3% | 0.2% | 2.6% | 0.0% | 0.9% |
| Splitnose S. of 40°10' | | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Yellowtail N. of 40°10' | 0.47% | 0.5% | 1.5% | 2.1% | 0.8% | 0.7% | 0.6% | 0.7% | 0.7% | 0.8% | 0.8% | 2.1% | 0.5% | 0.9% |
| Shortspine Thornyhead - coastwide | 0.00% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% |
| Shortspine N. of 34°27' | | | | | | | | | | | | 0.0% | 0.0% | 0.0% |
| Shortspine S. of 34°27' | | | | | | | | | | | | | | |
| Longspine Thornyhead - coastwide | 0.00% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Longspine N. of 34°27' | | | | | | | | | | | | 0.0% | 0.0% | 0.0% |
| Longspine S. of 34°27' | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| DARKBLOTCHED | | | | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Minor Slope Rockfish North | | | | | | | | | | | 0.0% | 0.0% | 0.0% | 0.0% |
| Minor Slope Rockfish South | | | | | | | | | | | 0.1% | 0.1% | 0.1% | 0.1% |
| Dover Sole | 0.00% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| English Sole | | | | | | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Petrals Sole - coastwide | | | | | | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Arrowtooth Flounder | | | | | | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Starry Flounder | | | | | | | | | | | | | | |
| Other Flatfish | | | | | | | | | 0.6% | 0.6% | 0.6% | 0.6% | 0.6% | 0.6% |

Table 4-9. Landings or deliveries of groundfish species subject to intersector allocations as a share of annual catch limits by the treaty sector, 1995-2005.

| Stock or Complex | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | Maximum share (%) | Minimum share (%) | Average share (%) |
|-----------------------------------|------|-------|-------|------|-------|------|------|-------|------|------|-------|-------------------|-------------------|-------------------|
| Lingcod - coastwide | 0.0% | 0.1% | 0.0% | 0.3% | 0.4% | 0.8% | 0.7% | 2.0% | 3.4% | 3.2% | 1.3% | 3.4% | 0.0% | 1.1% |
| Pacific Cod | | | | | | | | 1.8% | 6.7% | 9.6% | 7.7% | 9.6% | 1.8% | 6.5% |
| Sablefish (Coastwide) | | | | | | | | | | 9.2% | 9.0% | 9.2% | 9.0% | 9.1% |
| Sablefish N. of 36° | 9.9% | 10.9% | 10.3% | 8.6% | 9.0% | 8.9% | 9.6% | 10.0% | 9.3% | 9.5% | 9.3% | 10.9% | 8.6% | 9.6% |
| Sablefish S. of 36° | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| PACIFIC OCEAN PERCH | 0.0% | 0.0% | 0.9% | 0.1% | 0.2% | 0.0% | 0.2% | 0.1% | 0.3% | 0.9% | 0.8% | 0.9% | 0.0% | 0.3% |
| WIDOW ROCKFISH | 0.0% | 0.2% | 0.1% | 0.3% | 0.7% | 0.2% | 0.5% | 3.8% | 1.4% | 8.1% | 10.5% | 10.5% | 0.0% | 2.3% |
| Chilipepper S. of 40°10' | | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Splitnose S. of 40°10' | | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Yellowtail N. of 40°10' | 0.0% | 1.5% | 4.4% | 5.3% | 14.1% | 3.8% | 5.9% | 14.0% | 9.8% | 8.8% | 14.8% | 14.8% | 0.0% | 7.5% |
| Shortspine Thornyhead - coastwide | 0.5% | 0.5% | 0.6% | 0.3% | 0.5% | 0.4% | 0.7% | 0.5% | 0.6% | 0.7% | 1.1% | 1.1% | 0.3% | 0.6% |
| Shortspine N. of 34°27' | | | | | | | | | | | 1.1% | 1.1% | 1.1% | 1.1% |
| Shortspine S. of 34°27' | | | | | | | | | | | | | | |
| Longspine Thornyhead - coastwide | | | | | | | | | | | 0.0% | 0.0% | 0.0% | 0.0% |
| Longspine N. of 34°27' | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Longspine S. of 34°27' | | | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| DARKBLOTCHED | | | | | | | 0.1% | 0.9% | 0.0% | 0.1% | 0.0% | 0.9% | 0.0% | 0.2% |
| Minor Slope Rockfish North | | | | | | | | | | | 2.5% | 2.5% | 2.5% | 2.5% |
| Minor Slope Rockfish South | | | | | | | | | | | 0.0% | 0.0% | 0.0% | 0.0% |
| Dover Sole | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.2% | 0.4% | 1.1% | 1.9% | 1.9% | 0.0% | 0.4% |
| English Sole | | | | | | | | | 2.2% | 2.6% | 2.1% | 2.6% | 2.1% | 2.3% |
| Petrale Sole - coastwide | | | | | | | | | 3.1% | 3.0% | 1.1% | 3.1% | 1.1% | 2.4% |
| Arrowtooth Flounder | | | | | | | | | 0.4% | 1.4% | 2.8% | 2.8% | 0.4% | 1.5% |
| Starry Flounder | | | | | | | | | | | | | | |
| Other Flatfish | | | | | | | | | 0.1% | 0.2% | 1.0% | 1.0% | 0.1% | 0.4% |

Table 4-10. Limited entry trawl sectors' share of non-treaty landings or deliveries (including recreational landed catch only) of groundfish species subject to intersector allocation, 1995-2005.

| Stock or Complex | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | Max. Share | Min. Share | Ave. Share a/ |
|---------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------------------|-----------------------|------------------------------|
| Lingcod - coastwide | 57.8% | 59.2% | 58.5% | 31.7% | 26.7% | 16.3% | 15.0% | 12.8% | 5.3% | 13.9% | 12.9% | 59.2% | 5.3% | 28.2% |
| Pacific Cod | 97.9% | 97.5% | 99.0% | 98.7% | 98.7% | 98.9% | 99.0% | 98.9% | 98.0% | 98.5% | 98.7% | 99.0% | 97.5% | 98.5% |
| Sablefish N. of 36° | 52.4% | 55.3% | 52.1% | 55.1% | 53.1% | 48.8% | 52.6% | 48.0% | 49.0% | 49.7% | 43.3% | 55.3% | 43.3% | 50.9% |
| Sablefish S. of 36° | 63.3% | 62.6% | 58.6% | 53.6% | 45.7% | 29.7% | 20.0% | 25.9% | 35.5% | 43.7% | 37.9% | 63.3% | 20.0% | 43.3% |
| PACIFIC OCEAN PERCH | 98.8% | 98.1% | 98.8% | 99.8% | 98.1% | 99.5% | 100.0% | 99.4% | 99.0% | 100.0% | 99.5% | 100.0% | 98.1% | 99.2% |
| WIDOW ROCKFISH | 98.2% | 98.5% | 98.2% | 94.6% | 97.6% | 99.0% | 98.5% | 99.1% | 91.7% | 80.2% | 97.3% | 99.1% | 80.2% | 95.7% |
| Chilipepper S. of 40°10' | 78.1% | 80.9% | 76.0% | 77.6% | 84.7% | 78.7% | 78.3% | 90.6% | 96.0% | 79.7% | 82.2% | 96.0% | 76.0% | 82.1% |
| Splitnose S. of 40°10' | 91.9% | 98.7% | 98.2% | 96.0% | 99.5% | 93.8% | 97.7% | 95.5% | 99.6% | 99.9% | 99.2% | 99.9% | 91.9% | 97.3% |
| Yellowtail N. of 40°10' | 93.8% | 92.1% | 84.5% | 87.0% | 94.5% | 96.2% | 94.9% | 93.5% | 83.3% | 83.8% | 87.4% | 96.2% | 83.3% | 90.1% |
| Shortspine Thornyhead - coastwide | 97.3% | 94.2% | 96.0% | 95.2% | 86.8% | 92.9% | 90.2% | 86.3% | 81.1% | 83.3% | 78.2% | 97.3% | 78.2% | 89.2% |
| Shortspine N. of 34°27' | 97.8% | 98.0% | 97.5% | 97.9% | 96.7% | 97.5% | 97.6% | 97.9% | 98.5% | 98.6% | 98.0% | 98.6% | 96.7% | 97.8% |
| Shortspine S. of 34°27' | 96.4% | 85.8% | 92.5% | 88.8% | 67.3% | 85.7% | 73.4% | 70.7% | 57.3% | 63.7% | 51.6% | 96.4% | 51.6% | 75.7% |
| Longspine Thornyhead - coastwide | 99.0% | 97.8% | 97.8% | 99.2% | 98.3% | 96.0% | 96.2% | 99.2% | 98.7% | 98.8% | 97.7% | 99.2% | 96.0% | 98.1% |
| Longspine N. of 34°27' | 99.0% | 98.2% | 98.2% | 99.7% | 99.1% | 97.8% | 98.8% | 99.9% | 99.4% | 99.8% | 98.9% | 99.9% | 97.8% | 99.0% |
| Longspine S. of 34°27' | | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 3.6% | 0.0% | 0.0% | 0.0% | 3.6% | 0.0% | 0.4% |
| DARKBLOTCHED | 99.1% | 99.4% | 99.2% | 97.1% | 97.6% | 95.6% | 98.3% | 98.9% | 99.4% | 99.6% | 95.7% | 99.6% | 95.6% | 98.2% |
| Minor Slope Rockfish North | 83.1% | 87.5% | 96.5% | 85.3% | 95.5% | 86.5% | 86.1% | 66.2% | 83.0% | 85.3% | 70.5% | 96.5% | 66.2% | 84.1% |
| Minor Slope Rockfish South | 63.0% | 71.9% | 77.0% | 67.6% | 64.4% | 73.3% | 74.3% | 77.8% | 53.3% | 70.1% | 66.3% | 77.8% | 53.3% | 69.0% |
| Dover Sole | 99.1% | 99.1% | 99.3% | 99.3% | 98.7% | 99.2% | 99.5% | 99.7% | 99.8% | 99.9% | 99.9% | 99.9% | 98.7% | 99.4% |
| English Sole | 98.7% | 97.3% | 95.6% | 97.7% | 96.3% | 96.6% | 97.5% | 99.2% | 97.8% | 99.3% | 99.4% | 99.4% | 95.6% | 97.8% |
| Petrals Sole - coastwide | 98.6% | 98.5% | 96.7% | 98.2% | 97.5% | 97.3% | 97.9% | 99.1% | 97.3% | 99.6% | 99.6% | 99.6% | 96.7% | 98.2% |
| Arrowtooth Flounder | 99.0% | 99.7% | 99.8% | 99.8% | 99.7% | 99.4% | 99.9% | 99.7% | 99.2% | 99.9% | 99.7% | 99.9% | 99.0% | 99.6% |
| Starry Flounder | 80.1% | 60.8% | 64.4% | 61.3% | 42.3% | 57.7% | 1.8% | 41.1% | 49.2% | 82.7% | 73.1% | 82.7% | 1.8% | 55.9% |
| Other Flatfish | 97.0% | 93.1% | 90.3% | 94.8% | 95.2% | 93.0% | 92.6% | 93.0% | 94.6% | 93.4% | 97.0% | 97.0% | 90.3% | 94.0% |
| a/ Arithmetic average of non-empty cells in each row. Empty cell means total recorded species catch by non-treaty sectors in that year = 0. | | | | | | | | | | | | | | |

Table 4-11. Limited entry fixed gear sector shares of non-treaty landings or deliveries (including recreational landed catch only) of groundfish species subject to intersector allocation, 1995-2005.

| Stock or Complex | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | Max. Share | Min. Share | Ave. Share a/ |
|---------------------------------------------------------------------------------------------------------------------------------------------|-------|-------|--------|-------|-------|-------|-------|-------|-------|-------|--------|---------------|---------------|---------------------|
| Lingcod - coastwide | 2.3% | 2.7% | 3.3% | 3.7% | 4.0% | 3.8% | 4.4% | 1.5% | 0.7% | 2.6% | 2.2% | 4.4% | 0.7% | 2.8% |
| Pacific Cod | 0.2% | 0.3% | 0.1% | 0.2% | 0.4% | 0.4% | 0.4% | 0.1% | 0.2% | 0.4% | 0.3% | 0.4% | 0.1% | 0.3% |
| Sablefish N. of 36° | 39.1% | 35.2% | 39.9% | 39.3% | 40.7% | 42.2% | 37.0% | 40.0% | 38.3% | 40.0% | 39.9% | 42.2% | 35.2% | 39.2% |
| Sablefish S. of 36° | 13.5% | 25.1% | 39.3% | 44.6% | 47.5% | 56.8% | 69.7% | 58.2% | 48.7% | 41.9% | 50.2% | 69.7% | 13.5% | 45.0% |
| PACIFIC OCEAN PERCH | 0.5% | 1.1% | 0.3% | 0.0% | 0.2% | 0.2% | 0.0% | 0.2% | 0.3% | 0.0% | 0.3% | 1.1% | 0.0% | 0.3% |
| WIDOW ROCKFISH | 0.1% | 0.1% | 0.1% | 0.3% | 0.4% | 0.1% | 0.1% | 0.0% | 0.0% | 0.1% | 0.1% | 0.4% | 0.0% | 0.1% |
| Chilipepper S. of 40°10' | 0.8% | 0.7% | 0.7% | 1.2% | 1.4% | 1.8% | 0.8% | 0.3% | 1.1% | 4.6% | 7.8% | 7.8% | 0.3% | 1.9% |
| Splitnose S. of 40°10' | 0.5% | 0.2% | 0.2% | 0.0% | 0.3% | 5.8% | 1.0% | 2.2% | 0.3% | 0.0% | 0.8% | 5.8% | 0.0% | 1.0% |
| Yellowtail N. of 40°10' | 0.3% | 0.6% | 1.7% | 1.5% | 1.1% | 0.1% | 0.2% | 0.1% | 0.3% | 0.4% | 0.2% | 1.7% | 0.1% | 0.6% |
| Shortspine Thornyhead - coastwide | 1.7% | 4.9% | 3.6% | 4.6% | 12.1% | 6.1% | 9.4% | 13.1% | 18.5% | 16.6% | 21.7% | 21.7% | 1.7% | 10.2% |
| Shortspine N. of 34°27' | 1.5% | 1.7% | 2.1% | 1.9% | 3.0% | 2.3% | 2.3% | 1.8% | 1.4% | 1.3% | 1.9% | 3.0% | 1.3% | 1.9% |
| Shortspine S. of 34°27' | 2.0% | 11.8% | 7.1% | 11.0% | 29.9% | 12.1% | 25.5% | 28.2% | 42.0% | 36.2% | 48.2% | 48.2% | 2.0% | 23.1% |
| Longspine Thornyhead - coastwide | 0.5% | 2.0% | 1.8% | 0.7% | 1.4% | 3.5% | 3.1% | 0.6% | 1.2% | 1.2% | 2.3% | 3.5% | 0.5% | 1.7% |
| Longspine N. of 34°27' | 0.5% | 1.6% | 1.4% | 0.2% | 0.7% | 2.1% | 1.1% | 0.1% | 0.6% | 0.1% | 1.1% | 2.1% | 0.1% | 0.9% |
| Longspine S. of 34°27' | | 98.2% | 100.0% | 99.1% | 95.0% | 74.6% | 79.0% | 79.2% | 98.5% | 99.0% | 100.0% | 100.0% | 74.6% | 92.2% |
| DARKBLOTCHED | 0.3% | 0.2% | 0.1% | 0.6% | 0.2% | 3.6% | 1.3% | 0.2% | 0.3% | 0.1% | 2.1% | 3.6% | 0.1% | 0.8% |
| Minor Slope Rockfish North | 15.3% | 9.8% | 2.2% | 13.1% | 1.9% | 10.9% | 11.1% | 32.0% | 15.6% | 13.4% | 24.6% | 32.0% | 1.9% | 13.6% |
| Minor Slope Rockfish South | 7.8% | 11.5% | 8.6% | 12.1% | 14.3% | 21.2% | 15.6% | 9.3% | 22.4% | 14.6% | 15.7% | 22.4% | 7.8% | 13.9% |
| Dover Sole | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| English Sole | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Petrals Sole - coastwide | 0.1% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.1% | 0.0% | 0.0% |
| Arrowtooth Flounder | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.3% | 0.2% | 0.1% | 0.2% | 0.3% | 0.0% | 0.1% |
| Starry Flounder | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.4% | 0.0% | 0.0% | 0.0% | 0.4% | 0.0% | 0.1% |
| Other Flatfish | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% |
| a/ Arithmetic average of non-empty cells in each row. Empty cell means total recorded species catch by non-treaty sectors in that year = 0. | | | | | | | | | | | | | | |

Table 4-12. Directed and incidental open access sectors' shares of non-treaty landings or deliveries (including recreational landed catch only) of groundfish species subject to intersector allocation, 1995-2005.

| Stock or Complex | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | Max. Share | Min. Share | Ave. Share a/ |
|---------------------------------------------------------------------------------------------------------------------------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|---------------|---------------|---------------------|
| Lingcod - coastwide | 18.8% | 14.9% | 16.9% | 15.9% | 14.7% | 15.7% | 19.0% | 10.2% | 6.5% | 18.1% | 11.2% | 19.0% | 6.5% | 14.7% |
| Pacific Cod | 1.9% | 2.0% | 0.8% | 0.7% | 0.7% | 0.7% | 0.6% | 0.3% | 0.7% | 0.1% | 0.1% | 2.0% | 0.1% | 0.8% |
| Sablefish N. of 36° | 8.4% | 9.5% | 7.9% | 5.5% | 6.2% | 9.0% | 10.3% | 11.8% | 12.5% | 10.3% | 16.8% | 16.8% | 5.5% | 9.8% |
| Sablefish S. of 36° | 23.1% | 12.3% | 2.2% | 1.8% | 6.7% | 13.6% | 10.2% | 15.9% | 15.8% | 14.4% | 11.8% | 23.1% | 1.8% | 11.6% |
| PACIFIC OCEAN PERCH | 0.7% | 0.8% | 0.8% | 0.2% | 1.7% | 0.3% | 0.0% | 0.0% | 0.0% | 0.0% | 0.3% | 1.7% | 0.0% | 0.5% |
| WIDOW ROCKFISH | 1.6% | 1.0% | 1.1% | 3.9% | 1.3% | 0.4% | 0.7% | 0.2% | 4.2% | 0.3% | 0.7% | 4.2% | 0.2% | 1.4% |
| Chilipepper S. of 40°10' | 20.7% | 16.6% | 19.7% | 20.8% | 11.3% | 10.9% | 7.3% | 2.0% | 2.8% | 3.8% | 1.6% | 20.8% | 1.6% | 10.7% |
| Splitnose S. of 40°10' | 7.6% | 1.1% | 1.6% | 4.0% | 0.2% | 0.4% | 1.3% | 2.3% | 0.1% | 0.0% | 0.1% | 7.6% | 0.0% | 1.7% |
| Yellowtail N. of 40°10' | 5.4% | 6.7% | 11.9% | 9.4% | 3.5% | 3.0% | 3.8% | 3.8% | 3.4% | 3.6% | 3.0% | 11.9% | 3.0% | 5.2% |
| Shortspine Thornyhead - coastwide | 1.0% | 1.0% | 0.4% | 0.2% | 1.1% | 1.0% | 0.4% | 0.5% | 0.3% | 0.1% | 0.1% | 1.1% | 0.1% | 0.5% |
| Shortspine N. of 34°27' | 0.6% | 0.3% | 0.4% | 0.2% | 0.2% | 0.1% | 0.1% | 0.0% | 0.0% | 0.1% | 0.1% | 0.6% | 0.0% | 0.2% |
| Shortspine S. of 34°27' | 1.6% | 2.4% | 0.4% | 0.2% | 2.8% | 2.3% | 1.1% | 1.1% | 0.7% | 0.1% | 0.2% | 2.8% | 0.1% | 1.2% |
| Longspine Thornyhead - coastwide | 0.5% | 0.2% | 0.4% | 0.1% | 0.2% | 0.5% | 0.6% | 0.1% | 0.0% | 0.0% | 0.0% | 0.6% | 0.0% | 0.3% |
| Longspine N. of 34°27' | 0.5% | 0.2% | 0.4% | 0.1% | 0.2% | 0.1% | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.5% | 0.0% | 0.2% |
| Longspine S. of 34°27' | | 1.8% | 0.0% | 0.9% | 5.0% | 25.4% | 21.0% | 17.2% | 1.5% | 1.0% | 0.0% | 25.4% | 0.0% | 7.4% |
| DARKBLOTCHED | 0.6% | 0.4% | 0.7% | 2.3% | 2.2% | 0.8% | 0.4% | 0.9% | 0.4% | 0.3% | 2.2% | 2.3% | 0.3% | 1.0% |
| Minor Slope Rockfish North | 1.6% | 2.6% | 1.3% | 1.6% | 2.6% | 2.6% | 2.7% | 1.7% | 1.5% | 1.3% | 5.0% | 5.0% | 1.3% | 2.2% |
| Minor Slope Rockfish South | 28.8% | 14.4% | 13.0% | 19.9% | 16.5% | 4.2% | 9.9% | 12.3% | 24.0% | 15.2% | 17.8% | 28.8% | 4.2% | 16.0% |
| Dover Sole | 0.8% | 0.8% | 0.7% | 0.7% | 1.3% | 0.7% | 0.5% | 0.3% | 0.2% | 0.1% | 0.1% | 1.3% | 0.1% | 0.6% |
| English Sole | 1.3% | 2.7% | 4.4% | 2.3% | 3.7% | 3.4% | 2.5% | 0.8% | 2.2% | 0.7% | 0.6% | 4.4% | 0.6% | 2.2% |
| Petrable Sole - coastwide | 1.3% | 1.5% | 3.2% | 1.8% | 2.4% | 2.7% | 2.0% | 0.8% | 2.7% | 0.3% | 0.4% | 3.2% | 0.3% | 1.7% |
| Arrowtooth Flounder | 0.9% | 0.3% | 0.2% | 0.2% | 0.3% | 0.6% | 0.1% | 0.1% | 0.6% | 0.0% | 0.1% | 0.9% | 0.0% | 0.3% |
| Starry Flounder | 13.8% | 32.4% | 32.0% | 29.5% | 48.3% | 28.6% | 3.9% | 25.3% | 24.0% | 15.0% | 0.9% | 48.3% | 0.9% | 23.0% |
| Other Flatfish | 2.3% | 4.5% | 7.9% | 4.3% | 3.7% | 3.2% | 4.9% | 2.7% | 2.6% | 3.3% | 0.2% | 7.9% | 0.2% | 3.6% |
| a/ Arithmetic average of non-empty cells in each row. Empty cell means total recorded species catch by non-treaty sectors in that year = 0. | | | | | | | | | | | | | | |

Table 4-13. Recreational sector shares of non-treaty landings or deliveries (including recreational landed catch only) of groundfish species subject to intersector allocation, 1995-2005.

| Stock or Complex | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | Max. Share | Min. Share | Ave. Share a/ |
|---------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-----------------------|-----------------------|------------------------------|
| Lingcod - coastwide | 21.2% | 23.3% | 21.4% | 48.8% | 54.6% | 64.2% | 61.6% | 75.5% | 87.5% | 65.4% | 73.7% | 87.5% | 21.2% | 54.3% |
| Pacific Cod | 0.0% | 0.1% | 0.1% | 0.4% | 0.1% | 0.0% | 0.0% | 0.7% | 1.0% | 1.0% | 1.0% | 1.0% | 0.0% | 0.4% |
| Sablefish N. of 36° | 0.0% | 0.0% | 0.1% | 0.1% | 0.0% | 0.0% | 0.1% | 0.2% | 0.2% | 0.1% | 0.0% | 0.2% | 0.0% | 0.1% |
| Sablefish S. of 36° | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% |
| PACIFIC OCEAN PERCH | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.4% | 0.7% | 0.0% | 0.0% | 0.7% | 0.0% | 0.1% |
| WIDOW ROCKFISH | 0.1% | 0.4% | 0.6% | 1.2% | 0.8% | 0.4% | 0.7% | 0.7% | 4.1% | 19.4% | 1.9% | 19.4% | 0.1% | 2.8% |
| Chilipepper S. of 40°10' | 0.4% | 1.8% | 3.6% | 0.4% | 2.6% | 8.5% | 13.6% | 7.1% | 0.1% | 11.9% | 8.4% | 13.6% | 0.1% | 5.3% |
| Splitnose S. of 40°10' | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Yellowtail N. of 40°10' | 0.6% | 0.6% | 1.9% | 2.1% | 0.9% | 0.7% | 1.1% | 2.6% | 12.9% | 12.2% | 9.5% | 12.9% | 0.6% | 4.1% |
| Shortspine Thornyhead - coastwide | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% |
| Shortspine N. of 34°27' | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.2% | 0.0% | 0.0% | 0.0% | 0.2% | 0.0% | 0.0% |
| Shortspine S. of 34°27' | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Longspine Thornyhead - coastwide | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Longspine N. of 34°27' | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Longspine S. of 34°27' | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| DARKBLOTCHED | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Minor Slope Rockfish North | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% |
| Minor Slope Rockfish South | 0.4% | 2.2% | 1.4% | 0.4% | 4.8% | 1.4% | 0.2% | 0.6% | 0.3% | 0.1% | 0.2% | 4.8% | 0.1% | 1.1% |
| Dover Sole | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| English Sole | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Petrale Sole - coastwide | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Arrowtooth Flounder | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Starry Flounder | 6.1% | 6.7% | 3.6% | 9.2% | 9.4% | 13.7% | 94.3% | 33.1% | 26.9% | 2.3% | 26.0% | 94.3% | 2.3% | 21.0% |
| Other Flatfish | 0.6% | 2.4% | 1.7% | 0.8% | 1.1% | 3.7% | 2.5% | 4.2% | 2.8% | 3.3% | 2.7% | 4.2% | 0.6% | 2.4% |
| a/ Arithmetic average of non-empty cells in each row. Empty cell means total recorded species catch by non-treaty sectors in that year = 0. | | | | | | | | | | | | | | |

Table 4-14. Maximum shares of annual non-treaty landings of groundfish species subject to intersector allocation by sector during the 1995-2005 period.

| Stock or Complex | MAXIMUM Shares | | | | | | | | | | |
|-----------------------------------|----------------|--------|-------------------------------|---------------------------------------|----------|-----------------|-------------|------------------|-------------|------------------|--------------|
| | CP | MS | Shoreside Whiting Trawl | Shoreside Non- whiting Trawl | LE Trawl | LE Line Gear | LE Pot Gear | LE Fixed Gear | Directed OA | Incidental OA | Recreational |
| Lingcod - coastwide | 0.08% | 0.30% | 0.91% | 59.14% | 60.4% | 4.1% | 0.6% | 4.7% | 16.1% | 6.7% | 87.5% |
| Pacific Cod | 0.07% | 0.01% | 0.20% | 99.00% | 99.3% | 0.4% | 0.0% | 0.5% | 0.2% | 1.9% | 1.0% |
| Sablefish N. of 36° | 0.82% | 0.18% | 4.09% | 54.66% | 59.8% | 33.7% | 12.8% | 46.5% | 16.7% | 1.3% | 0.2% |
| Sablefish S. of 36° | - | - | - | 63.34% | 63.3% | 69.7% | 0.1% | 69.8% | 22.9% | 3.2% | 0.1% |
| PACIFIC OCEAN PERCH | 9.51% | 3.10% | 3.74% | 98.41% | 114.8% | 1.1% | 0.1% | 1.2% | 0.3% | 1.7% | 0.7% |
| WIDOW ROCKFISH | 36.78% | 21.78% | 47.15% | 92.82% | 198.5% | 0.4% | 0.0% | 0.4% | 3.7% | 0.6% | 19.4% |
| Chilipepper S. of 40°10' | - | - | - | 96.03% | 96.0% | 7.8% | - | 7.8% | 20.2% | 1.2% | 13.6% |
| Splitnose S. of 40°10' | - | - | - | 99.93% | 99.9% | 5.8% | - | 5.8% | 7.5% | 0.7% | - |
| Yellowtail N. of 40°10' | 15.01% | 11.25% | 54.77% | 86.45% | 167.5% | 1.7% | 0.0% | 1.7% | 4.6% | 7.3% | 12.9% |
| Shortspine Thornyhead - coastwide | 2.81% | 0.11% | 0.22% | 97.01% | 100.2% | 21.7% | 0.0% | 21.7% | 0.9% | 0.2% | 0.1% |
| Shortspine N. of 34°27' | 4.06% | 0.20% | 0.36% | 97.78% | 102.4% | 3.0% | 0.1% | 3.1% | 0.4% | 0.3% | 0.2% |
| Shortspine S. of 34°27' | - | - | - | 96.41% | 96.4% | 48.2% | 0.0% | 48.2% | 2.7% | 0.4% | 0.0% |
| Longspine Thornyhead - coastwide | 0.00% | 0.00% | 0.05% | 99.25% | 99.3% | 3.5% | 0.0% | 3.5% | 0.6% | 0.1% | - |
| Longspine N. of 34°27' | 0.00% | 0.00% | 0.05% | 99.89% | 99.9% | 2.1% | 0.0% | 2.2% | 0.5% | 0.1% | - |
| Longspine S. of 34°27' | - | - | - | 3.58% | 3.6% | 100.0% | - | 100.0% | 25.4% | 0.9% | - |
| DARKBLOTCHED | 6.68% | 5.21% | 5.61% | 98.85% | 116.4% | 3.6% | 0.1% | 3.7% | 2.2% | 2.1% | 0.0% |
| Minor Slope Rockfish North | 20.90% | 5.28% | 3.21% | 92.32% | 121.7% | 30.6% | 2.1% | 32.8% | 4.9% | 2.2% | 0.1% |
| Minor Slope Rockfish South | - | - | - | 77.79% | 77.8% | 22.4% | 0.3% | 22.6% | 28.6% | 0.6% | 4.8% |
| Dover Sole | 0.02% | 0.00% | 0.04% | 99.91% | 100.0% | 0.0% | 0.0% | 0.1% | 0.0% | 1.3% | 0.0% |
| English Sole | 0.01% | 0.02% | 0.15% | 99.39% | 99.6% | 0.0% | - | 0.0% | 0.2% | 4.4% | 0.0% |
| Petrals Sole - coastwide | 0.00% | 0.00% | 0.10% | 99.63% | 99.7% | 0.1% | 0.0% | 0.1% | 0.4% | 3.2% | 0.0% |
| Arrowtooth Flounder | 0.12% | 0.09% | 0.06% | 99.83% | 100.1% | 0.2% | 0.1% | 0.3% | 0.0% | 0.9% | 0.0% |
| Starry Flounder | - | - | 0.04% | 82.68% | 82.7% | 0.4% | - | 0.4% | 0.6% | 47.8% | 94.3% |
| Other Flatfish | 1.03% | 0.11% | 0.25% | 97.02% | 98.4% | 0.1% | 0.0% | 0.1% | 0.5% | 7.6% | 4.2% |

Table 4-15. Minimum shares of annual non-treaty landings of groundfish species subject to intersector allocation by sector during the 1995-2005 period.

| Stock or Complex | MINIMUM Shares | | | | | | | | | | |
|-----------------------------------|----------------|-------|-------------------------------|-----------------------------------|----------|-----------------|----------------|------------------|----------------|------------------|--------------|
| | CP | MS | Shoreside Whiting Trawl | Shoreside Non-whiting Trawl | LE Trawl | LE Line Gear | LE Pot Gear | LE Fixed Gear | Directed OA | Incidental OA | Recreational |
| Lingcod - coastwide | - | - | 0.01% | 5.20% | 5.21% | 0.62% | 0.01% | 0.63% | 5.59% | 0.55% | 21.16% |
| Pacific Cod | - | - | 0.00% | 97.40% | 97.41% | 0.07% | - | 0.07% | 0.01% | 0.02% | - |
| Pacific Cod | 0.01% | 0.00% | 0.03% | 42.62% | 42.66% | 25.48% | 6.28% | 31.77% | 4.67% | 0.04% | 0.00% |
| Pacific Cod | - | - | - | 20.02% | 20.02% | 13.52% | - | 13.52% | 1.55% | 0.07% | - |
| PACIFIC OCEAN PERCH | 0.29% | 0.03% | 0.02% | 90.41% | 90.75% | 0.00% | - | 0.00% | 0.00% | - | - |
| WIDOW ROCKFISH | 1.08% | 1.40% | 1.28% | 1.87% | 5.64% | 0.00% | - | 0.00% | 0.11% | 0.07% | 0.09% |
| Chilipepper Rockfish | - | - | - | 75.96% | 75.96% | 0.27% | - | 0.27% | 1.24% | 0.11% | 0.09% |
| Splitnose S. of 40°10' | - | - | - | 91.92% | 91.92% | 0.00% | - | 0.00% | 0.04% | 0.00% | - |
| Yellowtail N. of 40°10' | 0.99% | 0.18% | 5.30% | 9.58% | 16.05% | 0.07% | - | 0.07% | 0.07% | 2.21% | 0.56% |
| Shortspine Thornyhead - coastwide | 0.00% | - | 0.01% | 77.04% | 77.05% | 1.69% | 0.00% | 1.69% | 0.06% | 0.04% | - |
| Shortspine N. of 34°27' | 0.00% | - | 0.01% | 93.36% | 93.38% | 1.20% | 0.01% | 1.21% | 0.00% | 0.00% | - |
| Shortspine S. of 34°27' | - | - | - | 51.58% | 51.58% | 1.99% | - | 1.99% | 0.05% | 0.02% | - |
| Longspine Thornyhead - coastwide | - | - | - | 95.96% | 95.96% | 0.48% | - | 0.48% | 0.00% | 0.00% | - |
| Longspine N. of 34°27' | - | - | - | 97.72% | 97.72% | 0.10% | - | 0.10% | 0.00% | 0.00% | - |
| Longspine S. of 34°27' | - | - | - | - | 0.00% | 74.57% | - | 74.57% | - | - | - |
| DARKBLOTCHED | 0.22% | 0.09% | 0.01% | 78.78% | 79.09% | 0.06% | - | 0.06% | 0.02% | 0.00% | - |
| Minor Slope Rockfish North | 1.78% | 0.08% | 0.04% | 45.16% | 47.07% | 1.89% | - | 1.89% | 0.27% | 0.01% | 0.00% |
| Minor Slope Rockfish South | - | - | - | 53.33% | 53.33% | 7.81% | - | 7.81% | 3.93% | 0.06% | 0.13% |
| Dover Sole | - | - | 0.00% | 98.68% | 98.68% | 0.01% | 0.00% | 0.01% | 0.00% | 0.05% | - |
| English Sole | - | 0.00% | 0.00% | 95.55% | 95.55% | - | - | 0.00% | 0.00% | 0.60% | - |
| Petrals Sole - coastwide | - | - | 0.00% | 96.61% | 96.61% | 0.01% | - | 0.01% | 0.00% | 0.27% | 0.00% |
| Arrowtooth Flounder | 0.00% | 0.00% | 0.01% | 98.96% | 98.97% | 0.01% | 0.00% | 0.01% | 0.00% | 0.03% | - |
| Starry Flounder | - | - | - | 1.81% | 1.81% | - | - | 0.00% | 0.00% | 0.88% | 2.35% |
| Other Flatfish | 0.00% | 0.00% | 0.00% | 90.11% | 90.11% | 0.01% | - | 0.01% | 0.14% | 0.08% | 0.64% |

Table 4-16. Average shares of annual non-treaty landings of groundfish species subject to intersector allocation by sector during the 1995-2005 period.

| Stock or Complex | AVERAGE Shares (Average of Annual Percentages) | | | | | | | | | | |
|-----------------------------------|------------------------------------------------|-------|-------------------------------|-----------------------------------|----------|-----------------|----------------|------------------|----------------|------------------|--------------|
| | CP | MS | Shoreside Whiting Trawl | Shoreside Non-whiting Trawl | LE Trawl | LE Line Gear | LE Pot Gear | LE Fixed Gear | Directed OA | Incidental OA | Recreational |
| Lingcod - coastwide | 0.02% | 0.07% | 0.23% | 27.87% | 28.18% | 2.66% | 0.17% | 2.83% | 11.56% | 3.14% | 54.28% |
| Pacific Cod | 0.01% | 0.00% | 0.07% | 98.45% | 98.54% | 0.28% | 0.00% | 0.28% | 0.10% | 0.69% | 0.40% |
| Pacific Cod | 0.34% | 0.03% | 1.05% | 49.45% | 50.87% | 28.39% | 10.85% | 39.24% | 9.04% | 0.78% | 0.06% |
| Pacific Cod | - | - | - | 43.32% | 43.32% | 45.03% | 0.01% | 45.04% | 10.61% | 1.02% | 0.01% |
| PACIFIC OCEAN PERCH | 2.43% | 0.91% | 1.26% | 94.55% | 99.16% | 0.26% | 0.02% | 0.28% | 0.09% | 0.36% | 0.11% |
| WIDOW ROCKFISH | 11.00% | 5.38% | 14.95% | 64.38% | 95.71% | 0.13% | 0.00% | 0.13% | 1.15% | 0.25% | 2.76% |
| Chilipepper Rockfish | | | 0.02% | 82.04% | 82.06% | 1.93% | | 1.93% | 10.12% | 0.58% | 5.31% |
| Splitnose S. of 40°10' | | | 0.00% | 97.27% | 97.27% | 1.03% | | 1.03% | 1.58% | 0.12% | |
| Yellowtail N. of 40°10' | 5.18% | 6.27% | 18.01% | 60.64% | 90.10% | 0.58% | 0.00% | 0.58% | 1.37% | 3.86% | 4.09% |
| Shortspine Thornyhead - coastwide | 0.98% | 0.02% | 0.05% | 88.18% | 89.22% | 10.20% | 0.02% | 10.22% | 0.44% | 0.11% | 0.02% |
| Shortspine N. of 34°27' | 1.59% | 0.03% | 0.08% | 96.14% | 97.83% | 1.90% | 0.04% | 1.94% | 0.10% | 0.10% | 0.03% |
| Shortspine S. of 34°27' | | | - | 75.74% | 75.74% | 23.08% | 0.00% | 23.08% | 1.06% | 0.11% | 0.00% |
| Longspine Thornyhead - coastwide | 0.00% | 0.00% | 0.01% | 98.06% | 98.07% | 1.66% | 0.00% | 1.66% | 0.21% | 0.05% | |
| Longspine N. of 34°27' | 0.00% | 0.00% | 0.01% | 98.96% | 98.97% | 0.87% | 0.00% | 0.87% | 0.10% | 0.05% | |
| Longspine S. of 34°27' | | | - | 0.36% | 0.36% | 92.24% | | 92.24% | 7.19% | 0.21% | |
| DARKBLOTCHED | 3.04% | 1.18% | 1.15% | 92.80% | 98.16% | 0.81% | 0.01% | 0.82% | 0.47% | 0.55% | 0.00% |
| Minor Slope Rockfish North | 8.92% | 1.29% | 1.17% | 72.75% | 84.13% | 12.82% | 0.81% | 13.63% | 1.28% | 0.94% | 0.02% |
| Minor Slope Rockfish South | | - | - | 69.00% | 69.00% | 13.83% | 0.07% | 13.90% | 15.74% | 0.26% | 1.10% |
| Dover Sole | 0.00% | 0.00% | 0.01% | 99.40% | 99.42% | 0.02% | 0.01% | 0.03% | 0.01% | 0.54% | 0.00% |
| English Sole | 0.00% | 0.00% | 0.06% | 97.69% | 97.76% | 0.00% | - | 0.00% | 0.03% | 2.21% | 0.00% |
| Petrals Sole - coastwide | 0.00% | 0.00% | 0.03% | 98.19% | 98.22% | 0.04% | 0.00% | 0.04% | 0.06% | 1.67% | 0.02% |
| Arrowtooth Flounder | 0.06% | 0.03% | 0.04% | 99.50% | 99.62% | 0.07% | 0.01% | 0.08% | 0.01% | 0.29% | 0.00% |
| Starry Flounder | | | 0.01% | 55.86% | 55.87% | 0.05% | - | 0.05% | 0.24% | 22.80% | 21.03% |
| Other Flatfish | 0.25% | 0.03% | 0.06% | 93.66% | 94.01% | 0.03% | 0.00% | 0.03% | 0.30% | 3.30% | 2.36% |

Table 4-17 characterizes the groundfish species subject to intersector allocations as being significant or dominant to each of the directed non-treaty groundfish sectors based on the utilization criteria defined above. All of the specified groundfish species except longspine thornyhead south of 34°27' N latitude are at least significantly utilized by the limited entry trawl sector. Longspine south of 34°27' N latitude is caught in such insignificant amounts by limited entry trawl fisheries that it should be eliminated from the list of Amendment 21 species and a small yield (5 mt?) should be set aside to accommodate any trawl bycatch that might occur there. Pacific cod, Pacific ocean perch, widow rockfish, splitnose rockfish, yellowtail rockfish, shortspine and longspine thornyhead north of 34°27' N latitude, darkblotched rockfish, Dover sole, petrale sole, arrowtooth flounder, and the species comprising the Other Flatfish complex are considered “trawl-dominant” according to these criteria.

Only longspine thornyhead south of 34°27' N latitude are dominant to a non-trawl sector (LE fixed gear). Groundfish species subject to intersector allocation that are significantly utilized by the limited entry fixed gear sector are shortspine thornyhead south of 34°27' N latitude and species comprising the minor slope rockfish complexes. Groundfish species subject to intersector allocation that are significantly utilized by the directed open access sector are lingcod, chilipepper rockfish, and species comprising the southern minor slope rockfish complex. Groundfish species subject to intersector allocation that are significantly utilized by the recreational sector are lingcod and starry flounder.

Table 4-17. Utilization by directed non-treaty groundfish sectors of groundfish species subject to intersector allocations (S = significant utilization, D = dominant utilization). a/

| Stock or Complex | Directed Groundfish Sector Species Utilization | | | |
|-----------------------------------|------------------------------------------------|--------------------------|-------------|--------------|
| | Limited Entry Trawl | Limited Entry Fixed Gear | Directed OA | Recreational |
| Lingcod - coastwide | S | | S | S |
| Pacific Cod | D | | | |
| Sablefish N. of 36° | S | S | | |
| Sablefish S. of 36° | S | S | S | |
| PACIFIC OCEAN PERCH | D | | | |
| WIDOW | D | | | |
| Chilipepper S. of 40°10' | S | | S | |
| Splitnose S. of 40°10' | D | | | |
| Yellowtail N. of 40°10' | D | | | |
| Shortspine Thornyhead - coastwide | S | S | | |
| Shortspine N. of 34°27' | D | | | |
| Shortspine S. of 34°27' | S | S | | |
| Longspine Thornyhead - coastwide | D | | | |
| Longspine N. of 34°27' | D | | | |
| Longspine S. of 34°27' | | D | | |
| DARKBLOTCHED | D | | | |
| Minor Slope Rockfish North | S | S | | |
| Minor Slope Rockfish South | S | S | S | |
| Dover Sole | D | | | |
| English Sole | D | | | |
| Petrale Sole - coastwide | D | | | |
| Arrowtooth Flounder | D | | | |
| Starry Flounder | S | | | S |
| Other Flatfish | D | | | |

a/ Significant utilization of a groundfish species by a sector is defined as landing an average of at least 10% of the total annual non-treaty landings during the 1995-2005 period. Dominant utilization of a groundfish species by a sector is defined as landing an average of at least 90% of the total annual non-treaty landings during the 1995-2005 period.

Potential Value of Alternative Trawl Sector Allocations

The potential value of trawl sector allocations in 2010 under the alternatives is provided in Table 4-18. The highest potential value to trawl sectors is under intersector allocation alternative 3 followed by alternatives 1, 4, and the GAC-recommended alternative. Relative to the GAC-recommended alternative, alternative 3 has a 3.1% higher potential value to trawl sectors. The difference in potential value of trawl sector allocations under alternatives 1 and 4 relative to the GAC-recommended alternative is +1.8% and +0.1%, respectively.

Table 4-18. Potential 2010 yield to trawl and non-trawl sectors under the Amendment 21 alternatives and the potential 2010 value of alternative trawl allocations.

| Stock or Complex | Ave. 2004-06 Trawl Ex-vessel Prices (\$/lb) | Intersector Alloc. Alt. 1 | | | | Intersector Alloc. Alt. 3 | | | | Intersector Alloc. Alt. 4 | | | | GAC-Recommended Alt. | | | |
|-----------------------------------------------------------------------------|------------------------------------------------------------|---------------------------|--------------------------------------|---------------------------------------------------------------------------------|----------------------------------------------|---------------------------|--------------------------------------|---------------------------------------------------------------------------------|----------------------------------------------|---------------------------|--------------------------------------|---------------------------------------------------------------------------------|----------------------------------------------|----------------------|--------------------------------------|---------------------------------------------------------------------------------|----------------------------------------------|
| | | Trawl Alloc. % | 2010 Total NT Trawl (mt) | 2010 Total NT Trawl Ex- vessel Value (\$*10 ³) | 2010 Total NT Non- Trawl (mt) | Trawl Alloc. % | 2010 Total NT Trawl (mt) | 2010 Total NT Trawl Ex- vessel Value (\$*10 ³) | 2010 Total NT Non- Trawl (mt) | Trawl Alloc. % | 2010 Total NT Trawl (mt) | 2010 Total NT Trawl Ex- vessel Value (\$*10 ³) | 2010 Total NT Non- Trawl (mt) | Trawl Alloc. % | 2010 Total NT Trawl (mt) | 2010 Total NT Trawl Ex- vessel Value (\$*10 ³) | 2010 Total NT Non- Trawl (mt) |
| Lingcod - coastwide | \$0.41 | 19.8% | 900 | \$823 | 3,638 | 39.5% | 1,792 | \$1,638 | 2,746 | 11.8% | 536 | \$490 | 4,002 | 45.0% | 2,042 | \$1,867 | 2,496 |
| Pacific Cod | \$0.57 | 98.2% | 1,126 | \$1,420 | 21 | 99.1% | 1,136 | \$1,432 | 11 | 98.0% | 1,124 | \$1,417 | 23 | 95.0% | 1,089 | \$1,374 | 57 |
| Sablefish N. of 36° | \$0.57 | 50.3% | 2,899 | \$3,661 | 2,864 | 51.5% | 2,967 | \$3,748 | 2,795 | 45.3% | 2,612 | \$3,299 | 3,150 | 52.5% | 3,028 | \$3,825 | 2,734 |
| Sablefish S. of 36° | \$0.57 | 41.9% | 525 | \$663 | 729 | 47.7% | 598 | \$755 | 656 | 36.1% | 452 | \$571 | 802 | 42.0% | 527 | \$665 | 727 |
| PACIFIC OCEAN PERCH | \$0.46 | 99.5% | 190 | \$194 | 1 | 99.4% | 189 | \$194 | 1 | 99.5% | 190 | \$194 | 1 | 95.0% | 181 | \$185 | 10 |
| WIDOW | \$0.43 | 91.4% | 422 | \$399 | 39 | 98.0% | 452 | \$428 | 9 | 90.6% | 418 | \$395 | 43 | 91.0% | 420 | \$397 | 42 |
| Chilipepper S. of 40°10' | \$0.44 | 94.0% | 2,285 | \$2,229 | 145 | 79.5% | 1,931 | \$1,884 | 499 | 93.4% | 2,271 | \$2,215 | 160 | 80.0% | 1,944 | \$1,897 | 486 |
| Splitnose S. of 40°10' | \$0.39 | 99.8% | 459 | \$390 | 1 | 97.2% | 447 | \$380 | 13 | 99.8% | 459 | \$390 | 1 | 95.0% | 437 | \$372 | 23 |
| Yellowtail N. of 40°10' | \$0.40 | 88.4% | 3,427 | \$3,038 | 448 | 96.3% | 3,730 | \$3,307 | 144 | 87.3% | 3,382 | \$2,998 | 492 | 88.0% | 3,409 | \$3,022 | 465 |
| Shortspine N. of 34°27' | \$0.60 | 98.4% | 1,538 | \$2,047 | 24 | 97.9% | 1,530 | \$2,037 | 32 | 98.3% | 1,535 | \$2,044 | 27 | 95.0% | 1,484 | \$1,976 | 78 |
| Shortspine S. of 34°27' | \$0.55 | 58.0% | 238 | \$290 | 172 | 78.8% | 323 | \$393 | 87 | 53.8% | 220 | \$269 | 189 | 58.0% | 238 | \$289 | 172 |
| Longspine N. of 34°27' | \$0.53 | 99.4% | 2,133 | \$2,480 | 12 | 98.9% | 2,122 | \$2,466 | 24 | 99.4% | 2,133 | \$2,480 | 12 | 95.0% | 2,039 | \$2,370 | 107 |
| Longspine S. of 34°27' | \$0.56 | 0.0% | 0 | \$0 | 384 | 0.3% | 1 | \$1 | 383 | 0.0% | 0 | \$0 | 384 | 5.0% | 19 | \$24 | 365 |
| DARKBLOTCHED | \$0.46 | 98.7% | 277 | \$278 | 4 | 99.0% | 278 | \$279 | 3 | 98.7% | 277 | \$278 | 4 | 95.0% | 266 | \$267 | 14 |
| Minor Slope RF North | \$0.55 | 81.0% | 909 | \$1,112 | 213 | 87.5% | 981 | \$1,201 | 141 | 79.1% | 888 | \$1,086 | 234 | 81.0% | 909 | \$1,112 | 213 |
| Minor Slope RF South | \$0.54 | 63.3% | 396 | \$474 | 230 | 69.9% | 438 | \$524 | 188 | 59.6% | 373 | \$447 | 253 | 63.0% | 394 | \$472 | 232 |
| Dover Sole | \$0.37 | 99.9% | 16,050 | \$13,229 | 14 | 100.0% | 16,057 | \$13,235 | 7 | 99.9% | 16,050 | \$13,229 | 14 | 95.0% | 15,260 | \$12,579 | 803 |
| English Sole | \$0.35 | 100.0% | 9,460 | \$7,386 | 1 | 100.0% | 9,457 | \$7,383 | 4 | 100.0% | 9,460 | \$7,386 | 1 | 95.0% | 8,988 | \$7,017 | 473 |
| Petrale Sole - coastwide | \$0.98 | 100.0% | 2,285 | \$4,930 | 1 | 99.9% | 2,284 | \$4,927 | 3 | 100.0% | 2,285 | \$4,930 | 1 | 95.0% | 2,172 | \$4,686 | 114 |
| Arrowtooth Flounder | \$0.25 | 99.2% | 9,843 | \$5,487 | 83 | 99.9% | 9,918 | \$5,529 | 8 | 99.2% | 9,843 | \$5,487 | 83 | 95.0% | 9,430 | \$5,257 | 496 |
| Starry Flounder | \$0.57 | 87.5% | 926 | \$1,171 | 133 | 48.9% | 518 | \$654 | 541 | 86.2% | 913 | \$1,154 | 146 | 87.0% | 921 | \$1,164 | 138 |
| Other Flatfish | \$0.42 | 97.7% | 4,647 | \$4,333 | 108 | 97.3% | 4,628 | \$4,316 | 127 | 97.7% | 4,647 | \$4,333 | 108 | 95.0% | 4,517 | \$4,212 | 238 |
| Total potential value (\$*10 ³) to the LE Trawl sector in 2010: | | | | \$56,035 | | \$56,711 | | | | \$55,094 | | | | \$55,029 | | | |

Trawl and Non-trawl Sector Dependence on Amendment 21 Species

The combined trawl sector and non-trawl sector catches by year and Amendment 21 species are provided in Table 4-19. Table 4-20 shows the minimum, maximum, and average catches of groundfish species caught incidentally in the non-trawl sectors during 1995-2005. For greater recent context of the need and dependence of groundfish species subject to intersector allocations, the 2006 and 2007 summaries from the NMFS Northwest Fisheries Science Center annual total mortality reports are shown in Tables 4-21 and 4-22, respectively. A species by species evaluation of alternative trawl and non-trawl allocations follows these tables.

Table 4-19. Combined trawl sector and non-trawl sector catches of Amendment 21 species by year, 1995-2005.

| Stock or Complex | Total Catch (mt) | | | | | | | | | | | |
|-----------------------------------|----------------------|------------------------------|----------------------|------------------------------|----------------------|------------------------------|----------------------|------------------------------|----------------------|------------------------------|----------------------|------------------------------|
| | 1995 | | 1996 | | 1997 | | 1998 | | 1999 | | 2000 | |
| | Total NT Trawl | Total NT Non- Trawl | Total NT Trawl | Total NT Non- Trawl | Total NT Trawl | Total NT Non- Trawl | Total NT Trawl | Total NT Non- Trawl | Total NT Trawl | Total NT Non- Trawl | Total NT Trawl | Total NT Non- Trawl |
| Lingcod - coastwide | 1,069.9 | 823.7 | 1,204.9 | 885.1 | 1,170.9 | 897.8 | 217.8 | 495.5 | 217.3 | 629.4 | 67.2 | 361.3 |
| Pacific Cod | 490.8 | 11.7 | 433.5 | 12.5 | 589.4 | 6.5 | 406.5 | 6.0 | 277.1 | 4.9 | 274.2 | 4.1 |
| Sablefish N. of 36° | 3,549.0 | 5,862.1 | 3,962.4 | 5,730.6 | 3,592.7 | 6,054.5 | 2,085.6 | 3,182.3 | 3,080.7 | 5,078.0 | 2,702.8 | 5,175.2 |
| Sablefish S. of 36° | 206.3 | 163.5 | 214.1 | 213.5 | 153.5 | 211.6 | 114.5 | 194.5 | 83.1 | 184.9 | 36.2 | 155.1 |
| PACIFIC OCEAN PERCH | 896.2 | 14.8 | 858.5 | 26.9 | 672.9 | 10.2 | 655.4 | 1.7 | 535.6 | 11.8 | 144.3 | 1.1 |
| WIDOW ROCKFISH | 6,583.6 | 126.6 | 6,211.9 | 100.8 | 6,571.2 | 131.4 | 3,990.8 | 241.9 | 4,047.7 | 115.9 | 4,012.8 | 44.0 |
| Chilipepper S. of 40°10' | 1,474.8 | 429.7 | 1,395.6 | 342.3 | 1,535.2 | 499.5 | 1,036.2 | 314.8 | 783.1 | 154.8 | 359.5 | 105.7 |
| Splitnose S. of 40°10' | 274.5 | 25.7 | 401.7 | 6.4 | 429.4 | 8.7 | 1,304.8 | 54.3 | 205.7 | 1.6 | 83.5 | 10.7 |
| Yellowtail N. of 40°10' | 4,887.8 | 339.8 | 5,228.3 | 479.0 | 1,831.8 | 371.3 | 2,589.2 | 431.2 | 2,870.4 | 201.7 | 3,309.5 | 134.3 |
| Shortspine Thornyhead - coastwide | 1,861.3 | 83.4 | 1,514.1 | 172.2 | 1,399.0 | 110.4 | 1,187.4 | 117.8 | 713.5 | 207.8 | 784.1 | 111.3 |
| Shortspine N. of 34°27' | 1,218.8 | 46.2 | 1,083.6 | 41.4 | 996.9 | 47.3 | 859.0 | 35.6 | 527.1 | 34.2 | 503.4 | 24.8 |
| Shortspine S. of 34°27' | 642.4 | 37.2 | 430.4 | 130.7 | 402.1 | 63.1 | 328.4 | 82.1 | 186.4 | 173.6 | 280.7 | 86.5 |
| Longspine Thornyhead - coastwide | 5,314.2 | 81.3 | 4,751.1 | 202.6 | 3,851.7 | 155.1 | 2,223.7 | 33.6 | 1,770.4 | 56.4 | 1,426.9 | 110.8 |
| Longspine N. of 34°27' | 5,314.2 | 81.3 | 4,751.1 | 168.2 | 3,851.7 | 128.5 | 2,223.7 | 11.7 | 1,770.4 | 27.2 | 1,426.9 | 64.0 |
| Longspine S. of 34°27' | 0.0 | 0.0 | 0.0 | 34.3 | 0.0 | 26.7 | 0.0 | 21.9 | 0.0 | 29.2 | 0.0 | 46.8 |
| DARKBLOTCHED | 762.7 | 8.9 | 734.3 | 6.3 | 813.5 | 6.8 | 926.7 | 33.9 | 357.5 | 9.6 | 251.1 | 21.2 |
| Minor Slope RF North | 741.8 | 288.2 | 670.3 | 171.5 | 696.1 | 41.2 | 499.5 | 162.9 | 338.0 | 22.7 | 390.8 | 109.9 |
| Minor Slope RF South | 127.5 | 260.1 | 151.5 | 323.6 | 130.0 | 210.6 | 114.4 | 203.9 | 27.6 | 41.0 | 52.9 | 62.2 |
| Dover Sole | 10,377.3 | 93.9 | 12,162.1 | 110.0 | 10,116.1 | 78.2 | 8,062.2 | 57.3 | 9,129.1 | 124.4 | 8,814.1 | 69.7 |
| English Sole | 1,106.8 | 15.1 | 1,129.6 | 31.9 | 1,429.3 | 65.9 | 1,123.9 | 26.5 | 888.1 | 34.0 | 744.3 | 26.2 |
| Petrale Sole - coastwide | 1,588.5 | 24.8 | 1,804.2 | 28.1 | 1,863.4 | 66.5 | 1,460.3 | 26.9 | 1,473.4 | 36.9 | 1,849.6 | 51.4 |
| Arrowtooth Flounder | 2,306.7 | 23.8 | 2,174.6 | 6.4 | 2,326.1 | 5.3 | 3,193.0 | 6.8 | 5,343.3 | 17.9 | 3,286.5 | 22.3 |
| Starry Flounder | 49.8 | 12.4 | 27.9 | 18.0 | 58.9 | 32.5 | 53.0 | 33.5 | 22.2 | 30.3 | 25.1 | 18.4 |
| Other Flatfish | 2,364.4 | 72.6 | 1,870.1 | 140.2 | 1,819.0 | 196.8 | 1,539.0 | 84.8 | 1,884.3 | 94.7 | 1,529.2 | 114.9 |

Table 4-19. Combined trawl sector and non-trawl sector catches of Amendment 21 species by year, 1995-2005. (continued)

| Stock or Complex | Total Catch (mt) | | | | | | | | | |
|-----------------------------------|----------------------|------------------------------|----------------------|------------------------------|----------------------|------------------------------|----------------------|------------------------------|----------------------|------------------------------|
| | 2001 | | 2002 | | 2003 | | 2004 | | 2005 | |
| | Total NT Trawl | Total NT Non- Trawl | Total NT Trawl | Total NT Non- Trawl | Total NT Trawl | Total NT Non- Trawl | Total NT Trawl | Total NT Non- Trawl | Total NT Trawl | Total NT Non- Trawl |
| Lingcod - coastwide | 59.4 | 353.0 | 102.9 | 713.2 | 131.6 | 1,296.5 | 155.0 | 404.2 | 277.6 | 603.9 |
| Pacific Cod | 315.2 | 4.5 | 690.7 | 7.9 | 1,071.9 | 22.9 | 1,109.7 | 25.6 | 736.6 | 12.6 |
| Sablefish N. of 36° | 2,554.0 | 4,094.0 | 1,548.6 | 2,965.5 | 2,836.8 | 2,452.4 | 2,845.1 | 2,642.3 | 2,608.0 | 3,154.7 |
| Sablefish S. of 36° | 28.4 | 212.1 | 49.0 | 251.0 | 86.1 | 143.3 | 88.8 | 104.7 | 60.8 | 91.2 |
| PACIFIC OCEAN PERCH | 207.1 | 0.1 | 151.1 | 1.3 | 149.3 | 1.4 | 156.4 | 0.1 | 72.0 | 0.6 |
| WIDOW ROCKFISH | 1,941.3 | 30.7 | 395.3 | 3.8 | 28.9 | 3.1 | 67.8 | 16.9 | 161.8 | 5.4 |
| Chilipepper S. of 40°10' | 297.3 | 85.4 | 153.8 | 16.4 | 14.5 | 0.3 | 166.1 | 10.1 | 82.1 | 7.1 |
| Splitnose S. of 40°10' | 90.3 | 3.1 | 55.7 | 3.9 | 201.7 | 0.9 | 313.4 | 0.1 | 230.2 | 0.7 |
| Yellowtail N. of 40°10' | 1,709.0 | 95.6 | 751.1 | 52.6 | 147.7 | 29.7 | 325.3 | 48.4 | 304.8 | 43.2 |
| Shortspine Thornyhead - coastwide | 486.6 | 104.0 | 677.7 | 211.0 | 1,153.6 | 186.3 | 876.6 | 145.7 | 649.3 | 143.9 |
| Shortspine N. of 34°27' | 364.9 | 17.5 | 439.2 | 17.2 | 477.9 | 7.2 | 443.8 | 6.1 | 366.9 | 7.3 |
| Shortspine S. of 34°27' | 121.7 | 86.5 | 238.6 | 193.7 | 202.8 | 151.2 | 225.3 | 128.4 | 144.3 | 135.4 |
| Longspine Thornyhead - coastwide | 1,131.7 | 81.1 | 1,896.7 | 26.3 | 1,841.9 | 32.3 | 850.2 | 9.1 | 726.4 | 15.0 |
| Longspine N. of 34°27' | 1,131.7 | 26.1 | 1,896.3 | 4.1 | 1,552.1 | 9.0 | 722.2 | 1.2 | 631.3 | 7.1 |
| Longspine S. of 34°27' | 0.0 | 55.0 | 0.5 | 22.2 | 0.0 | 10.7 | 0.0 | 7.6 | 0.0 | 7.9 |
| DARKBLOTCHED | 169.3 | 5.2 | 110.1 | 1.5 | 171.8 | 0.8 | 233.9 | 1.3 | 117.3 | 4.8 |
| Minor Slope RF North | 188.9 | 54.9 | 92.8 | 92.2 | 267.6 | 34.5 | 269.2 | 50.8 | 176.5 | 82.2 |
| Minor Slope RF South | 89.9 | 66.5 | 63.2 | 119.7 | 54.7 | 134.9 | 79.7 | 70.4 | 51.0 | 35.9 |
| Dover Sole | 6,832.2 | 36.7 | 6,319.9 | 20.7 | 8,215.2 | 21.9 | 7,500.0 | 8.3 | 7,625.2 | 10.1 |
| English Sole | 959.9 | 24.4 | 1,126.7 | 9.5 | 1,387.4 | 18.9 | 1,086.5 | 6.1 | 1,206.6 | 5.2 |
| Petrale Sole - coastwide | 1,777.7 | 37.8 | 1,783.7 | 16.1 | 2,046.4 | 53.2 | 1,984.7 | 6.8 | 2,813.1 | 12.2 |
| Arrowtooth Flounder | 2,455.1 | 4.2 | 2,078.1 | 12.3 | 9,430.1 | 49.0 | 5,599.4 | 35.4 | 3,545.3 | 88.9 |
| Starry Flounder | 7.3 | 396.4 | 18.4 | 26.5 | 30.2 | 29.9 | 141.8 | 24.8 | 26.0 | 9.3 |
| Other Flatfish | 1,615.7 | 129.2 | 1,633.8 | 122.7 | 2,327.6 | 93.1 | 1,769.9 | 92.6 | 1,939.8 | 35.1 |

Table 4-20. Yield amounts (mt) of incidentally caught groundfish species subject to intersector allocations predicted to be needed by the non-trawl sectors to prevent constraining target fishing strategies.

| Stock or Complex | Limited Entry Fixed Gear | | | Directed Open Access | | | Recreational | | |
|-----------------------------------|--------------------------|-----------------|-----------------|----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| | Min 95-05 Catch | Ave 95-05 Catch | Max 95-05 Catch | Min 95-05 Catch | Ave 95-05 Catch | Max 95-05 Catch | Min 95-05 Catch | Ave 95-05 Catch | Max 95-05 Catch |
| Lingcod - coastwide | 9.4 | 32.6 | 65.2 | | | | | | |
| Pacific Cod | 0.5 | 1.0 | 1.4 | 0.0 | 0.7 | 1.5 | 0.0 | 4.4 | 12.3 |
| Sablefish N. of 36° | | | | | | | 0.2 | 3.1 | 8.0 |
| Sablefish S. of 36° | | | | | | | 0.0 | 0.1 | 0.1 |
| PACIFIC OCEAN PERCH | 0.0 | 2.1 | 9.7 | 0.0 | 0.5 | 1.8 | 0.0 | 0.3 | 1.0 |
| WIDOW | 0.0 | 7.4 | 15.4 | 0.3 | 37.9 | 155.4 | 1.3 | 19.0 | 51.9 |
| Chilipepper S. of 40°10' | | | | | | | 0.0 | 23.0 | 73.5 |
| Splitnose S. of 40°10' | 0.0 | 10.9 | 77.0 | 0.1 | 7.5 | 45.3 | 0.0 | 0.0 | 0.0 |
| Yellowtail N. of 40°10' | 0.6 | 21.2 | 43.7 | 1.3 | 36.8 | 123.7 | 19.2 | 31.6 | 64.0 |
| Shortspine Thornyhead - coastwide | | | | 0.8 | 6.5 | 15.7 | 0.0 | 0.3 | 1.1 |
| Shortspine N. of 34°27' | 5.8 | 15.1 | 21.5 | 0.0 | 1.0 | 5.3 | 0.0 | 0.3 | 1.1 |
| Shortspine S. of 34°27' | | | | 0.2 | 4.1 | 12.0 | 0.0 | 0.0 | 0.1 |
| Longspine Thornyhead - coastwide | 8.6 | 41.7 | 96.1 | 0.0 | 6.6 | 27.0 | 0.0 | 0.0 | 0.0 |
| Longspine N. of 34°27' | 0.9 | 27.9 | 79.1 | 0.0 | 4.6 | 27.0 | 0.0 | 0.0 | 0.0 |
| Longspine S. of 34°27' | | | | 0.0 | 1.8 | 6.8 | 0.0 | 0.0 | 0.0 |
| DARKBLOTCHED | 0.2 | 3.2 | 9.5 | 0.2 | 1.7 | 11.0 | 0.0 | 0.0 | 0.0 |
| Minor Slope Rockfish North | | | | | | | 0.0 | 0.1 | 0.4 |
| Minor Slope Rockfish South | | | | | | | 0.4 | 4.9 | 21.8 |
| Dover Sole | 1.0 | 9.3 | 61.7 | 0.3 | 1.3 | 4.1 | 0.0 | 0.0 | 0.0 |
| English Sole | | | | 0.0 | 0.4 | 1.9 | 0.0 | 0.0 | 0.0 |
| Petrale Sole - coastwide | 0.3 | 0.7 | 1.6 | 0.1 | 1.1 | 6.9 | 0.0 | 0.3 | 0.7 |
| Arrowtooth Flounder | 0.3 | 1.4 | 5.1 | 0.0 | 3.1 | 20.9 | 0.0 | 0.0 | 0.1 |
| Starry Flounder | 0.0 | 0.1 | 0.2 | 0.0 | 0.2 | 0.3 | | | |
| Other Flatfish | 0.1 | 0.5 | 1.1 | 1.9 | 5.3 | 8.2 | 13.5 | 40.4 | 74.6 |

Table 4-21. Estimated total mortality (mt) of groundfish species subject to intersector allocations during 2006, by sector. Data excerpted from the NMFS Northwest Fisheries Science Center total catch report.

| | Shoreside commercial fisheries | | | | At-sea Whiting (Treaty + Non-Treaty) | Shoreside Tribal Whiting | Total recreational fishing mortality | | | Research | Estimated total fishing mortality |
|-------------------------------|--------------------------------|------------------|---------------------|---------------------------------|-----------------------------------------------|-----------------------------|-----------------------------------------|-----|------|----------|-----------------------------------------|
| | Non- Whiting trawl a/ | Whiting trawl | Non- trawl b/ | Total Shoreside mortality | | | CA | OR | WA | | |
| | | | | | | | | | | | |
| Non-rebuilding species | | | | | | | | | | | |
| Sablefish mortality | 2,654 | 11.0 | 3,119 | 5,785 | 2 | 669 | 0.0 | 2.1 | 0 | 11 | 6,470 |
| Shortspine thornyhead | 649 | 0.1 | 178 | 827 | 0.5 | 21 | 0.0 | 0 | 0 | 4 | 853 |
| Longspine thornyhead | 821 | 0 | 21 | 843 | 0.0 | | 0 | 0 | 0 | 11.6 | 854 |
| Dover sole | 7,476 | 0.0 | 5 | 7,480 | 0.0 | 221 | 0 | 0.0 | 0 | 28.8 | 7,730 |
| Petrale sole | 2,690 | 0.0 | 4 | 2,694 | 0 | 26 | 0.5 | 0.0 | 0 | 2.3 | 2,723 |
| English sole | 1,291 | 0.0 | 0.0 | 1,291 | 0.0 | 42 | 0.0 | 0.0 | 0 | 2.5 | 1,336 |
| Arrowtooth flounder | 2,818 | 2.3 | 79 | 2,899 | 2.8 | 197 | 0 | 0.0 | 0 | 6.1 | 3,105 |
| Other Flatfish | 1,855 | 0.1 | 4 | 1,859 | 0.3 | 60 | 27.6 | 3.3 | 0.2 | 11.8 | 1,962 |
| Splitnose rockfish c/ | 159 | na | 0 | 160 | na | na | 0 | na | na | 2.1 | 162 |
| Other slope rockfish N | 187 | 2.8 | 58 | 248 | 8.2 | 25 | 0 | 0.0 | 0 | 2.5 | 283 |
| Other slope rockfish S | 122 | na | 10 | 132 | na | na | 0.0 | na | na | 1.3 | 133 |
| Yellowtail rockfish d/ | 32 | 153.7 | 3 | 189 | 109 | 172 | 0.4 | 8.7 | 13.9 | 1.2 | 493 |
| Chilipepper rockfish e/ | 116 | na | 0 | 116 | na | na | 1.6 | na | na | 8.3 | 126 |
| Lingcod mortality | 272 | 5.4 | 100 | 378 | 3.2 | 45 | 348 | 127 | 47 | 5.3 | 952 |
| Pacific cod | 344 | 0.9 | 0.5 | 346 | 0.1 | 36 | 0 | 0.0 | 3.5 | 0.2 | 385 |
| Spiny dogfish | 666 | 33.2 | 563 | 1,262 | 59 | 77 | 3.9 | 0.0 | 0 | 5.8 | 1,407 |
| Rebuilding species | | | | | | | | | | | |
| Widow rockfish | 6.5 | 47.9 | 0.8 | 55.2 | 143.3 | 9.9 | 3.3 | 1.1 | 0 | 0.2 | 213.8 |
| Pacific ocean perch f/ | 71.7 | 0.1 | 0.3 | 72.1 | 3.1 | 3.9 | 0 | 0 | 0 | 1.2 | 80.3 |
| Darkblotched rockfish | 178.5 | 2.1 | 0.5 | 181.1 | 11.1 | 0.1 | 0 | 0 | 0 | 0.9 | 193.3 |

a/ Includes minor landings by trawlers not targeting groundfish.

b/ Includes minor landings made with troll gear.

c/ Amounts in this row are for the area south of 40°10' N latitude. Northern catch is included in the Other Slope Rockfish category.

d/ Amounts in this row are for the area north of 40°10' N latitude. Southern catch is included in the Other Shelf Rockfish category.

e/ Amounts in this row are for the area south of 40°10' N latitude. Northern catch is included in the Other Shelf Rockfish category.

f/ Amounts in this row are for the area north of 40°10' N latitude.

Table 4-22. Estimated total fishing mortality (mt) of major west coast groundfish species in 2007 by sector. Data excerpted from the NMFS Northwest Fisheries Science Center total catch report.

| Stock or Stock Complex | Shoreside commercial fisheries | | | | | | WA tribal landings | All at-sea whiting fisheries | Total recreational fishing mortality | | | Research | Remaining inc. OA fisheries landings | Est. total fishing mortality |
|-----------------------------------|--------------------------------|------------|-------------|--------------------------|----------------------|-------------------------|--------------------|------------------------------|--------------------------------------|-----|-----|----------|--------------------------------------|------------------------------|
| | LE Bottom Trawl | CA halibut | Pink shrimp | Non-nearshore fixed gear | Nearshore fixed gear | Shoreside whiting trawl | | | WA | OR | CA | | | |
| Rebuilding species | | | | | | | | | | | | | | |
| Bocaccio S. of 40°10' | 5 | -- | NA | 5 | 1 | NA | NA | NA | NA | NA | 54 | 1 | 2 | 67 |
| Canary rockfish | 19 | 0 | 0 | 0 | 4 | 2 | 1 | 2 | 1 | 2 | 11 | 3 | -- | 46 |
| Cowcod S. of 40°10' | 3 | -- | NA | 0 | 0 | NA | NA | NA | NA | NA | 0 | 0 | 0 | 3 |
| Darkblotched rockfish | 242 | -- | 18 | 10 | 0 | 1 | 0 | 12 | 0 | 0 | 0 | 1 | 0 | 285 |
| Pacific ocean perch | 126 | -- | 0 | 0 | 0 | 23 | 2 | 4 | 0 | 0 | 0 | 1 | 0 | 157 |
| Widow rockfish | 16 | -- | 0 | 1 | 1 | 82 | 1 | 146 | 0 | 0 | 8 | 0 | 4 | 259 |
| Yelloweye rockfish | 0 | -- | -- | 1 | 3 | 0 | 0 | 0 | 2 | 3 | 8 | 2 | 0 | 19 |
| Non-rebuilding species | | | | | | | | | | | | | | |
| Arrowtooth flounder | 2,769 | -- | 11 | 77 | 0 | 3 | 225 | 3 | 0 | 0 | 0 | 7 | 4 | 3,099 |
| Black rockfish (WA) | 3 | NA | -- | -- | NA | 1 | -- | 0 | 256 | NA | NA | 0 | -- | 260 |
| Black rockfish (CA & OR) | 0 | -- | -- | -- | 162 | 0 | NA | 0 | NA | 271 | 143 | 0 | 0 | 577 |
| Cabazon (CA) | -- | 0 | -- | -- | 26 | NA | NA | NA | NA | NA | 16 | 0 | 0 | 42 |
| California scorpionfish | -- | 1 | NA | -- | 2 | NA | NA | NA | NA | NA | 64 | 0 | 1 | 68 |
| Chilipepper rockfish S. of 40°10' | 109 | -- | NA | 4 | 0 | NA | NA | NA | NA | NA | 8 | 6 | 2 | 128 |
| Dover sole | 9,824 | 0 | 32 | 7 | 0 | 0 | 303 | 0 | 0 | 0 | 0 | 38 | 23 | 10,227 |
| English sole | 839 | 2 | 1 | 0 | -- | 0 | 66 | 0 | 0 | 0 | 0 | 5 | 1 | 914 |
| Lingcod | 189 | 0 | 1 | 29 | 56 | 5 | 48 | 6 | 66 | 102 | 174 | 4 | 26 | 706 |
| Other flatfish | 1,443 | 7 | 103 | 0 | 0 | 1 | 48 | 0 | 0 | 0 | 19 | 12 | 15 | 1,649 |
| Other groundfish | 3,174 | 55 | 5 | 683 | 44 | 52 | 170 | 157 | 7 | 22 | 42 | 61 | 43 | 4,516 |
| Kelp greenling | 0 | -- | -- | -- | 20 | -- | -- | 0 | 1 | 22 | 10 | 0 | 0 | 53 |
| Skates | 1,939 | 50 | 2 | 123 | 0 | 1 | 56 | 2 | 2 | 0 | 0 | 6 | 13 | 2,192 |
| Spiny dogfish | 652 | 3 | 1 | 509 | 0 | 51 | 113 | 155 | 0 | 0 | 5 | 13 | 1 | 1,504 |
| Unspecified grenadiers | 359 | -- | -- | 48 | -- | -- | -- | 0 | 0 | 0 | 0 | 5 | 2 | 414 |
| Other | 225 | 2 | 1 | 3 | 24 | 0 | 1 | 1 | 4 | 0 | 27 | 36 | 27 | 352 |
| Minor rockfish N. of 40°10' | 418 | NA | 44 | 77 | 86 | 24 | | 35 | 10 | 41 | 27 | 11 | 1 | 774 |
| Minor Nearshore RF N. | 0 | NA | 0 | -- | 74 | 0 | 0 | 0 | 8 | 33 | 17 | 0 | 0 | 133 |
| Minor Shelf RF N. | 77 | NA | 25 | 5 | 11 | 6 | 1 | 3 | 2 | 8 | 10 | 6 | 1 | 153 |
| Bocaccio | 2 | NA | 0 | 0 | 0 | 0 | -- | 1 | 1 | 0 | 0 | 0 | -- | 4 |
| Chilipepper rockfish | 2 | NA | 0 | 0 | -- | 6 | -- | 0 | 0 | 0 | 0 | 2 | -- | 11 |

Table 4-22. Estimated total fishing mortality (mt) of major west coast groundfish species in 2007 by sector. (continued)

| Stock or Stock Complex | Shoreside commercial fisheries | | | | | | WA tribal landings | All at- sea whiting fisheries | Total recreational fishing mortality | | | Research | Remaining inc. OA fisheries landings | Est. total fishing mortality |
|----------------------------------|--------------------------------|---------------|----------------|------------------------------------|-------------------------|-------------------------------|--------------------------|----------------------------------------|-----------------------------------------|----|-----|----------|-----------------------------------------------|------------------------------------|
| | LE Bottom Trawl | CA halibut | Pink shrimp | Non- nearshore fixed gear | Nearshore fixed gear | Shoreside whiting trawl | | | WA | OR | CA | | | |
| | | | | | | | | | | | | | | |
| Minor rockfish N. of 40°10' | 418 | NA | 44 | 77 | 86 | 24 | | 35 | 10 | 41 | 27 | 11 | 1 | 774 |
| Redstripe rockfish | 1 | NA | -- | 0 | -- | -- | -- | 1 | 0 | 0 | 0 | 0 | -- | 2 |
| Silvergray rockfish | 43 | NA | -- | 0 | -- | -- | -- | 0 | 0 | 0 | 0 | 0 | -- | 43 |
| Remaining shelf RF | 29 | NA | 25 | 4 | 11 | 0 | 1 | 0 | 1 | 7 | 9 | 4 | 1 | 93 |
| Minor Slope RF N. | 342 | NA | 18 | 72 | 1 | 18 | 32 | 33 | 0 | 0 | 0 | 5 | 1 | 522 |
| Sharpchin rockfish | 9 | NA | 1 | 0 | -- | 0 | 0 | 1 | 0 | 0 | 0 | 0 | -- | 11 |
| Splitnose rockfish | 145 | NA | 14 | 0 | 0 | 9 | 0 | 2 | 0 | 0 | 0 | 5 | 0 | 175 |
| Yellowmouth rockfish | 11 | NA | -- | 0 | -- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -- | 11 |
| Remaining slope RF | 177 | NA | 3 | 72 | 1 | 9 | 32 | 29 | 0 | 0 | 0 | 0 | 1 | 324 |
| Minor rockfish S. of 40°10' | 147 | 0 | NA | 27 | 78 | NA | NA | NA | NA | NA | 703 | 4 | 21 | 981 |
| Minor Nearshore RF S. | 1 | 0 | NA | -- | 69 | NA | NA | NA | NA | NA | 396 | 0 | 1 | 466 |
| Gopher rockfish | -- | 0 | NA | -- | 21 | NA | NA | NA | NA | NA | 34 | 0 | 0 | 55 |
| Remaining nearshore RF | 1 | 0 | NA | -- | 48 | NA | NA | NA | NA | NA | 361 | 0 | 1 | 411 |
| Minor Shelf RF S. | 35 | 0 | NA | 2 | 9 | NA | NA | NA | NA | NA | 308 | 3 | 9 | 365 |
| Yellowtail rockfish | 2 | -- | NA | 0 | 2 | NA | NA | NA | NA | NA | 55 | 0 | 1 | 60 |
| Remaining shelf RF | 33 | 0 | NA | 2 | 7 | NA | NA | NA | NA | NA | 252 | 3 | 7 | 305 |
| Minor Slope RF S. | 112 | 0 | NA | 25 | 0 | NA | NA | NA | NA | NA | 0 | 1 | 11 | 149 |
| Bank rockfish | 27 | -- | NA | 1 | -- | NA | NA | NA | NA | NA | 0 | 0 | 8 | 36 |
| Blackgill rockfish | 29 | -- | NA | 19 | -- | NA | NA | NA | NA | NA | 0 | 0 | 3 | 51 |
| Sharpchin rockfish | 0 | -- | NA | 0 | -- | NA | NA | NA | NA | NA | 0 | 0 | -- | 0 |
| Remaining slope RF | 56 | 0 | NA | 5 | 0 | NA | NA | NA | NA | NA | 0 | 0 | 0 | 62 |
| Pacific cod | 55 | NA | 0 | 0 | -- | 0 | 45 | 0 | 0 | 0 | 0 | 0 | 0 | 101 |
| Pacific whiting | 1,155 | -- | 2,808 | 3 | 0 | 73,300 | 11,789 | 126,237 | 0 | 0 | 0 | 49 | 0 | 215,340 |
| Petrale sole | 2,286 | 0 | 2 | 0 | 0 | 0 | 45 | 0 | 0 | 0 | 1 | 5 | 0 | 2,340 |
| Sablefish | 2,607 | -- | 0 | 2,374 | 6 | 9 | 515 | 3 | 0 | 4 | 0 | 9 | 17 | 5,545 |
| Shortbelly rockfish | 0 | -- | 0 | 0 | -- | -- | -- | 0 | 0 | 0 | 0 | 0 | -- | 1 |
| Splitnose rockfish S. of 40°10' | 140 | -- | NA | 0 | -- | NA | NA | NA | NA | NA | 0 | 3 | 0 | 143 |
| Starry flounder | 21 | 5 | -- | -- | 0 | -- | 0 | 0 | 0 | 3 | 0 | 0 | 0 | 30 |
| Thornyheads | 1,876 | -- | 1 | 193 | 0 | 1 | 38 | 3 | | | | | 2 | 2,114 |
| Longspine thornyhead | 890 | -- | 0 | 23 | 0 | 1 | 0 | 0 | 0 | 0 | 0 | 12 | 1 | 928 |
| Shortspine thornyhead | 980 | -- | 0 | 166 | 0 | 0 | 38 | 3 | 0 | 0 | 0 | 5 | 1 | 1,194 |
| Mixed thornyheads | 5 | -- | -- | 4 | -- | -- | -- | 0 | 0 | 0 | 0 | 0 | -- | 9 |
| Yellowtail rockfish N. of 40°10' | 17 | NA | 0 | 1 | 4 | 186 | 74 | 79 | 14 | 7 | 0 | 4 | 3 | 389 |

Lingcod Allocations

Lingcod is a target species for every directed groundfish sector, notwithstanding the utilization criteria informing Table 4-17 that suggests that they are not significantly caught in limited entry fixed gear fisheries. Figure 4-1 shows the annual trawl catches of lingcod during 1995-2005 compared to the GAC-recommended trawl allocation applied to the 2010 OY (A) and the same data for the non-trawl sectors (B).

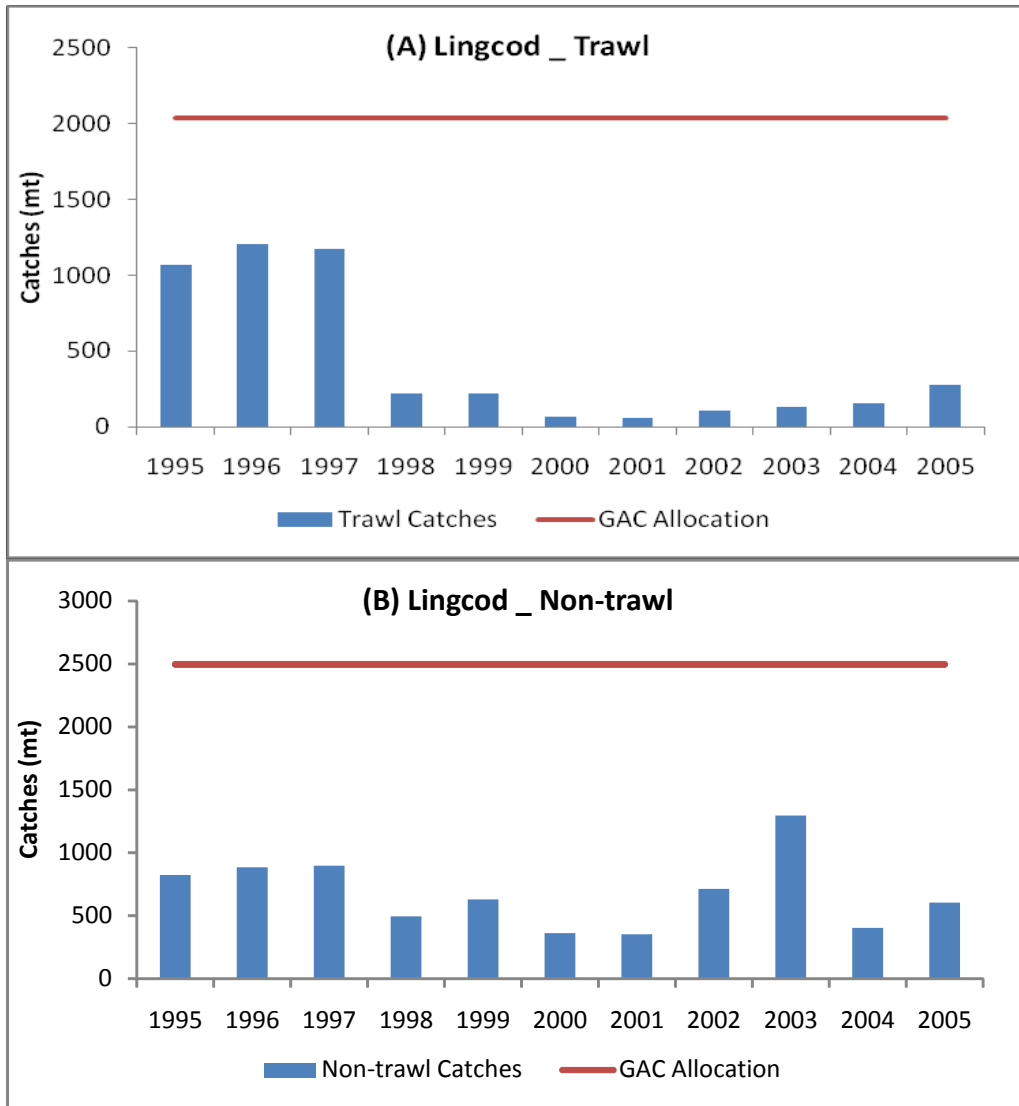


Figure 4-1. Trawl (A) and non-trawl (B) catches of lingcod during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 lingcod OY.

Fisheries targeting lingcod have been largely constrained by conservation measures designed to rebuild depleted shelf rockfish. This is particularly evident for the trawl sector with recent lingcod catches that are much lower than observed prior to 1998 when large footrope trawls targeted lingcod and rockfish on the shelf. Since then small footrope trawls and large trawl Rockfish Conservation Areas (RCAs) where bottom trawling is prohibited have been implemented. This has served to constrain the fleet's ability to target lingcod. The non-trawl sectors have been similarly constrained, with most current targeting occurring in nearshore areas by the directed open access and recreational fleets. The apparent maximum

non-trawl lingcod catch in 2003 was largely driven by a very large estimated recreational fishery take. This estimate, derived in the imprecise Marine Recreational Fisheries Statistical Survey (MRFSS), is believed inflated and implausibly large. Lingcod are the most important recreational species of those subject to intersector allocation in this action.

The last assessment done in 2005 {Jagiello, 2006 1251 /id} indicated the southern portion of the stock south of Cape Blanco, Oregon was less productive and more depleted than the northern sub-stock. The Council set separate harvest guidelines for the California and Oregon-Washington recreational fisheries in response to this assessment. A new lingcod assessment will be done in 2009. If the new assessment compels Council consideration of area-based OYs rather than the current coastwide OY, the trawl and non-trawl allocations can be apportioned proportional to the area-based OYs. Therefore, coastwide trawl and non-trawl allocations can be made under Amendment 21 and later re-apportioned according to new, compelling assessment results.

Pacific Cod Allocations

Trawl (A) and non-trawl (B) catches of Pacific cod during 1995-2005 are compared to the GAC-recommended allocation in Figure 4-2. Pacific cod are targeted by the shoreside non-whiting trawl fleet on the shelf in waters off northern Washington in years when they are available. There is a large interannual variability in Pacific cod availability in the west coast EEZ since this is the southern fringe of their distribution. Trawl access to Pacific cod is also limited by the co-occurrence of canary rockfish on the shelf off northern Washington. In recent years, trawling on the shelf in waters off northern Washington has been severely restricted due to relatively high canary bycatch rates.

The GAC-recommended allocation appears to accommodate the non-trawl sector needs well, but may be too low for the trawl sectors in years such as 2004 when the stock is particularly accessible and targeting is occurring. Trawl access to Pacific cod may well depend on strategies that minimize the bycatch of canary rockfish, even after implementation of trawl rationalization measures.

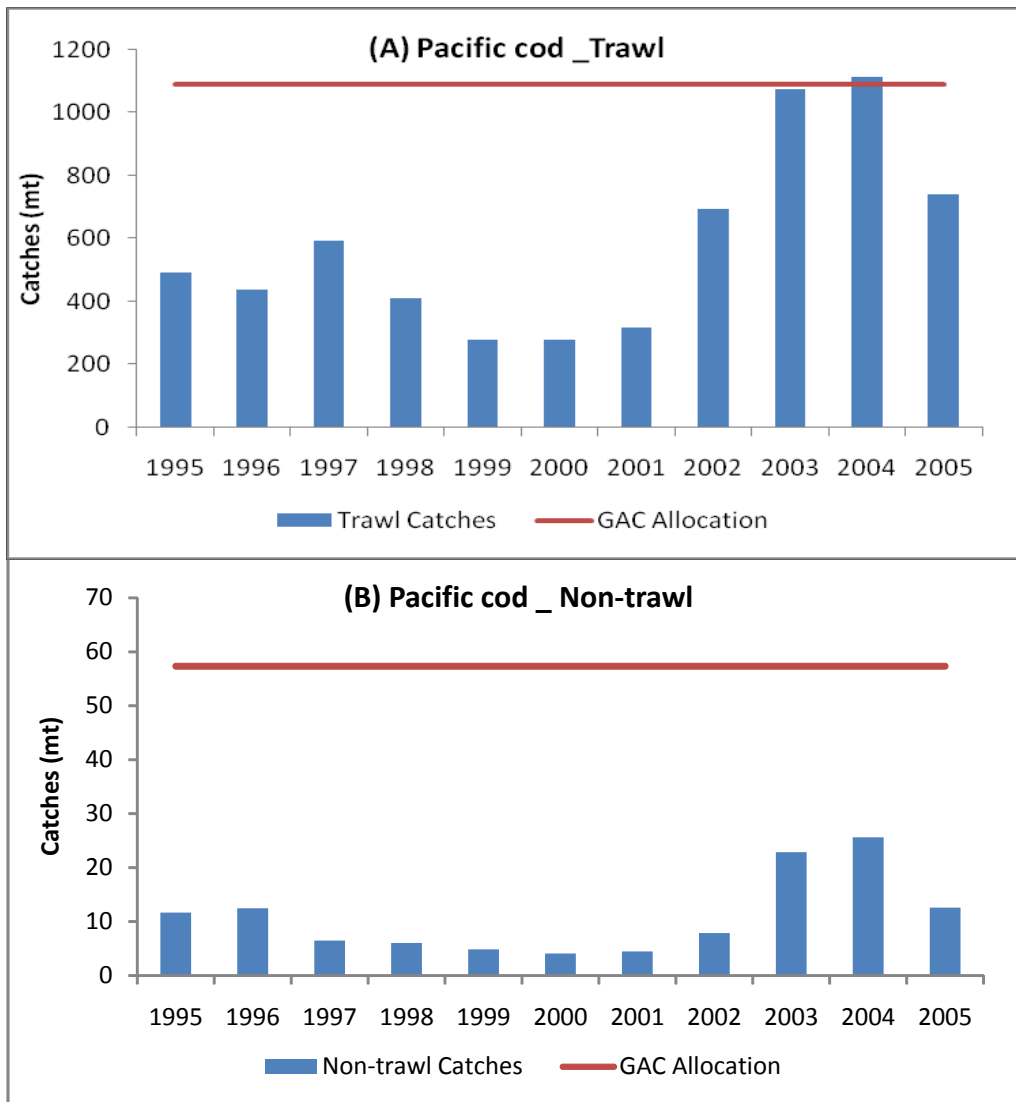


Figure 4-2. Trawl (A) and non-trawl (B) catches of Pacific cod during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 Pacific cod OY.

Sablefish North of 36° N. Latitude

Sablefish north of the Conception area (i.e., north of 36° N. latitude) are already formally allocated and the GAC is not recommending a re-allocation of the stock. However, the inclusion of intersector allocation alternative 4 results in a re-allocation if this is decided as the Council's preferred alternative. Figure 4-3 depicts the trawl (A) and non-trawl (B) catches of sablefish north of 36° relative to the GAC-recommended alternative (status quo) and intersector allocation alternative 4 percentages applied to the 2010 OY. The trawl and commercial non-trawl sectors do tend to attain or nearly attain their sablefish allocations; therefore, while it appears either alternative in Figure 4-3 can be constraining, that result is more dependent on the specified OY. The potential value of the trawl allocation in 2010 under intersector allocation alternative 4 is \$526,000 lower than the status quo allocation recommended by the GAC (Table 4-18).

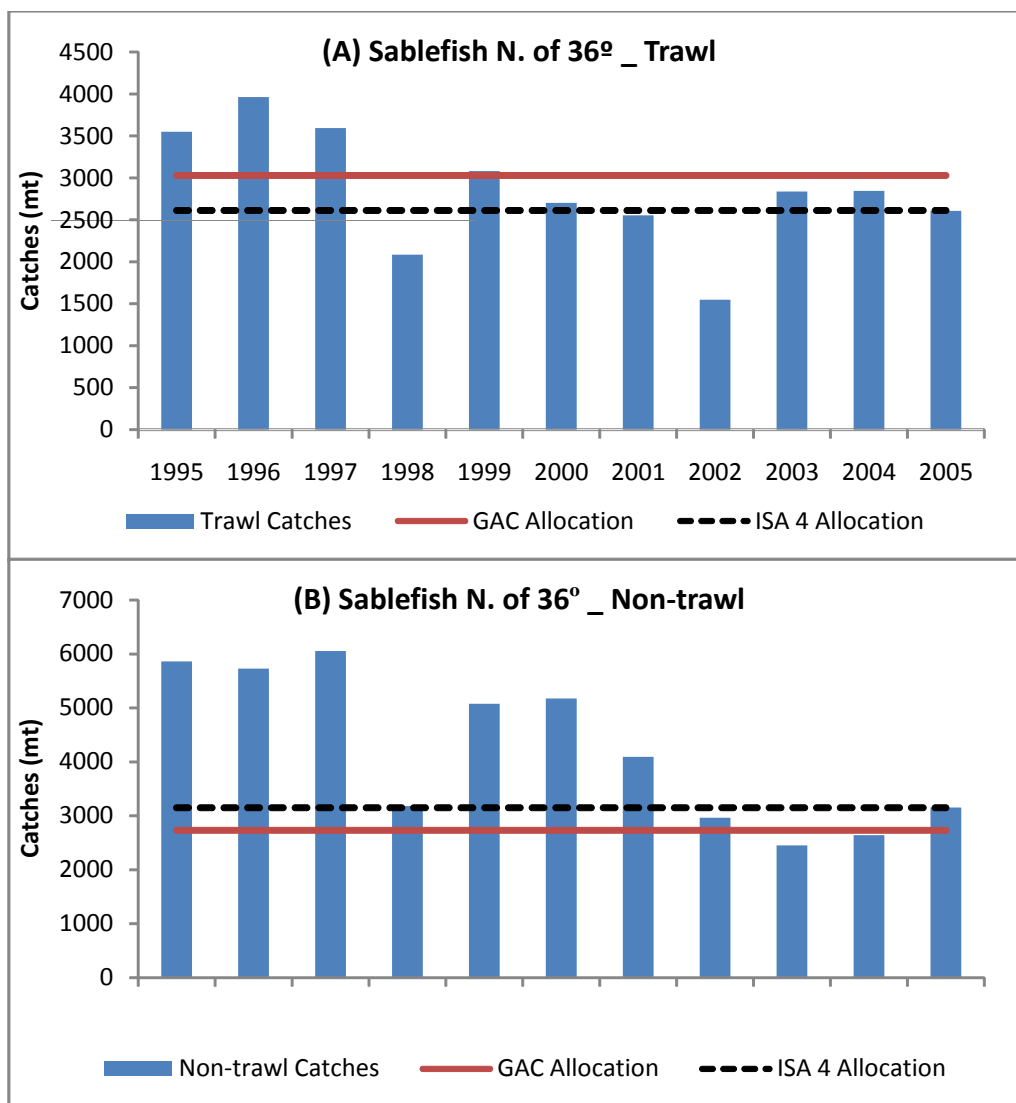


Figure 4-3. Trawl (A) and non-trawl (B) catches of sablefish north of 36° N. latitude during 1995-2005 compared to the GAC-recommended allocation (status quo) and intersector allocation 4 catch percentages applied to the 2010 OY.

Sablefish South of 36° N. Latitude

Trawl (A) and non-trawl (B) catches of Conception area sablefish during 1995-2005 are compared to the GAC-recommended allocation in Figure 4-4. Since only the portion of the coastwide stock north of 36° N latitude has been allocated between the limited entry trawl, limited entry fixed gear and the open access sectors, the remaining harvestable surplus of Conception area sablefish needs to be allocated to implement trawl rationalization. None of the whiting trawl sectors fish in the Conception area, so only the shoreside non-whiting trawl sector is considered for a trawl allocation. Conception area trawl efforts have been largely in the area north of Pt. Conception proper at 34°27' N latitude and their sablefish catches have been mostly landed in Morro Bay and Port San Luis. Of the directed non-trawl sectors, only the commercial fleets (limited entry fixed gear and directed open access) target sablefish; however, a small yield of 0.1 mt should be considered as a set-aside to accommodate potential recreational impacts (Table 4-20).

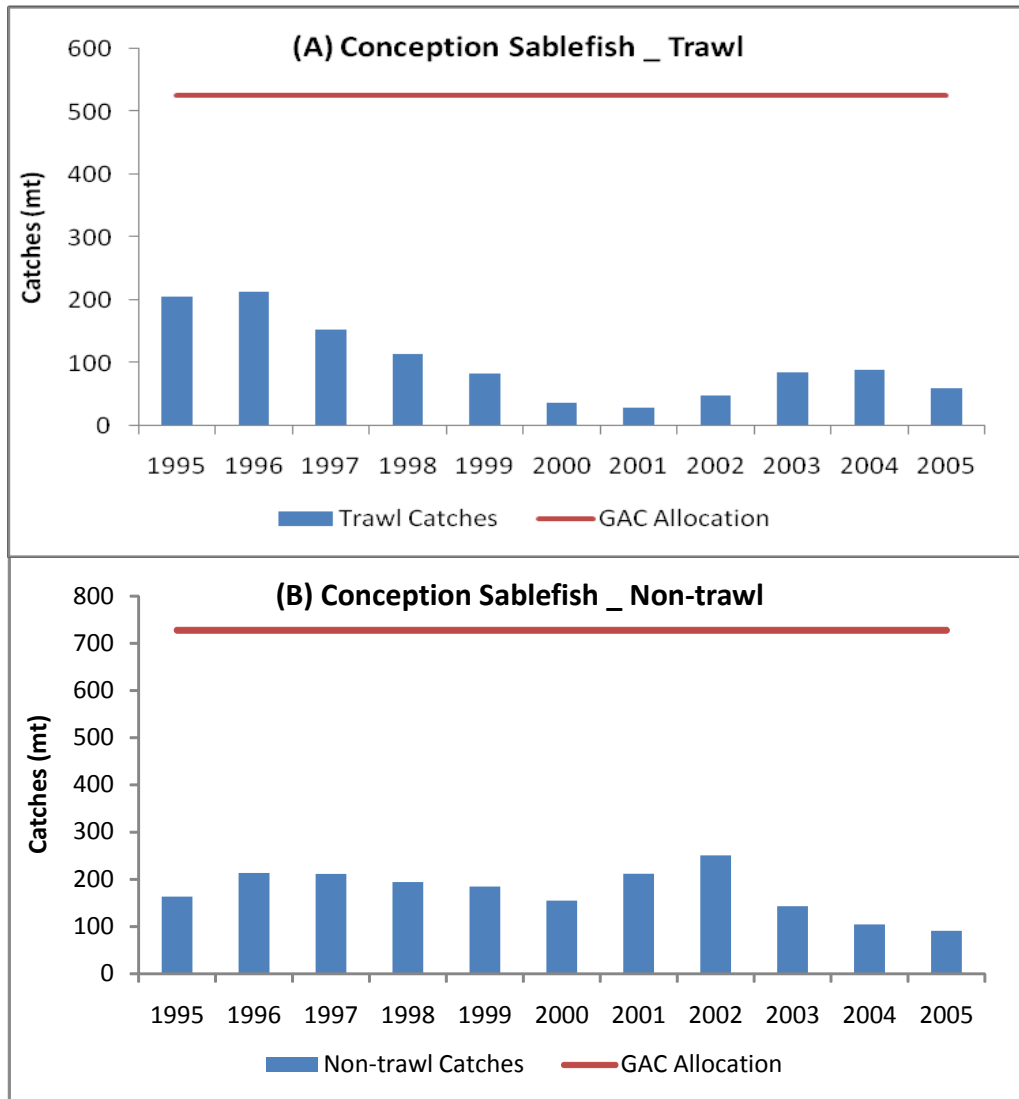


Figure 4-4. Trawl (A) and non-trawl (B) catches of Conception area sablefish during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 Conception area sablefish OY.

Pacific Ocean Perch Allocations

Trawl (A) and non-trawl (B) catches of Pacific ocean perch (POP) during 1995-2005 are compared to the GAC-recommended allocation in Figure 4-5. This is one of the trawl-dominant overfished species (Table 4-17), so the focus on deciding allocations may be to set aside enough yield to prevent constraining the non-trawl sectors.

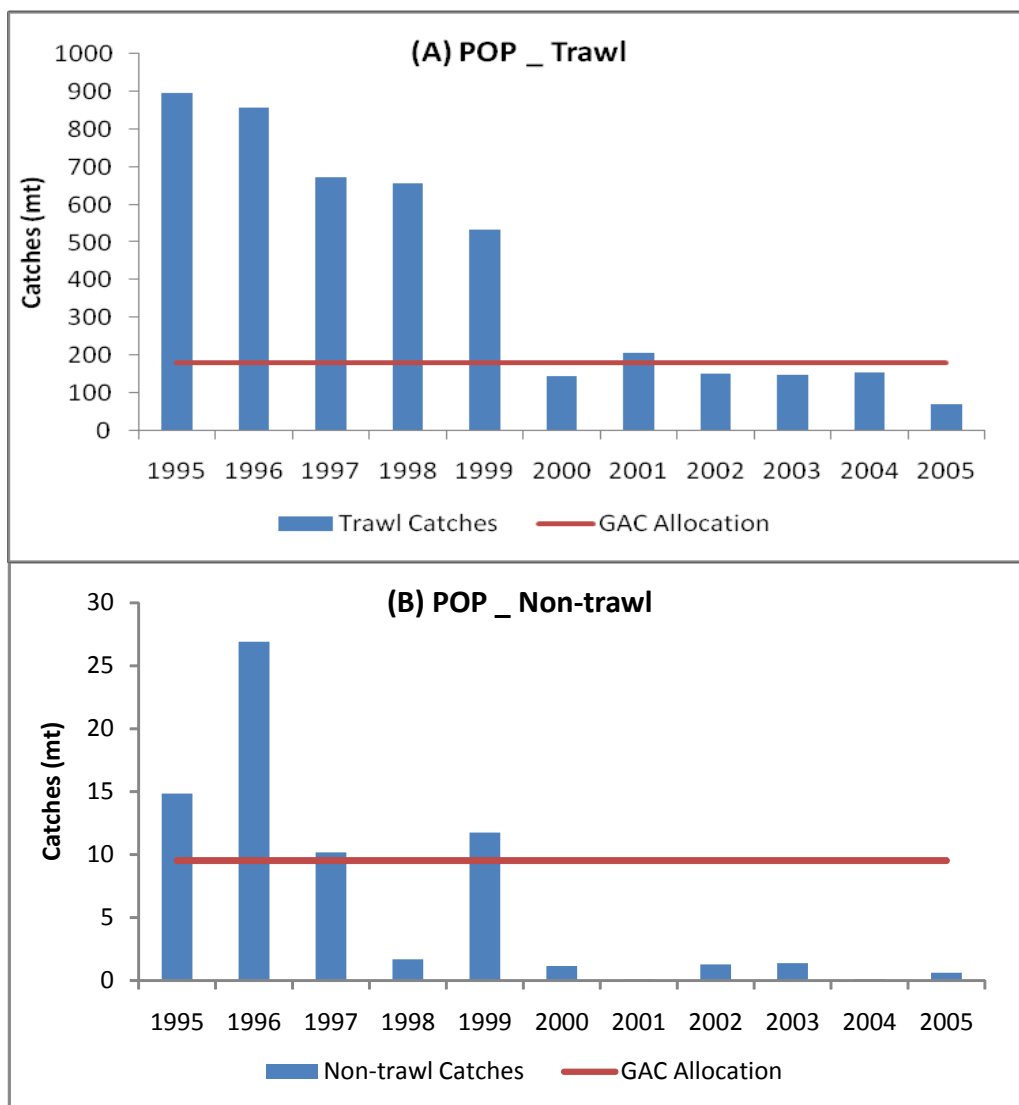


Figure 4-5. Trawl (A) and non-trawl (B) catches of Pacific ocean perch during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 POP OY.

Widow Rockfish Allocations

Trawl (A) and non-trawl (B) catches of widow rockfish during 1995-2005 are compared to the GAC-recommended allocation applied to the 2010 OY in Figure 4-6. While this allocation seems to work when widow rockfish are under rebuilding, it may be more constraining to the trawl fishery once the stock is rebuilt and widow and yellowtail rockfish are again targeted by midwater trawls. The trawl fishery took over 95% of the total amount of widow landed in past years before the stock was declared overfished (Table 4-10). Therefore, there may be more benefits to west coast communities with a higher trawl allocation, such as specified in intersector allocation alternative 3 once the stock is rebuilt.

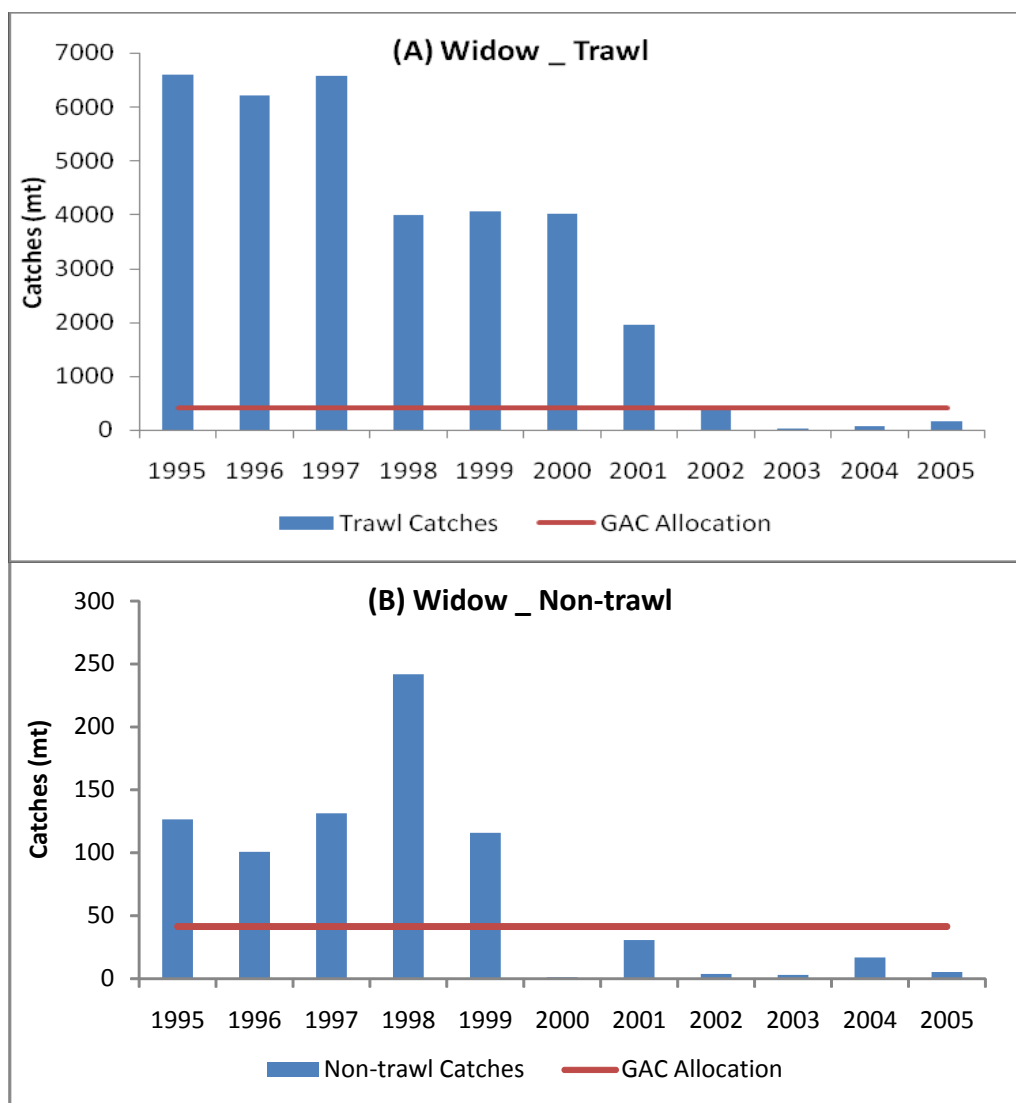


Figure 4-6. Trawl (A) and non-trawl (B) catches of widow rockfish during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 widow OY.

Chilipepper Rockfish Allocations

Chilipepper rockfish allocations concern only those fisheries south of 40°10' N latitude since chilipepper rockfish are managed as part of the Minor Shelf Rockfish complex in the north (this complex is not subject to intersector allocations under Amendment 21). Trawl (A) and non-trawl (B) catches of chilipepper rockfish during 1995-2005 are compared to the GAC-recommended allocation applied to the 2010 OY in Figure 4-7.

Access to the southern shelf areas where chilipepper are most abundant is severely restricted to the non-trawl sectors to protect canary and yelloweye rockfish. In recent years, the shoreside non-whiting trawl fishery has been able to land more chilipepper and accrue a larger sector share than the non-trawl sectors while prosecuting a shelf trawl effort targeting flatfish using small footrope trawls. These trawls are more selective at avoiding yelloweye rockfish than line gears since they cannot be effectively deployed in the high relief habitats where yelloweye reside. As more spatial information is gathered on

canary and yelloweye rockfish, there may be more non-trawl shelf opportunities to target species like chilipepper in areas of low canary and yelloweye abundance. The GAC-preferred alternative of an 80% trawl share is more consistent with historical fishing patterns on the shelf as reflected in the intersector allocation alternative 3 catch shares. Like yellowtail, current catch of chilipepper is well below the available harvestable surplus for this healthy stock due to shelf fishing constraints.

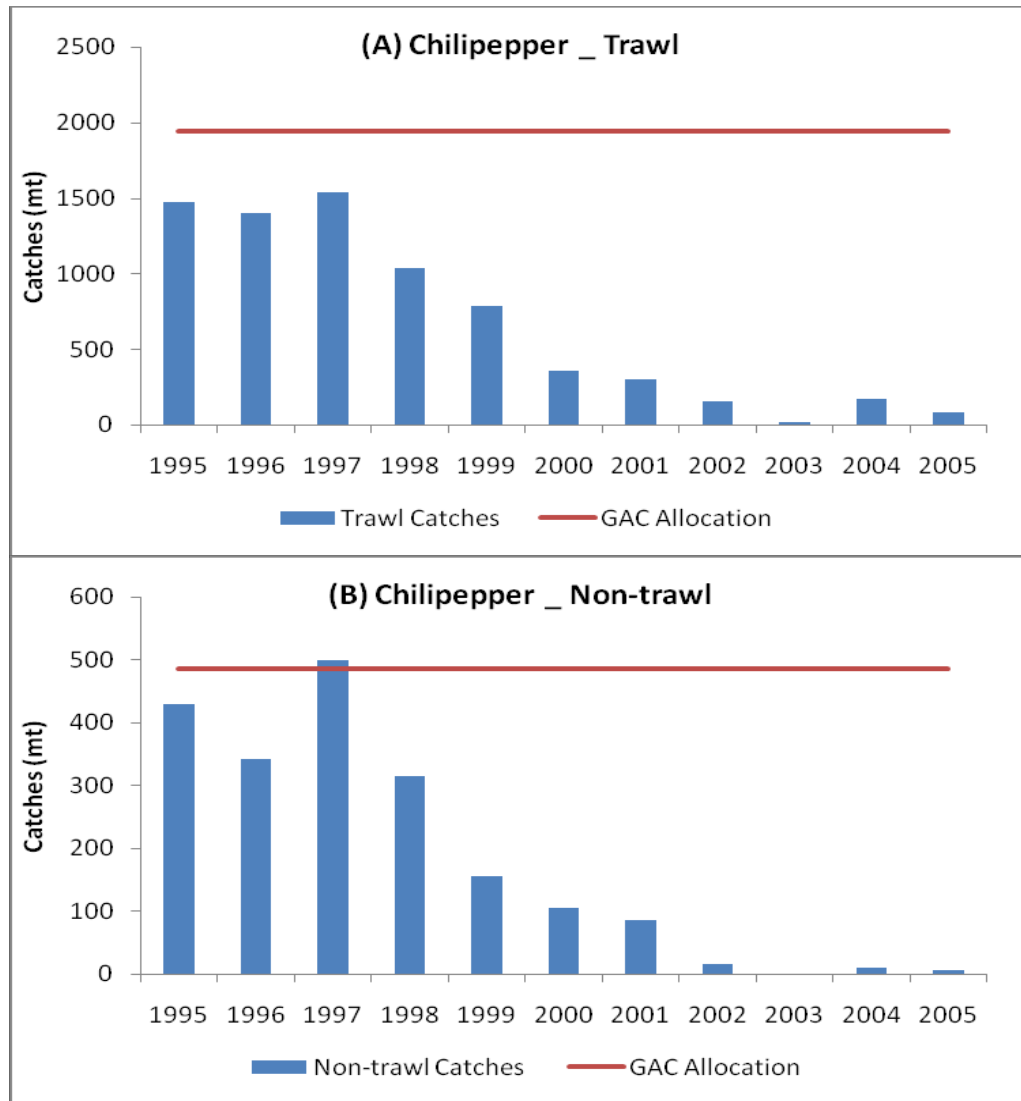


Figure 4-7. Trawl (A) and non-trawl (B) catches of chilipepper rockfish during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 chilipepper OY.

Splitnose Rockfish

Splitnose rockfish are a trawl-dominant slope species taken in non-whiting bottom trawls (Table 4-17). Figure 4-8 depicts the trawl (A) and non-trawl (B) catches of splitnose during 1995-2005 and compares these catches to the GAC-recommended allocation applied to the 2010 OY. Both trawl and non-trawl sectors appear to be accommodated with the GAC-recommended allocation. However, no allocation scheme can apparently cover an unexpected aggregation with the consequent high catches that were observed in 1998. A new splitnose rockfish assessment is expected in 2009. If the assessment results in

extending harvest specifications for the stock north of 40°10' N latitude, then there may be a need to revisit splitnose rockfish allocations.

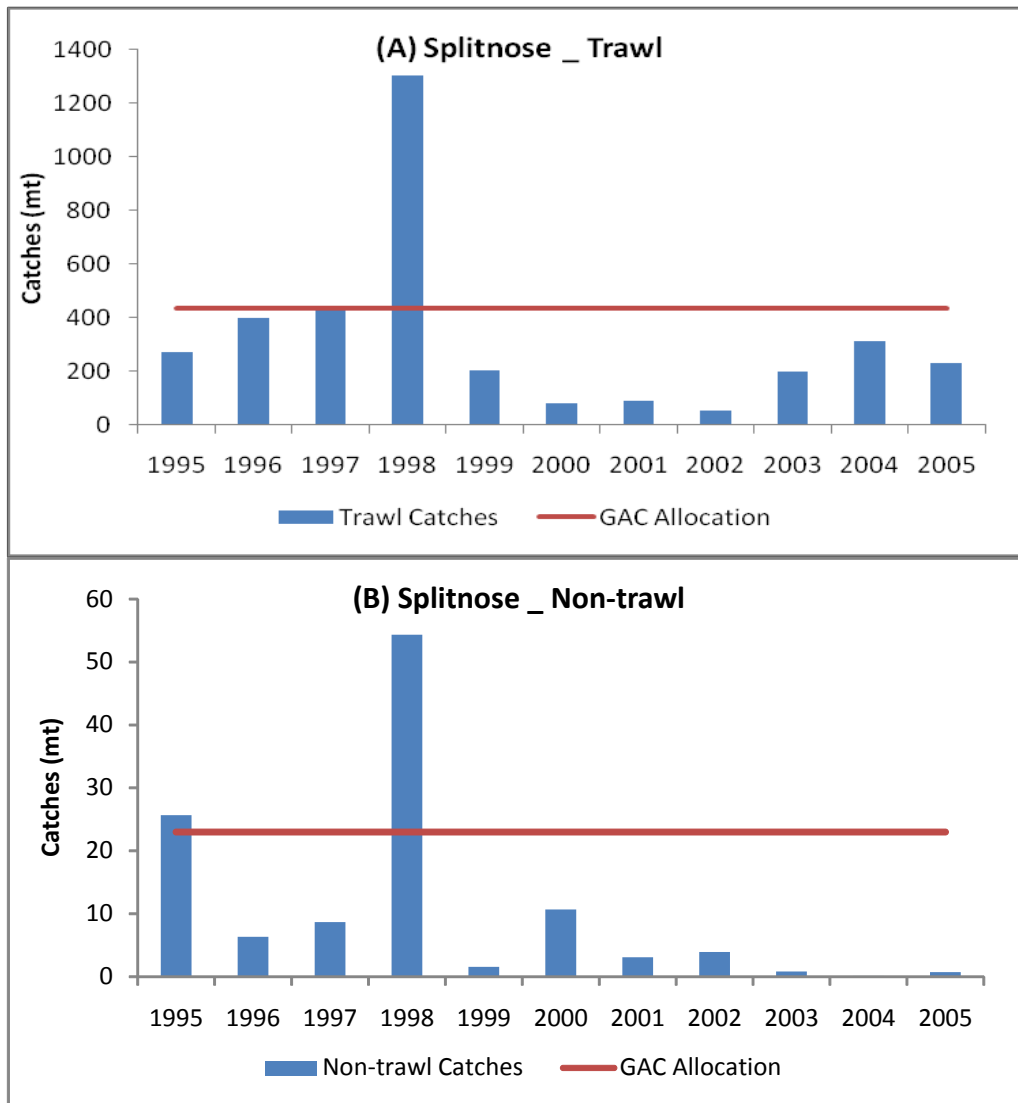


Figure 4-8. Trawl (A) and non-trawl (B) catches of splitnose rockfish during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 splitnose OY.

Yellowtail Rockfish Allocations

Trawl (A) and non-trawl (B) catches of yellowtail rockfish during 1995-2005 are compared to the GAC-recommended allocation applied to the 2010 OY in Figure 4-9. Yellowtail rockfish are a healthy stock, but access to yellowtail is constrained by rebuilding measures imposed to rebuild depleted shelf rockfish species such as canary and yelloweye. This is true for all sectors; however, the trawl sector has lost a target midwater strategy for yelloweye and widow since widow was declared overfished. Much like the widow allocation situation, there could be consideration for one allocation scheme if widow is still overfished and another once the stock is declared rebuilt. It appears the from Figure 4-9 that the trawl fishery may be even more constrained under the GAC-recommended allocation alternative once widow

is rebuilt as evidenced by the catches in 1995-1996 being so higher than the allocated amount of the 2010 OY. Intersector allocation alternative 3 is more representative of the time when access to yellowtail was not so constrained. That alternative has a much higher trawl allocation (96.3%) than the GAC recommended alternative of 88%, which is more reflective of catches during the widow rockfish rebuilding period.

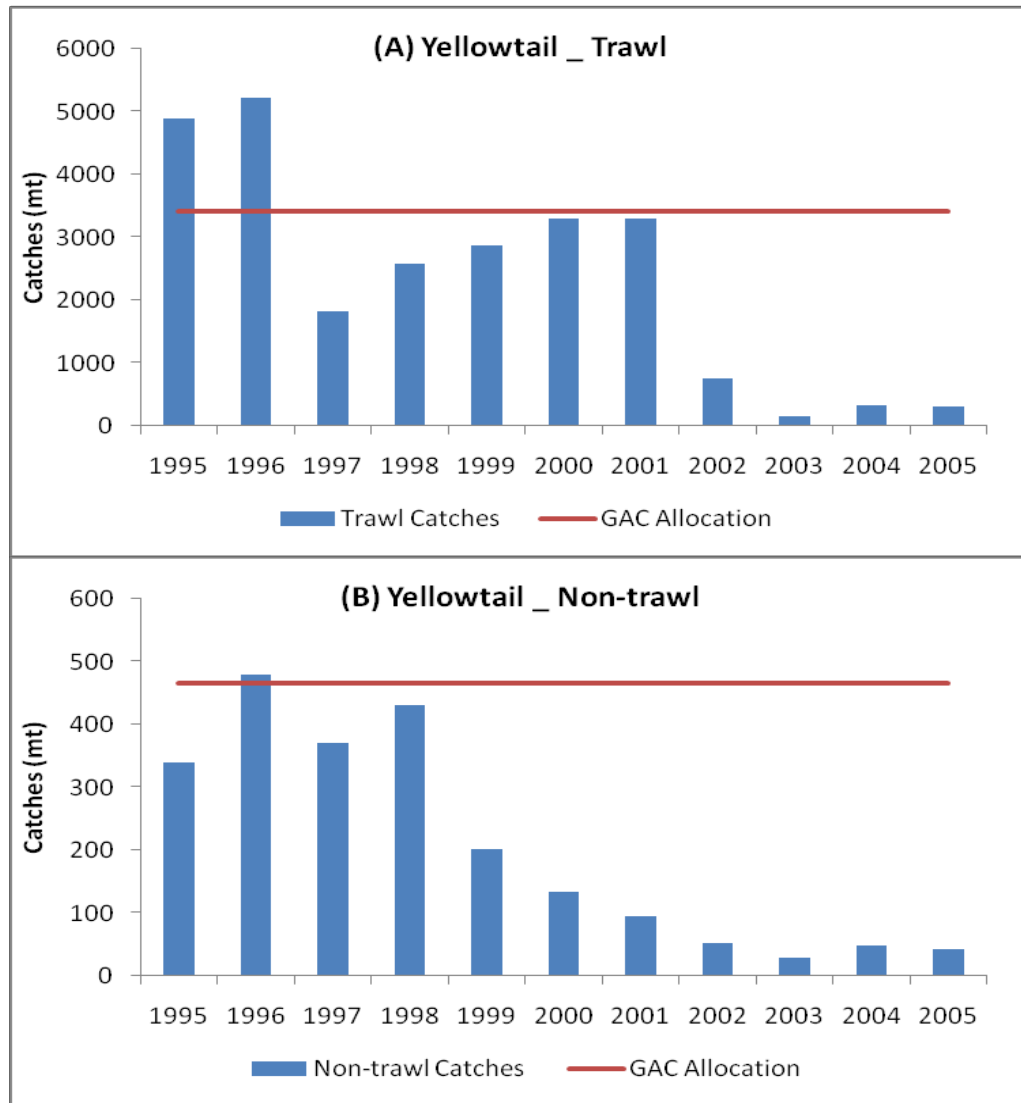


Figure 4-9. Trawl (A) and non-trawl (B) catches of yellowtail rockfish during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 yellowtail OY.

Shortspine Thornyhead (North of 34°27' N Latitude)

Shortspine thornyhead north of Pt. Conception at 34°27' N latitude are considered trawl-dominant (Table 4-17). Figure 4-10 depicts the trawl (A) and non-trawl (B) catches of shortspine thornyhead north of 34°27' N latitude during 1995-2005 and compares these catches to the GAC-recommended allocation applied to the 2010 OY. The GAC-recommended alternative appears to accommodate the needs of both trawl and non-trawl sectors.

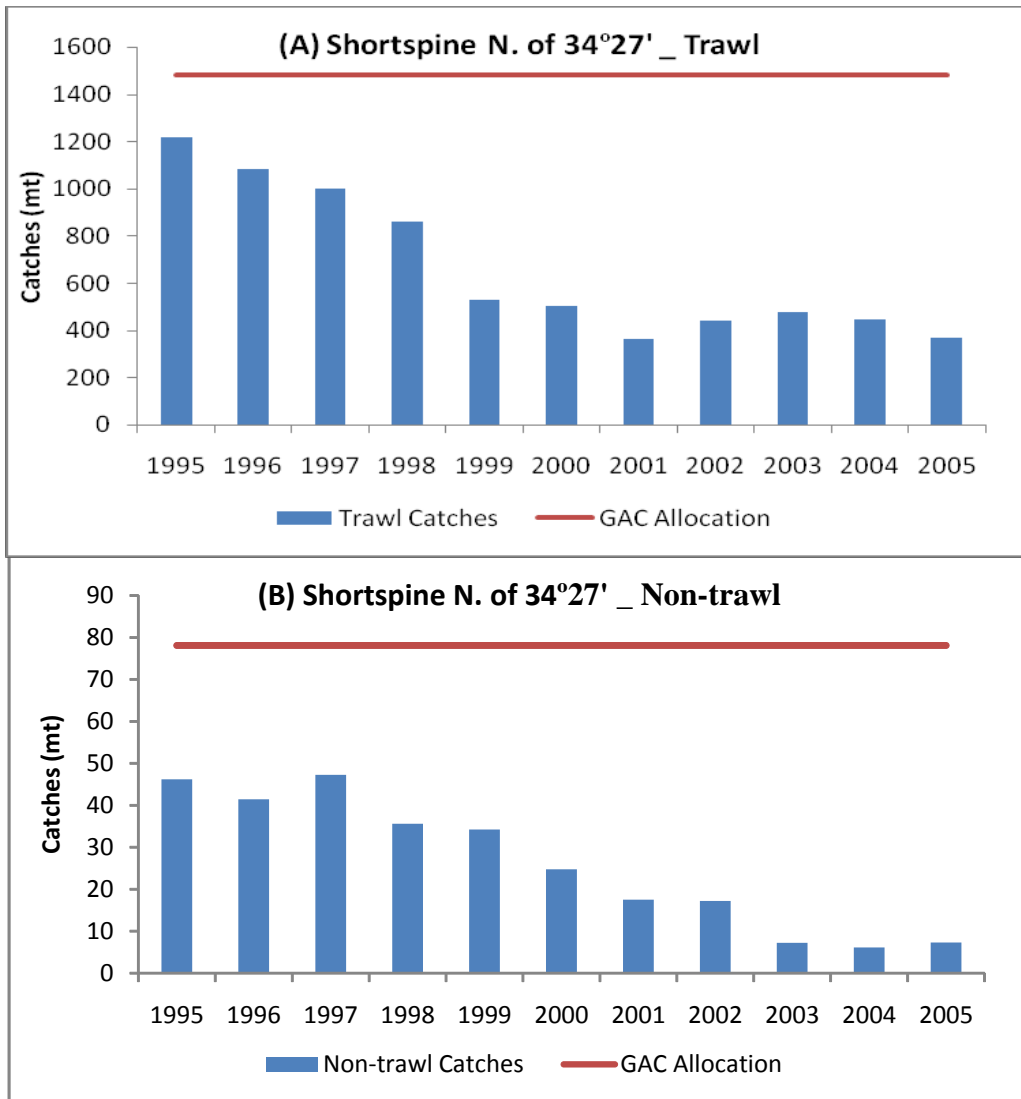


Figure 4-10. Trawl (A) and non-trawl (B) catches of shortspine thornyhead north of 34°27' N latitude during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 OY.

Shortspine Thornyhead (South of 34°27' N Latitude)

Figure 4-11 depicts the trawl (A) and non-trawl (B) catches of shortspine thornyhead south of 34°27' N latitude during 1995-2005 and compares these catches to the GAC-recommended allocation applied to the 2010 OY. Unlike the historical catch shares for the northern shortspine stock, catch shares for the southern stock are much higher for the non-trawl sectors, which is not surprising given the minimal trawl effort south of Pt. Conception. Trawl effort in the southern California bight, south of Pt. Conception, was higher in the distant past than in recent years, which is reflected in the higher trawl share under intersector allocation alternative 3 (Table 4-18). The GAC recommended the Alternative 1 and 2 trawl share, recognizing that this stock is significantly utilized by the limited entry fixed gear sector (Table 4-17).

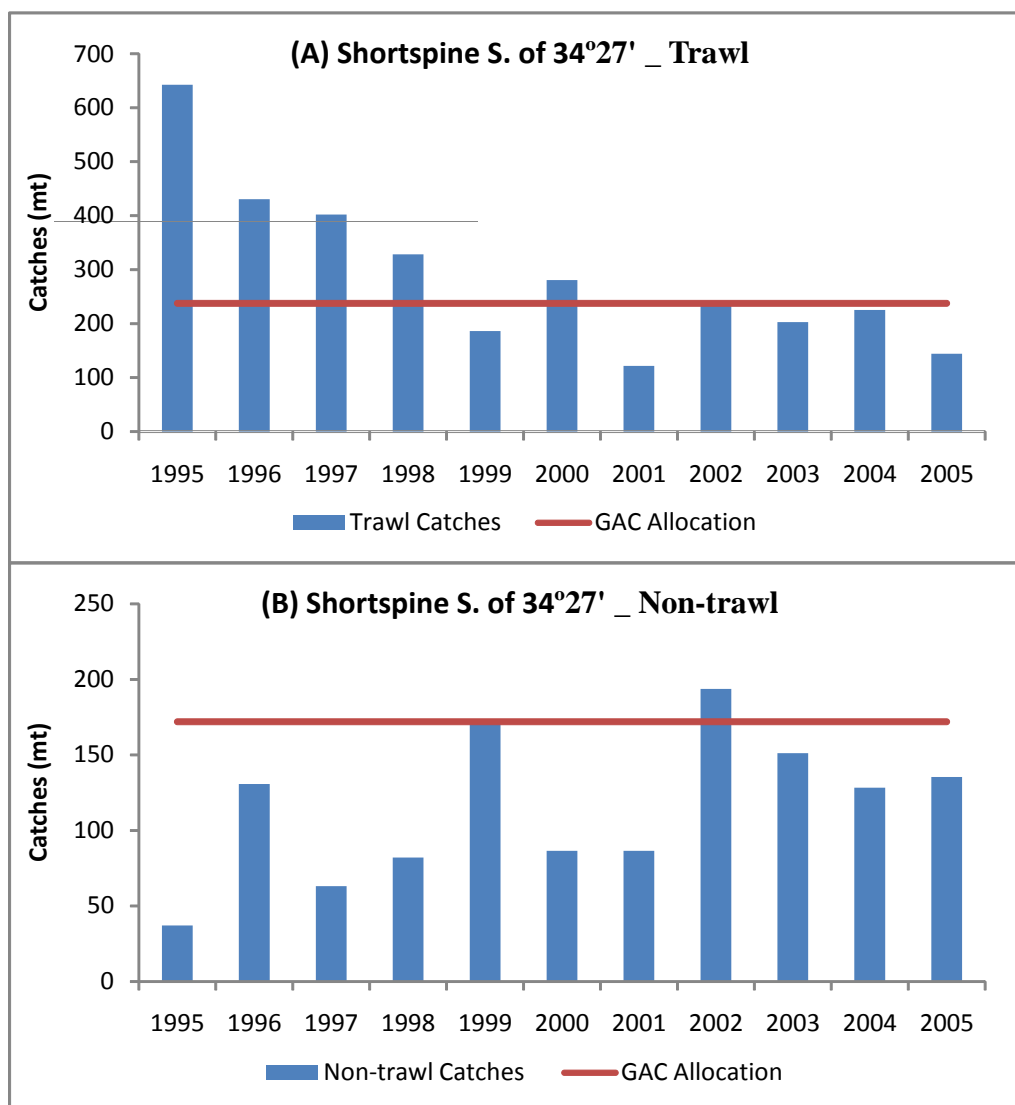


Figure 4-11. Trawl (A) and non-trawl (B) catches of shortspine thornyhead south of 34°27' N latitude during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 OY.

Longspine Thornyhead (North of 34°27' N Latitude)

Figure 4-12 depicts the trawl (A) and non-trawl (B) catches of longspine thornyhead north of 34°27' N latitude during 1995-2005 and compares these catches to the GAC-recommended allocation applied to the 2010 OY. Longspine thornyhead north of Pt. Conception are considered trawl-dominant (Table 4-17), but are not considered heavily utilized. Longspine thornyheads have a much deeper distribution than any of the commercial fleet efforts. Much of the biomass exists deeper than the 700 fm limit for the limited entry trawl fleet, so it is likely that the stock will continue to be under-utilized. It appears the GAC-recommended allocation can accommodate both trawl and non-trawl sectors even though the trawl allocation for northern longspine thornyheads is lowest among the alternatives.

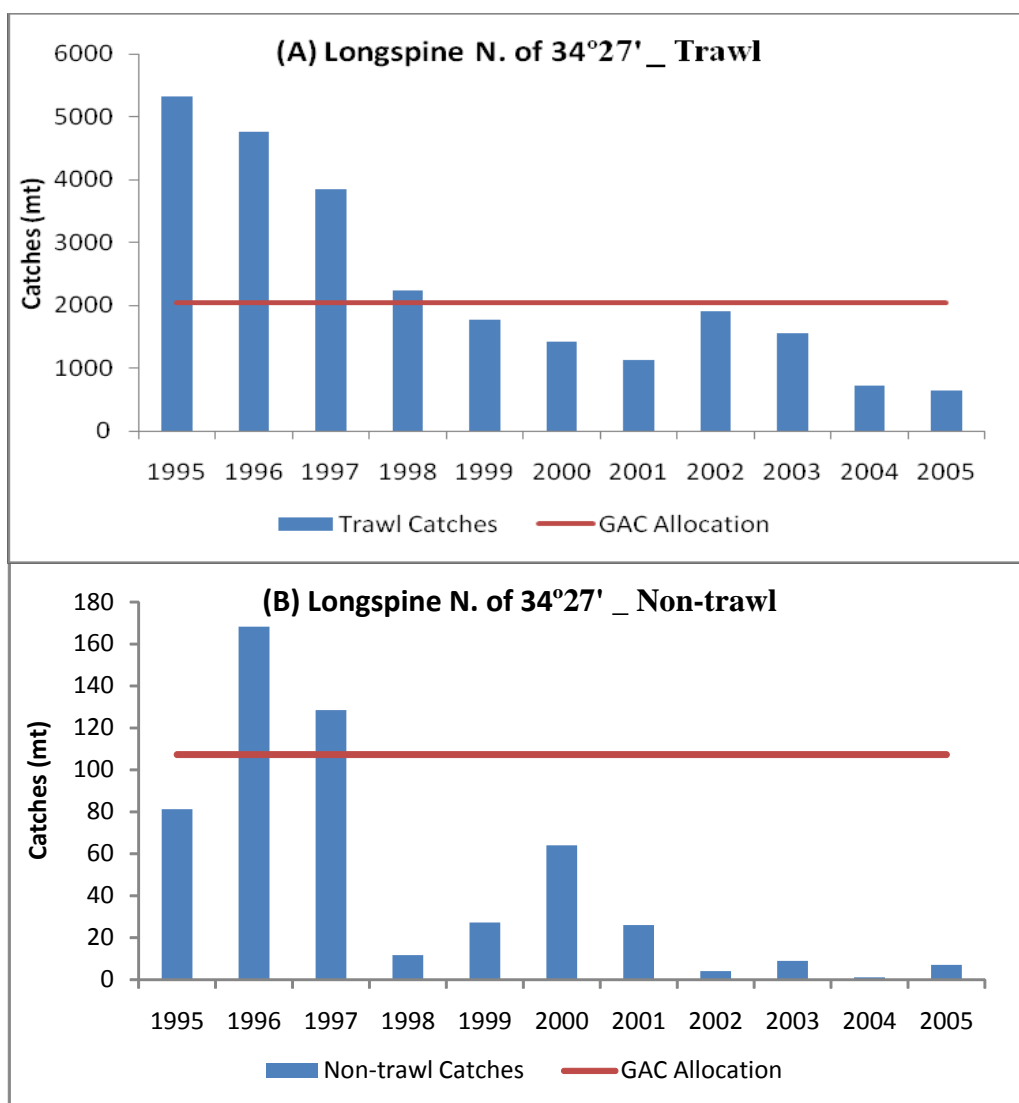


Figure 4-12. Trawl (A) and non-trawl (B) catches of longspine thornyhead north of 34°27' N latitude during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 OY.

Longspine Thornyhead (South of 34°27' N Latitude)

Longspine thornyhead south of Pt. Conception are dominant to the limited entry fixed gear sector (Table 4-17). The GAC is recommending a higher trawl share (5%) than available under any of the other alternatives (Table 4-18). Given that longspine thornyhead are caught in such small amounts in the southern California Bight (Table 4-19) and the stock is neither dominant nor significant to the trawl sector (Table 4-17), a small set-aside for the trawl fishery (e.g., 1-5 mt) should be considered rather than a formal allocation. However, if an allocation is decided, this is an under-utilized stock with a harvestable surplus that will likely meet all sector needs far into the future across a wider range of sector sharing alternatives than analyzed. Given this, a 95% non-trawl share is likely to meet the needs of commercial fishermen in the fixed gear sectors.

Darkblotched Rockfish

Figure 4-13 depicts the trawl (A) and non-trawl (B) catches of darkblotched rockfish during 1995-2005 and compares these catches to the GAC-recommended allocation applied to the 2010 OY. Darkblotched rockfish are a trawl-dominant overfished species (Table 4-17) that are caught in both whiting and non-whiting trawls. The GAC-recommended alternative is more constraining to the trawl fishery than any of the other alternatives analyzed. The lower trawl percentage in the GAC alternative affects the value of the fishery much more than the ex-vessel value of the difference in yield. Trawl access to important target species on the slope (i.e., Dover sole, sablefish, thornyheads, and petrale sole) is leveraged with darkblotched yield to accommodate incidental and unavoidable bycatch.

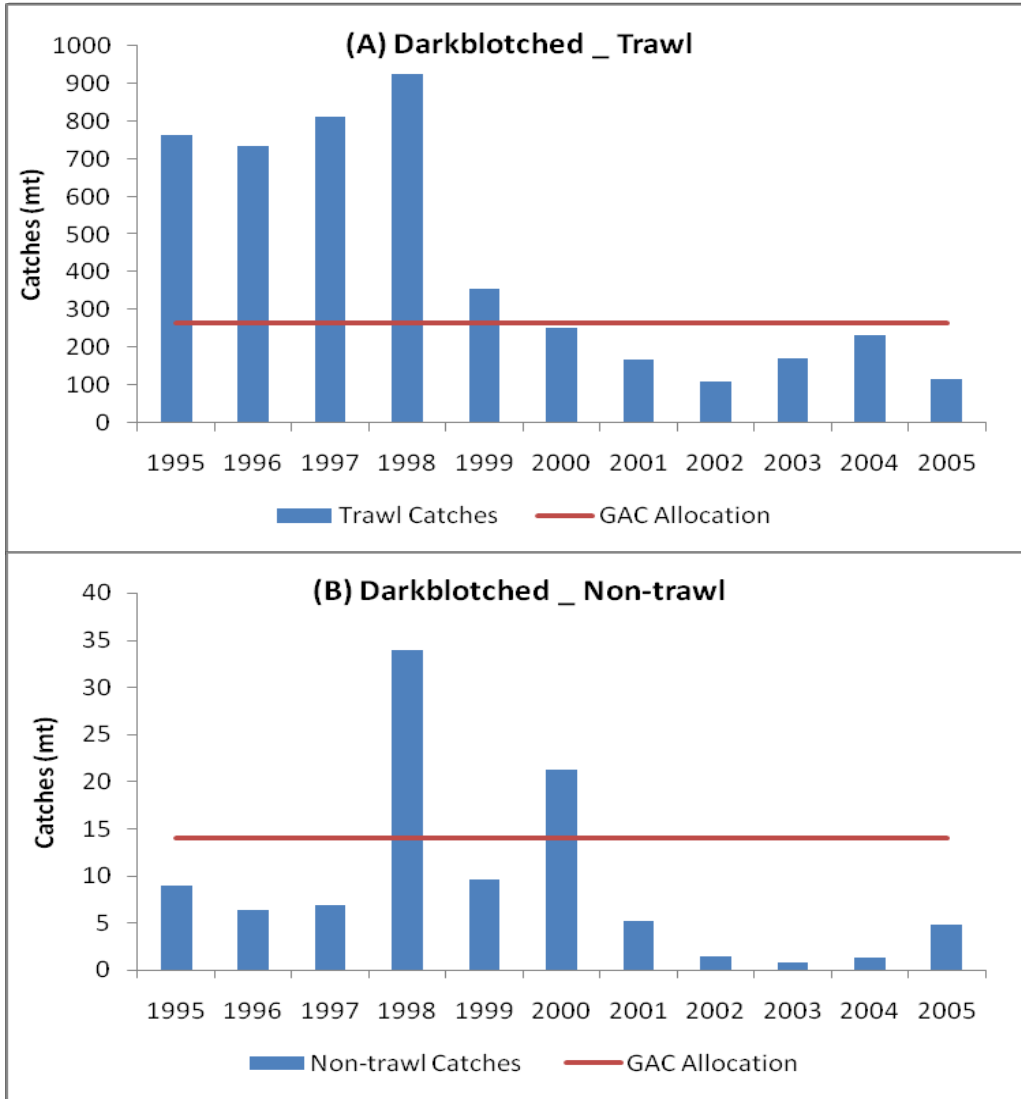


Figure 4-13. Trawl (A) and non-trawl (B) catches of darkblotched rockfish during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 OY.

Minor Slope Rockfish

The minor slope rockfish complexes are slope rockfish species that have not been assessed. These complexes are managed north and south of 40°10' N latitude with separate OYs for each complex. The species comprising these complexes are significantly utilized by the trawl and limited entry fixed gear sectors in the north and all the directed commercial sectors in the south (Table 4-17). Figure 4-14 depicts the trawl (A) and non-trawl (B) catches of minor slope rockfish north of 40°10' N latitude during 1995-2005 and compares these catches to the GAC-recommended allocation applied to the 2010 OY. Likewise, Figure 4-15 provides the same information for the minor slope rockfish complex south of 40°10' N latitude. The sector catch shares for each complex vary north and south, reflecting a greater trawl effort in the north. The GAC essentially recommended the intersector allocation alternative 1 and 2 trawl share for both minor slope rockfish complexes. This is lower than the trawl share under alternative 3, which reflects a greater distribution of trawl effort on the slope than is seen today.

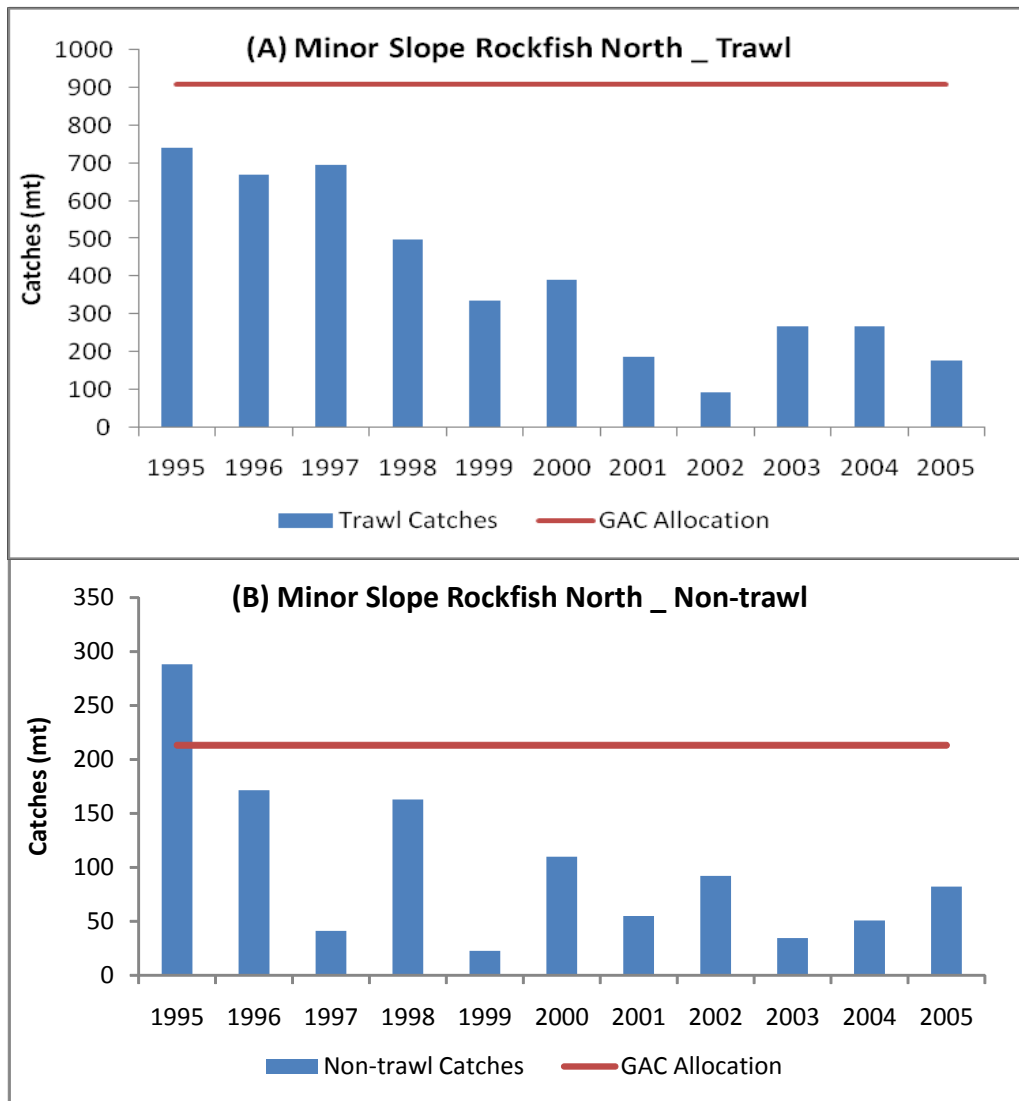


Figure 4-14. Trawl (A) and non-trawl (B) catches of minor slope rockfish north of 40°10' N latitude during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 OY.

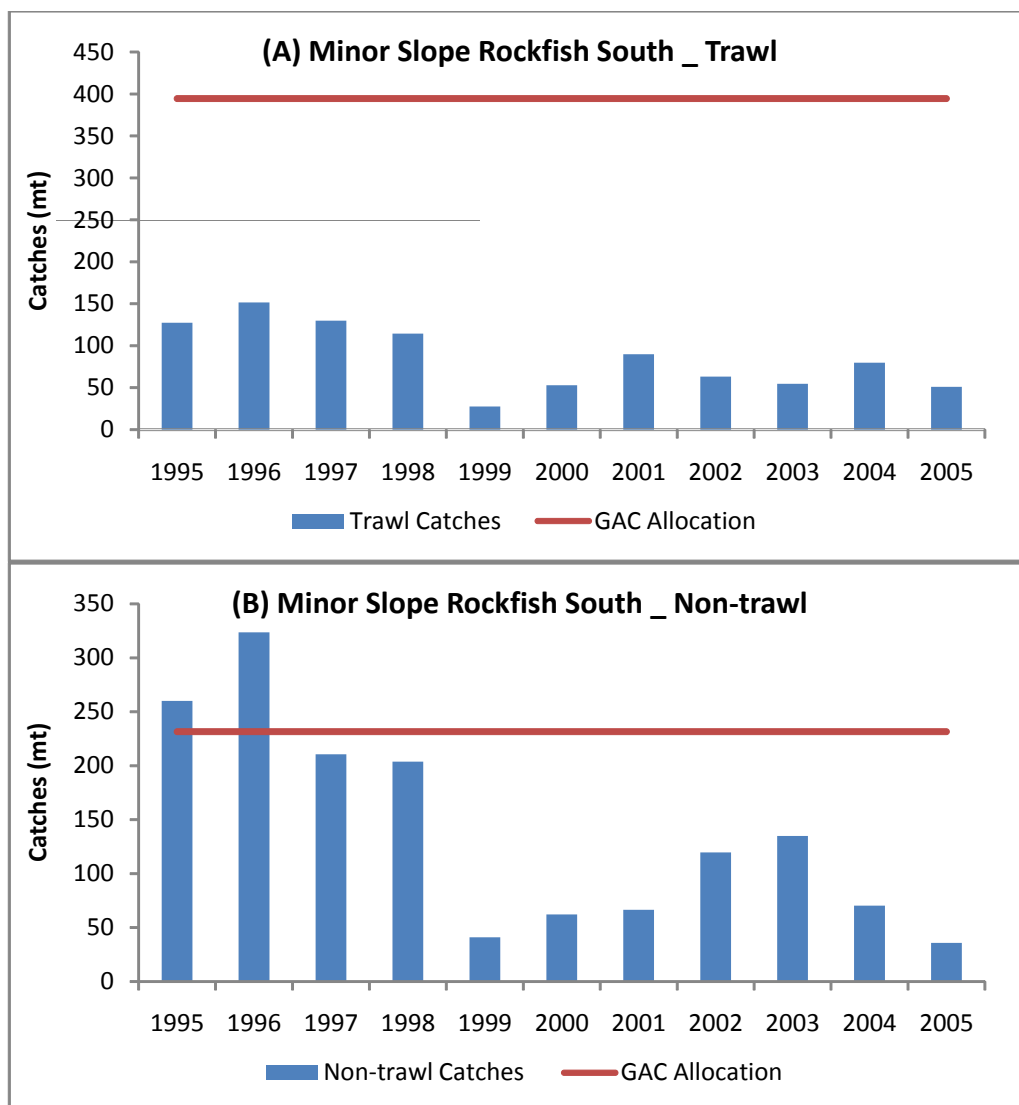


Figure 4-15. Trawl (A) and non-trawl (B) catches of minor slope rockfish south of 40°10' N latitude during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 OY.

Dover Sole

Figure 4-16 depicts the trawl (A) and non-trawl (B) catches of Dover sole during 1995-2005 and compares these catches to the GAC-recommended allocation applied to the 2010 OY. Dover sole are trawl-dominant (Table 4-17) and a significant target species for the shoreside non-whiting trawl sector both on the shelf and on the slope. The status quo and intersector allocation action alternative 1-3 all show 99.9% of the Dover sole catch occurring in the shoreside non-whiting sector. Small amounts of Dover sole are taken in the whiting trawl fisheries and by the non-trawl sectors; however, this is all incidental catch requiring small Dover sole yield set-asides to keep from constraining target opportunities for these sectors. The very small allocations of Dover sole to the limited entry and directed open access sectors under most of the intersector allocation alternatives can constrain these sectors when targeting sablefish. However, the GAC-recommended trawl share of 95% may be too low for the trawl sector. A higher than status quo non-trawl allocation was recommended in response to some fixed gear fishermen hoping to employ new trap configurations to target soles and flatfishes.

Experimental efforts have been tried in waters off Alaska and Oregon with limited success. While the non-trawl gears have yet to demonstrate an ability to take marketable amounts of Dover sole, trawl catches have not risen to the mark allocated to that sector in 2010 under the GAC alternative because of market limitations. If a greater market for Dover sole is created in the future, optimal benefits to the nation and west coast fishing communities may either depend on a higher trawl allocation than recommended by the GAC or an innovative non-trawl gear type that can effectively catch Dover sole.

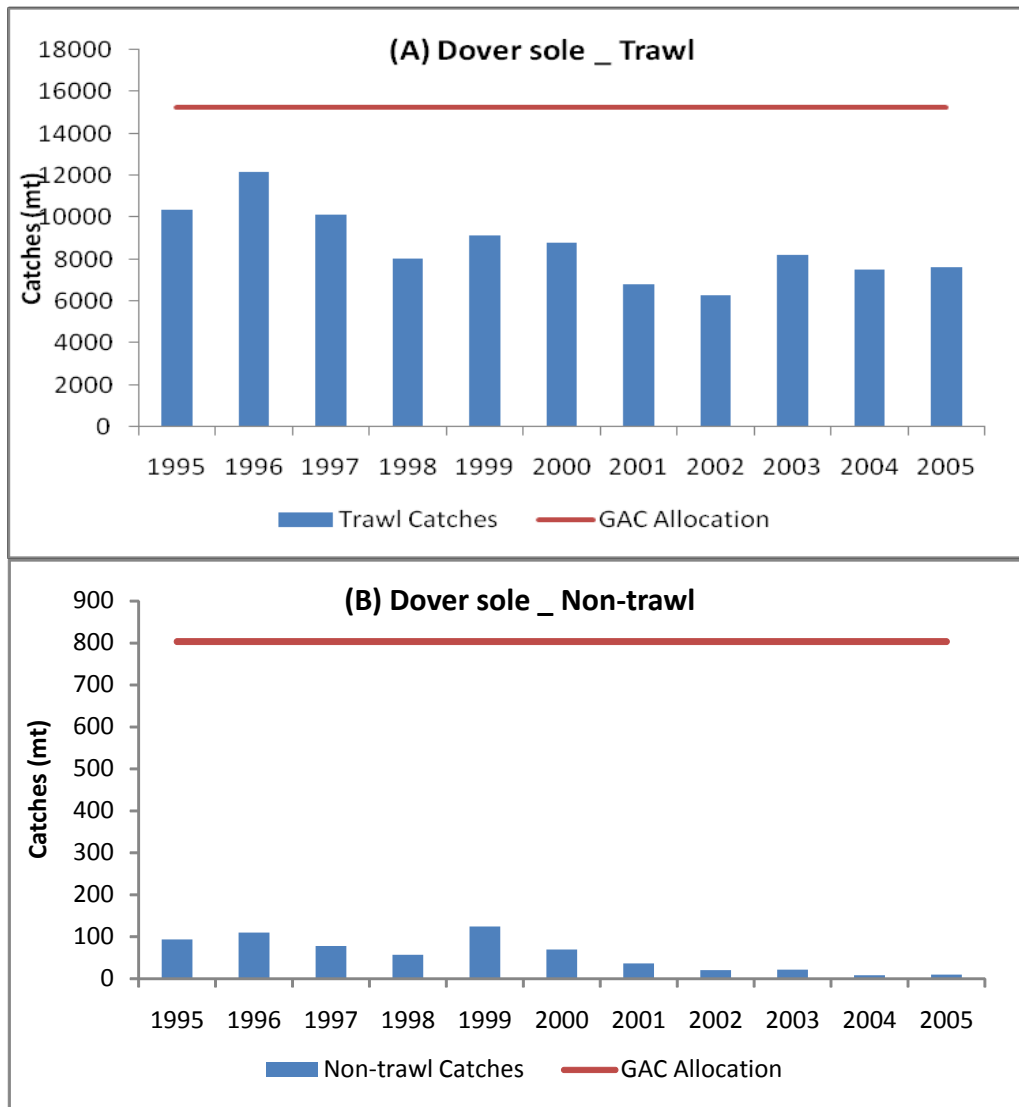


Figure 4-16. Trawl (A) and non-trawl (B) catches of Dover sole during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 OY.

English Sole

Figure 4-17 depicts the trawl (A) and non-trawl (B) catches of English sole during 1995-2005 and compares these catches to the GAC-recommended allocation applied to the 2010 OY. English sole are trawl-dominant (Table 4-17) and are rarer in non-trawl catches than Dover sole. The alternatives based on more the more recent time series of historical catches all show 100% of the catch occurring in the

shoreside non-whiting trawl sector. Alternative 3, which is informed with landings back to 1995, show the shoreside non-whiting trawl sector taking 99.9% of the total non-treaty catch. Less than 2 mt have been taken as a maximum catch in non-trawl sectors (Table 4-19), so only a small yield set-aside is needed to accommodate what incidental bycatch of English sole might be taken in non-trawl fisheries. However, much like Dover sole, there are market limitations to higher trawl catches of English sole and the GAC-recommended trawl allocation applied to the 2010 OY appears to accommodate higher catch levels than observed.

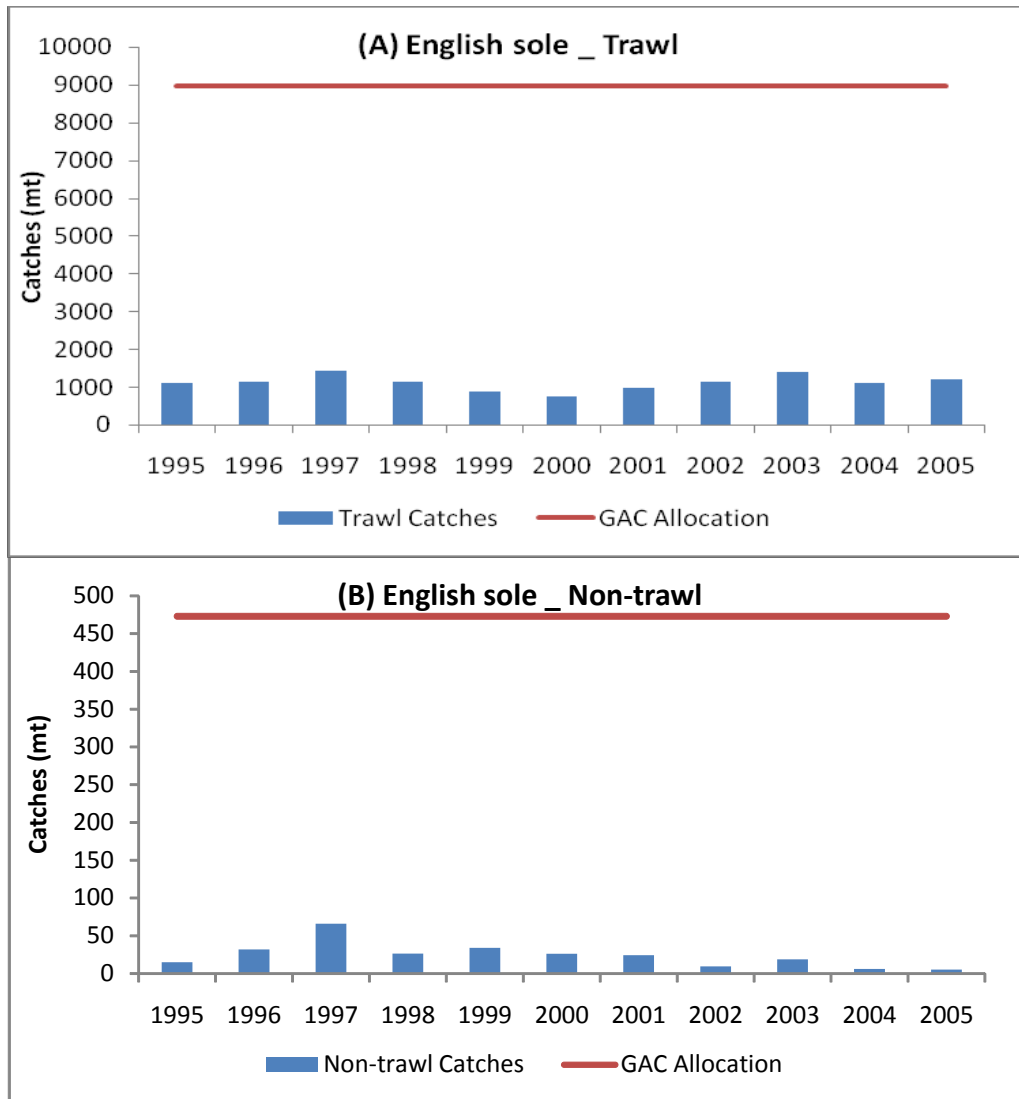


Figure 4-17. Trawl (A) and non-trawl (B) catches of English sole during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 OY.

Petrale Sole

Figure 4-18 depicts the trawl (A) and non-trawl (B) catches of petrale sole during 1995-2005 and compares these catches to the GAC-recommended allocation applied to the 2010 OY. Petrale sole is another trawl-dominant flatfish species (Table 4-17) that is more readily caught in non-trawl fisheries

than English sole (Table 4-19). This is a heavily utilized stock with most of the available harvestable surplus taken in bottom trawl fisheries every year. All the alternatives, other than the one recommended by the GAC, indicate a 99.9% to 100% trawl share of the petrale sole catch (Table 4-18). However, the very small allocations of petrale sole to the limited entry and directed open access sectors under most of the intersector allocation alternatives, other than the GAC-recommended alternative, can constrain these sectors when targeting sablefish. As they did for Dover sole and English sole, the GAC is recommending a 95% trawl share, which is lower than observed in trawl fisheries since 1995 to enable new emerging fisheries (Table 4-10). While it appears the GAC-recommended trawl allocation would not work in 2005, that is misleading given that the petrale sole OY was exceeded that year.

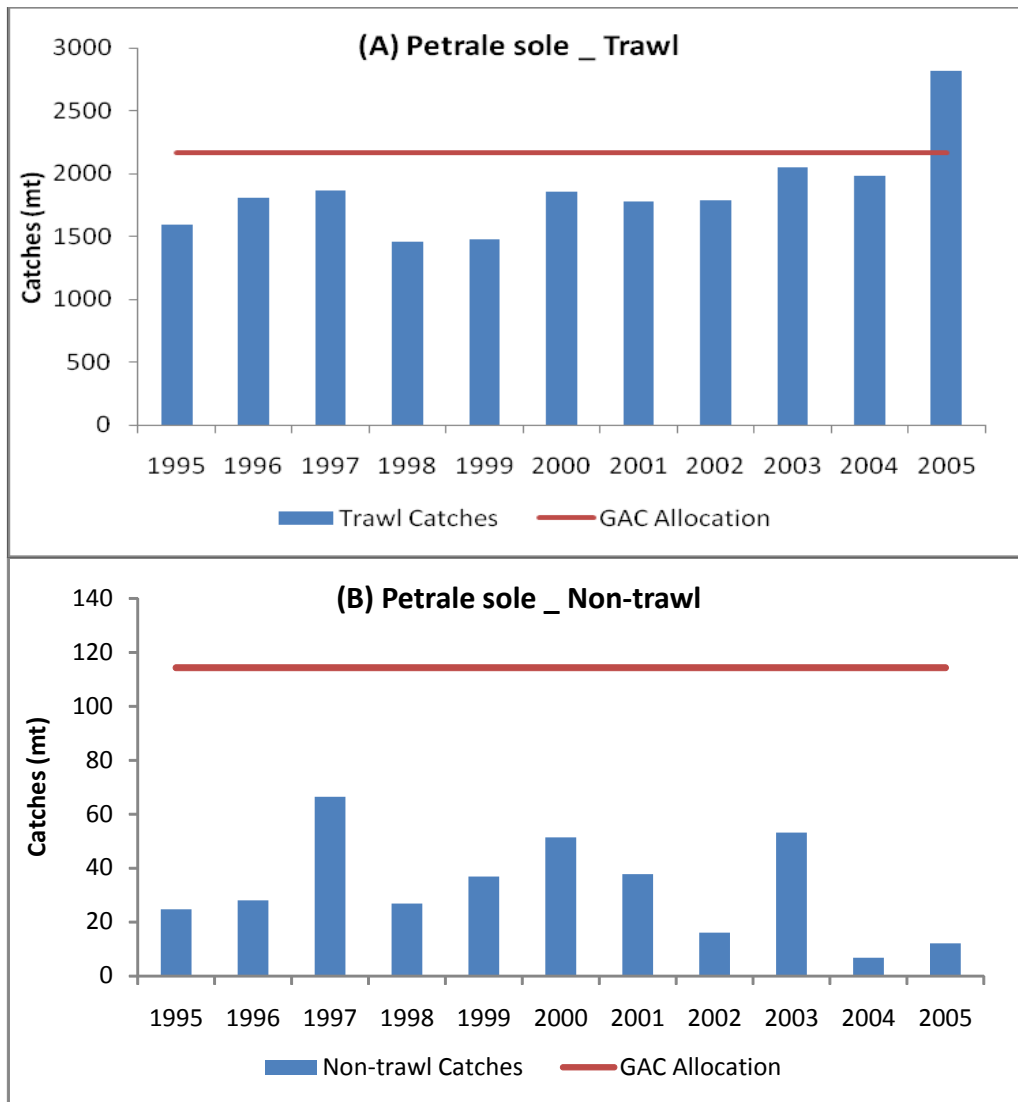


Figure 4-18. Trawl (A) and non-trawl (B) catches of petrale sole during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 OY.

Arrowtooth Flounder

Figure 4-19 depicts the trawl (A) and non-trawl (B) catches of arrowtooth flounder during 1995-2005 and compares these catches to the GAC-recommended allocation applied to the 2010 OY. Arrowtooth

flounder is a trawl-dominant species (Table 4-17) targeted primarily in northern waters when there is market demand, which tends to fluctuate more than for most target species. Unlike the sole species, there can be a significant bycatch of arrowtooth flounder in non-trawl fisheries. Under the intersector allocation alternatives analyzed, arrowtooth allocation can be constraining to the limited entry and directed open access fixed gear sectors when targeting sablefish. The maximum amounts of arrowtooth seen in the non-trawl sector landings from 1995-2005 are almost 90 mt (Table 4-19) with a similar magnitude of discard mortality for commercial non-trawl sectors in 2006 (Table 4-21) and 2007 (Table 4-22). Therefore, 90-100 mt of arrowtooth should be considered as a reasonable set-aside for the non-trawl sectors. The GAC-recommended allocation more than accommodates non-trawl bycatch with almost 500 mt allocated to non-trawl sectors in 2010 (Figure 4-19).

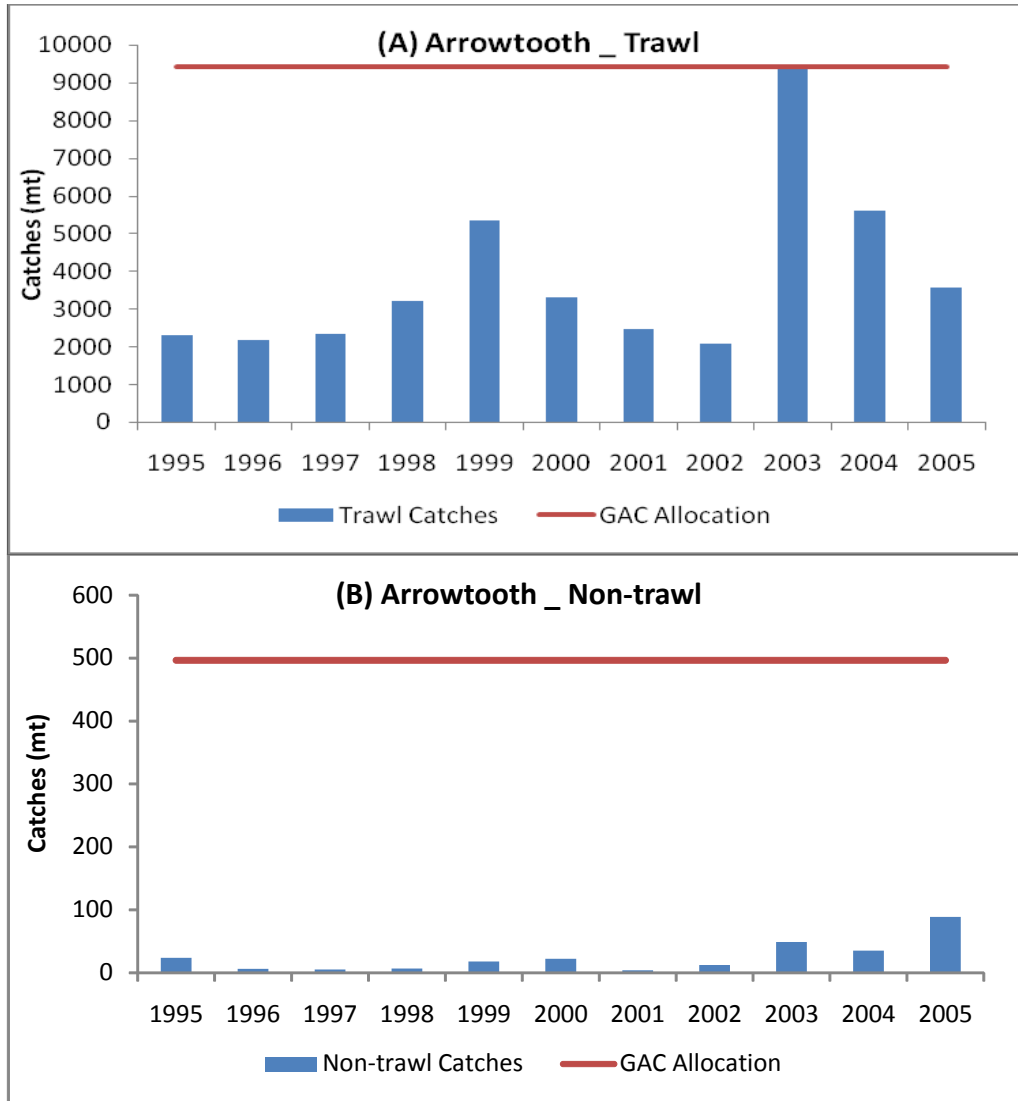


Figure 4-19. Trawl (A) and non-trawl (B) catches of arrowtooth flounder during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 OY.

Starry Flounder

Figure 4-20 depicts the trawl (A) and non-trawl (B) catches of starry flounder during 1995-2005 and compares these catches to the GAC-recommended allocation applied to the 2010 OY. Starry flounder are significantly utilized in the limited entry and recreational sectors (Table 4-17). There is a greater non-trawl share under intersector allocation alternative 3 than any of the other alternatives. The 87% trawl share recommended by the GAC is consistent with the share under intersector allocation alternatives 1 and 2; however, the remaining 13% allocated to the non-trawl sectors may fall short of the recreational sector's needs. Annual recreational catch in 1995-2005 has been as high as 380 mt and averages 41 mt {PFMC, 2008 1529 /id}. The GAC-recommended non-trawl share under the 2010 OY of 1,077 mt would accommodate the average recreational catch, but not the maximum. It is not clear whether 87% of the available yield of starry flounder is needed for the trawl fishery. The species is not caught in whiting trawls and the maximum catch landed by the shoreside non-whiting trawl sector since 1995 is about 142 mt or about 16% of the current OY. The Council may want to re-visit the GAC recommendation to avoid constraining the recreational sector; especially given that trawl efforts have been shifting offshore to avoid species like canary rockfish.

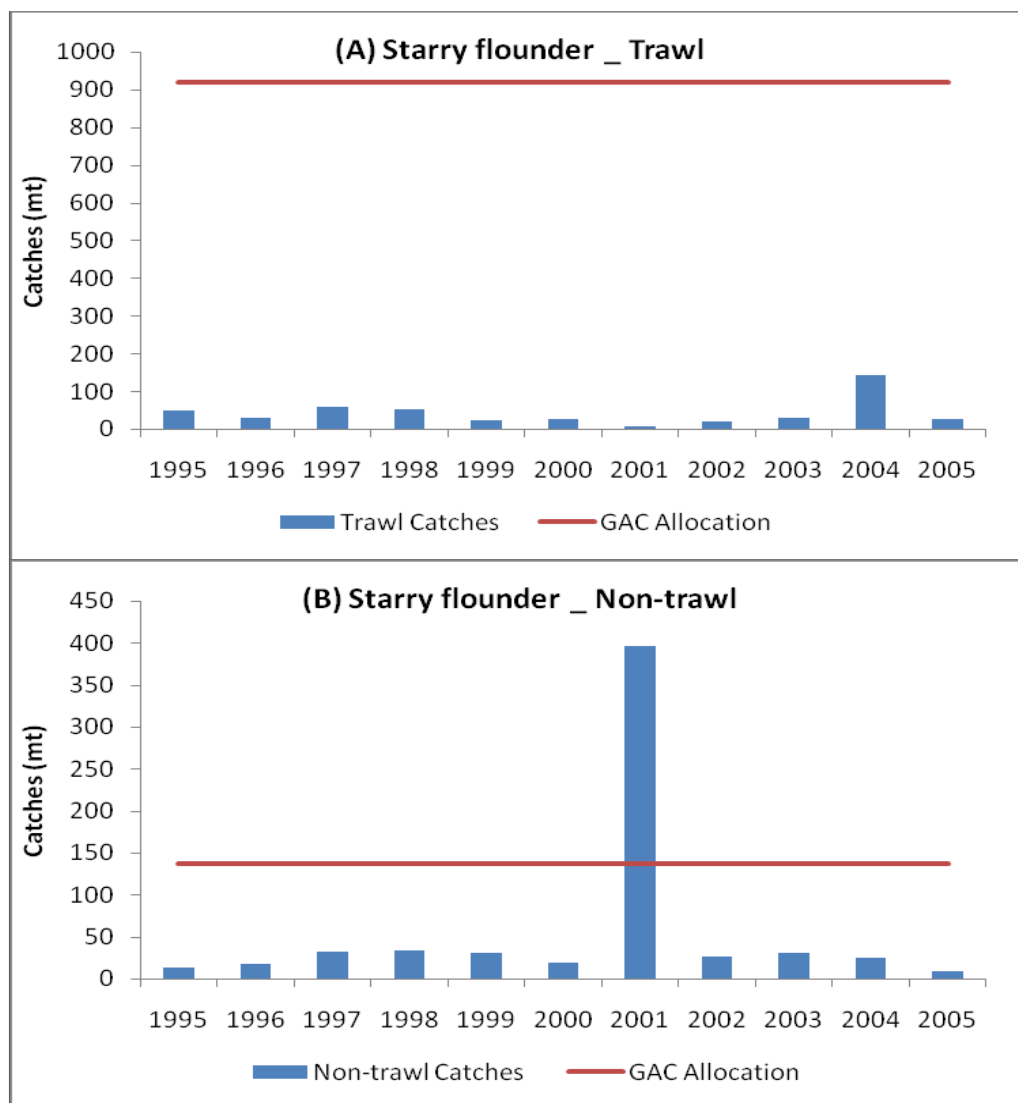


Figure 4-20. Trawl (A) and non-trawl (B) catches of starry flounder during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 OY.

Other Flatfish

Figure 4-21 depicts the trawl (A) and non-trawl (B) catches of species in the Other Flatfish complex during 1995-2005 and compares these catches to the GAC-recommended allocation applied to the 2010 OY. The species in the Other Flatfish complex have been caught primarily in bottom trawls deployed by vessels in the shoreside non-whiting sector. These species are trawl-dominant and are not significantly utilized by any other sector. The GAC-recommended trawl share of 95% is slightly lower than the other intersector allocation alternatives (Table 4-18), but should adequately accommodate future trawl catches without overly constraining the non-trawl sectors. The maximum combined catch of Other Flatfish species by the non-trawl sectors (almost 200 mt; Table 4-19) is less than 3% of the current OY of 4,884 mt for the complex.

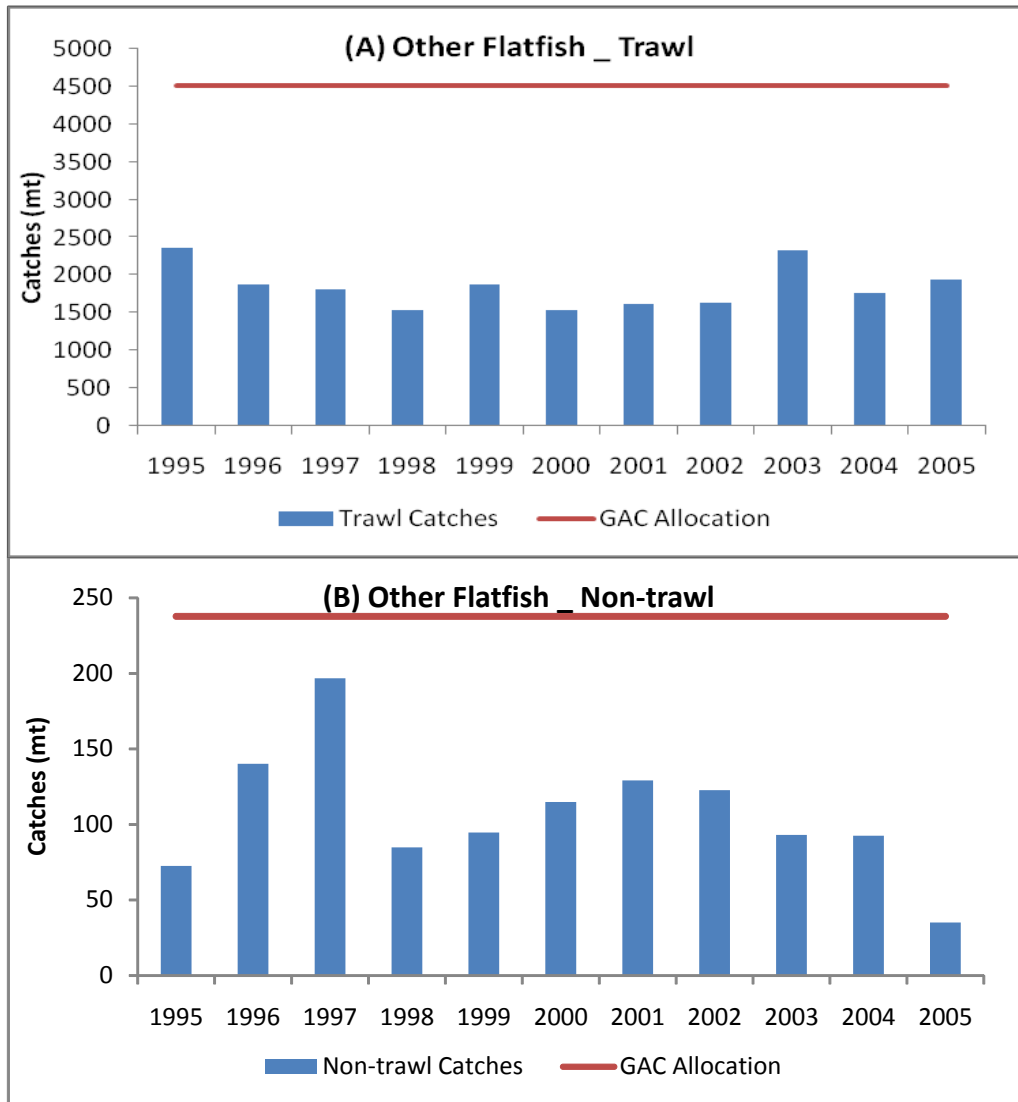


Figure 4-21. Trawl (A) and non-trawl (B) catches of species in the Other Flatfish complex during 1995-2005 compared to the GAC-recommended allocations applied to the 2010 OY.

4.4.2 Within-Trawl Allocations

4.4.2.1 At-sea Whiting Trawl Sector Set-asides

Within-trawl sector set-asides only apply to the at-sea fishery. Therefore, this section examines information with the intention of specifying an appropriate set-aside amount¹ for the at-sea fishery. If the recommendation from the GAC becomes formalized through a Council action, the allocation process will first divide between trawl and non-trawl sectors, and then divide among the trawl sectors. This means that the set-asides established for the at-sea fishery would come out of the trawl sector allocation.

¹ A set-aside amount is assessed rather than a set-aside percentage. A set-aside percentage would assume that a sector's incidental catch varies with an OY that is specified in regulation. This presumption would be false.

Lingcod Set-aside

The incidental catch amounts of lingcod in the at-sea sectors has historically been less than 10 mt (Figure 4-22). However, it appears that the incidental catch amount of lingcod has been increasing since the late 1990s, from less than 1 metric ton annually combined, to around 5 metric mt in 2007. This is consistent with the rebuilding of the lingcod stock. While this increasing incidental catch trajectory is certain to plateau at some time, it is not clear when that will occur, or whether it has already occurred. Therefore, the Council may wish to acknowledge a set-aside amount that is higher than some of the relatively high recent figures of approximately 5 mt.

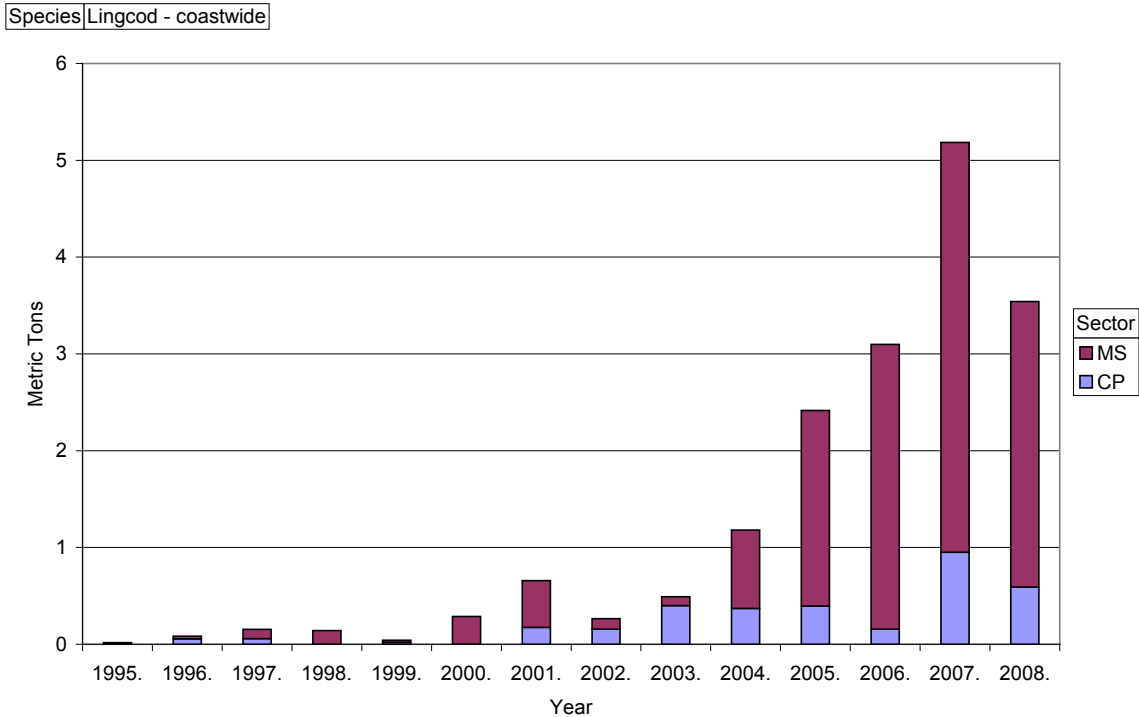


Figure 4-22. Annual lingcod bycatch (mt) by the at-sea whiting sectors, 1995-2008.

Pacific Cod Set-aside

The at-sea sector catch of Pacific cod has varied from less than 0.1 mt to just over 0.3 mt (Figure 4-23). The set-aside amount for Pacific cod in the at-sea fishery could be specified at a low level.

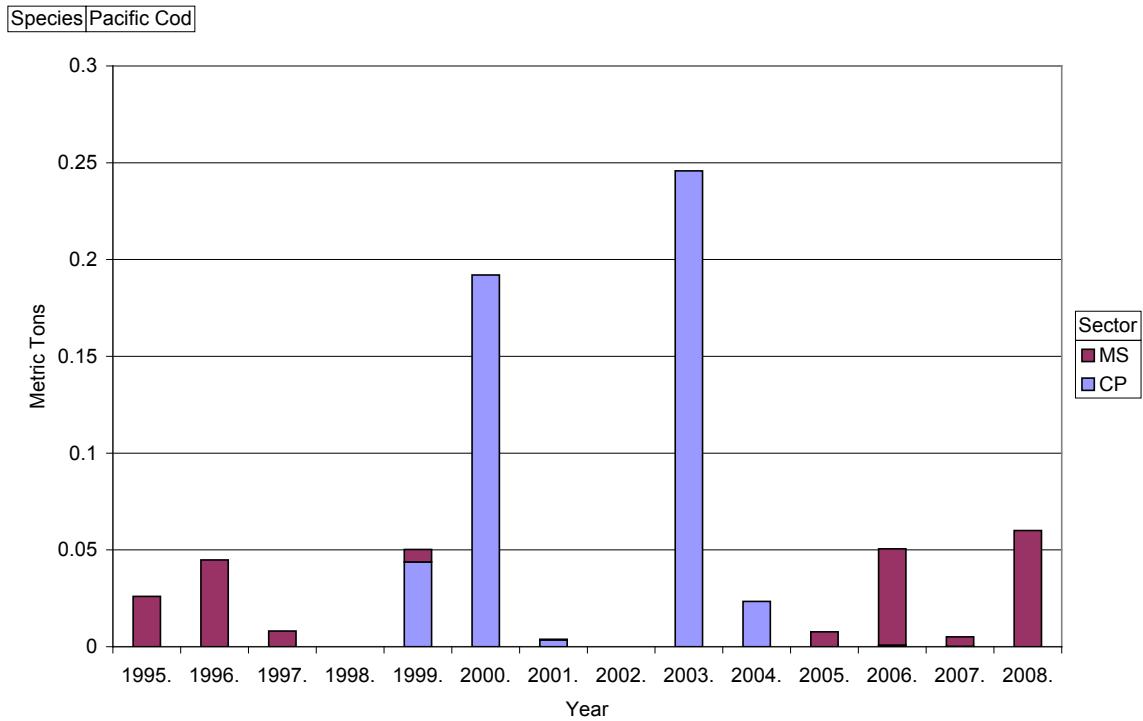


Figure 4-23. Annual Pacific cod bycatch (mt) by the at-sea whiting sectors, 1995-2008.

Sablefish Set-aside

In recent years, the largest amount of sablefish taken incidentally in at-sea activity has been just over 45 mt (Figure 4-24). This amount is substantially larger than some of the other relatively large figures, which hover in the 20 to 30 metric ton range. If the Council wishes to be precautionary, a set-aside of approximately 45 mt may be appropriate.

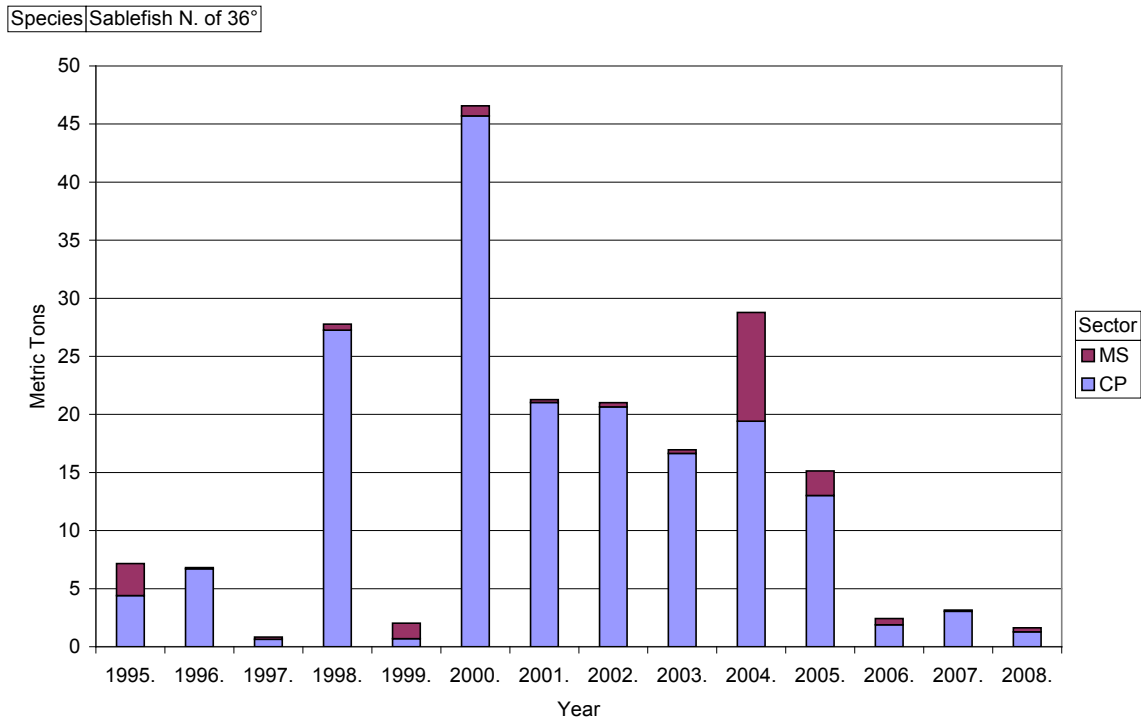


Figure 4-24. Annual sablefish bycatch (mt) by the at-sea whiting sectors, 1995-2008.

Yellowtail Set-aside

Historically the at-sea catch of yellowtail rockfish has been as high as 500 mt (Figure 4-25). However, in recent years the catch has been on the order of 100 mt or less. The relatively large catch volumes of yellowtail appear to have been associated with the fishing patterns of the fleet during the 1990s where Pacific whiting were distributed further to the north where yellowtail rockfish are more predominant. In recent years Pacific whiting have been distributed further south during the months when the at-sea sectors are operating. Depending on the belief regarding the future distribution of fishing activity (which is influenced by oceanographic conditions, changes in fishing timing, and changes in stock distribution), an appropriate yellowtail set-aside could be as low as 100 to 150 tons or as high as 500 – 600 mt.

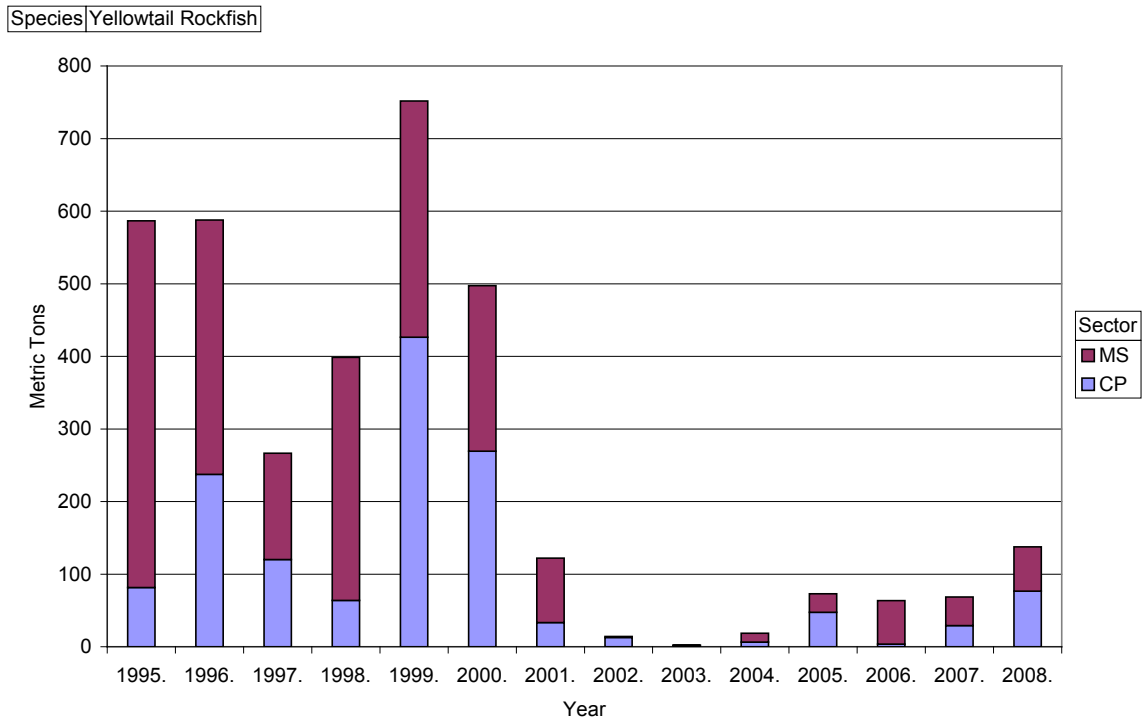


Figure 4-25. Annual yellowtail rockfish bycatch (mt) by the at-sea whiting sectors, 1995-2008.

Shortspine Set-aside (North of 34°27')

The at-sea sector catch of shortspine thornyhead has ranged from approximately zero mt to approximately 20 mt, without any clear pattern or trend associated with that incidental catch (Figure 4-26). Since the basis for a set-aside is to accommodate potential incidental catch amounts, a reasonable set-aside may be on the order of 20 mt.

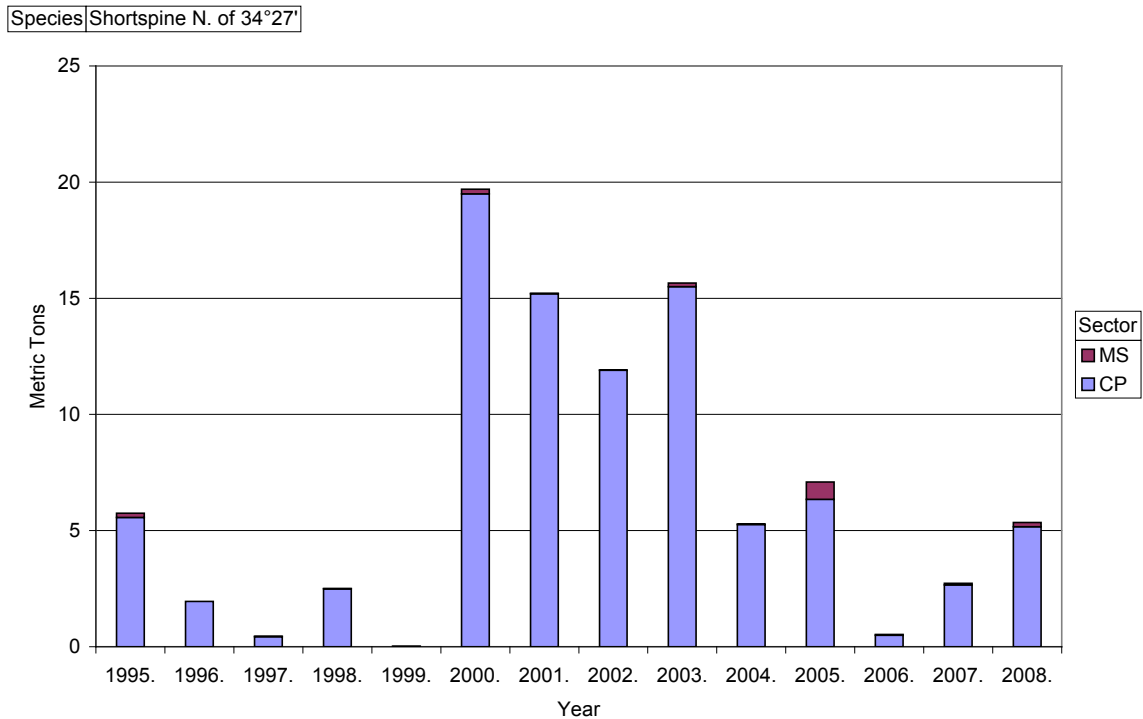


Figure 4-26. Annual shortspine thornyhead bycatch (mt) by the at-sea whiting sectors, 1995-2008.

Longspine Set-aside (North of 34°27')

The at-sea sector catch of longspine thornyhead has typically been close to zero mt. In 2008, the at-sea sector took approximately 0.5 mt (Figure 4-27). The catch of longspine appears to be low in this fishery because of the depth distribution of longspine relative to Pacific whiting. Put simply, the whiting fishery does not operate in areas where longspine are found in any great abundance. An appropriate set-aside for longspine may be 0.5 mt.

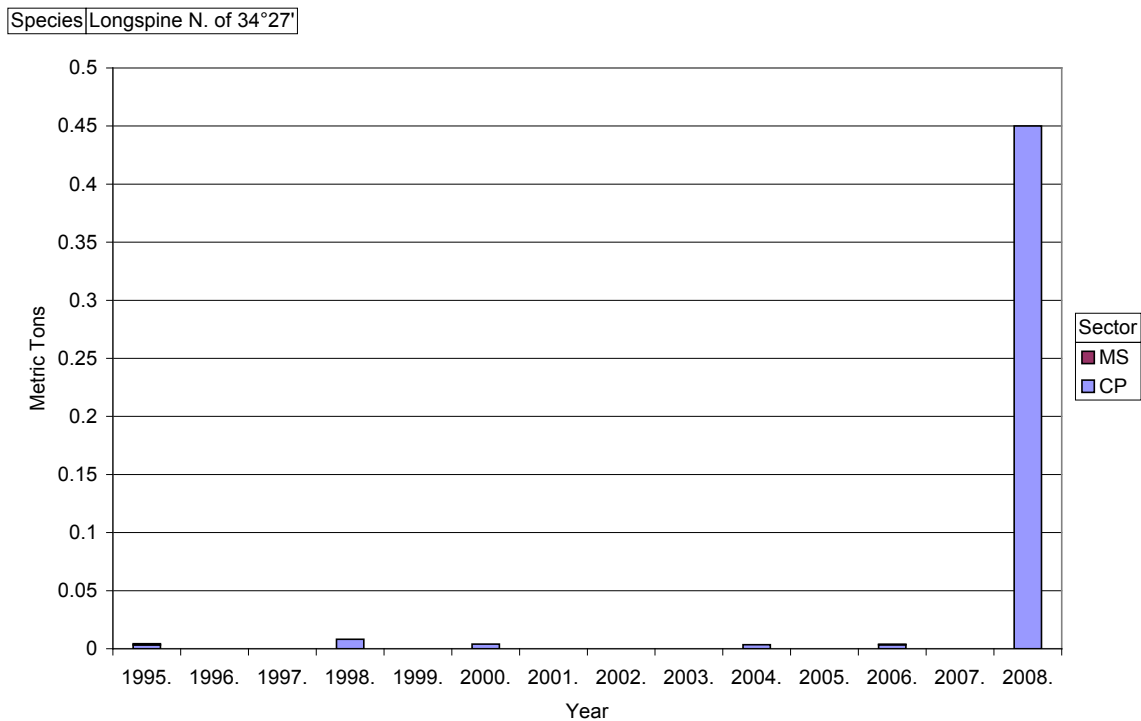


Figure 4-27. Annual longspine thornyhead bycatch (mt) by the at-sea whiting sectors, 1995-2008.

Minor Shelf Rockfish Set-aside (North of 40°10')

The at-sea sectors have typically taken less than 5 mt of shelf rockfish in any given year, but in some years have taken over 30 mt (Figure 4-28). There does not appear to be any distinct pattern to the incidental catch of shelf rockfish. A reasonable set-aside for shelf rockfish may be on the order of 35 mt.

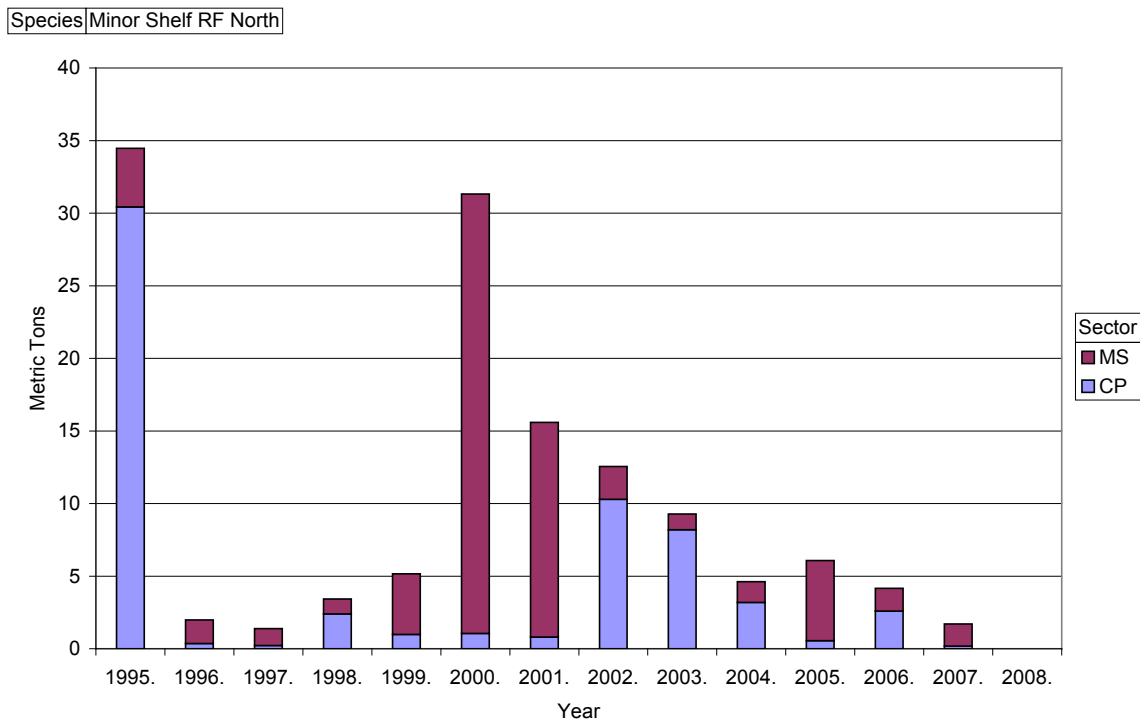


Figure 4-28. Annual bycatch (mt) of minor shelf rockfish (north of 40°10' N latitude) by the at-sea whiting sectors, 1995-2008.

Minor Slope Rockfish Set-aside (North of 40°10')

The catch of slope rockfish in the at-sea fishery has been as high as 80 mt (Figure 4-29). However, the incidental catch of slope rockfish is likely associated with the presence of a bycatch limit for other slope oriented species. Since the Council has specified that bycatch limits will exist for darkblotched and Pacific Ocean perch, the control of these species is likely to indirectly control the catch of slope rockfish. Therefore, a set-aside amount of 80 mt may accommodate the at-sea fishery under any circumstance, but a set-aside of 50 mt may be sufficient if darkblotched rockfish and Pacific Ocean perch bycatch limits remain in place.

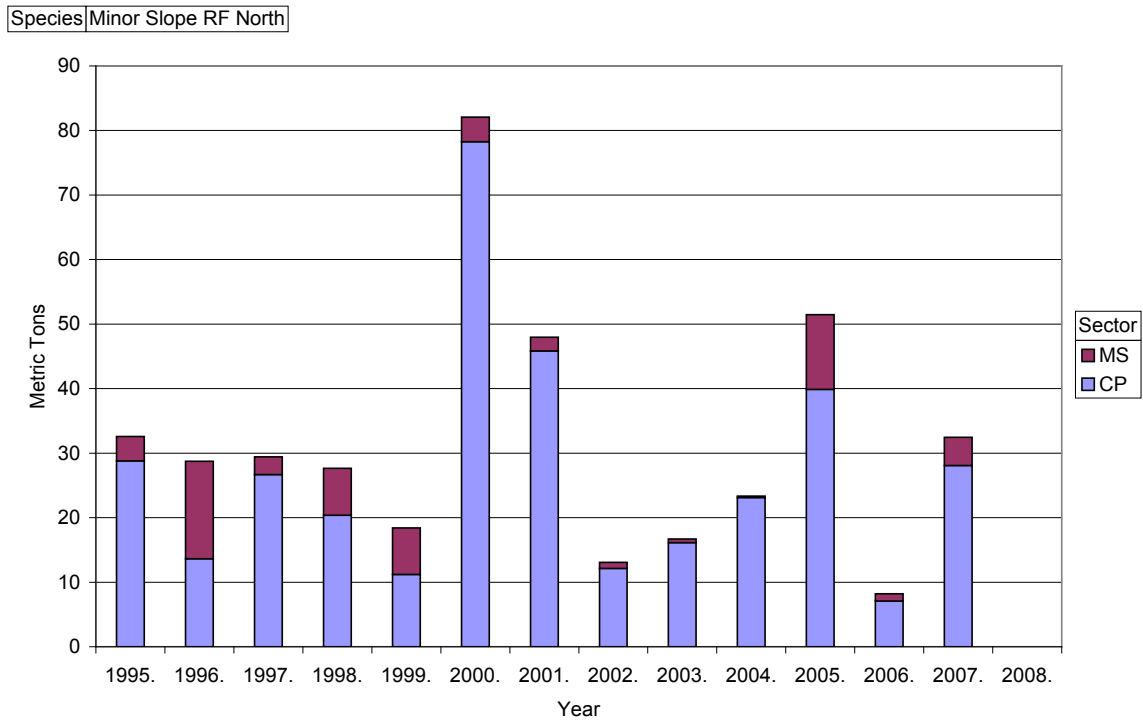


Figure 4-29. Annual bycatch (mt) of minor slope rockfish (north of 40°10' N latitude) by the at-sea whiting sectors, 1995-2008.

Dover Sole Set-aside

The at-sea catch of Dover sole is fairly minimal, with no apparent patterns or trends. A set-aside of 5 mt or less appears sufficient to cover incidental catch (Figure 4-30).

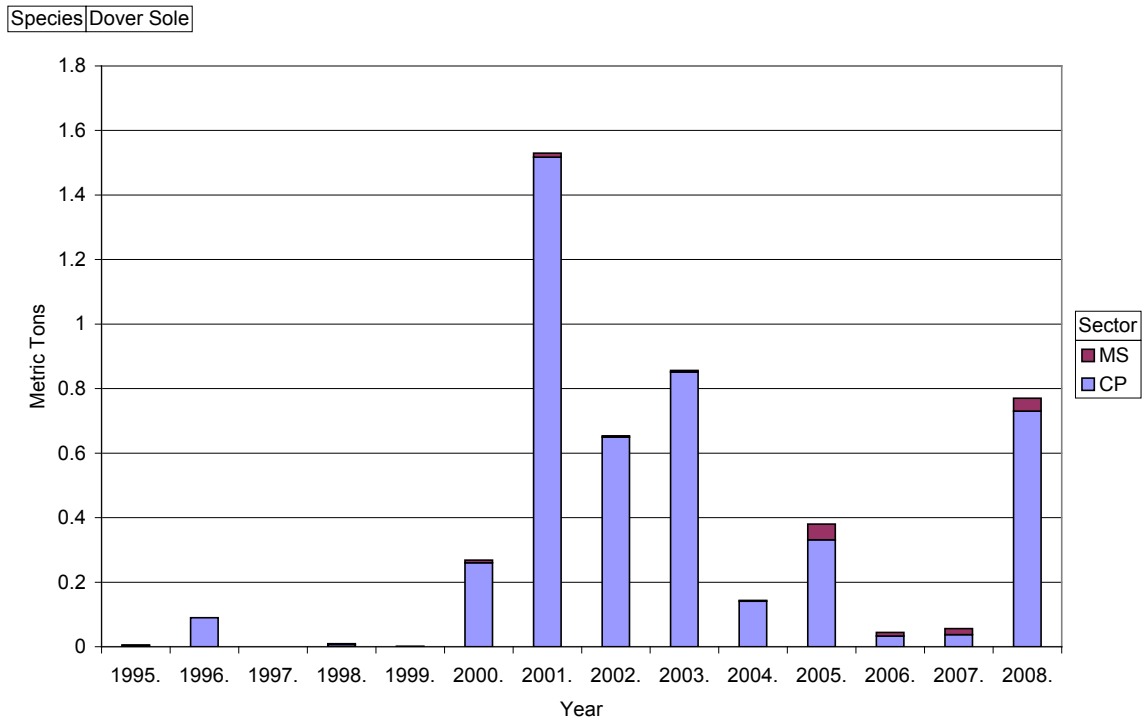


Figure 4-30. Annual bycatch (mt) of Dover sole by the at-sea whiting sectors, 1995-2008.

English Sole Set-aside

The at-sea catch of English sole is fairly minimal, with no apparent patterns or trends. A set-aside of 5 mt or less appears sufficient to cover incidental catch (Figure 4-31).

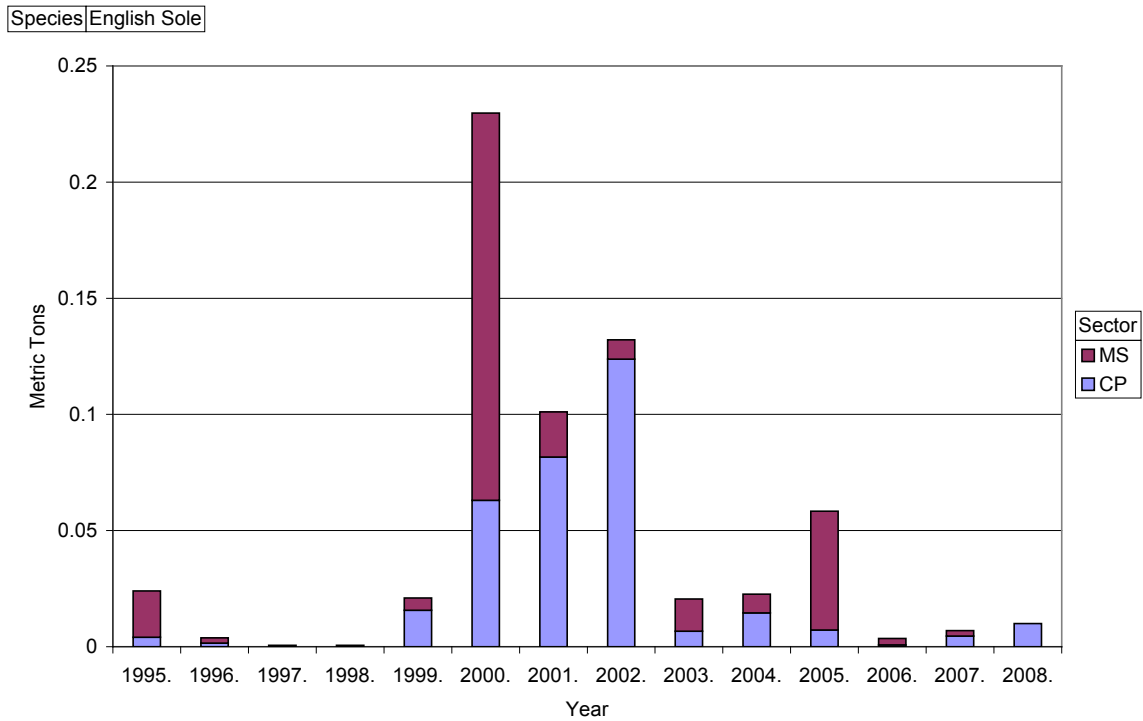


Figure 4-31. Annual bycatch (mt) of English sole by the at-sea whiting sectors, 1995-2008.

Petrale Sole Set-aside

The at-sea catch of petrale sole is fairly minimal, with no apparent patterns or trends. A set-aside of 5 mt or less appears sufficient to cover incidental catch (Figure 4-32).

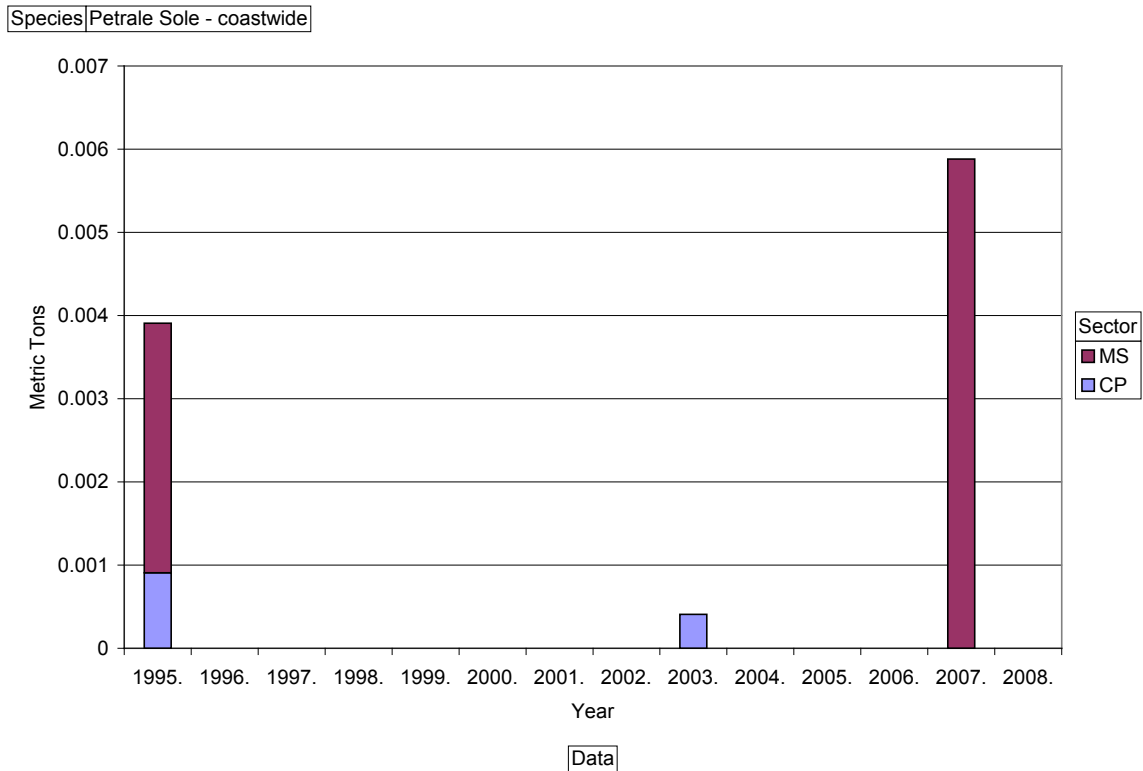


Figure 4-32. Annual bycatch (mt) of petrale sole by the at-sea whiting sectors, 1995-2008.

Arrowtooth Flounder Set-aside

The at-sea catch of arrowtooth is fairly small, though somewhat larger than for other types of flatfish species. There do not appear to be any clear patterns or trends in incidental catch. A set-aside of 10 mt or less appears sufficient to cover incidental catch (Figure 4-33).

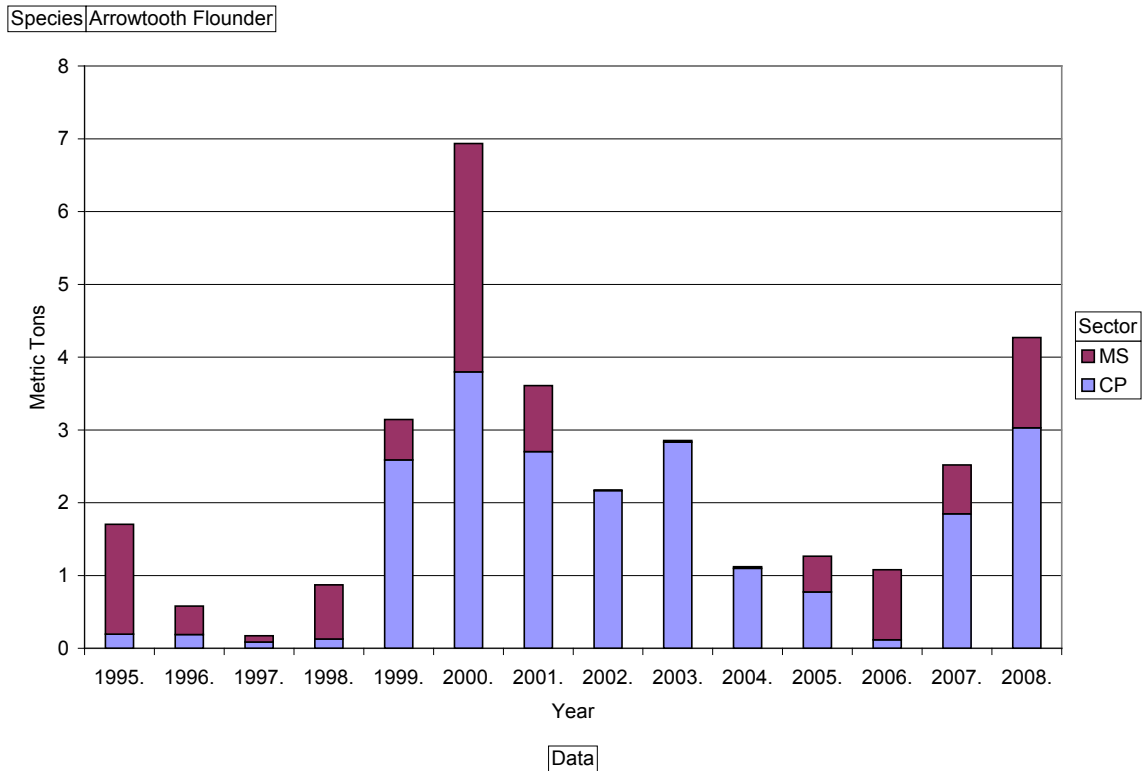


Figure 4-33. Annual bycatch (mt) of arrowtooth flounder by the at-sea whiting sectors, 1995-2008.

Other Flatfish Set-aside

The at-sea catch of Other Flatfish is fairly small in most years, but has been as high as approximately 20 mt. There do not appear to be any clear patterns or trends in incidental catch. A set-aside of 20 mt appears sufficient to cover incidental catch (Figure 4-34).

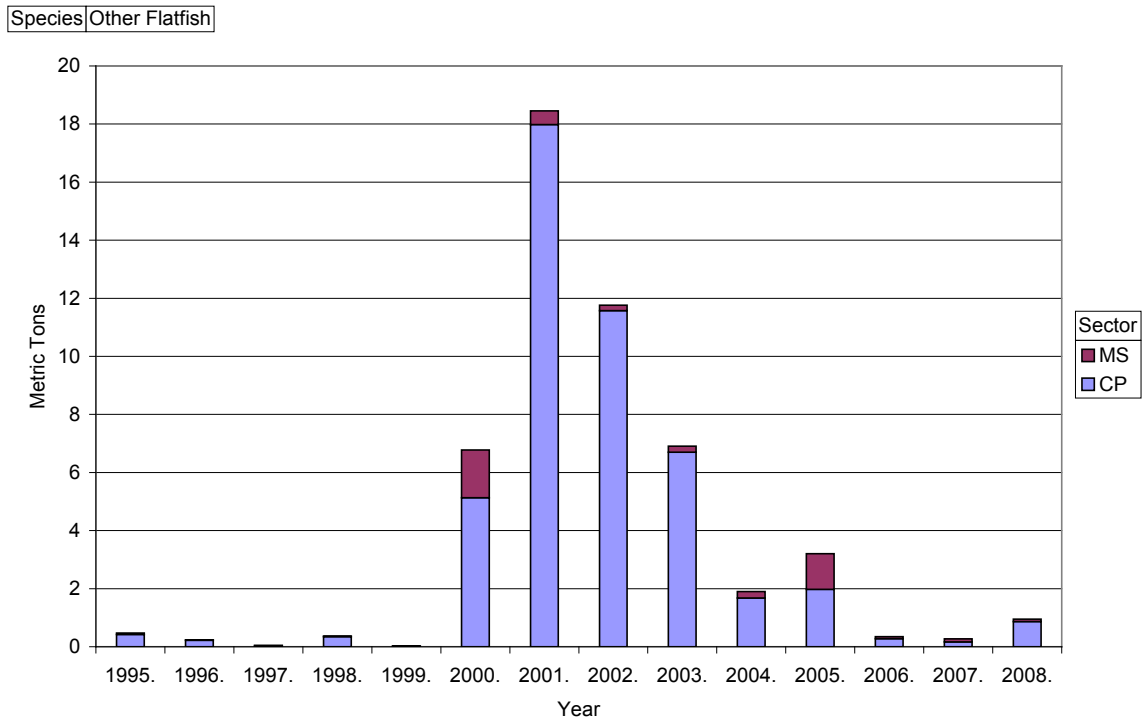


Figure 4-34. Annual bycatch (mt) of species in the Other Flatfish complex by the at-sea whiting sectors, 1995-2008.

Other Fish Set-aside

The majority of Other Fish caught in the at-sea sectors is made up of spiny dogfish. Catches of other fish in the at-sea sector have ranged from around 10 mt to just over 500 mt. A consistent pattern does not appear to exist for the catch of species in the Other Fish complex in the at-sea sector. A reasonable set-aside amount may be on the order of 520 mt (Figure 4-35).

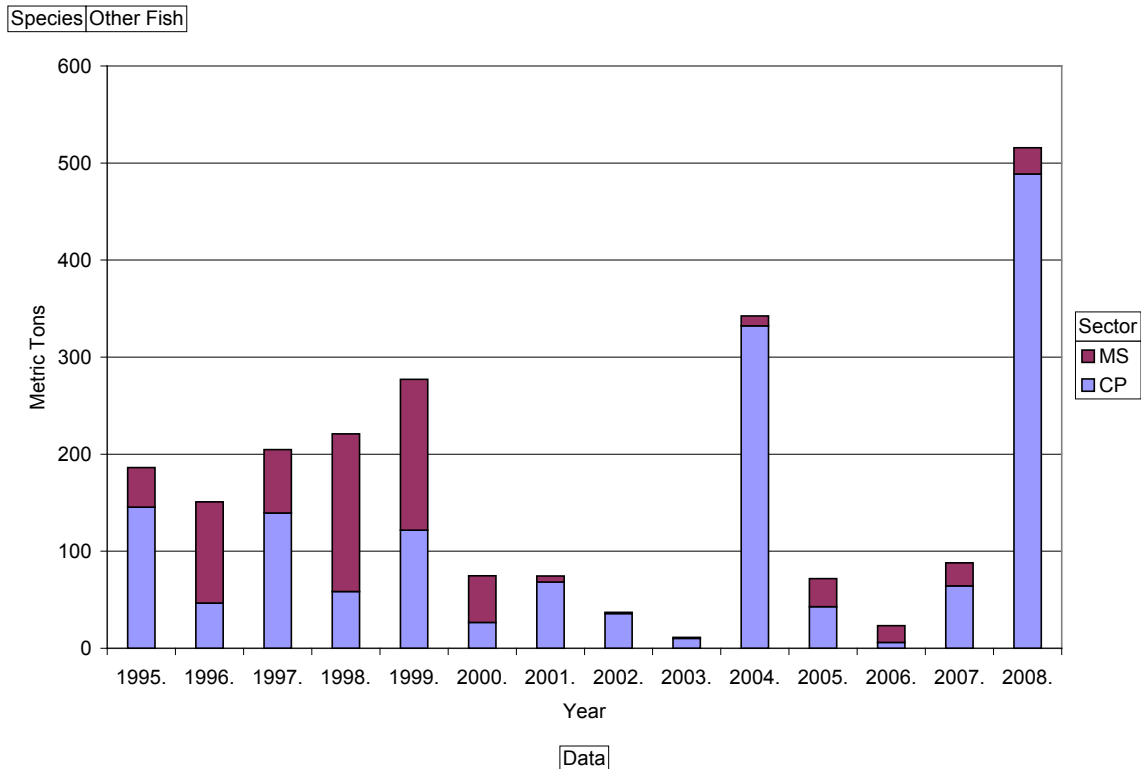


Figure 4-35. Annual bycatch (mt) of species in the Other Fish complex by the at-sea whiting sectors, 1995-2008.

Pacific Halibut Set-aside

Trawl sector set-asides for Pacific halibut include set-asides to account for catch in the shoreside trawl sector in areas south of 40°10' N. latitude, as well as incidental catch in the at-sea sectors. Available information from the West Coast Groundfish Observer Program indicates that approximately 0.24 percent of the observed halibut has been taken in that area south of 40°10' N. latitude from 2003 to 2006. Over that time period, the trawl bycatch estimate for areas north of 40°10' N. latitude has ranged from 923,693 to 666,782 pounds, with estimated bycatch mortality equaling approximately 50 percent. This means that the observed halibut bycatch mortality estimate in areas to the south of 40° 10' North Latitude is estimated to be approximately 3.7 to 5.1 mt. When combined with the at-sea trawl sector take of Pacific halibut over the 1995 to 2008 time period, an appropriate set-aside may be on the order of 10 mt for at-sea and shoreside trawl south of 40°10' N. latitude combined (Figure 4-36).

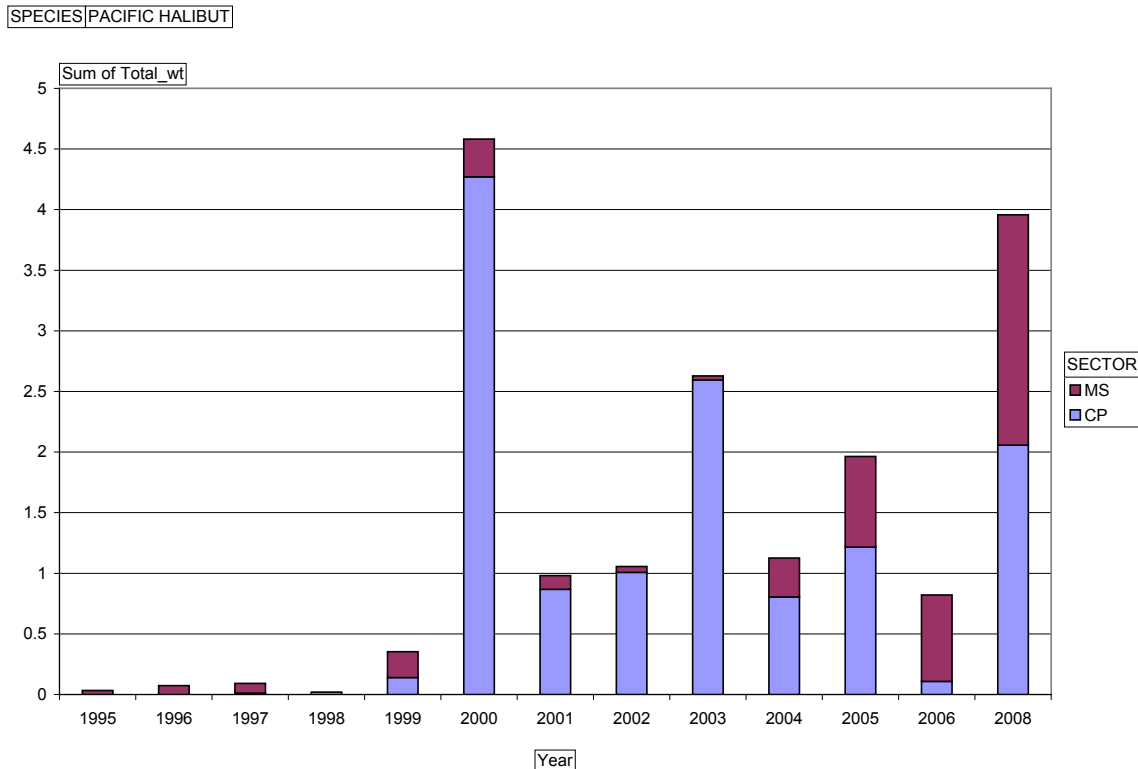


Figure 4-36. Annual bycatch (mt) of Pacific halibut by the at-sea whiting sectors, 1995-2008.

Strawman At-sea Set-aside Proposal

This proposal for setting aside enough of the yield of Amendment 21 species, other groundfish species, and Pacific halibut to minimize the likelihood of constraining the at-sea whiting fisheries is provided to help focus discussion and to provide a reasonable starting place for evaluating the appropriate set-aside amounts in the at-sea fishery.

As mentioned previously, the appropriate perspective in setting set-asides is to put aside an amount of fish that can be reasonably expected to accommodate incidental catch volumes. Using this perspective along with the need to stay within management targets means that the appropriate method of establishing a set-aside would be to examine annual catch data, focusing on the relatively large incidental catch volumes of set-aside species.

The approach taken to develop this strawman set of set-asides involves a couple of factors. The first approach is to set-aside at least 5 mt² of species in cases where incidental catch has occurred, or is likely to occur, in the at-sea fishery. The second step in establishing set-asides is to examine the relatively large years (in terms of volume) of catch for set-aside species in the at-sea fishery, and round upward to the nearest 5 mt. What is necessary in taking this perspective is to examine the catch in each year in the appropriate context. This context involves examining the catch over time relative to the management structure that may have been in place during that time and how that compares to the management structure in place under a rationalized fishery. Other appropriate context exists as well, such as patterns

² A minimum of 5 mt is set aside for species where at least 1 metric ton has been caught, or appears likely to be caught, in the at-sea fishery. In cases where less than 1 metric ton is established, no set aside is proposed, or a set aside of less than 1 metric ton is proposed.

that may be indicative of stock growth, patterns that may be indicative of variations in fishing behavior, and patterns that may be indicative of variations in oceanographic conditions. Some of these considerations are outlined under the itemized discussion of each species provided above.

Table 4-23. A strawman proposal for yield set-asides to accommodate the bycatch in future at-sea whiting fisheries under trawl rationalization.

| Allocation Process | Stock or Stock Complex | Strawman At-sea Set-Aside (mt) ^{a/} |
|------------------------------------------------------------------------------------------------|------------------------------------|----------------------------------------------|
| Sector Allocations Decided Through the Intersector Allocation Process | Lingcod | 6 |
| | Pacific Cod | 1 |
| | Pacific Whiting (U.S.) | NA |
| | Sablefish N. of 36° | 50 |
| | Sablefish S. of 36° | NA |
| | PACIFIC OCEAN PERCH | Formal Allocation |
| | WIDOW ROCKFISH | Formal Allocation |
| | Chilipepper S. of 40°10' | NA |
| | Splitnose S. of 40°10' | NA |
| | Yellowtail N. of 40°10' | 500 |
| | Shortspine Thornyhead N. of 34°27' | 20 |
| | Shortspine Thornyhead S. of 34°27' | NA |
| | Longspine Thornyhead N. of 34°27' | 1 |
| | Longspine Thornyhead S. of 34°27' | NA |
| | DARKBLOTCHED | Formal Allocation |
| | Minor Slope RF N. | 55 |
| | Minor Slope RF S. | NA |
| | Dover Sole | 5 |
| | English Sole | 1 |
| | Petrale Sole - coastwide | 1 |
| | Arrowtooth Flounder | 10 |
| | Starry Flounder | 1 |
| | Other Flatfish | 20 |
| | Pacific Halibut | 10 |
| Sector Allocations Decided Through the Biennial Specifications and Management Measures Process | CANARY ROCKFISH | Formal Allocation |
| | BOCACCIO | NA |
| | COWCOD | NA |
| | YELLOWEYE | 0 |
| | Black Rockfish | NA |
| | Blue Rockfish (CA) | NA |
| | Minor Nearshore RF N. | NA |
| | Minor Nearshore RF S. | NA |
| | Minor Shelf RF N. | 35 |
| | Minor Shelf RF S. | NA |
| | California scorpionfish | NA |
| | Cabazon (off CA only) | NA |
| | Other Fish | 520 |
| | Longnose Skate | 1 |

a/ The Pacific halibut set-aside would apply to the at-sea sector as well as all trawl activity south of 40° 10' N. latitude.

4.4.2.2 *Shoreside Trawl Sector Allocations*

The alternative weighting schemes to make the initial shoreside sector allocations in order to combine the sectors and allocate QS to eligible participants are based on 1995-2005 catch percentages relative to total shoreside catches and alternatively the 2003-2005 sector catch percentages (Table 2-11). For most of the Amendment 21 species, the shoreside sector catch percentages differ by a negligible amount. However, two species, widow and yellowtail rockfish differ significantly depending on whether the recent time series of sector catches are used (i.e., 2003-2005; the widow rebuilding regime) or the longer time series of sector catches (i.e., 1995-2005; less influenced by the widow rebuilding regime). Therefore, the Council may want to consider adopting two shoreside sector allocation schemes: one to be implemented if widow is rebuilt when trawl rationalization measures are implemented, and one to be implemented if widow is still under rebuilding. Since the initial sector allocation is a one-time decision, both allocation schemes can be adopted conditionally, with the appropriate scheme implemented based on widow stock status. If the wrong sector allocation is initially adopted, the consequence is more QS/QP trading for IFQ holders to attain the appropriate mix of species' QS (or QP) to effectively fish in the shoreside trawl sector.

Given the significant differences in shoreside whiting and shoreside non-whiting catches of widow and yellowtail rockfish under the two states of nature (i.e., widow overfished or not), a further examination of the sector catch data is warranted to explore the appropriate sector allocations.

Widow rockfish is currently an overfished stock and the widow rebuilding plan does not allow the midwater trawl targeting on widow and yellowtail rockfish that did occur prior to implementation of stringent rebuilding measures. This accounts for the significant disparity in the shoreside non-whiting trawl sector shares in recent years vs. the older year catch history.

Widow rockfish yields under rebuilding can be constraining to the whiting fisheries and, in the past, yellowtail bycatch has also constrained whiting efforts. Under rebuilding, widow is directly constraining to the non-treaty whiting fisheries. The widow rebuilding plan calls for setting aside enough yield for the non-whiting fisheries so as not to constrain their fishing opportunities in areas they can currently fish. Much of the remaining widow yield under rebuilding OYs is then specified as a bycatch cap that limits the bycatch by the non-treaty whiting sectors. As evidenced in 2007, whiting management and fleet distributions are strongly influenced by bycatch caps for widow, as well as canary and darkblotched rockfish. Therefore, the challenge under widow rebuilding is allocating the small available yields to not constrain the non-whiting fisheries and to minimize bycatch in the non-treaty whiting fisheries. Yellowtail rockfish harvestable surplus for this healthy stock has far exceeded the available OYs in recent years due to constraints imposed by shelf rockfish rebuilding plans. Allocating yields under this more conservative management regime is therefore not a difficult challenge.

Once the widow stock is rebuilt³, a different allocation scenario should be considered to minimize IFQ trading and fishery disruption once the two shoreside trawl sectors are combined under trawl rationalization. Table 4-24 shows the 1995-2005 catches of widow and yellowtail rockfish by shoreside trawl sector and compares sector catch histories in times when the widow stock abundance was "healthier" and under the current rebuilding regime.

³ The current widow assessment {He, 2008 1437 /id} and rebuilding analysis {Xi He, 2008 1490 /id} predict the stock will be rebuilt by 2009. However, a new full assessment of widow rockfish will be done in 2009 to confirm this result.

Table 4-24. Shoreside trawl sector catch percentages of widow and yellowtail rockfish by year, 1995-2005.

| Year | Widow Rockfish Catch by Sector | | | | Yellowtail Rockfish Catch by Sector | | | |
|-------------------------------------------------|--------------------------------|---------------------------------|-----------------------|---------------------------------|-------------------------------------|---------------------------------|-----------------------|---------------------------------|
| | Shoreside Whiting | | Shoreside Non-whiting | | Shoreside Whiting | | Shoreside Non-whiting | |
| | mt | % Total shoreside sectors catch | mt | % Total shoreside sectors catch | mt | % Total shoreside sectors catch | mt | % Total shoreside sectors catch |
| 1995 | 236.1 | 3.7% | 6,165.3 | 96.3% | 294.2 | 6.8% | 4,006.9 | 93.2% |
| 1996 | 571.5 | 9.6% | 5,403.2 | 90.4% | 482.6 | 10.4% | 4,157.9 | 89.6% |
| 1997 | 163.3 | 2.6% | 6,213.3 | 97.4% | 226.5 | 14.5% | 1,338.7 | 85.5% |
| 1998 | 349.6 | 9.5% | 3,346.7 | 90.5% | 499.7 | 22.8% | 1,691.0 | 77.2% |
| 1999 | 194.4 | 5.0% | 3,691.1 | 95.0% | 477.3 | 22.5% | 1,641.4 | 77.5% |
| 2000 | 83.3 | 2.2% | 3,718.5 | 97.8% | 190.2 | 6.8% | 2,621.9 | 93.2% |
| 2001 | 44.3 | 2.5% | 1,729.6 | 97.5% | 102.9 | 6.5% | 1,484.1 | 93.5% |
| 2002 | 5.1 | 2.0% | 254.9 | 98.0% | 42.5 | 5.8% | 694.3 | 94.2% |
| 2003 | 12.5 | 75.3% | 4.1 | 24.7% | 43.9 | 30.2% | 101.4 | 69.8% |
| 2004 | 34.3 | 71.3% | 13.8 | 28.7% | 127.5 | 41.5% | 179.4 | 58.5% |
| 2005 | 76.8 | 96.2% | 3.0 | 3.8% | 173.1 | 74.6% | 58.9 | 25.4% |
| Average catch shares (95-05 avg) | 161.0 | 5.5% | 2,776.7 | 94.5% | 241.9 | 12.9% | 1,634.2 | 87.1% |
| Catch shares under healthy widow (95-00 avg) | 266.3 | 5.3% | 4,756.4 | 94.7% | 361.8 | 12.3% | 2,576.3 | 87.7% |
| Catch shares under widow rebuilding (03-05 avg) | 41.2 | 85.5% | 7.0 | 14.5% | 114.8 | 50.4% | 113.2 | 49.6% |

Catch shares of widow and yellowtail rockfish for the shoreside non-whiting trawl sector as a percent of total annual catches for both shoreside sectors combined under the “healthy” widow state of nature (i.e., average catch share during 1995-2000) were 94.7% and 87.7%, respectively. This compares to shoreside non-whiting catch shares of 14.5% and 49.6% for widow and yellowtail rockfish, respectively during the widow rebuilding regime (i.e., 2003-2005 average catch shares). This abrupt difference in sector catch shares reflects the effect of the midwater target fishery that occurred prior to widow being declared overfished and the termination of that fishery beginning in 2003. This pattern for both sectors indicates that, under rebuilding, the whiting sector needs a greater share of the small available yield of widow rockfish to effectively target whiting. Once the stock is rebuilt, the whiting sector may need about 500 mt of widow to target whiting without being constrained by widow (Table 4-24). An otherwise unconstrained whiting fishery may also need from 500-1,400 mt of yellowtail to keep from being constrained by that stock. However, this scenario is far from reality given constraints imposed by canary rockfish rebuilding. Managing the combined shoreside trawl fishery with IFQs for target species and constraining stocks such as canary rockfish should help gain better access to widow and yellowtail rockfish.

The Council may want to consider alternative sector allocations for these species based on average sector catch shares during 1995-2000 if the widow stock is rebuilt when trawl rationalization is implemented or sector allocations based on 2003-2005 sector catch percentages if widow rockfish is still under rebuilding.

4.4.3 Pacific Halibut Trawl Total Catch Limits

4.4.3.1 Objectives

The Council has identified the following objectives through the Trawl Rationalization Program (Amendment 20) relative to applying an individual bycatch quota (IBQ) to the west coast shoreside groundfish fishery.

1. Account for total mortalities of all halibut bycatch in the trawl fishery
2. Prosecute a successful Trawl Rationalization Program that is not overly restricted by halibut bycatch limits
3. Hold individual harvesters accountable for halibut bycatch
4. Provide incentives to minimize halibut bycatch and halibut bycatch mortality

In addition to utilizing IBQ in the shoreside whiting and non-whiting fishery, halibut would be managed through a set-aside in the at-sea whiting fishery and the groundfish fishery south of 40°10' N latitude.

4.4.3.2 Alternatives

Pacific halibut are not allowed to be retained in any U.S. or Canadian trawl fisheries per the policy of the IPHC. The Council's intent on setting a total catch limit of Pacific halibut in Area 2A trawl fisheries is to limit the bycatch and progressively reduce the bycatch from these limits to provide more benefits to directed halibut fisheries. The Council does not intend to request legal retention of Pacific halibut in Area 2A trawl fisheries from the IPHC.

The Council originally specified two alternatives for capping the total catch of Pacific halibut incidentally caught in west coast groundfish trawls: Alternative 1 would apply the 2005 estimated trawl bycatch against the Area 2A CEY, and Alternative 2 would apply the 2006 estimated trawl bycatch against the Area 2A CEY (Table 2-10). These two alternatives resulted in bycatch percentages that were practically identical (14.6 and 14.7 percent). In November 2008, under the action to adopt a trawl rationalization program (Amendment 20), the Council adopted a trawl bycatch alternative that capped the Pacific halibut bycatch amount to 10 percent of the Area 2A CEY and this cap included the bycatch of both legal and sublegal halibut. This is now Alternative 3. A fourth alternative was derived at the March 2009 Council meeting, which would cap the trawl portion of the Area 2A Pacific halibut total mortality at 15 percent of the area's TCEY but would not exceed 130,000 pounds in the first two years, would not exceed 100,000 pounds in the third year, and beyond year three the limit could be adjusted through the biennial specifications process.

Alternatives 1 and 2

The first two alternatives for capping the total catch of Pacific halibut against the total Area 2A CEY result in nearly identical percentages: 14.6 percent and 14.7 percent of the Area 2A total CEY (Table 2-12). Applying both percentages to the 2006 TCEY shows a difference of only 1,710 pounds of halibut. This difference may be insignificant in terms of benefits to directed halibut fisheries in Area 2A and likewise insignificant in terms of an added constraint to the Area 2A groundfish trawl sector. It is

anticipated that the bycatch of Pacific halibut will decrease under trawl rationalization due to reduced active capacity and fewer trips to attain quotas; however, no ramp down strategy has been included in Alternative 1 or 2.

Alternative 3

This alternative would establish limit for legal-sized Pacific halibut bycatch mortality through the use of an IBQ in the trawl fishery up to 10% of the Area 2A CEY as set by the IPHC. It was not clear whether the Council intended to use the Total CEY or the Fishery CEY⁴ as the basis of the trawl bycatch limit. For the purposes of analysis, Council staff have assumed that the Council intended the TCEY to be the basis of this alternative. The Council did specify that the limit would be set initially at 10 percent and may be adjusted through the biennial specifications process.

Alternative 4

Alternative 4 would establish an initial limit for total Pacific halibut bycatch mortality (legal-sized and sublegal fish) in the trawl fishery of 15 percent, but not exceeding 130,000 pounds per year for total mortality. The initial amount for the first two years of the trawl rationalization program would be calculated by taking 15 percent of the Area 2A Total CEY as set by the IPHC for the previous year. For example, if the trawl rationalization program went into effect in 2013, the trawl halibut IBQ would be set at 15 percent of the Area 2A CEY adopted for 2012 or 130,000 lbs per year, whichever is less, for 2013 and 2014 (Years 1 and 2 of the trawl rationalization program). Beginning with the third year of implementation, the maximum amount set aside for the trawl rationalization program would be reduced to a total mortality amount of 100,000 lbs per year. The total halibut bycatch mortality amount may be adjusted downward through the biennial specifications process for future years. The at-sea trawl sector and the shoreside trawl sector south of 40° 10' N latitude would have halibut bycatch set asides which would come out of the 15 percent trawl sector allocation.

Each of the alternative percentages were applied to the halibut TCEY for the past five years in Table 4-25. Looking at the 2009 row, Alternative 3 would be the most restrictive to the trawl fishery, and conversely would provide a greater percentage to the directed halibut sectors. All of the alternatives would result in amounts lower than the actual halibut mortality in 2007, which is the most recent documented estimate.

Table 4-25. Alternative total catch limits in thousands of pounds net weight of Pacific halibut for the west coast limited entry trawl sector.

| Year | TCEY (lb., net weight) | Assumed Mortality for LE Trawl | Actual Mortality (lb, net) by LE Trawl ⁵ | Alternative 1 (14.6% of TCEY, in lbs) | Alternative 2 (14.7% of TCEY in lbs) | Alternative 3 (10% of TCEY in lbs) | Alternative 4 (15% of TCEY in lbs) |
|------|------------------------|--------------------------------|-----------------------------------------------------|---------------------------------------|--------------------------------------|------------------------------------|------------------------------------|
|------|------------------------|--------------------------------|-----------------------------------------------------|---------------------------------------|--------------------------------------|------------------------------------|------------------------------------|

⁴ There are two constant exploitation yields (CEYs) estimated for Pacific halibut in Area 2A fisheries: a fishery CEY (FCEY), which counts all sources of fishing-related mortality in directed fisheries targeting halibut and a total CEY (TCEY), which counts all sources of mortality, including research catch, personal use, and wastage. Total CEY also includes some sublegal halibut mortality. Basing the total catch limit for trawl bycatch of Pacific halibut against the total CEY may be a better metric for tracking the relative abundance of halibut, while tracking the bycatch limit against the fishery CEY may be better for tracking the total allowable catch (TAC) (Gregg Williams, IPHC, personal communication). There are also annual catch limits specified by the IPHC for Area 2A fisheries, but these catch limits are specified in late January of the fishing year, which is likely too late for deciding trawl limits. Additionally, catch limits focus on directed catch limits, not prohibited bycatch limits. The CEYs are estimated in annual assessments produced by the IPHC, which are publicly available in early December of the year preceding the season to which they apply.

⁵ Rates of discard mortality are derived from observer assessment of fish viability, not the 50% discard mortality rate.

| | | | | | | | |
|------|-----------|---------|---------|---------|---------|---------|---------|
| 2004 | 2,110,000 | -- | 260,590 | 308,060 | 310,170 | 211,000 | 316,500 |
| 2005 | 1,560,000 | -- | 417,863 | 227,760 | 229,320 | 156,000 | 234,000 |
| 2006 | 1,710,000 | -- | 345,648 | 249,660 | 251,370 | 171,000 | 256,500 |
| 2007 | 1,580,000 | -- | 257,338 | 230,680 | 232,260 | 158,000 | 237,000 |
| 2008 | 940,000 | 345,648 | -- | 137,240 | 138,180 | 94,000 | 141,000 |
| 2009 | 640,000 | 257,338 | -- | 93,440 | 94,080 | 64,000 | 96,000 |

The halibut TCEY has gone down substantially over the past five years from over 2 million pounds for Area 2A to over 0.6 million pounds. All sectors have experienced a decrease in the amount of halibut available for targeted catch and bycatch. Due to this overall decrease in the availability of halibut to the directed fishery, it is important to minimize halibut bycatch in the trawl fishery and allow increased access to the directed fishery.

4.4.3.3 *Analysis of Alternatives*

Alternatives 1 and 2

Alternatives 1 and 2 are similar and can essentially be analyzed together. Alternatives 1 and 2 achieve Objectives 1, 2 and 3, but not 4. A Pacific halibut bycatch limit of 14.6 or 14.7 percent of the TCEY would account for total mortalities, not be overly restrictive, and would hold individual harvesters accountable. However, beyond the IBQ market incentive for an individual to avoid halibut, there is no other incentive to minimize halibut bycatch, such as a sector level ramp down strategy. The difference between Alternative 1 and 2 in 2008 would have been 940 lbs, and in 2009 would be 640 lbs, and as the TCEY goes down the difference between Alternatives 1 and 2 become smaller. If Alternative 1 (or 2) were applied to the TCEY in 2007 and are compared to the actual mortality recorded for 2007, Alternative 1 (or 2) falls over 25,000 lbs short. If Alternative 1 (or 2) were compared to the Assumed Mortality (status quo method) projected for 2008 and 2009, the Alternative falls short by 208,000 and 164,000 pounds, respectively.

Alternative 3

Alternative 3 would achieve Objective 3, but not Objectives 1, 2, or 4. This alternative would count only legal-sized halibut against the trawl quota shares, rather than total halibut. Catches of sublegal halibut would not count against a quota. Therefore, Objective 1 – account for total mortalities of all halibut caught in the trawl fishery – would be more difficult to achieve. Anecdotal information suggests that some fishermen may know of specific areas that consistently produce smaller halibut. If catches of sublegal halibut were to increase, that could affect the halibut abundance in Area 2A as fish may be caught before they are able to contribute to the spawning population.

One positive aspect of this alternative is that it uses a percentage of the trawl set aside that directly ties the trawl halibut bycatch mortality limit to halibut abundance. This is especially useful as the halibut abundance fluctuates and what it will be for the first year of trawl rationalization is unknown. However, having an allocation amount in pounds that changes from year-to-year results in unpredictability in the fishery and, absent an overall cap on the amount of halibut that may be set aside, could result in increased bycatch in years of higher abundance. Although we note that the 10% is currently represented as a cap and could be adjusted downward, especially in years of higher abundance so as not to increase halibut bycatch.

Although Alternative 3 reflects halibut abundance, if Alternative 3 were applied to the TCEY in 2007 and compared to the actual mortality recorded for 2007 (Table 4-25), Alternative 3 falls over 99,000 lbs

short. If Alternative 3 were compared to the Assumed Mortality (status quo method) projected for 2008 and 2009, Alternative 3 falls short by 251,000 and 193,000 pounds, respectively.

With regard to Objective 2, the initial allocation of halibut bycatch under Alternative 3 could be too low at the outset to allow successful prosecution of Trawl Rationalization Program. For example, the Total CEY for 2009 from the 2008 IPHC stock assessment was 640,000 lbs, which would produce a trawl bycatch quota of 64,000 lbs of legal-sized halibut bycatch mortality. Compared to an estimate of 127,677 lbs of legal-sized halibut mortality in the trawl fishery in 2007, this would represent a 50 percent reduction from recent mortality levels concurrent with the first year of trawl rationalization implementation.

Additionally, while Alternative 3 provides an incentive to avoid bycatch, it does not explicitly provide an incentive to reduce halibut bycatch mortality. Prior to 2008, the Northwest Fisheries Science Center (NWFSC) applied a 50 percent rate of mortality to halibut discards. In September 2008, NWFSC provided the Council with a comparison of the 50 percent rate that had been applied in the past to revised estimates using rates of discard mortality derived from observer assessment of fish viability (Table 4-26). For the past four years, the observed discard mortality is higher than the previously assumed rate, and the rate increased about 22 percent in 2007 from 2006. The Council approved the new approach and forwarded these revised estimates to the IPHC.

Table 4-26. Halibut bycatch and mortality in the Oregon and Washington limited entry bottom trawl fisheries for groundfish off the west coast, applying discard mortality rates based on the observed assessment of fish viability.

| Year | Trawl Effort (hrs) | Est. Halibut Bycatch (lbs) | Est. Total Halibut Mortality (lbs) | Halibut Bycatch Mortality Rate | Est. Legal-sized Halibut Mortality | Legal-sized Divided by Total Mortality |
|------|--------------------|----------------------------|------------------------------------|--------------------------------|------------------------------------|----------------------------------------|
| 2004 | 37,495 | 489,882 | 260,590 | 53.19% | 153,804 | 0.5902 |
| 2005 | 39,377 | 715,752 | 417,863 | 58.38% | 178,218 | 0.4265 |
| 2006 | 42,602 | 666,782 | 345,648 | 51.84% | 158,570 | 0.4587 |
| 2007 | 41,874 | 350,266 | 257,338 | 73.47% | 127,677 | 0.4961 |

Alternative 4

Alternative 4 addresses all of the objectives. It would apply a halibut bycatch reduction program in phases to provide sufficient time to establish a baseline of trawl halibut bycatch under the new rationalization program and for harvesters to explore methods (e.g., adjustments to time and/or area fished, gear modifications) to reduce both halibut bycatch and bycatch mortality. Relative to Objective 1, Alternative 4 would apply to all halibut—both legal-sized and sublegal, which is especially important as the size-at-age has decreased in all management areas, including Area 2, in recent years. Therefore, the sublegal-sized fish are older than previously thought and do contribute to the spawning population.

Regarding Objective 2, Alternative 4 maintains the halibut abundance-based method for setting the initial trawl allocation by keeping it tied to a percentage of the CEY, but adds a maximum limit on the allocation amount. The initial limit is set at 130,000 lbs, which represents an approximate reduction of 50 percent from the total bycatch estimate provided by the Northwest Fisheries Science Center for the most recent year (2007) as contained in Agenda Item E.1.b, Supplemental NMFS Report, September 2008. If Alternative 4 were applied to the TCEY in 2007 and compared to the actual mortality recorded for 2007 (Table 4-25), Alternative 4 falls about 20,000 lbs short. If Alternative 4 were compared to the

Assumed Mortality (status quo method) projected for 2008 and 2009, Alternative 3 falls short by 204,000 and 161,000 pounds, respectively.

While not having a cap could better achieve Objective 2, this alternative may not effectively address Objective 4 without the cap. The NWFSC data indicates that lower bycatch rates and lower mortality rates can be accomplished in the trawl fishery, and rates comparable to the previously assumed rate of 50 percent were achieved in 2004 and 2006. For example, the amount of halibut bycatch in 2004 is about 30 percent higher than the bycatch in 2007; however, because the mortality rate was 20 percent higher in 2007, the estimated amounts of total halibut mortality are very similar (260,590 lbs compared to 257,338 lbs). Having a maximum amount on the trawl allocation would provide an incentive for harvesters to reduce both amount of bycatch and bycatch mortality.

Reducing the maximum limit to 100,000 lbs beginning the third year of the program provides an additional incentive for harvesters to modify their fishing behavior to reduce bycatch and/or bycatch mortality. Information from the Canadian IFQ program indicates that trawl fishers can voluntarily implement measures to reduce bycatch by avoiding areas known to produce high volumes of halibut, and reduce bycatch mortality by reducing their tow time. Reducing the trawl limit would also provide more halibut to those who participate in the directed tribal, commercial and recreational halibut fisheries.

If the Total CEY from the stock assessment prior to trawl rationalization implementation reflected relatively low abundance (e.g., 640,000 lbs), this would produce an initial trawl allocation of 96,000 lbs. While this is considerably less than what the trawl fishery has caught in previous years, it would also be applied to an exploitation yield lower than what Area 2A has experienced in the past 10 years. This helps ensure that the primary use of halibut is to provide fish for the directed tribal, commercial, and recreational fisheries. If abundance were higher and along the lines of the amounts produced by the 2004 and 2005 assessments (e.g., > 1 million lbs), then the trawl allocation would be capped at 130,000 lbs.

Alternative 4 would allocate some halibut bycatch to the at sea trawl sector and the shoreside trawl sector south of 40°10' N latitude (approximately Cape Mendocino) out of the 15 percent. The other alternatives did not expressly address the halibut bycatch pounds needed in the non-IFQ trawl sectors.

British Columbia Trawl IVQ Program and Halibut Bycatch

When the Canadian government rationalized their British Columbia groundfish fishery in 1996, an arbitrary cap of 1 million pounds was set for halibut bycatch mortality in that trawl fishery. Halibut bycatch mortality before prior to rationalization was about 1.5 million pounds. The first year of their quota program, halibut bycatch mortality was reduced to about 300,000 pounds. Several factors were the decline of the cod fishery (and a decline in associated halibut bycatch), harvester avoidance behavior, and one hundred percent observer coverage combined with slower fishing practices which allowed the observer to measure every halibut caught and released. Information from the Canadian IFQ program indicates that trawl fishers can voluntarily implement measures to reduce bycatch by avoiding areas known to produce high volumes of halibut, and reduce bycatch mortality by reducing their tow time (which prevents halibut from being crushed in the trawl cod end).

Effects of Alternatives on Directed Halibut Fishery Sectors

In general, reducing the trawl halibut bycatch limit would provide more halibut to the directed tribal, commercial and recreational halibut fisheries. All the alternatives would limit the trawl fishery to a

bycatch amount that cannot be exceeded without penalty. This is different from status quo in that the trawl sector would have a fixed trawl sector cap. A fixed cap would serve two purposes; it would create a pool of fish pounds that can be allocated out as individual fishing quota shares, and it helps to prevent any trawl sectors overages from occurring or taking halibut away from other sectors. Alternative 3 is the lowest percentage limit, and would provide a greater percentage of halibut to the directed halibut fisheries than the other alternatives. Alternative 4 would cap the trawl sector at 15 percent of the TCEY but no higher than 130,000 lbs for the first two years, and no higher than 100,000 lbs in the third year. Those poundage limits may be the most restrictive on trawlers of all the alternatives, depending on how high the TCEY is set in the first three years of the trawl rationalization program. Therefore the trawl sector amount caps in Alternative 4 may be the most beneficial to the directed halibut fisheries.

Effects of Alternatives on Shoreside Non-whiting Trawl Sector

In general, the Council has expressed an objective to reduce halibut bycatch in the trawl fishery through intersector allocation and the biennial specifications process. Should the shoreside non-whiting trawl sector begin to be constrained by lower halibut bycatch amounts, this may push harvest to occur in areas of the coast where there is a lower halibut bycatch rate. Areas in the north off Washington have a higher halibut bycatch rate, so harvesters may move south to avoid halibut. Such movement of harvesting effort to the south would reinforce the predicted regional shift that may occur due to trawl rationalization. Halibut bycatch is also associated with shelf and nearshore flatfish, such as petrale and arrowtooth, so there may be a decrease in the prosecution of flatfish in those areas. If there is Council intent to develop emerging fisheries, restricting halibut caught by trawl may also restrict further development of an arrowtooth trawl fishery.

The amount of halibut discarded by the trawl fishery has decreased by nearly 50 percent between 2006 and 2007, according to the 2008 report by the NWFSC titled Pacific Halibut Bycatch in IPHC Area 2A in the 2007 Groundfish Trawl Fishery (Wallace and Hastie). The 2007 halibut discard rate is the lowest of the past decade. The report states that the key factor in this decrease was the reduction in trawl effort in areas shallower than 150 fm and closure of northern-most shoreward areas. If the trawl sector's halibut bycatch amount is low, trawl fishermen may continue to choose to avoid fishing those areas.

4.5 The Management Regime

The Council should decide how the future intersector allocation process will be decided, whether new species and species complexes are considered for formal allocation or if Amendment 21 species are considered for a revised formal allocation. The Council can choose to amend the FMP every time a new formal allocation is considered or the decision process can be frame-worked in the FMP such that a formal allocation can be decided in the biennial harvest specifications and management measures decision-making process. The latter course is less burdensome with fewer administrative processes to adopt or change an allocation. It maintains an open public process with environmental analyses compliant with NEPA to focus attention on possible consequences of the allocation decision. Such amendments to an allocation plan, be they FMP or regulatory amendments, can also be considered for a more refined spatial apportionment of a sector allocation.

It is recommended that the FMP provision suspending any formal allocations for a species if it is declared overfished be maintained. Determining short-term allocations for such a species under the guidance of an approved rebuilding plan is preferable to maintaining a formal allocation that might entail greater risks to the species than not.

In general, formal allocations reduce the controversy associated with more ad hoc allocations and allow fishing businesses a longer and more stable outlook. Amendment 21 is critical for implementing Amendment 20 trawl rationalization, which will in turn reduce bycatch and management oversight of the largest west coast groundfish fisheries.

4.6 Tourism and Recreation

Only those species subject to long term trawl allocations as part of the proposed action that are also caught in recreational fisheries may have an influence on tourism and recreation. Intersector allocation alternative 2 contemplates long term allocations to recreational fisheries based on the average 2003-05 total catch in recreational fisheries (Table 2-6), while the other action alternatives contemplate only trawl sector allocations with remaining yields shared by all non-treaty directed groundfish sectors combined, including the recreational groundfish sector. Groundfish bycatch in non-groundfish recreational fisheries would be included in yield set-asides before any apportionment of the available groundfish harvest is made to directed groundfish fisheries, which are the only fisheries that are considered in the intersector allocation process.

Those groundfish species that are part of the proposed action that are targeted in recreational west coast groundfish fisheries are lingcod, Pacific cod, chilipepper rockfish, yellowtail rockfish, widow rockfish, starry flounder, and some species in the Other Flatfish complex (e.g., Pacific sanddabs), but only lingcod and starry flounder are significantly utilized by the recreational sector according to criteria informing Table 4-17.

Amendment 21: Allocation of Harvest Opportunity Between Sectors of the Pacific Coast Groundfish Fishery

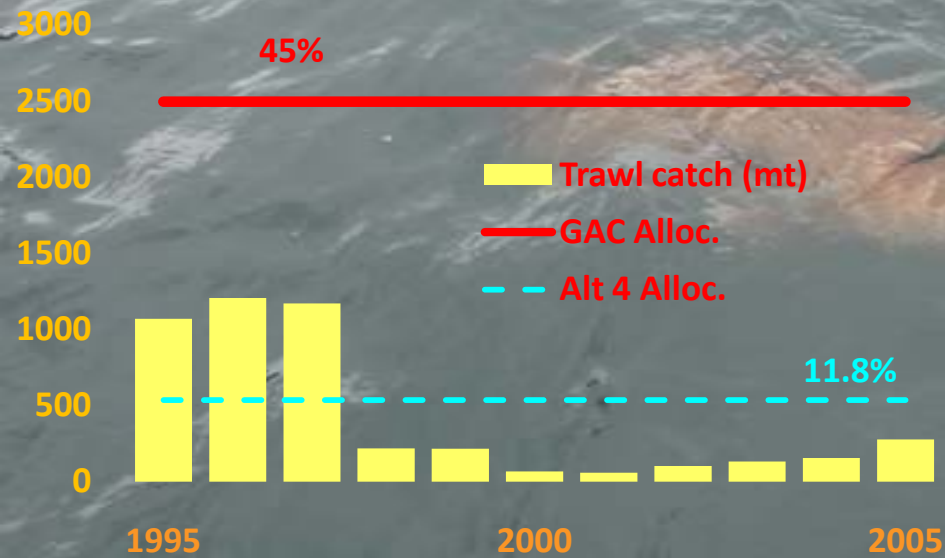
**Pacific Fishery Management Council
April 2009**

Decisions Under this Action

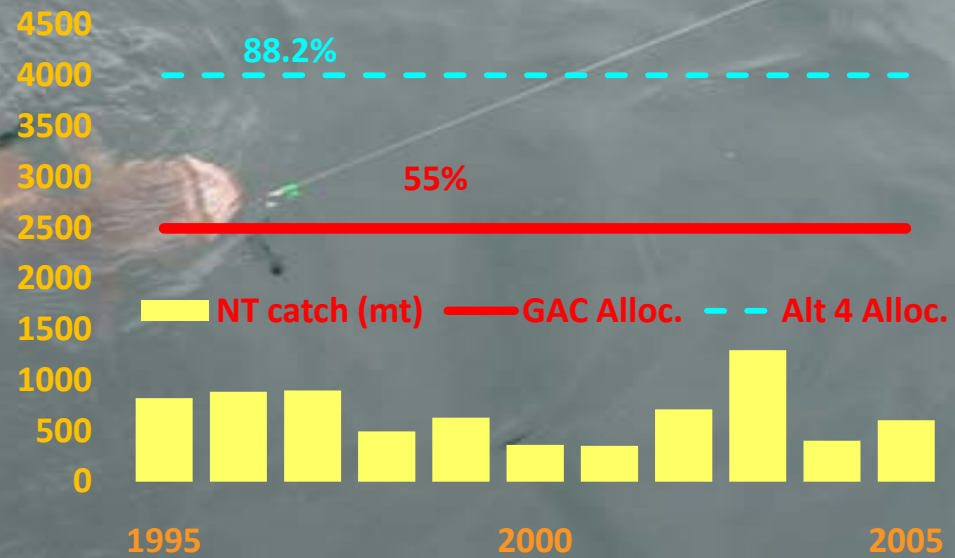
- **Trawl and Non-Trawl Allocations**
- **Within-Trawl Allocations**
 - **Widow, POP, and Darkblotched Allocations**
 - **At-Sea Whiting Sector Yield Set-Asides**
 - **Shoreside Trawl Sector Allocations**
- **Pacific Halibut Trawl Total Catch Limits**
- **Frameworking the Process for Future Allocation Decisions**

Lingcod

Trawl

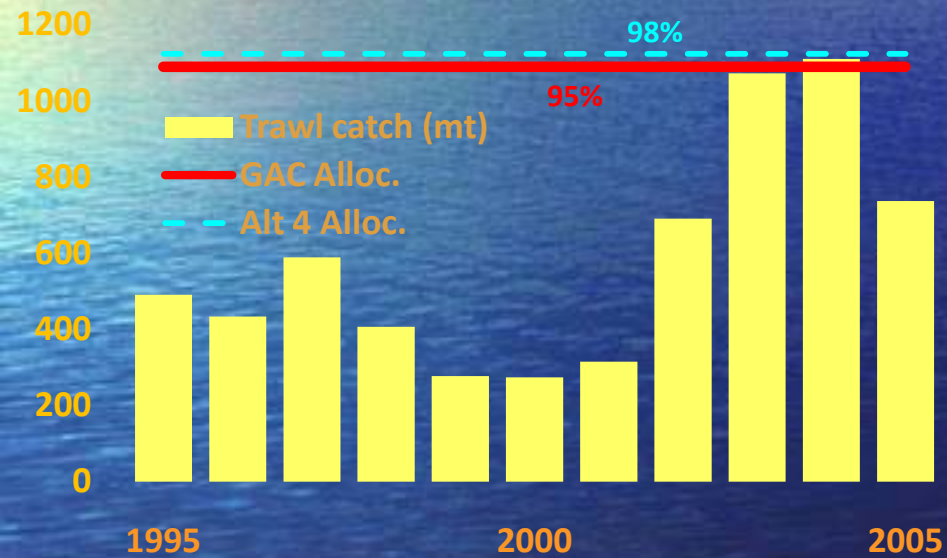


Non-Trawl

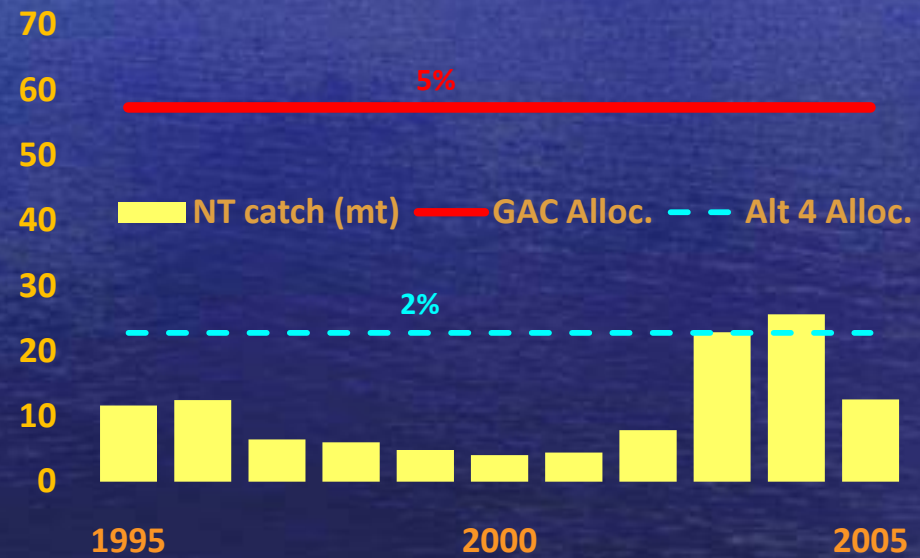


Pacific Cod

Trawl

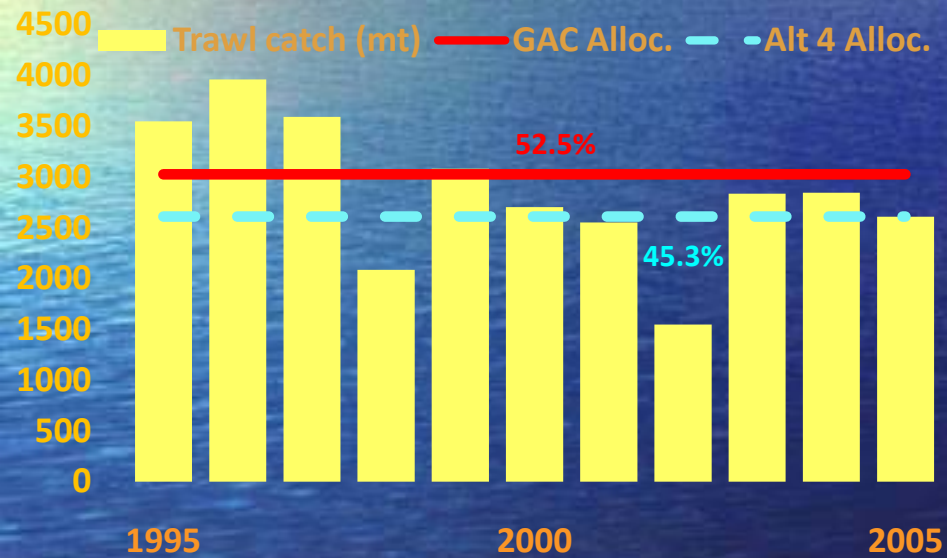


Non-Trawl

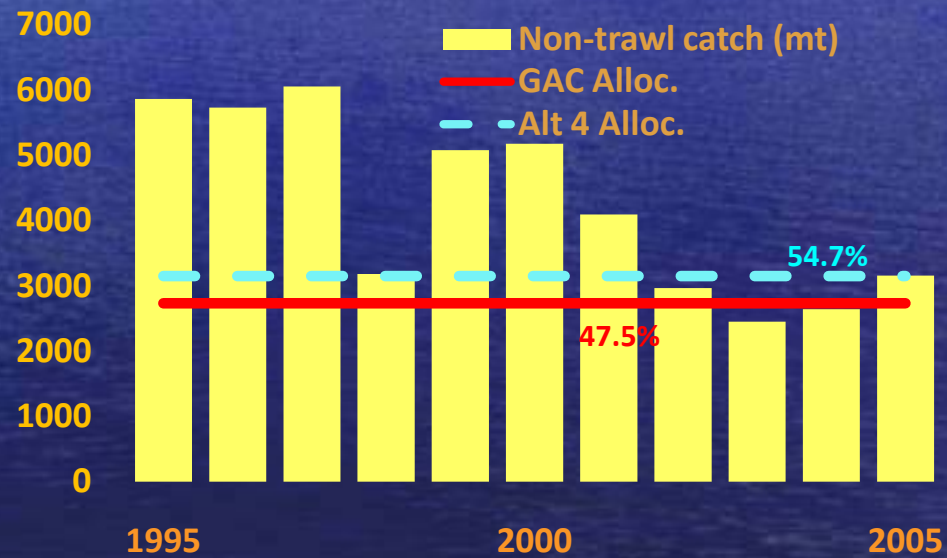


Sablefish N

Trawl

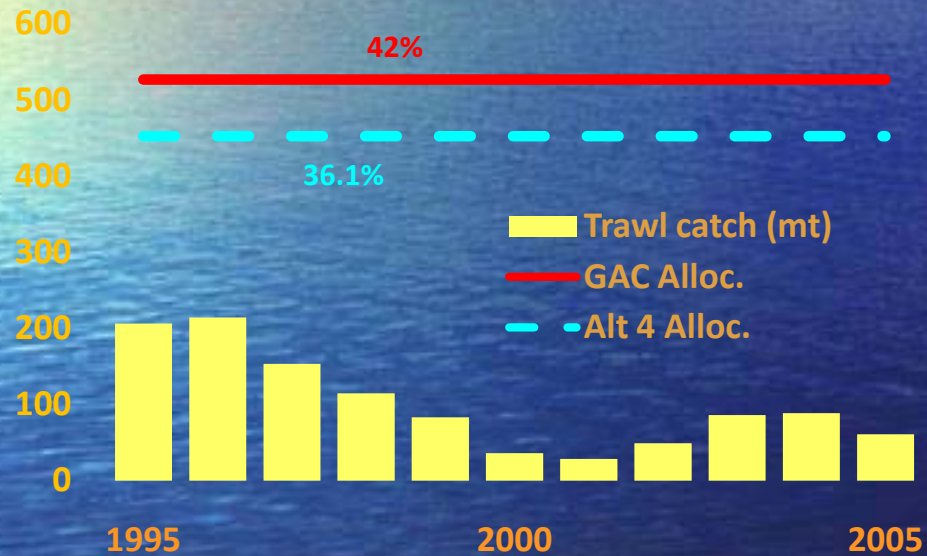


Non-Trawl

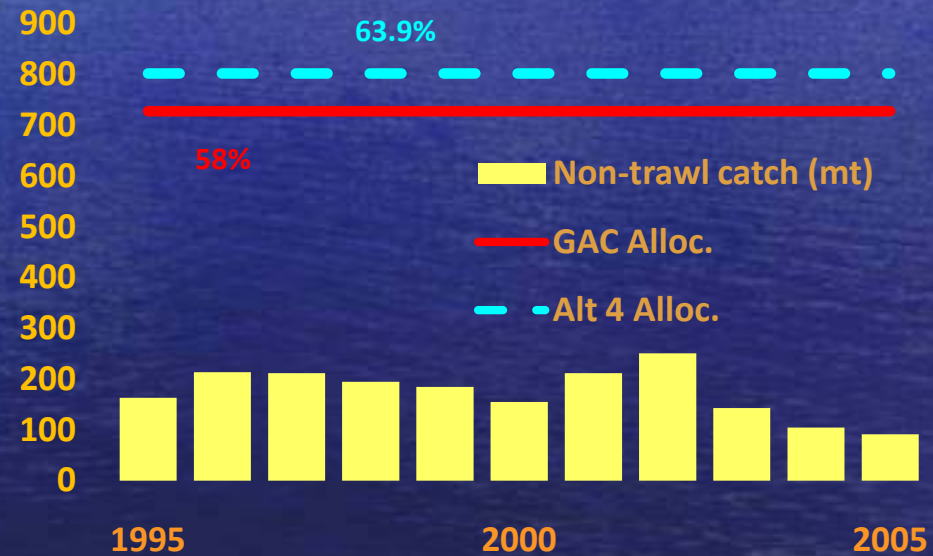


Sablefish S

Trawl



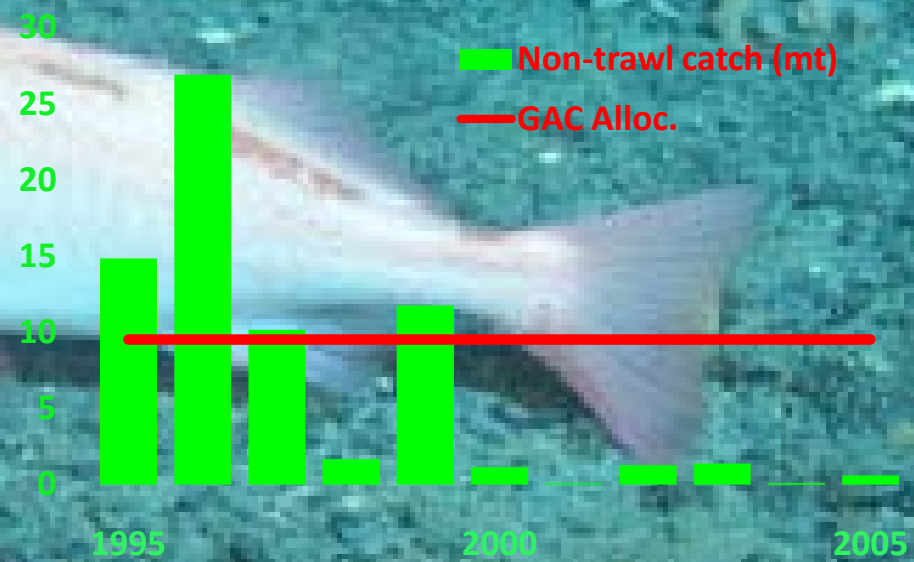
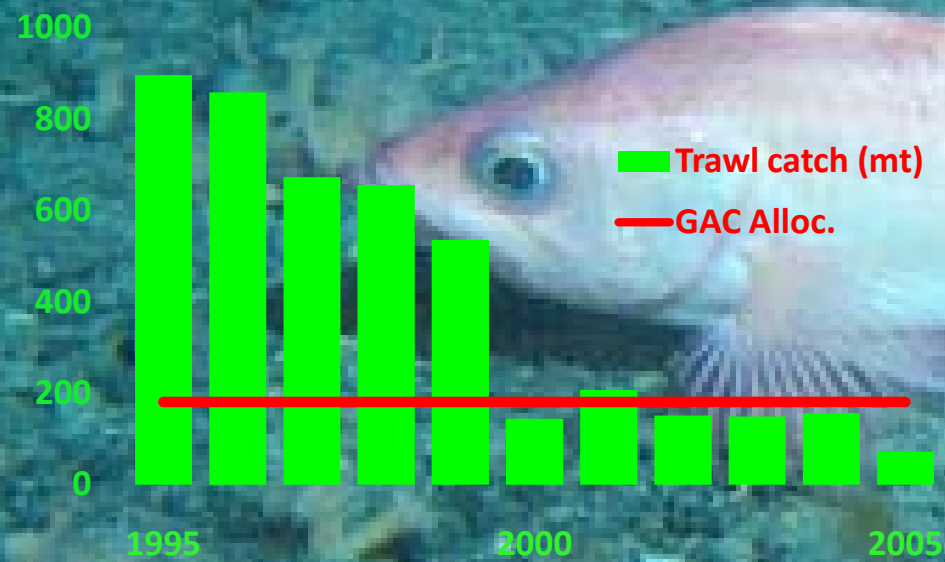
Non-Trawl



POP

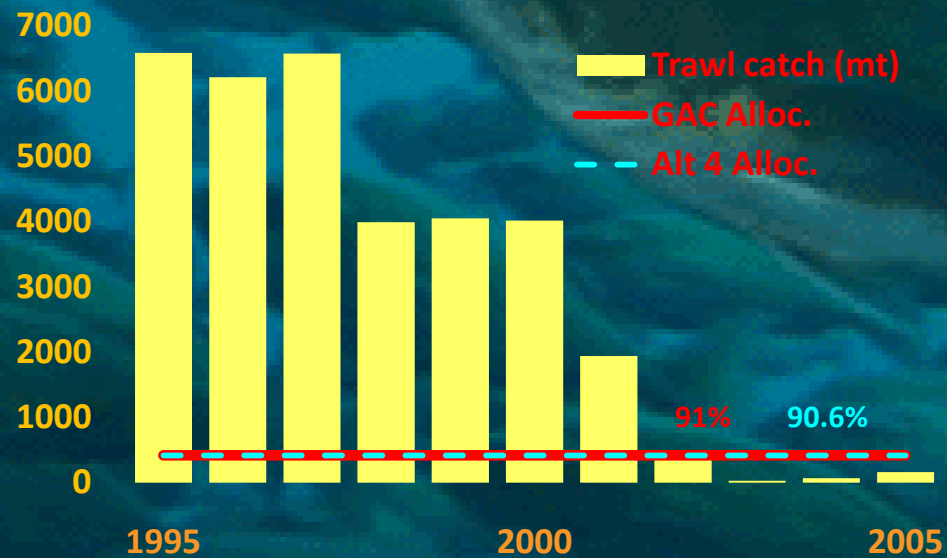
Trawl

Non-Trawl

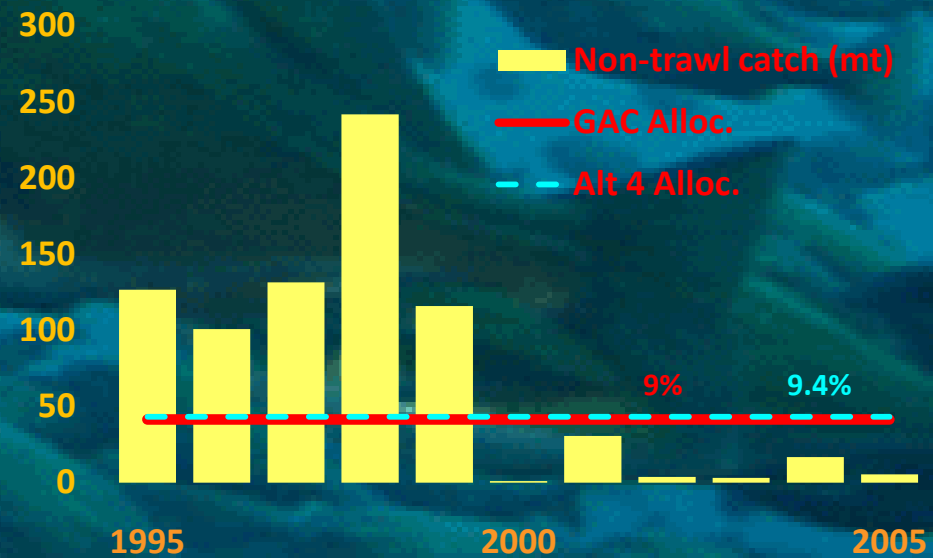


Widow

Trawl

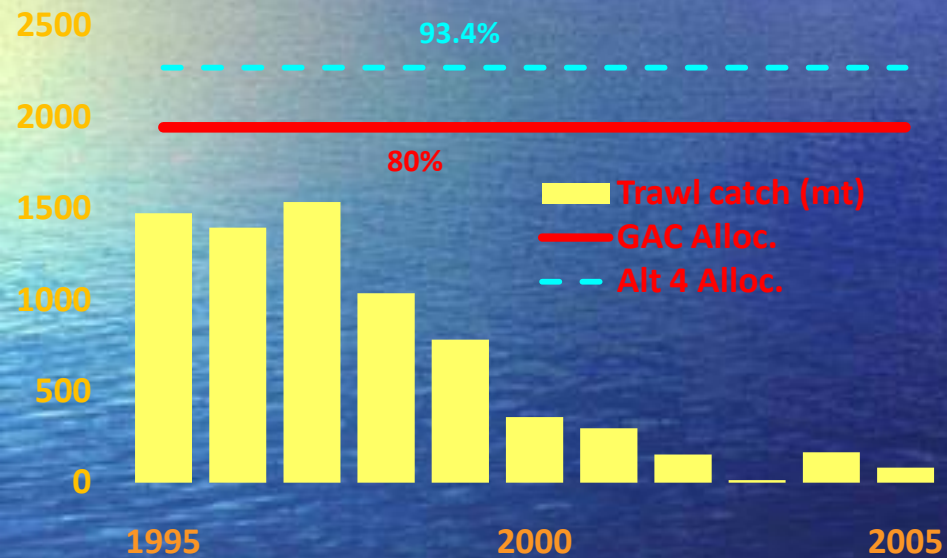


Non-Trawl

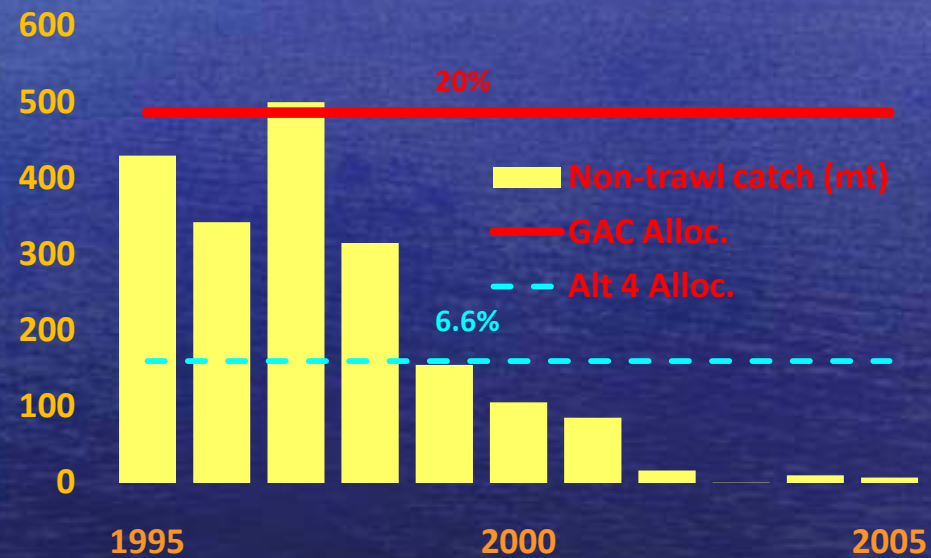


Chilipepper

Trawl

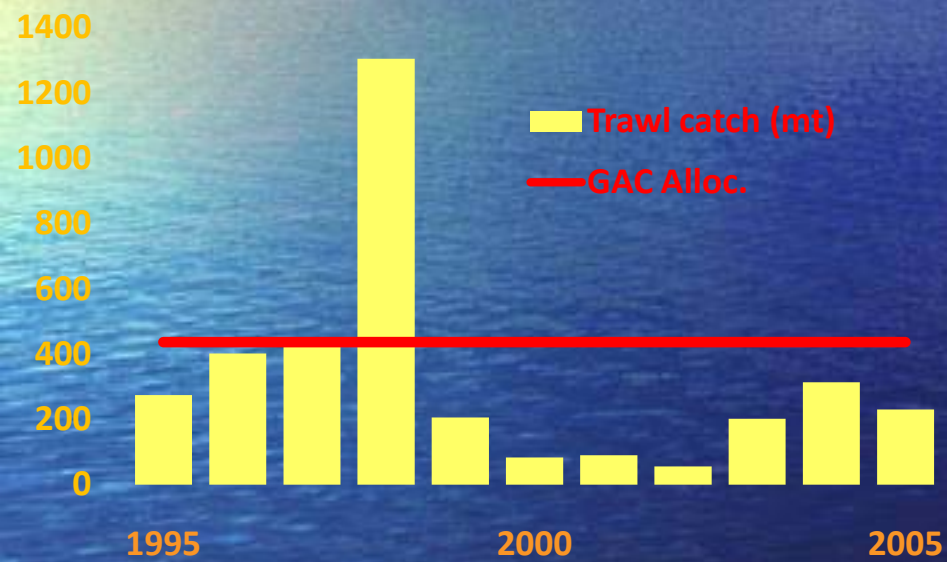


Non-Trawl

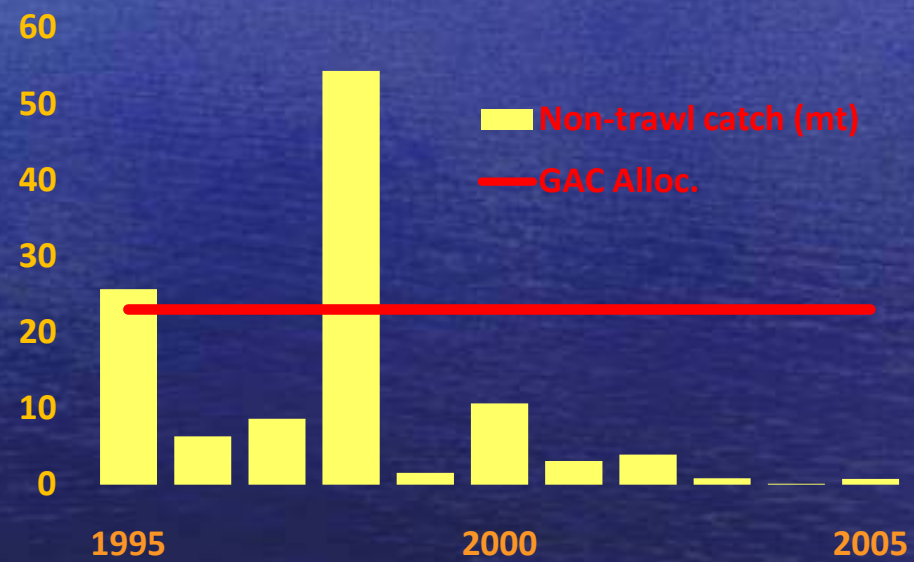


Splitnose

Trawl

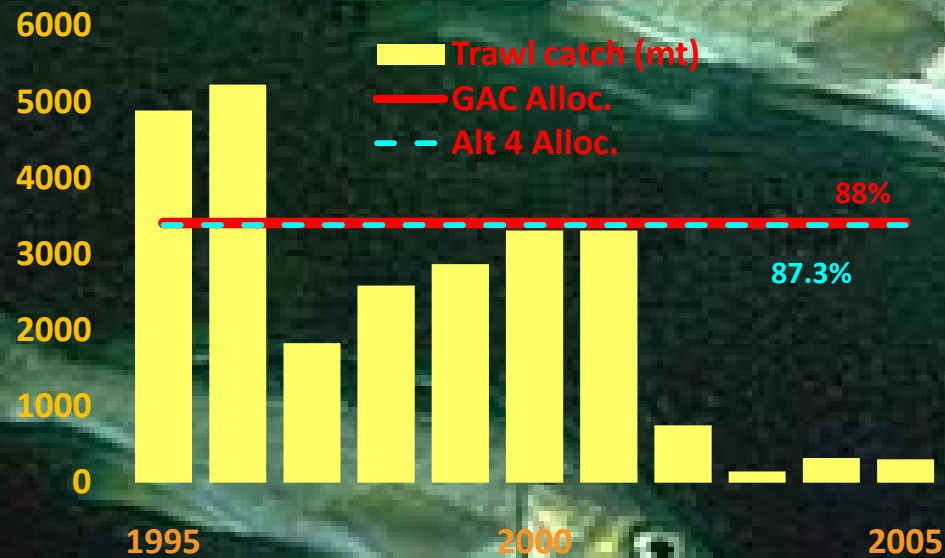


Non-Trawl

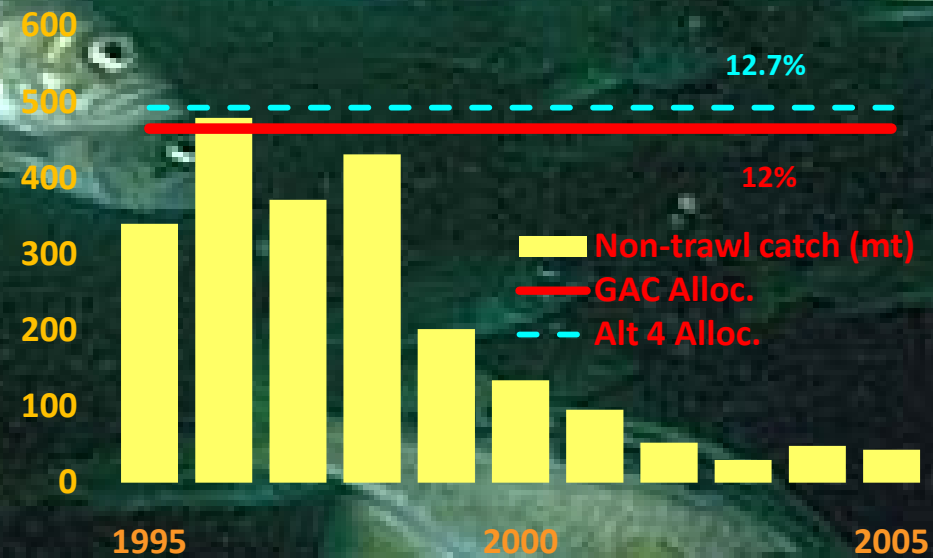


Yellowtail

Trawl

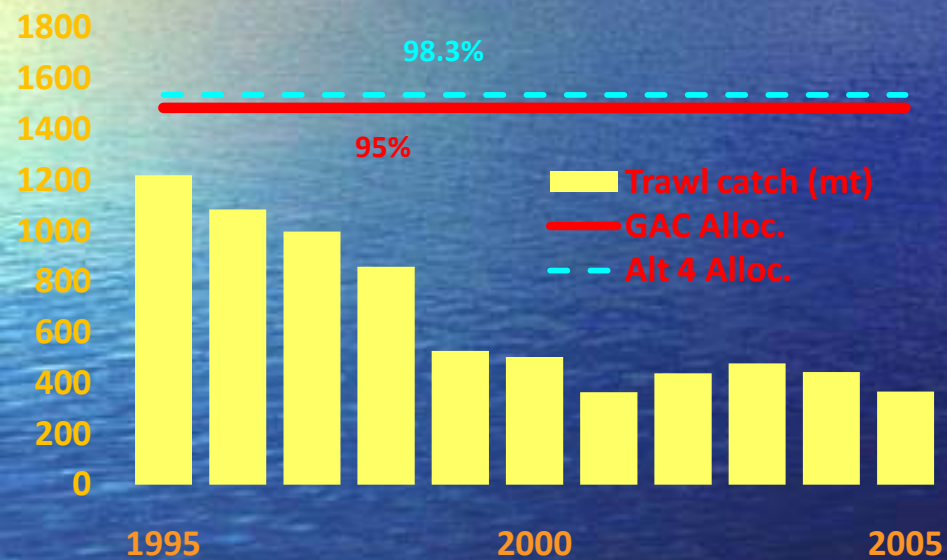


Non-Trawl

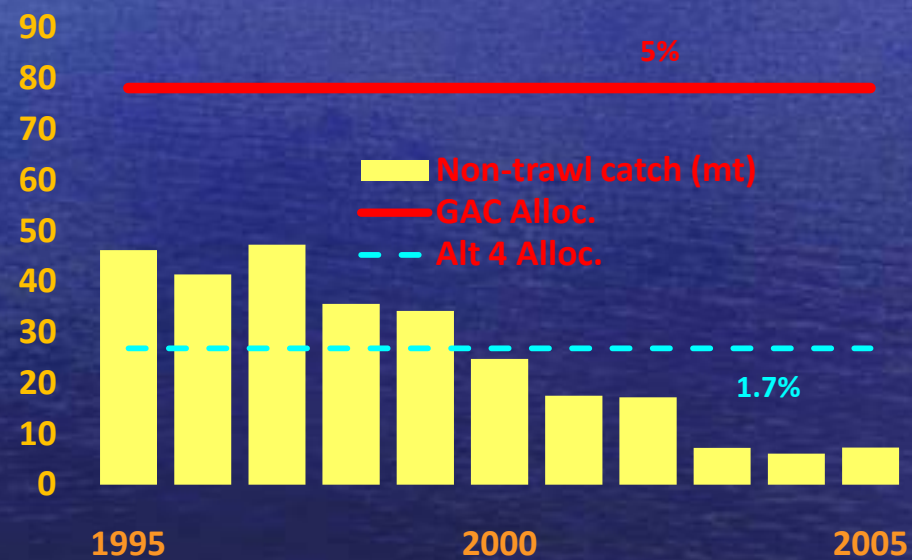


Shortspine N

Trawl

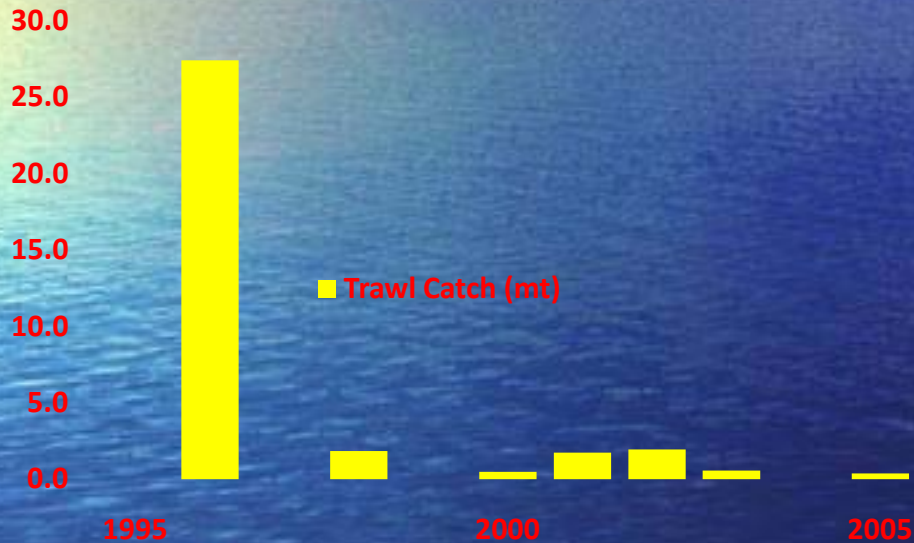


Non-Trawl

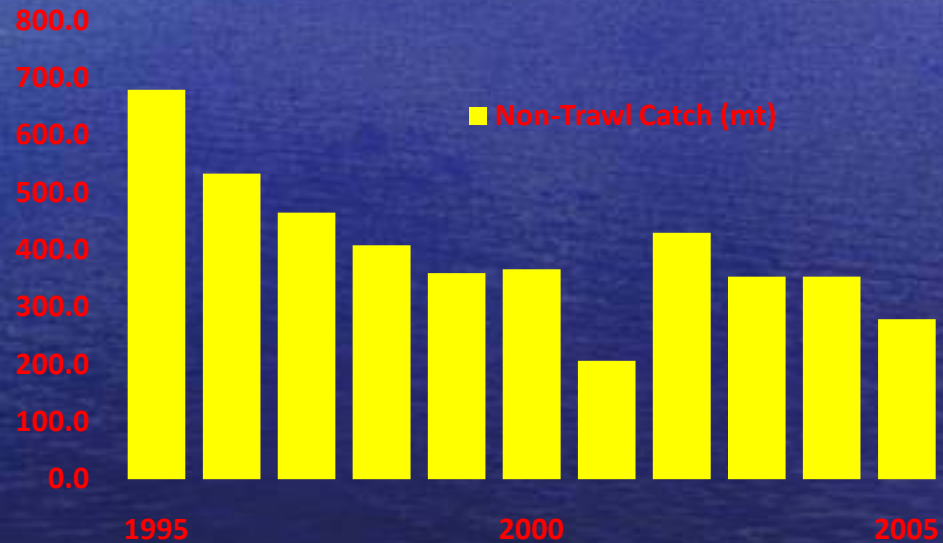


Revised Shortspine S

Trawl

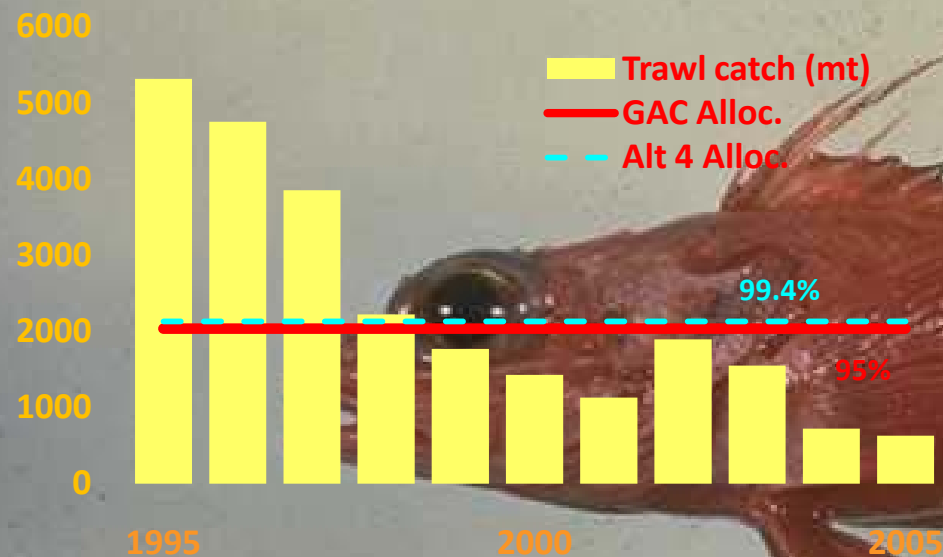


Non-Trawl

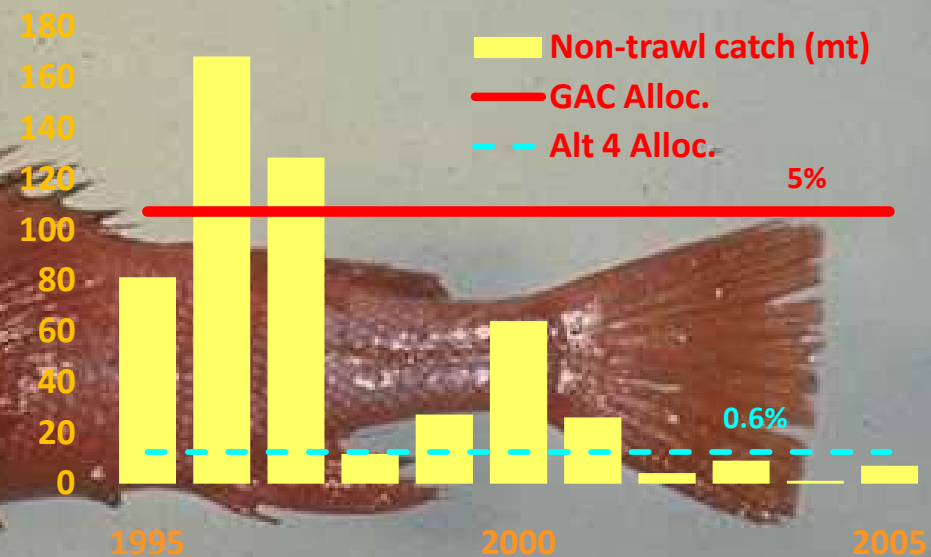


Longspine N

Trawl

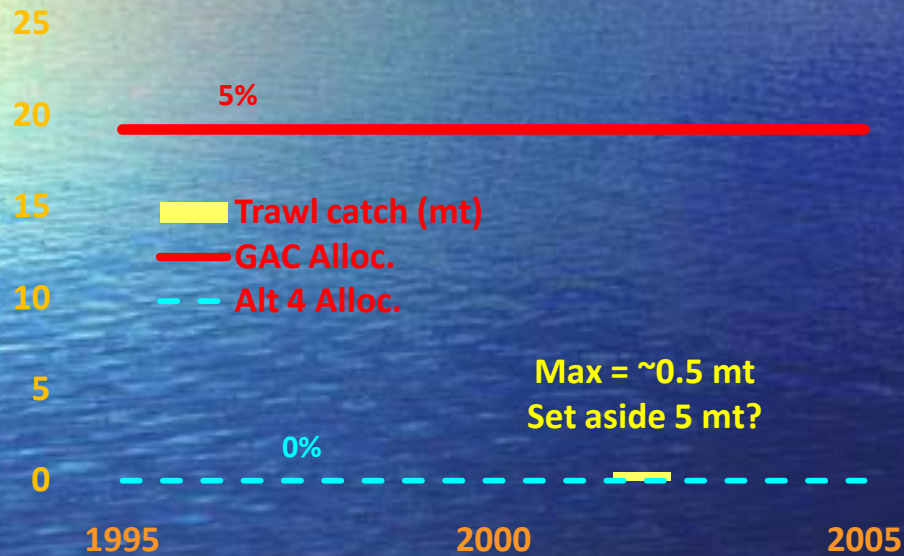


Non-Trawl

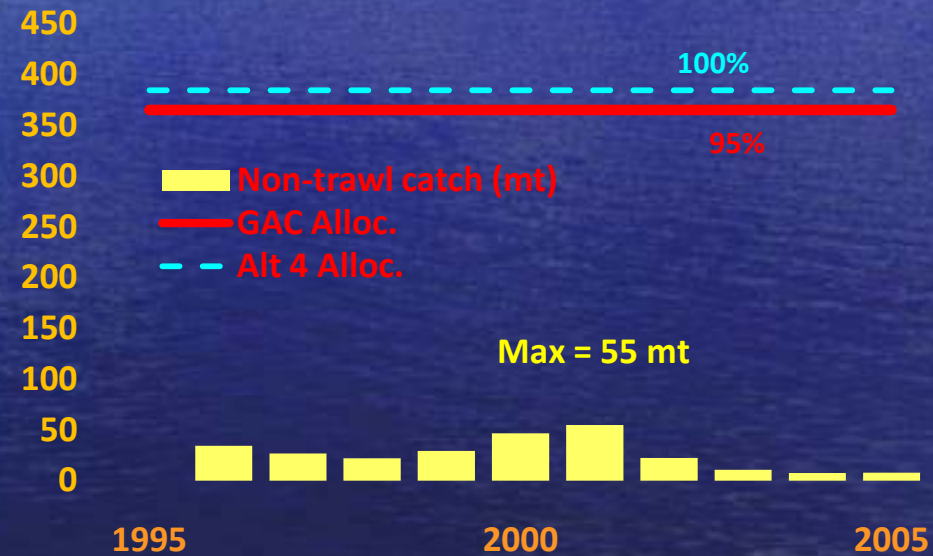


Longspine S

Trawl



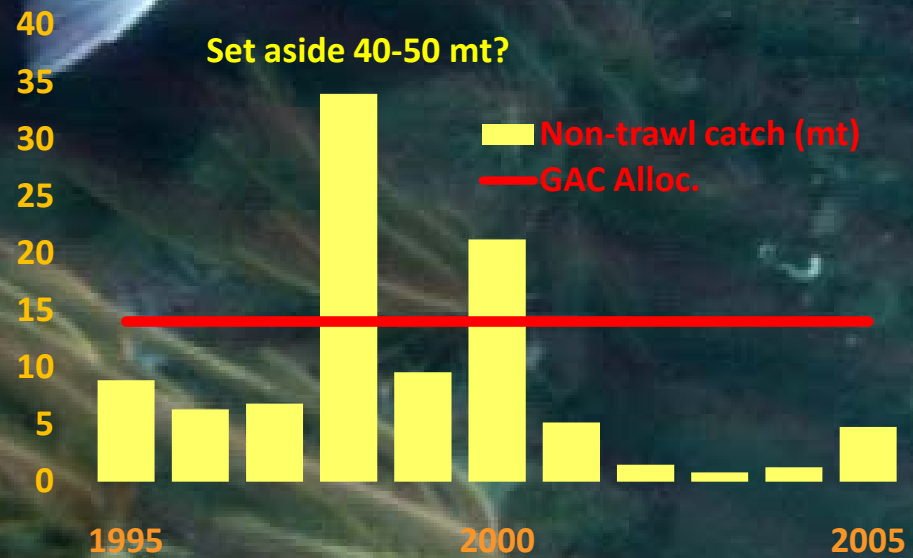
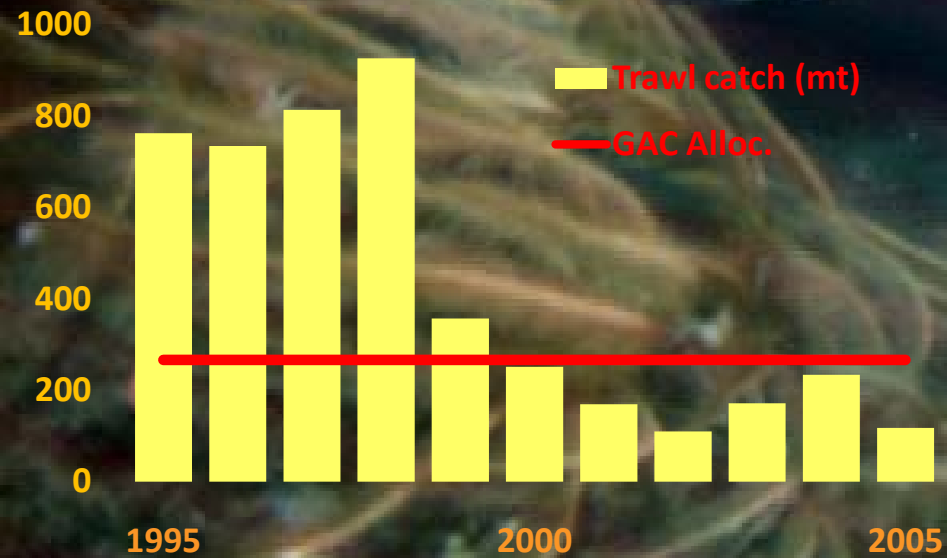
Non-Trawl



Darkblotched

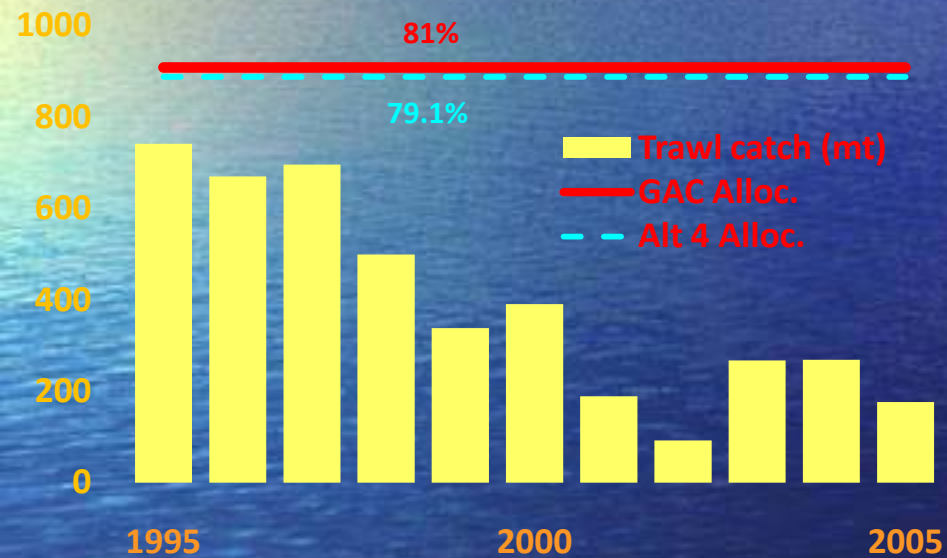
Trawl

Non-Trawl

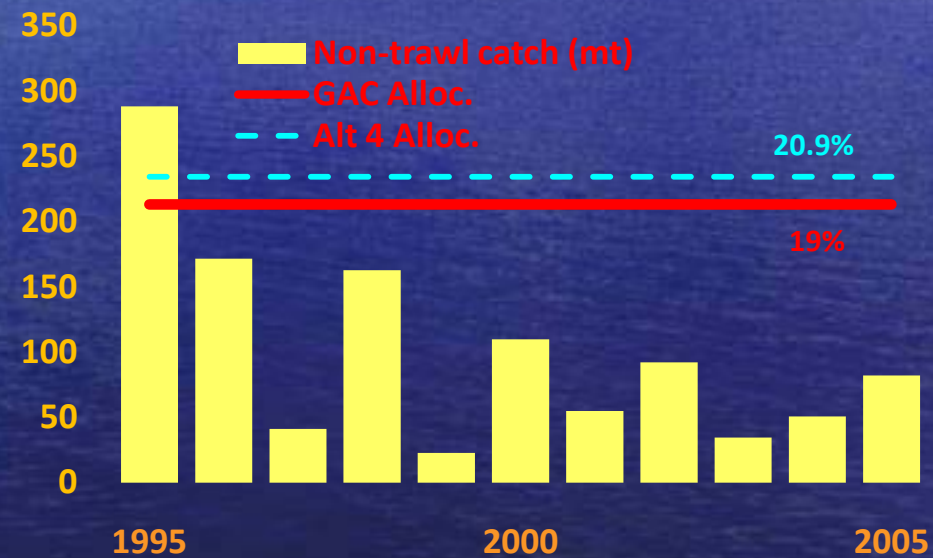


Minor Slope Rockfish N

Trawl

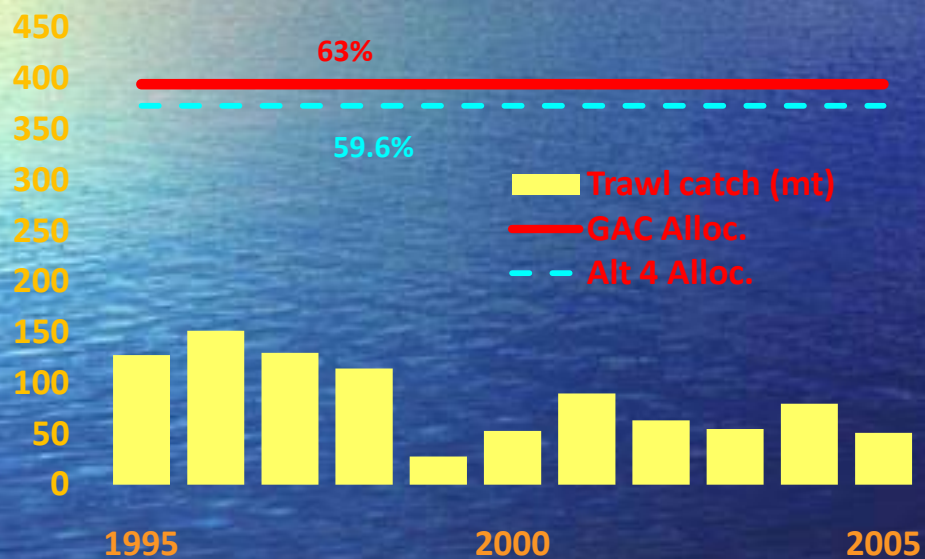


Non-Trawl

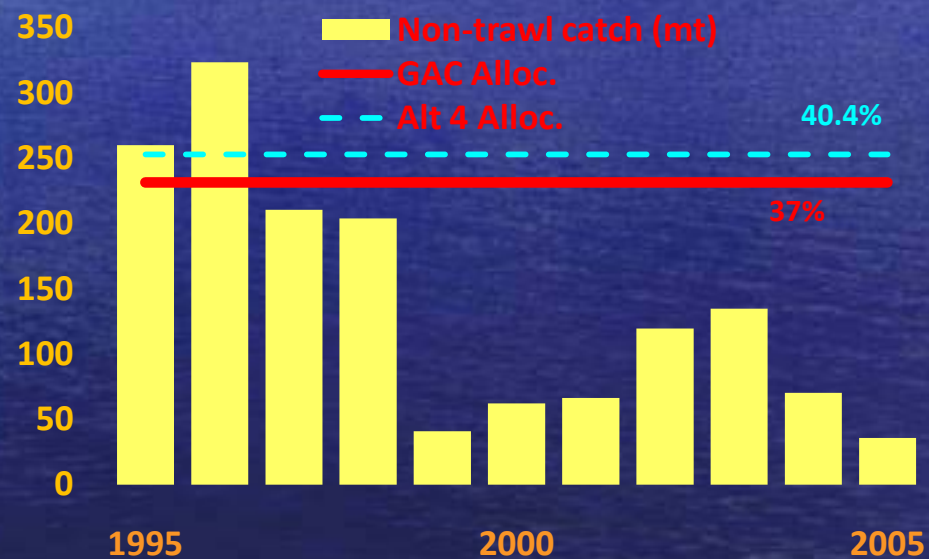


Minor Slope Rockfish S

Trawl

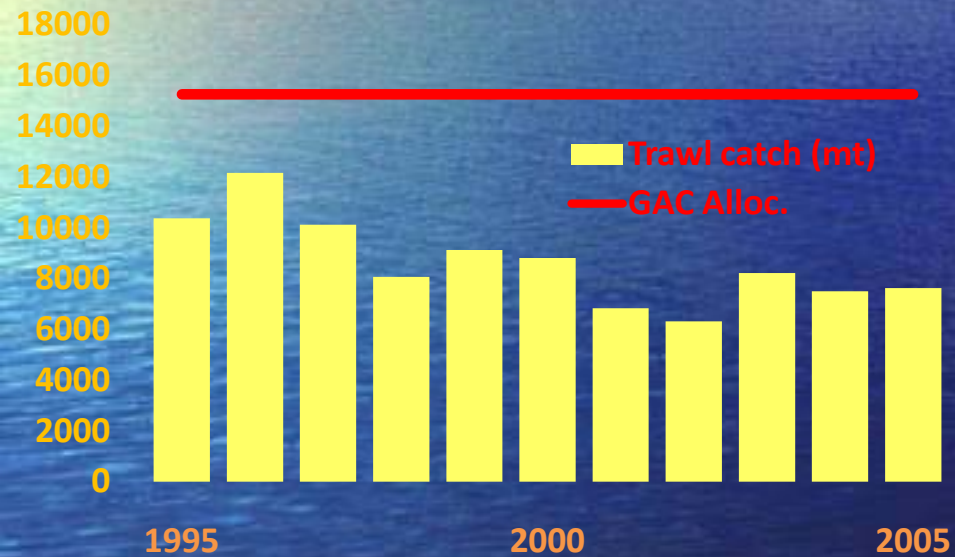


Non-Trawl



Dover sole

Trawl

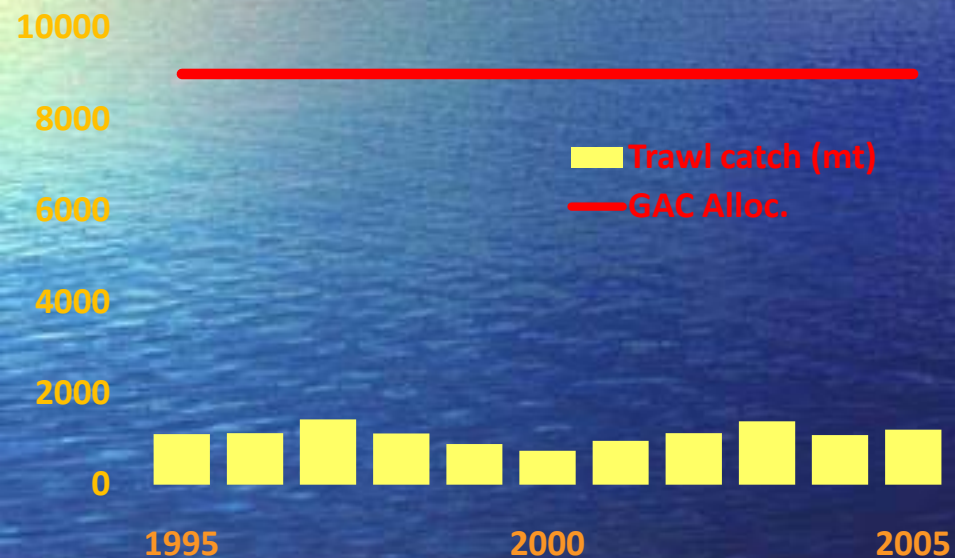


Non-Trawl

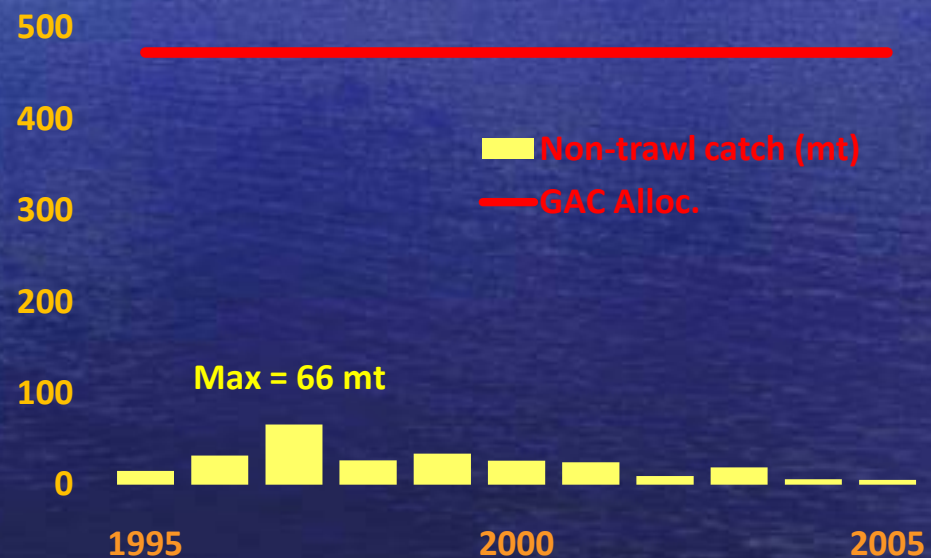


English sole

Trawl

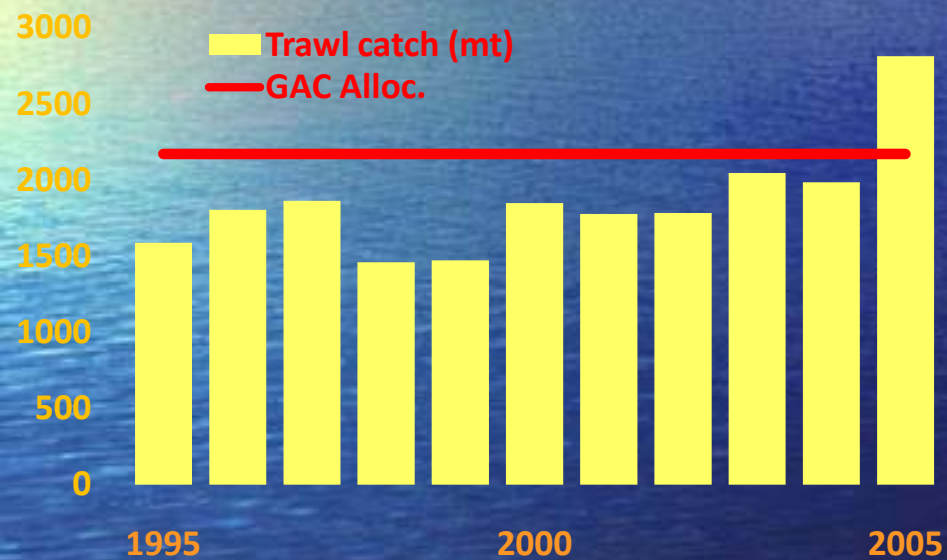


Non-Trawl

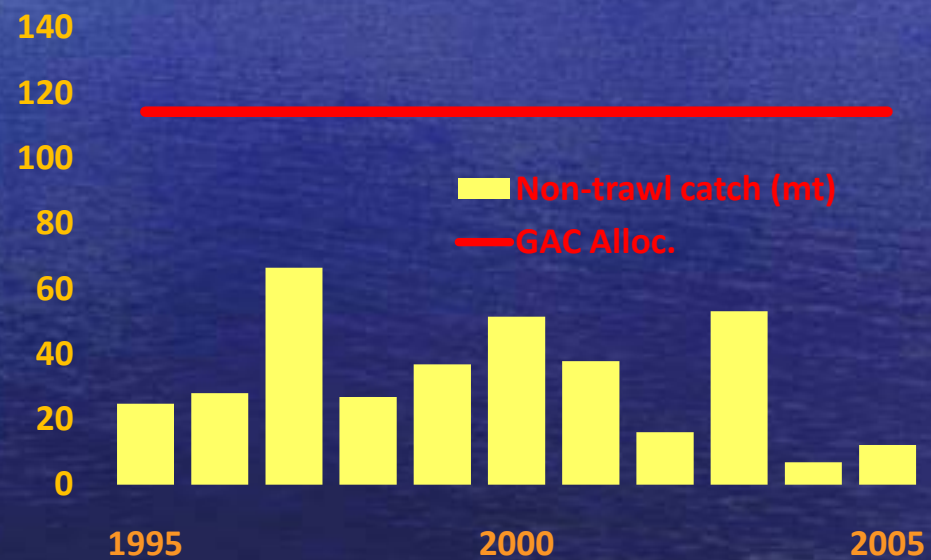


Petracle sole

Trawl

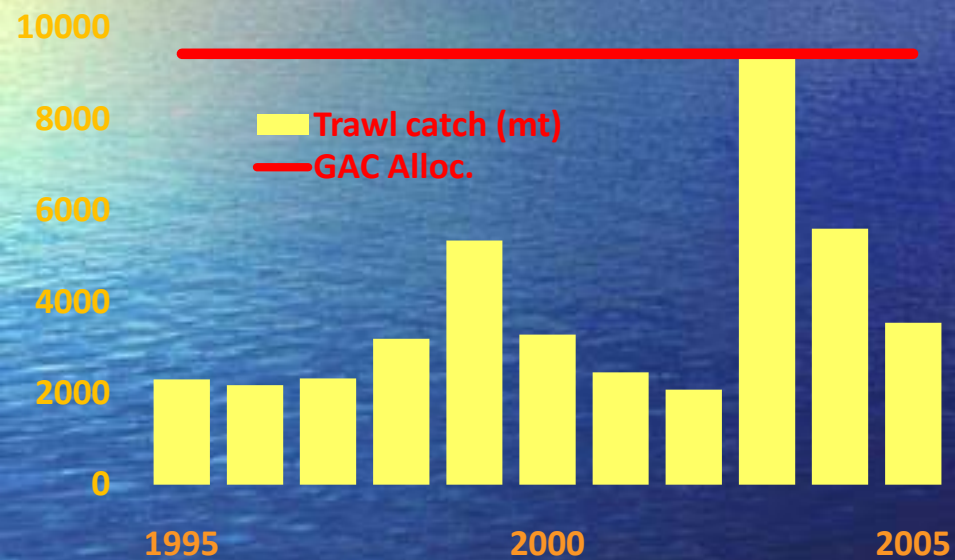


Non-Trawl

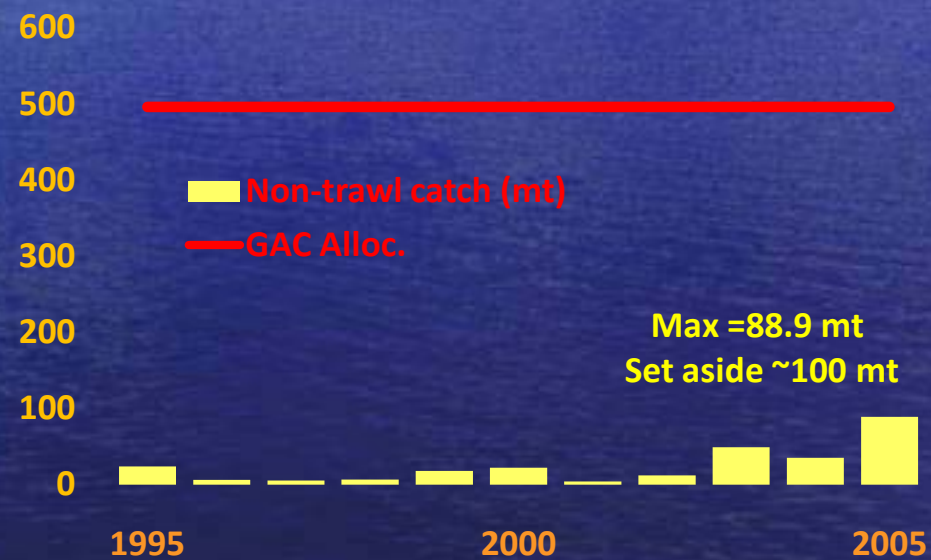


Arrowtooth Flounder

Trawl

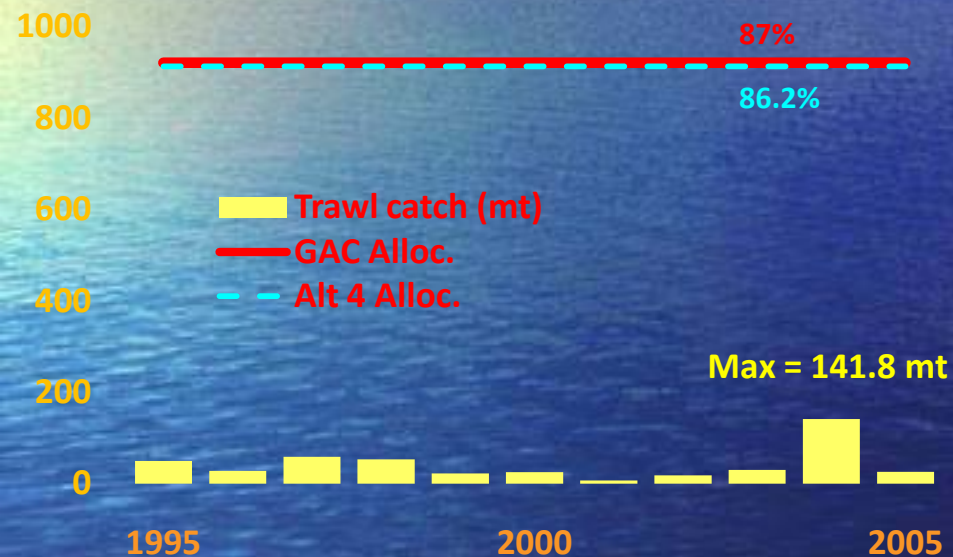


Non-Trawl

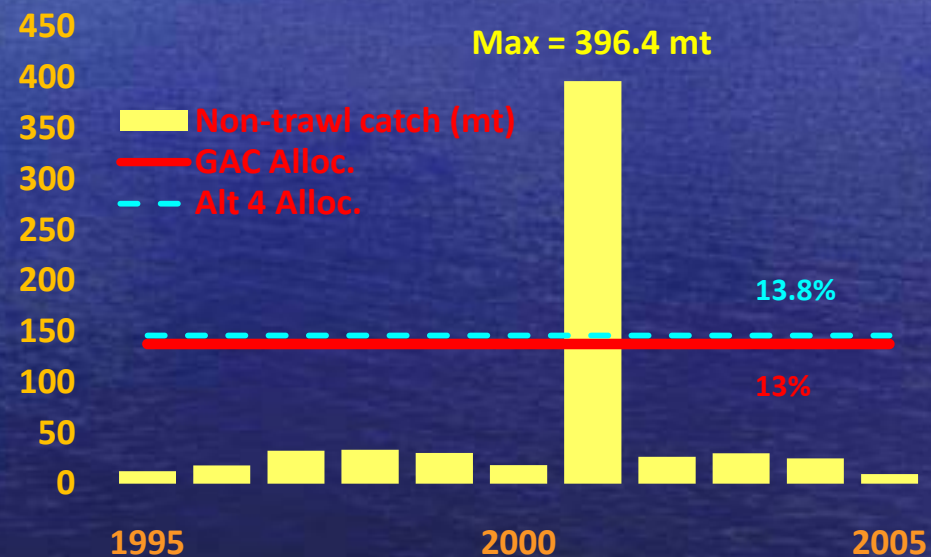


Starry Flounder

Trawl

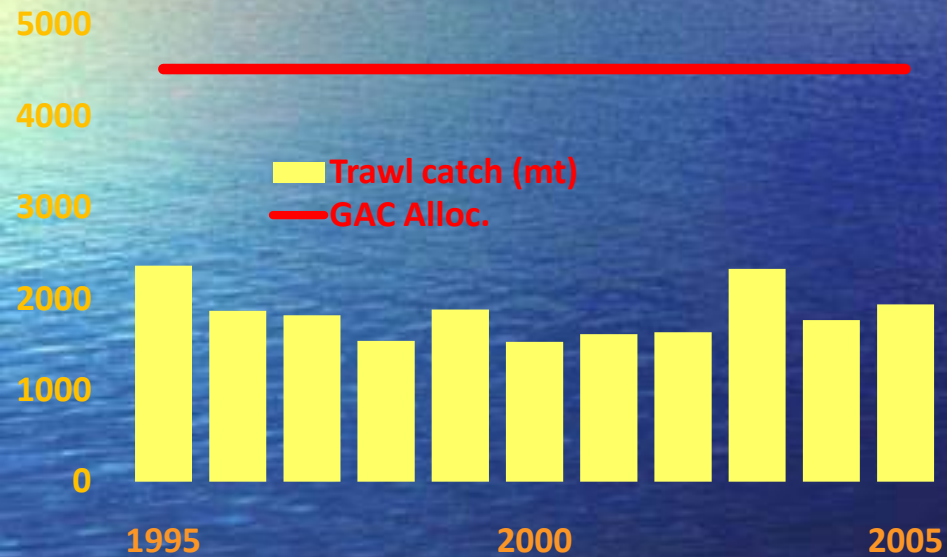


Non-Trawl

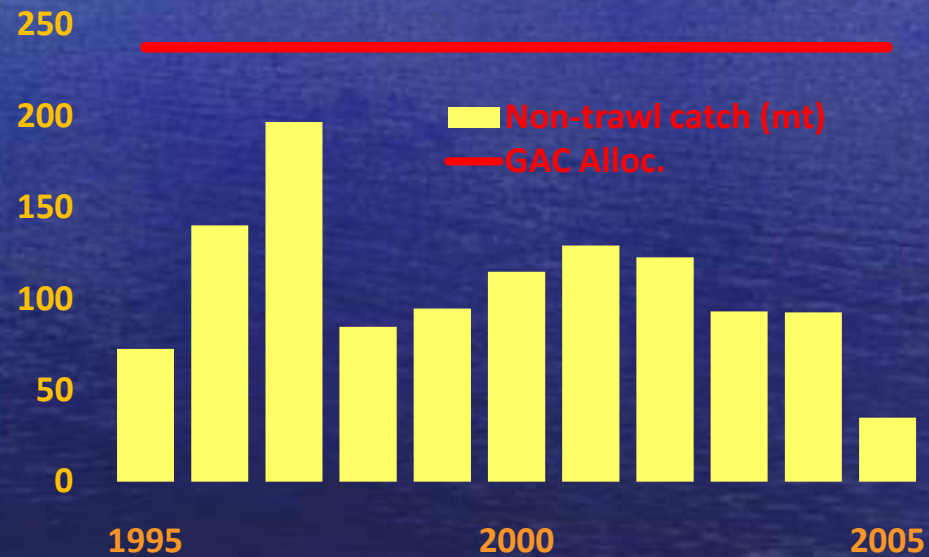


Other Flatfish

Trawl



Non-Trawl



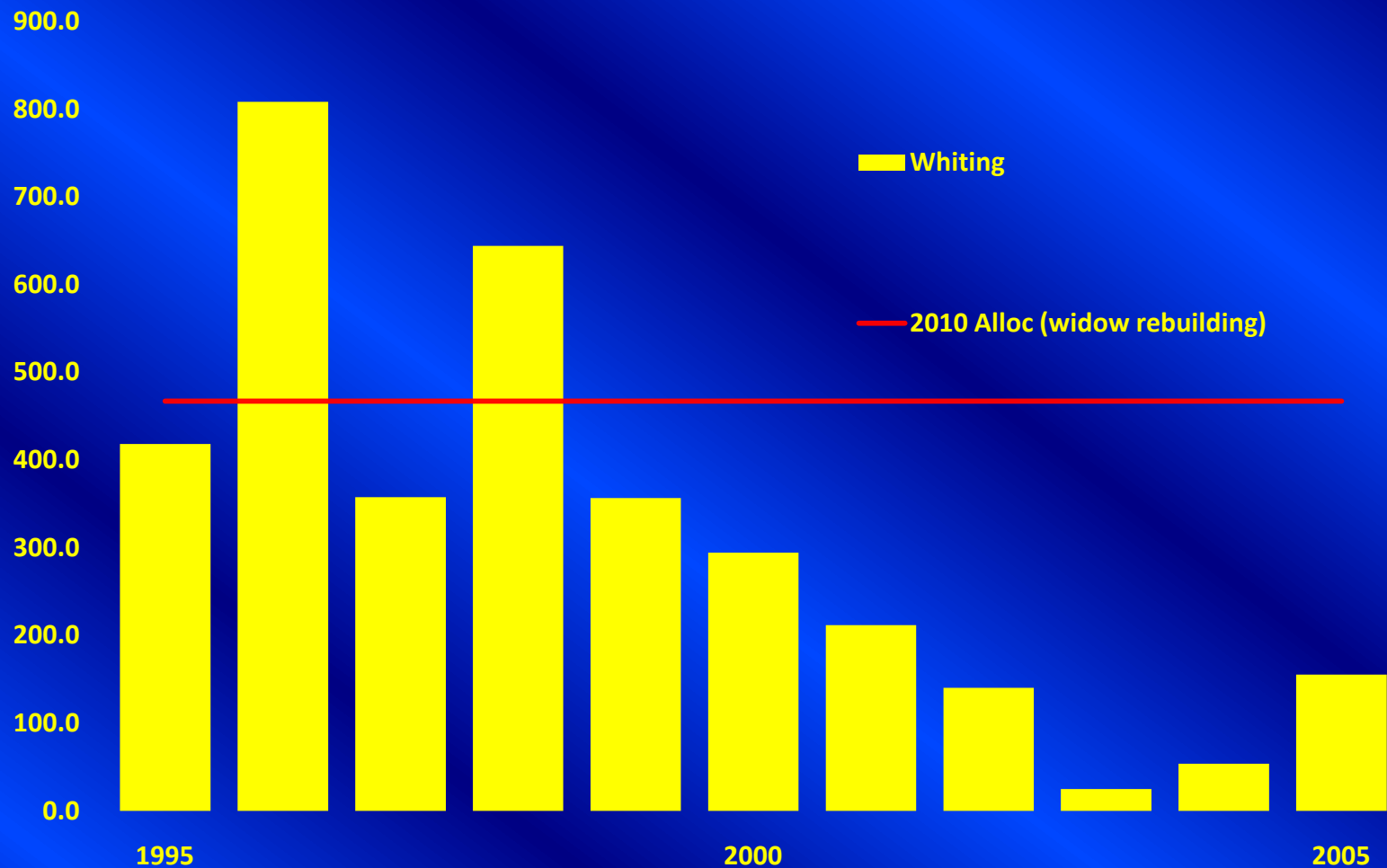
Decisions Under this Action

- Trawl and Non-Trawl Allocations
- **Within-Trawl Allocations**
 - Widow, POP, and Darkblotched Allocations
 - At-Sea Whiting Sector Yield Set-Asides
 - Shoreside Trawl Sector Allocations
- Pacific Halibut Total Catch Limits
- Frameworking the Process for Future Allocation Decisions

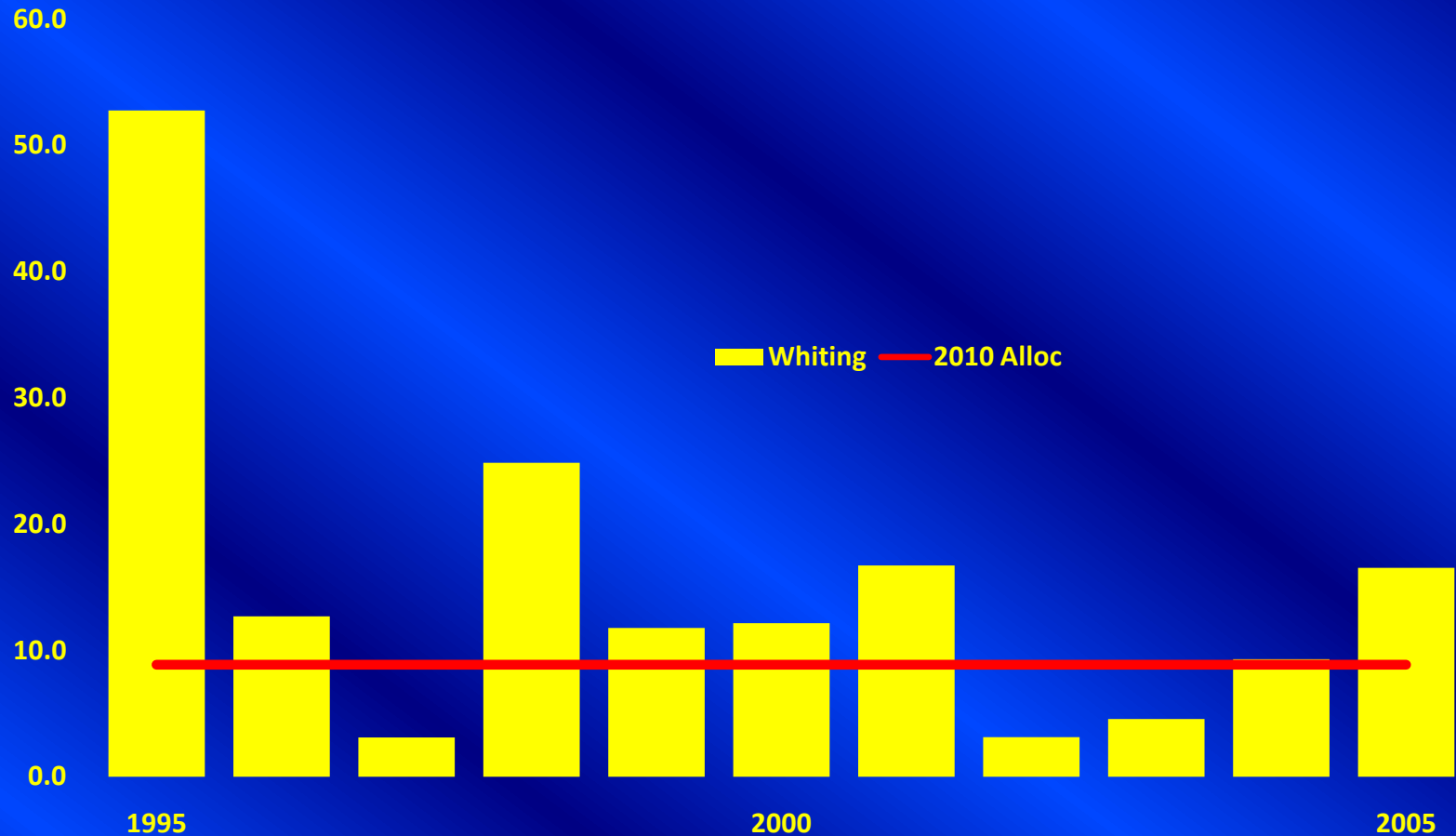
Trawl Sector Allocations of Widow, POP, and Darkblotched

- **An allocation of these trawl-dominant overfished species needs to be made to the four current trawl sectors to implement trawl rationalization**
- **Widow, POP, darkblotched, and canary will be allocated to the at-sea sectors and managed with total catch limits**
- **Variation in annual catches of these species by at-sea sectors may compel short-term allocations decided biennially**

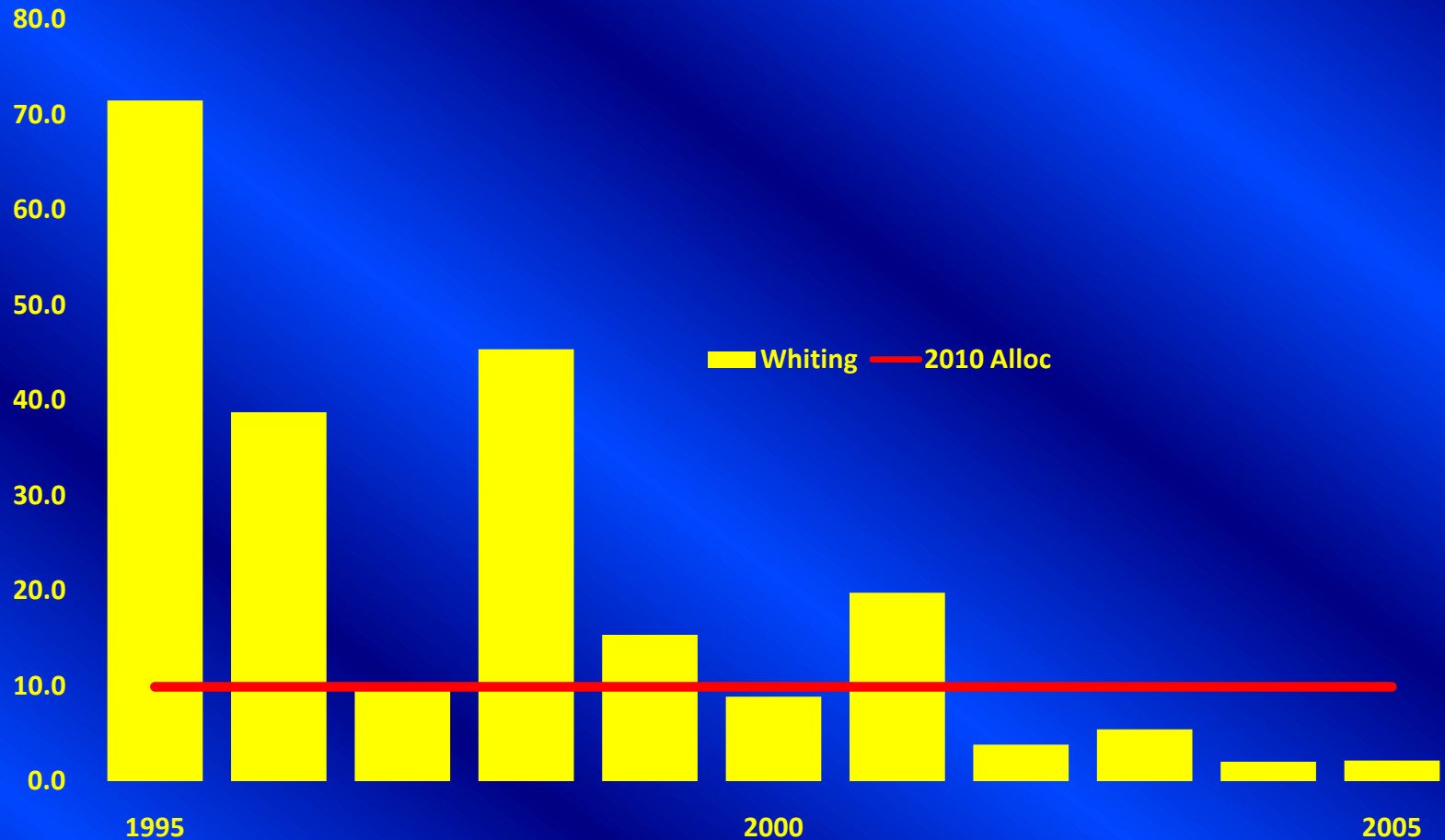
Widow Whiting Trawl Sector Catches



Darkblotched Whiting Trawl Sector Catches



POP Whiting Trawl Sector Catches



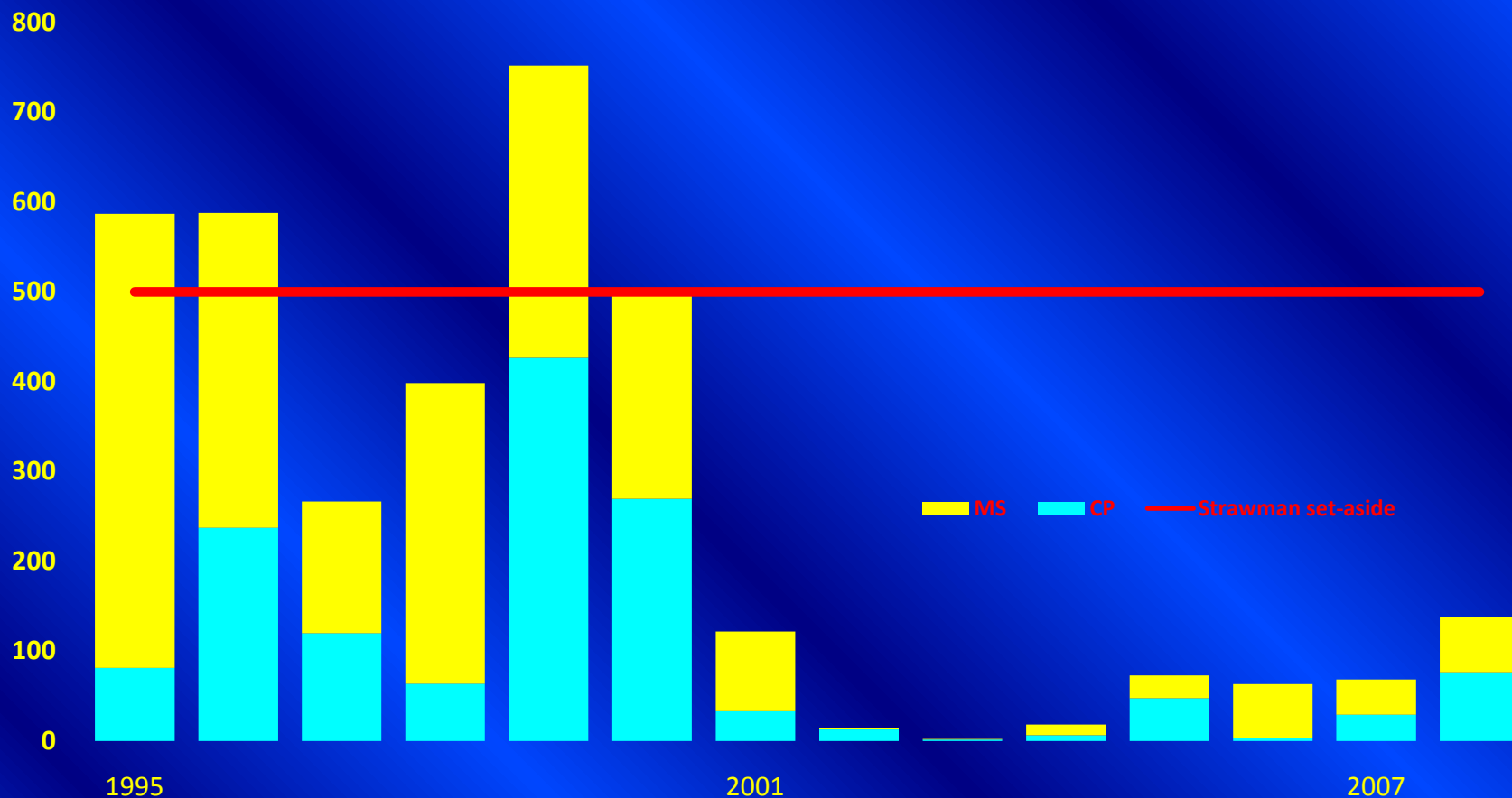
At-Sea Whiting Sector Set-Asides

- **Set-aside amounts are held in reserve to accommodate incidental bycatch**
- **Consider strawman yield set-asides in Table 4-23**
- **Yellowtail set-aside significantly larger – 500 mt**

Strawman Set-Aside Amounts (mt) for At-Sea Sectors

| | | | |
|-------------------------|------------|------------------------|-----------|
| Lingcod | 6 | Dover Sole | 5 |
| Pacific Cod | 1 | English Sole | 1 |
| Sablefish N | 50 | Petrale Sole | 1 |
| Yellowtail | 500 | Arrowtooth | 10 |
| Shortspine N | 20 | Starry Flounder | 1 |
| Longspine N | 1 | Other Flatfish | 20 |
| Minor Slope RF N | 55 | Pacific Halibut | 10 |

At-Sea Whiting Sector Set-Asides – Yellowtail Rockfish

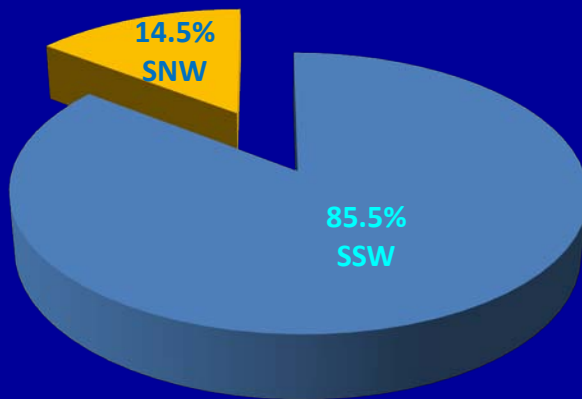


Shoreside Trawl Sector Allocations

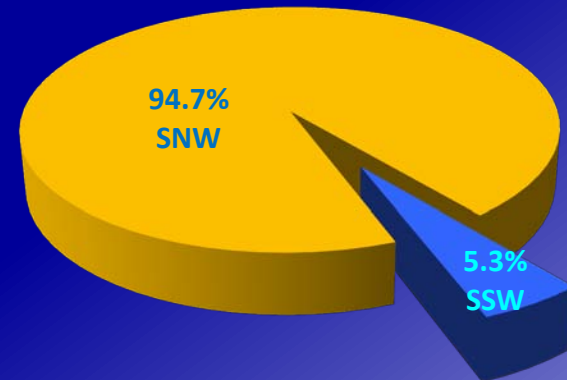
- Sector allocation needed to make initial allocation of QS to eligible participants
- Insignificant difference using sector catch shares for all Am 21 species except widow and yellowtail (Table 2-11)

Widow Rockfish

Under Widow Rebuilding



Widow Rebuilt



Decisions Under this Action

- Trawl and Non-Trawl Allocations
- Within-Trawl Allocations
 - Widow, POP, and Darkblotched Allocations
 - Shoreside Trawl Sector Allocations
 - At-Sea Whiting Sector Yield Set-Asides
- **Pacific Halibut Total Catch Limits**
- Frameworking the Process for Future Allocation Decisions

Pacific Halibut Total Catch Limits

- 14.6% and 14.7% of Area 2A CEY
(Alts 1 and 2, respectively)
- 10% of Area 2A CEY (Alt 3 – Nov. 2008)
- 15% of Area 2A CEY not to exceed 130,000 lbs
(Alt 4 PPA – Mar. 2009)
 - 15% limit not to exceed 130K lbs for first two years
 - 15% limit not to exceed 100K lb in year 3
 - May lower limit further in biennial management process

Decisions Under this Action

- Trawl and Non-Trawl Allocations
- Within-Trawl Allocations
 - At-Sea Whiting Sector Yield Set-Asides
 - Shoreside Trawl Sector Allocations
- Pacific Halibut Total Catch Limits
- **Frameworking the Process for Future Allocation Decisions**

FMP Considerations

- **Allocations in the FMP, or**
- **Framework the Allocation Process in the FMP**
 - **Allow Formal Allocations to Stand Unless Changed in the Biennial Management Process**
 - **Some Allocations Always Made in Biennial Management Process (e.g., Canary)**
- **Maintain FMP Provision to Suspend a Formal Allocation if a Stock is Declared Overfished**

GROUNDFISH ALLOCATION COMMITTEE REPORT FROM JANUARY 2009
REGARDING INTERSECTOR ALLOCATION: AMENDMENT 21

The Groundfish Allocation Committee (GAC) met in Portland, Oregon on January 27-29, 2009 to discuss Amendment 21 - Intersector Allocation, and other issues. The following GAC recommendations with accompanying rationale for considering intersector allocations are presented to the Council.

1. The GAC recommends the Council adopt a new alternative that proportionally increases the non-trawl percentage under intersector allocation (ISA) Alternative 1 by 10% for the following species: lingcod (coastwide), Pacific cod, sablefish (north and south), widow rockfish, chilipepper rockfish, yellowtail rockfish, shortspine thornyhead (north and south), minor slope rockfish (north and south), and starry flounder.
2. The GAC recommends the Council adopt the original GAC-recommended trawl/non-trawl allocations, except all trawl allocations $\geq 95\%$ would be set at 95%.
3. The GAC recommends the Council dismiss ISA alternatives concerning Pacific halibut bycatch limits since this was decided in November 2008 under the trawl rationalization decision.
4. The GAC recommends the Council decide buffers for management uncertainty in the FMP amendment process concerning new National Standard 1 guidelines.
5. For within-trawl allocations, the GAC recommends the Council set the at-sea sectors' set-asides large enough to not constrain these fisheries given the interannual variation in sector catches. The GAC recommends the Council establish a 5 mt minimum set-aside for any incidentally-caught species in the at-sea fisheries and all set-asides should be rounded up to the nearest 5 mt.
6. The GAC recommends removing spiny dogfish from the list of ISA species.
7. The GAC recommends the Council select within-trawl subsector allocation schemes for the shoreside trawl sector in April pending further analysis and discussion.

Rationale

GAC Recommendation 1:

The rationale for analyzing a new ISA alternative that proportionally increases the non-trawl allocation percentages for some ISA species was presented by NMFS in a hand-out as follows. The alternatives in the ISA analysis are based on historical catch percentages by sector. However, it was suggested by the NMFS representative to the GAC that there could be other ways to approach sector allocations. The current fishery is the result of years of declining catches, including declaration of a fishery disaster in 2001. In addition, the presence of overfished species has forced restructuring of the fishery to avoid harvesting these species, resulting in further changes to fishing patterns. The Amendment 21 ISA action is an attempt to

allocate the groundfish stocks among the various sectors to reduce the risk that the activities of one sector will affect or be affected by the others. The initial strategy under discussion by the Council has been to look at recent harvest splits among the sectors and then lock in these harvest percentages, with some alteration of strict historical patterns on a case-by-case basis. However, the current harvest percentages are the result of several years of perturbations and, if the ISA were to have been done in the 1980s, an allocation based strictly on historical catches would likely have been different. If we were to do nothing, the fishery would be free to rearrange itself among the sectors as overfished species rebuild themselves and communities recover. In addition, the Council has received public testimony stating that that an allocation directed more toward fixed gear could be more “environmentally friendly” and could help support more fishing communities. However, the impact of allocating quota to sectors based on other than historical methods has not been fully analyzed. In particular, an analysis could explore the impacts of allocating more than a historical proportion of quota to a sector on habitat, bycatch, overfished species, fishing communities, and endangered species.

GAC Recommendation 2:

In evaluating the historical catch by sector to determine the trawl and non-trawl allocations, knowing the OY for each of the species for each of the years would be required to know whether that sector was constrained or not. Another consideration for this decision is accommodating the potential for new emergent fisheries. Specifying a maximum trawl allocation of 95 percent for the most trawl-dominant species and leaving a 5 percent allocation for non-trawl fisheries allows expansion of non-trawl fisheries and/or developing fisheries that could take these species with non-trawl gear. Standardizing this allocation limit allows comparison with alternatives with higher trawl allocations or alternatives that specify a buffer to achieve the same goal.

GAC Recommendation 3:

The GAC recommended dismissing further analysis of Pacific halibut total catch limits in the rationalized trawl fishery since a 10 percent limit relative to the total Area 2A CEY was decided as part of the Council’s November 2008 trawl rationalization decision. [Staff note: since the January GAC meeting, the Council has decided to analyze a new preliminary preferred alternative for a Pacific halibut total catch limit. Given this decision and Council direction at the March 2009 meeting, all halibut total catch limit alternatives will be analyzed and presented under the ISA agenda item in April.]

GAC Recommendation 4:

Given the mandates in the re-authorized MSA and the new National Standard 1 guidelines, the GAC recommends a consideration of buffers to address management uncertainty in a separate amendment process. This amendment process is contemplated for all species in the FMP and not just the ISA species and is therefore a more logical process for considering buffers. [Staff note: this was recommended to the GAC by staff. The preliminary DEIS that will support the

Council's ISA decisions in April will consign buffer management options of 0-25 percent to the "eliminated from further detailed analysis" category given this more reasoned amendment process for such considerations.]

GAC Recommendation 5:

The set-aside recommendation to accommodate bycatch by the at-sea whiting sectors addresses the interannual variability of bycatch amounts observed in the fishery and the lack of precision in projecting these amounts. The GAC also recognized the value of the whiting fishery comes from attaining whiting quotas and not in the bycatch. If bycatch limits are specified as caps rather than set-asides, which are less flexibly managed than set-asides, future whiting fisheries are more likely to be constrained, which reduces the overall benefit to the fishery and the nation.

GAC Recommendation 6:

Spiny dogfish was initially on the list of species subject to intersector allocation. However, in September 2008, the Council decided not to do a stock assessment of spiny dogfish. Therefore, without a species-specific annual catch limit for spiny dogfish that would be derived from an assessment, there is no basis for allocating harvest shares in the trawl rationalization program. The issue is further complicated in that spiny dogfish are currently managed in the Other Fish complex and there is no historical catch basis for understanding the stock's contribution to the complex. It is therefore recommended that Other Fish allocations remain short term as decided in the biennial specifications and management measures process.

GAC Recommendation 7:

In order to allocate among the trawl sectors, there must first be a one-time reconciliation between the shoreside whiting and shoreside non-whiting initial sector allocations. To calculate an individual's allocation, one would have to determine the bycatch quota share (QS) allocation in the shoreside whiting fishery and the QS allocation in non-whiting trawl efforts. To bring the two QS allocations together under one harvester and to manage a single shoreside trawl sector under an IFQ system, the two QS allocations need to be weighted relative to each other. Equal weighting would not appropriately match the species mix to the vessel's fishing strategy, and therefore, for the analysis to move forward, staff would need to know which years to use for the weighting in each shoreside sector. The split between shoreside whiting and shoreside non-whiting would serve as the weighting percentage. Shoreside sectors would be treated as two different sectors in order to make the initial allocation, and thereafter there would be no distinction between QS issued for shoreside whiting and non-whiting.

GROUND FISH ADVISORY SUBPANEL REPORT ON
FMP AMENDMENT 21 - INTERSECTOR ALLOCATION

The Groundfish Advisory Subpanel (GAP) received a presentation on FMP Amendment 21-Intersector Allocation from Mr. John DeVore and offers the following recommendations.

Trawl and Non-Trawl Allocations

Lingcod

A majority of the GAP agrees with the GAC-recommended allocation alternative for lingcod of 45% allocated to trawl sectors and 55% allocated to non-trawl sectors. A minority of the GAP, comprised of the trawl and shoreside processor representatives, recommends a higher trawl allocation of 67% citing a concern that a higher non-trawl allocation than 33% is likely to strand lingcod given management measures needed to constrain yelloweye rockfish mortality.

Pacific cod

The GAP agrees with the GAC-recommended allocation alternative for Pacific cod of 95% allocated to trawl sectors and 5% allocated to non-trawl sectors.

Sablefish North of 36° N Latitude

The GAP agrees with the GAC recommendation to maintain the status quo allocation of the northern sablefish stock.

Sablefish South of 36° N Latitude

The GAP agrees with the GAC-recommended allocation alternative for the southern sablefish stock of 42% allocated to trawl sectors and 58% allocated to non-trawl sectors.

Pacific Ocean Perch

The GAP agrees with the GAC-recommended allocation alternative for Pacific ocean perch of 95% allocated to trawl sectors and 5% allocated to non-trawl sectors. The GAP further recommends this allocation be reconsidered when the stock is rebuilt.

Widow Rockfish

The GAP agrees with the GAC-recommended allocation alternative for widow rockfish of 91% allocated to trawl sectors and 9% allocated to non-trawl sectors.

Chilipepper Rockfish

The GAP agrees with the GAC-recommended allocation alternative for chilipepper rockfish of 80% allocated to trawl sectors and 20% allocated to non-trawl sectors.

Splitnose Rockfish

The GAP agrees with the GAC-recommended allocation alternative for splitnose rockfish of 95% allocated to trawl sectors and 5% allocated to non-trawl sectors.

Yellowtail Rockfish

The GAP agrees with the GAC-recommended allocation alternative for yellowtail rockfish of 88% allocated to trawl sectors and 12% allocated to non-trawl sectors.

Shortspine Thornyhead North of 34°27' N Latitude

The GAP agrees with the GAC-recommended allocation alternative for shortspine thornyhead north of 34°27' N latitude of 95% allocated to trawl sectors and 5% allocated to non-trawl sectors.

Shortspine Thornyhead South of 34°27' N Latitude

The GAP was advised that the sector catch percentages of shortspine thornyhead south of 34°27' N latitude were incorrect in the preliminary DEIS. Catches of shortspine thornyhead south of 36° N latitude were incorrectly assigned to south of 34°27' N latitude. Revised sector catches from 1995-2005 were provided to the GAP. Based on these revised catches, the GAP recommends allocating 50 mt of shortspine thornyhead south of 34°27' N latitude to the trawl sector and the remaining available yield to non-trawl sectors.

Longspine Thornyhead North of 34°27' N Latitude

The GAP agrees with the GAC-recommended allocation alternative for longspine thornyhead north of 34°27' N latitude of 95% allocated to trawl sectors and 5% allocated to non-trawl sectors.

Longspine Thornyhead South of 34°27' N Latitude

The GAP recommends removing longspine thornyhead south of 34°27' N latitude from the list of Amendment 21 species and not consider a formal, long-term allocation of this stock. This is not a stock targeted by any sector and will not be managed using IFQs under trawl rationalization. Therefore, there is no need for a formal trawl allocation for this stock.

Darkblotched Rockfish

The GAP agrees with the GAC-recommended allocation alternative for darkblotched rockfish of 95% allocated to trawl sectors and 5% allocated to non-trawl sectors.

Minor Slope Rockfish North of 40°10' N Latitude

The GAP agrees with the GAC-recommended allocation alternative for minor slope rockfish north of 40°10' N latitude of 81% allocated to trawl sectors and 19% allocated to non-trawl sectors.

Minor Slope Rockfish South of 40°10' N Latitude

The GAP agrees with the GAC-recommended allocation alternative for minor slope rockfish south of 40°10' N latitude of 63% allocated to trawl sectors and 37% allocated to non-trawl sectors.

Dover Sole

The GAP recommends allocating 200 mt of Dover sole to non-trawl sectors with the remainder allocated to trawl sectors. The GAP believes a 200 mt allocation to non-trawl sectors will meet the needs of these sectors by accommodating the highest incidental bycatch observed in any one

year by these sectors. The GAP believes the GAC-recommended allocation alternative is too high an allocation to non-trawl sectors for this trawl-dominant species and would leave too much of the available harvest of the stock unharvested. In the advent of new, innovative non-trawl gears or strategies that are proven effective at catching Dover sole, a new allocation can be considered in a future FMP amendment.

English Sole

The GAP recommends allocating 100 mt of English sole to non-trawl sectors with the remainder allocated to trawl sectors. The GAP believes a 100 mt allocation to non-trawl sectors will meet the needs of these sectors by accommodating the highest incidental bycatch observed in any one year by these sectors. The GAP believes the GAC-recommended allocation alternative is too high an allocation to non-trawl sectors for this trawl-dominant species and would leave too much of the available harvest of the stock unharvested. In the advent of new, innovative non-trawl gears or strategies that are proven effective at catching English sole, a new allocation can be considered in a future FMP amendment.

Petrable Sole

The GAP recommends allocating 65 mt of petrale sole to non-trawl sectors with the remainder allocated to trawl sectors. The GAP believes a 65 mt allocation to non-trawl sectors will meet the needs of these sectors by accommodating the highest incidental bycatch observed in any one year by these sectors. The GAP believes the GAC-recommended allocation alternative is too high an allocation to non-trawl sectors for this trawl-dominant species and would leave too much of the available harvest of the stock unharvested. In the advent of new, innovative non-trawl gears or strategies that are proven effective at catching petrale sole, a new allocation can be considered in a future FMP amendment.

Arrowtooth Flounder

The GAP recommends allocating 200 mt of arrowtooth flounder to non-trawl sectors with the remainder allocated to trawl sectors. The GAP believes a 200 mt allocation to non-trawl sectors will meet the needs of these sectors by accommodating the highest incidental bycatch observed in any one year by these sectors. The GAP believes the GAC-recommended allocation alternative is too high an allocation to non-trawl sectors for this trawl-dominant species and would leave too much of the OY of the stock unavailable for harvest. If future information is available suggesting a 200 mt allocation will not accommodate the incidental bycatch of arrowtooth flounder by non-trawl sectors, a new allocation can be considered in a future FMP amendment.

Starry Flounder

The GAP agrees with the GAC-recommended allocation alternative for the starry flounder of 87% allocated to trawl sectors and 13% allocated to non-trawl sectors.

Other Flatfish

The GAP agrees with the GAC-recommended allocation alternative for the Other Flatfish complex of 95% allocated to trawl sectors and 5% allocated to non-trawl sectors.

Within-Trawl Allocations

Allocations of Trawl-Dominant Overfished Species

Darkblotched Rockfish

The GAP recommends that 25 mt of darkblotched rockfish be allocated to the whiting trawl sectors and apportioned to each of the whiting trawl sectors based on the pro rata distribution of whiting (i.e., 42% to the shoreside whiting sector, 34% to catcher-processors, and 24% to motherships). The remainder of the overall trawl allocation would be allocated to the shoreside non-whiting sector.

Pacific Ocean Perch

The GAP recommends that 30 mt of Pacific ocean perch be allocated to the whiting trawl sectors and apportioned to each of the whiting trawl sectors based on the pro rata distribution of whiting (i.e., 42% to the shoreside whiting sector, 34% to catcher-processors, and 24% to motherships). The remainder of the overall trawl allocation would be allocated to the shoreside non-whiting sector.

Widow Rockfish

The GAP recommends that 400 mt of widow rockfish be allocated to the whiting trawl sectors and apportioned to each of the whiting trawl sectors based on the pro rata distribution of whiting (i.e., 42% to the shoreside whiting sector, 34% to catcher-processors, and 24% to motherships). The remainder of the overall trawl allocation would be allocated to the shoreside non-whiting sector.

At-Sea Whiting Sector Yield Set-Asides

The GAP agrees with the strawman proposal for at-sea whiting sector set-asides in Table 4-23 in the preliminary DEIS (Agenda Item F.3.a, Attachment 1), except the 500 mt set-aside for yellowtail rockfish. The GAP recommends 300 mt of yellowtail rockfish be set aside to accommodate the future bycatch of yellowtail in the at-sea whiting fishery.

Shoreside Trawl Sector Allocations

The GAP recommends using the 1995-2005 shoreside sector catch percentages found in Table 2-11 of the preliminary DEIS for allocating all the Amendment 21 species except darkblotched, POP, widow, and yellowtail to the shoreside whiting and shoreside non-whiting sectors. The GAP recommends allocating 350 mt yellowtail to the shoreside whiting sector in the initial shoreside sector allocation step that needs to precede the combining of the two sectors under trawl rationalization. The GAP notes their previous recommendations above for shoreside sector allocations of darkblotched, POP, and widow.

Pacific Halibut Trawl Total Catch Limits

The GAP recommends the preliminary preferred alternative 4 for Pacific halibut trawl total catch limits under trawl rationalization. However, the trawl representatives to the GAP are concerned

that the halibut bycatch reduction program under alternative 4 may be too aggressive given the uncertain effect such a stringent bycatch limit will have on the northern bottom trawl fleet. It is likely that Pacific halibut under an IBQ management system with these low limits may be one of the biggest constraints to the trawl fleet north of 40°10' N latitude. The trawl representatives on the GAP would prefer a longer period than two years to understand fleet performance under a Pacific halibut total catch limit and IBQ system before the total catch limit is further reduced.

Frameworking the Allocation Process in the FMP

The GAP recommends any formal allocations decided under Amendment 21 be specified in the FMP and any reconsideration of these allocations should be addressed in a future FMP amendment. The GAP believes frameworking the allocation process in the FMP to make it easier to reconsider a formal allocation in the biennial management process (i.e., in a regulatory amendment) risks the stability afforded by a long-term allocation specified in the FMP.

The GAP also recommends maintaining the FMP provision to suspend any formal allocation for a stock if it is declared overfished. An allocation scheme for a newly-declared overfished stock should then be analyzed and decided in a rebuilding plan for that stock that would seek the best strategy for minimizing the mortality on that stock.

GROUND FISH MANAGEMENT TEAM REPORT ON FMP AMENDMENT 21 – INTERSECTOR ALLOCATION

The Groundfish Management Team (GMT) reviewed the preliminary Draft Environmental Impact Statement (DEIS) and heard a presentation by Council Staff on Amendment 21, Intersector Allocation and offers the following thoughts and comments for consideration.

Accounting for Uncertainty

The GMT would like to point out that in all cases the Council should consider the amount of harvest that will be needed to prevent exceeding specified harvest levels. There are potentially several avenues to accomplish accounting for this management uncertainty. It could be done by reserving some amount for each species in the intersector allocation process. For example a sector with more uncertainty in catch estimates or greater delays in availability of data may need an allocation that is sufficiently large to account for that uncertainty. Another alternative would be to provide some overall residual amount to prevent exceeding harvest levels. This could be accomplished either by setting aside a buffer that is not allocated to any sector, or it could be accomplished in the specification of the harvest level itself. This latter option would require the Council understanding all of the tools available to account for management uncertainty under revised National Standard 1 guidelines.

Step 1. Allocation Between Trawl and Non-Trawl

The first step in deciding intersector allocations is determining allocations between the trawl sector and the combined non-trawl sectors. The GMT notes that data from 2003-2005 contains total mortality estimates for commercial sectors as well as improved estimates of recreational catch relative to estimates from 1995-2005. The longer time series relies on the use of landings-only data for commercial fisheries as well as on Marine Recreational Fishery Statistical Survey data which is less robust than estimates from the current state recreational sampling programs. It was also reflective of management that was less constrained by overfished species. The GMT notes use of data from 1995-2005 results in considerably higher trawl percentages for the following species: lingcod, sablefish S of 36°, widow rockfish, yellowtail N of 40° 10', shortspine thornyhead S of 34° 27', and minor slope rockfish coastwide (Table 1).

Table 1. Percent allocation to all trawl sectors by alternative. Taken from the DEIS, March 2009. Final column numbers (shaded) were calculated from the 2007 Observer Discard Report (Table 17) and are shown for comparison only.

| Species | Alt. 1 03-'05 | Alt 2 03-'05 | Alt 3 95-'05 | Alt 4 03-'05 | GAC 03-'05 | Observer Prog 2007 |
|---------------------------------------------------|------------------|-----------------|-----------------|-----------------|---------------|--------------------------|
| Lingcod | 19.8 | 19.8 | 39.5 | <u>11.8</u> | 45.0 | 31.9 |
| PCOD | 98.2 | 98.2 | 99.1 | 98.0 | 95.0 | 54.5 |
| Sable N. | 50.3 | 50.3 | | <u>45.3</u> | 52.5 | 52.3 |
| Sable S | 41.9 | 41.9 | 47.7 | <u>36.1</u> | 42.0 | No split |
| POP | 99.5 | 99.5 | 99.4 | 99.5 | 95.0 | 83.9 |
| Widow | 91.4 | 91.4 | 98.0 | 90.6 | 91.0 | 96.1 |
| Chilipepper | 94.0 | 94.0 | <u>79.5</u> | 93.4 | <u>80.0</u> | 90.8 |
| Splitnose | 99.8 | 99.8 | 97.2 | 99.8 | <u>95.0</u> | 100.0 |
| YT N | 88.4 | 88.4 | 96.3 | 87.3 | 88.0 | 91.6 |
| SST N | 98.4 | 98.4 | 97.9 | 98.3 | 95.0 | 85.5 |
| SST S | 58.0 | 58.0 | 78.8 | 53.8 | 58.0 | No split |
| LST N | 99.4 | 99.4 | 98.9 | 99.4 | <u>95.0</u> | 97.4 |
| LST S | 0.0 | 0.0 | 0.3 | 0.0 | 5.0 | No split |
| Darkblotched | 98.7 | 98.7 | 99.0 | 98.7 | 95.0 | 95.9 |
| Minor Slope RF N | 81.0 | 81.0 | 87.5 | 79.1 | 81.0 | 84.3 |
| Minor Slope RF S | 63.3 | 63.3 | 69.9 | 59.6 | 63.0 | 81.8 |
| Dover Sole | 99.9 | 99.9 | 100.0 | 99.9 | <u>95.0</u> | 99.9 |
| English | 100.0 | 100.0 | 100.0 | 100.0 | <u>95.0</u> | 100.0 |
| Petrale | 100.0 | 100.0 | 99.9 | 100.0 | <u>95.0</u> | 99.9 |
| ATF | 99.2 | 99.2 | 99.9 | 99.2 | 95.0 | 97.3 |
| Starry Fl | 87.5 | 87.5 | <u>48.9</u> | 86.2 | 87.0 | 84.0 |
| Other FF | 97.7 | 97.7 | 97.3 | 97.7 | 95.0 | 98.6 |
| bold > 5% increase relative to Alt. 1 | | | | | | |
| <u>underline</u> > 5% decrease relative to Alt. 1 | | | | | | |

Allocation of Poundage vs. Percentage

In some instances where species are primarily taken by trawl gear, the Council may want to consider allocating set amounts of fish to the non-trawl sectors with the remainder going to the trawl fishery as opposed to allocating a percentage of the optimum yield (OY) to the non-trawl sectors. This would prevent stranding large amounts of available harvest in instances where the OY increased such that the absolute value of the non-trawl percentage were many times larger than amounts that those sectors were capable of harvesting. Similarly, the amount allocated to the non-trawl sectors should be sufficiently large that there would be little possibility of exceeding harvest specifications from higher than expected landings. The GMT recommends this approach initially for darkblotched rockfish, Dover sole, English sole, and arrowtooth flounder. However, the GMT cautions that in setting the amount for arrowtooth that would be appropriate for non-trawl sectors recent observer data indicates that interactions with longline gear may be higher than previously thought.

Step 2. Allocation Between Trawl Sectors

Allocation between Shoreside and At-Sea Trawl Sectors

For allocations of overfished species between shoreside and at-sea sectors the Council may wish to consider adopting allocations and/or set asides through the biennial process rather than the Amendment 21 process. While the Council would still want to make these allocations between trawl and non-trawl, hardwiring the initial allocations between the trawl sectors could be especially disruptive with large changes in overfished species' OYs. This is described further in the final section of this statement.

Allocation Between Shorebased Trawl Sectors

The Council decided under Amendment 20 to manage the shorebased fisheries as a single sector; however, it is important to note that all species need to be allocated as if there are two shorebased sectors initially. The whiting and non-whiting shorebased trawl fisheries' allocations are based on different years and methodologies, so this initial allocation between them provides amounts that can be converted to relative percentages to recombine them into a single sector. This is described in detail in Section 2.2.2, page 24 of the preliminary DEIS.

More specifically, the GMT notes that the implications for initial allocation between shorebased trawl sectors are very different for widow rockfish depending on whether it is overfished or rebuilt (see Table 2-11 in the preliminary DEIS). Currently the majority of widow impacts are from bycatch in the whiting fishery. Once widow is rebuilt, targeting on widow and yellowtail would be expected to increase substantially resulting in very different needs relative to each sector. As such the GMT recommends adoption of two different initial allocations of widow between the shorebased sectors – one for use if widow remains overfished and another that would be implemented should widow be rebuilt.

Allocations Between At-Sea Sectors

There appears to be some confusion over the Council's November 2008 decision on pro rata distribution overfished species with bycatch caps (darkblotched, widow, Pacific Ocean perch, and canary) to the catcher-processor (CP) and mothership (MS) sector. If the Council's intent was to establish CP and MS sector allocations on a pro-rata basis, the GMT suggests that this clarification be made under this Amendment 21 agenda item. If not then two options exist, which are a) to make a long term allocation between the two sectors now, or b) make the CP and MS allocation decision through subsequent biennial specification and management measure setting processes.

Process for Allocation Changes

The GMT recognizes that as new information becomes available there may be a need to reconsider allocations between trawl and non-trawl. These might include such things as new assessments where the estimated biomass is drastically different than what was envisioned during the initial allocation decision, results from exempted fishing permit (EFP) fisheries that demonstrate an ability to realize a new gear for targeting a species, or increased landings from a developing fishery that the Council may want to accommodate. It will be considerably easier to account for this new information and reassess allocations if the Council adopts a frameworking approach to setting the intersector allocations rather than hardwiring them in the FMP. The latter would require a new FMP amendment in order to change allocations between the trawl and non-trawl sectors. The GMT also notes that the Council should retain the option of suspending allocations for any species that is declared overfished.

GMT Recommendations:

1. Determine method(s) for accounting for uncertainty in catch estimates that might result in exceeding an OY.
2. Allocate amounts (poundage) rather than a percentage of the OY for darkblotched rockfish, Dover sole, English sole, and arrowtooth flounder.
3. Consider allocating overfished species within trawl sectors through the biennial specifications and management measures cycle.
4. Clarify the November action relative to sector specific splits between the at-sea sectors.
5. Consider frameworking allocations rather than specifying them in the FMP.
6. Retain the option of suspending allocations for species under rebuilding.

PFMC

04/06/09

NATIONAL MARINE FISHERIES SERVICE REPORT ON FMP AMENDMENT 21 – INTERSECTOR ALLOCATION

Overview

This document provides preliminary NMFS comments on the DEIS for Amendment 21 to the Groundfish FMP. The GAC, at the urging of NMFS, recommended a new alternative for analysis that would shift a percentage of the allocation from trawl gear to non-trawl gear. This new alternative, alternative 4 in the DEIS, is consistent with public testimony to the Council that allocation is a potentially useful management tool in reducing bycatch and protecting EFH. For each of these goals, however, allocation among gears may have a positive or a negative influence depending on a complex array of spatial and temporal factors. It will be necessary, either in this EIS or through subsequent processes, to take a hard look at these factors in order to determine if allocation is an appropriate tool for the Council to use in addressing its conservation goals. The remainder of this document refers to the new GAC alternative to present a preliminary framework for considering the impacts of alternative allocation strategies relative to bycatch and EFH.

New GAC Alternative (Fixed gear increase)

The GAC recommended an alternative for Council consideration that proportionally increases the non-trawl percentage under intersector allocation alternative 1 by 10% for the following species: lingcod (coastwide), Pacific cod, sablefish (north and south), widow rockfish, chilipepper rockfish, yellowtail rockfish, shortspine thornyhead (north and south), minor slope rockfish (north and south), and starry flounder (Table 2-8 in the Preliminary DEIS and below). These species were chosen because they are important to and amenable to capture by the non-trawl fleet.

Essential Fish Habitat

The new GAC alternative may have an overall positive or negative impact on EFH, depending on where the fishery resulting from the proposed allocation percentages would occur. In general, the Risk Assessment developed to support Amendment 19 concludes that bottom trawling has a greater impact than fixed gear on benthic habitats, and, habitat impacted by bottom trawls take longer to return to its pre-impact condition (Risk Assessment for the Pacific Groundfish FMP, Appendix 10, 2004). The Risk Assessment similarly ranks the sensitivity of benthic habitats to fishing impacts and concludes that biogenic habitat (e.g. coral and sponge) is the most sensitive, followed by hard (e.g. rocky reef) and then soft (e.g. sand and mud bottom). The authors of the Risk Assessment advised the Council to interpret the ranking of gear and habitats carefully due to a relative lack of information, particularly about the impacts of fixed gear on these habitats. The Council responded by taking a precautionary approach and implementing EFH protection measures over a broad range of habitat and gear types. Amendment 19 provides protection to a substantial amount of hard, soft, and biogenic benthic habitats; some areas are protected from trawl gear, and others are protected from all bottom tending fishing gears.

Because of the differential in impacts by gear type, allocation may be an innovative strategy for reducing impacts to EFH and improving on the protections provided by Amendment 19, however, it could also have the opposite effect. The information in Amendment 19 supports the supposition that, if properly developed and implemented, converting bottom trawl effort to fixed gear effort could reduce habitat impacts and have incremental positive effects on EFH. For example, replacing bottom trawl effort with fixed gear effort within an isolated geographic area of soft bottom habitat (not deploying fixed gear effort to other habitats) would likely have a positive effect on EFH by reducing the overall level of impacts within that area. Conversely, if a gear switching program is not well-designed, it could increase habitat impacts and have a negative effect on EFH. For example, replacing trawl effort with fixed gear, and moving the effort from soft bottom to rocky and biogenic habitat, particularly habitat that is currently untrawled, may increase overall impacts. Untrawled rocky and biogenic habitats in particular, likely in a recovery stage since the implementation of Amendment 19, are vulnerable to fixed gear impacts.

In order to design an allocation strategy that reduces impacts to EFH by decreasing trawl effort and increasing fixed gear effort, it is essential to consider where additional fixed gear effort would be deployed. This would require close review of potential habitat effects from any increase of fishing effort on rocky or biogenic areas, regardless of gear type.

Bycatch

The new GAC alternative may have an overall positive or negative impact on bycatch, depending on which species are selected under the allocation percentages. In order to make an informed decision on the effects of potentially allocating additional fish to the non-trawl fleet, it will be necessary to evaluate the costs and benefits for each gear type currently used in the groundfish fishery, and to evaluate potential changes for their effects on bycatch. Currently, the gears used in the groundfish fishery include: bottom trawl; longline; trap/pot; and hook and line. Each of these gear types has different bycatch issues and impacts. Public testimony has suggested that fixed gear is a more “environmentally friendly” gear type in regards to bycatch. While this statement may be true in some circumstances, it cannot be so broadly applied as to encompass all the gear types used and species affected.

For example, under this alternative the 10% increase in the lingcod non-trawl sector allocation would be close to a 60% decrease in the trawl allocation. This has the potential to limit trawl access to target species such as English sole where lingcod is taken as incidental catch. Increasing the non-trawl sector allocation for lingcod may result in significantly increased harvests in the recreational fishery. Expanded targeting of lingcod in the non-trawl sectors has a strong probability of increasing the bycatch of yelloweye and canary rockfish because these species are more vulnerable to hook and line gear. Additionally, since monitoring of harvests in these sectors of the fishery is not as thorough as in the trawl sector, there could be increased concerns regarding actual impacts on lingcod, as well as yelloweye and canary rockfish.

In order to design an allocation strategy that reduces impacts associated with bycatch through decreasing trawl effort and increasing fixed gear effort, it is essential to consider which species would be selected for changes in allocation patterns and the projected bycatch rates for non-target and overfished species associated with those changes. A key consideration would be to ensure overall fishing effort would not result in negative impacts on overfished species

Another factor that must be considered is the impact of a changed allocation on protected resources such as sea turtles, sea birds, and marine mammals. Although information specific to the west coast groundfish fishery is sparse, in general, fixed gear has been associated with higher encounter rates for sea turtles, sea birds, and marine mammals. Although there are methods and gear changes that can reduce interactions with protected resources, particularly with respect to sea birds, it is possible that increasing effort in the fixed gear fleet could result in greater impacts to protected resources.

In conclusion, NMFS believes that the potential use of allocation among gear types to promote conservation goals is worthy of further exploration and urges the Council to do so. However, without additional information, NMFS believes that it would be premature to make a long-term allocation decision based on this factor alone. In making this recommendation, NMFS is not suggesting that this additional analysis should, by itself, be a reason for delaying action on Amendment 21. The potential conservation benefits of a trawl rationalization program, which are contingent on the timely implementation of this intersector allocation amendment, are substantial and outweigh any of our concerns raised in this document. At a minimum, the analysis should be prepared before the 5 year review of the TIQ program, and be available for review and use during that review.

PFMC
04/03/09

David Bitts
President
Larry Collins
Vice-President
Tom Hart
Secretary
Marlyse Battistella
Treasurer
In Memoriam:
Nathaniel S. Bingham
Harold C. Christensen



<http://www.pcffa.org>

W.F. "Zeke"
Grader, Jr.
Executive Director
Glen H. Spain
*Northwest Regional
Director*
Vivian Helliwell
*Watershed
Conservation
Director*
Duncan MacLean
Salmon Advisor

Please Respond to:

☐ **California Office**

P.O. Box 29370
San Francisco, CA 94129-0370
Tel: (415) 561-5080
Fax: (415) 561-5464

☐ **Northwest Office**

P.O. Box 11170
Eugene, OR 97440-3370
Tel: (541) 689-2000
Fax: (541) 689-2500

17 March 2009

Mr. Don Hansen, Chair
Pacific Fishery Management Council
7700 NE Ambassador Place
Portland, OR 97220-1384

RE: Groundfish Intersector Allocation

Dear Chairman Hansen:

The Pacific Coast Federation of Fishermen's Associations (PCFFA) represents working men and women in the West Coast commercial fishing fleet. Among those fishermen, belonging to PCFFA member organizations, that we represent are many engaged in the open access groundfish fishery, as well as some in the fixed gear limited entry and trawl fisheries. On behalf of our open access groundfish members, we wish to convey to the Council our four concerns with Amendment 21 - which will set intersector groundfish allocations – as it is now drafted.

First, we note that recent landing history reflects: a) the sweeping effects of the Rockfish Conservation Area; and b) very conservative total allowable catch's (TACs), especially on former rockfish target species like canaries and yelloweye. However, it is PCFFA's understanding that most, if not all, of these stocks are rebuilding and may well be rebuilt in advance of the schedules suggested by the Council's Groundfish Management Team (GMT).

In making its decision on Amendment 21, PCFFA requests the Council consider and provide for the possibility of increased future opportunity for all sectors, including open access, to catch rockfish. This is particularly critical for the open access fishery which, unlike the trawl fleet, cannot access the flatfish stocks within the groundfish fishery. Rockfish have historically been an important part of the fishing portfolio of these smaller hook-and-line boats that supply the high value rockfish to the market. It has been the smaller hook-and-line boats in the open access fishery that have borne the brunt of rockfish conservation measures for over a decade – they should be entitled to enjoy the fruits of their conservation by being allowed fair access to rockfish stocks as populations rebuild and catch restrictions can be relaxed.

Second, in today's world of RCA and conservative TACs, the survival of open access fishermen will depend on at least maintaining current allocations for open access, especially for black cod. It is impossible to select among the three alternatives currently in Amendment 21. That is because only in Alternative 2 is the non-treaty non-trawl sector broken out into its three components: fixed gear, directed open access, and recreational. In Alternative 2 the open-access share of black cod north of 36 North is reduced from the 16% 2005 observed average to about 12%, which is unfair to that sector. What's worse is we are unable to discern whether the other options provide a greater or lesser percentage to the open access fishery. Clearly, if we are to be able to make reasoned, responsible recommendations to you regarding an option, we have to know what all each option entails. The way the alternatives are currently drafted, in the language of Amendment 21, that is unclear.

Third, under the trawl IFQ as currently proposed, it is our understanding that as the TAC increases, the trawl fleet will be provided more fish than they historically caught. While we have no problem in fishermen sharing in the bounty of rebuilt stocks, it is key that we remember to share. The increases do not belong to the trawl fleet alone. For that reason, we believe fairness and equity dictates that all sectors of the groundfish fishery share in increased TACs for groundfish. Since the fixed gear and open access fleets do not typically harvest flatfish (sole, flounder), we suggest the greater portion of an increased TAC for rockfish, sablefish, and lingcod be allocated to the fixed gear, open access and recreational sectors, while increases in the TAC for flatfish species be allocated to the trawl fleet.

Finally, if trawl consolidation leads to the formation of community fishing associations (CFAs) to maintain smaller ports' access to groundfish, the CFAs will need to acquire quota somehow. The current alternatives in Amendment 21 don't provide for CFA quota. One way that has been proposed is to buy trawl quota from a willing seller. We support that concept, but that may not be adequate. Therefore two other methods for CFAs to acquire quota need to be included. Those are: a) divestiture - When entities whose quota share exceeds accumulation caps divest, CFAs must be eligible to acquire that quota share; and b) "public public" quota: a portion of the recent trawl buyback was financed not by loans to the remaining trawlers, but by direct federal (taxpayer) purchase. We believe quota corresponding to that publicly financed portion of the buyback should be set aside for non-IFQ sectors, including CFAs.

What PCFFA seeks here is twofold: 1) to assure that the smaller hook-and-line fleet which supplies the high value rockfish to the markets is dealt with fairly in intersector allocation; and 2), to maintain some semblance of the historic coastwide fleet and landings profile, and port infrastructures, with particular emphasis on protection of smaller producers (even processors), in the face of the socioeconomic earthquake of trawl IFQ implementation.

We have watched and appreciate the Council showing concern for, and grappling with, these same issues, and we hope you will receive and consider these suggestions in the constructive spirit in which they are offered.

Sincerely,

Dave Bitts
President

COMMISSIONERS:

JAMES BALSIGER
JUNEAU, AK
RALPH G. HOARD
SEATTLE, WA
LARRY JOHNSON
PARKSVILLE, B.C.
PHILLIP LESTENKOF
ST. PAUL, AK
LAURA RICHARDS
NANAIMO, B.C.
GARY ROBINSON
VANCOUVER, B.C.

INTERNATIONAL PACIFIC HALIBUT COMMISSION

ESTABLISHED BY A CONVENTION BETWEEN CANADA

AND THE UNITED STATES OF AMERICA

DIRECTOR
BRUCE M. LEAMAN

P.O. BOX 95009
SEATTLE, WA 98145-2009

TELEPHONE
(206) 634-1838

FAX:
(206) 632-2983

March 30, 2009

Agenda Item F.3.c
Supplemental Public Comment 2
April 2009

Mr. Don Hansen, Chair
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 101
Portland, Oregon 97220-1384

Re: April 2009 Meeting, Agenda Item F.3 – Amendment 21, Intersector Allocation

Dear Don:

The staff of the International Pacific Halibut Commission (IPHC) has reviewed the preliminary draft Environmental Impact Statement titled Allocation of Harvest Opportunity between sectors of the Pacific Coast Groundfish Fishery. In particular, we have examined Section 4.4.3 (Pacific Halibut Trawl Total Catch Limits) regarding options for establishing an Individual Bycatch Quota (IBQ) for the rationalized west coast trawl fishery. We offer the following comments and recommendation.

We recommend Alternative 4 as the basis for the trawl fishery IBQ. This approach is slightly more restrictive than what we suggested in our letter of March 4 and it sets the initial amount of IBQ relative to halibut abundance but no higher than 130,000 pounds. Importantly, the alternative contains regular reductions in the IBQ as the trawl fishery gains experience in operating within Individual Quotas, thus keeping bycatch mortality reduction as an incentive. Also, the alternative correctly applies to all sizes of bycaught halibut and is based on mortality. The latter component not only allows for reductions through lower bycatch rates but also through improved handling to create better survival of discarded fish.

We understand the Council still has much work ahead in creating this plan. We look forward to the opportunity to participate in that process.

Sincerely,



Bruce M. Leaman
Executive Director

cc: Commissioners

Please note: This motion may have been modified by several amendments; which will be available in the Final April 2009 Council Meeting Minutes and Voting Log. Some of the items listed in this document may or may not have been voted on. Again, please note the final will be available in the Final April 2009 Council Meeting Minutes and Voting Log.

Agenda Item F.3.d
Supplemental WDFW Motions in Writing
April 2009

WASHINGTON DEPARTMENT OF FISH AND WILDLIFE MOTIONS ON GROUNDFISH FMP AMENDMENT 21: INTERSECTOR ALLOCATION

Working from Agenda Item F.3.a, Attachment 1, Preliminary Draft Environmental Impact Statement (EIS) and Agenda Item F.3.b, GAC Report, I would move the following motions:

Motion # 1: Intersector Allocation between trawl and non-trawl: Adopt the GAC Alternative, which includes:

- Status quo allocation for Pacific whiting
- Allocations for all other species, except those for which IFQ would not be assigned through the trawl rationalization program as well as those species for which allocations would be decided through the biennial specifications process (actual species included listed in Table 2-10 on p. 23 of Preliminary Draft EIS). Note: longspine thornyhead south of 34°27' would not be included.
- Using 2003-2005 sector total catch percentages as the basis for allocations
- All trawl allocations greater than or equal to 95% would be set at 95% (actual percentages, by species, are in Table 2-9, on p. 21 of Preliminary Draft EIS)

Motion # 2: Pacific halibut trawl bycatch limits: Alternative 4, with one change (underlined):

- An initial limit for total Pacific halibut bycatch mortality (legal-sized and sublegal fish) in the trawl fishery of 15%, not to exceed 130,000 lbs. per year for the first four years.
- Beginning with the fifth year of implementation, the maximum amount set aside for the trawl rationalization program would be reduced to a total mortality amount of 100,000 lbs. per year.
- The total halibut bycatch mortality amount may be adjusted downward through the biennial specifications process for future years.
- The at-sea trawl sector and shoreside trawl sector south of 40°10' N. latitude would have a bycatch set aside of 5 mt each (total bycatch set aside of 10 mt), which would come out of the 15% trawl sector allocation.

Motion # 3:

1. At-sea sector set asides: Adopt the GAC recommendation to set the at-sea sector set asides large enough to not constrain their fisheries given the interannual variation in sector catches by establishing a 5 mt minimum set-aside for any incidentally caught species in the at-sea fisheries with all set asides rounded up to the nearest 5 mt (actual amounts specified in Table 4-23, p. 102 of Preliminary Draft EIS).
2. Within trawl bycatch allocations between whiting and non-whiting sectors would be set using 1995-2005 catch shares, except as follows:

Darkblotched rockfish – Allocate 9% or 25 mt, whichever is greater, of the total trawl allocation of darkblotched rockfish to the whiting fisheries (at-sea and shoreside combined). This amount accommodates the catches in both the 1995-2005 and 2003-2005 periods.

Pacific ocean perch (POP) – Allocate 17% or 30 mt, whichever is greater, of the total trawl allocation of Pacific ocean perch to the whiting fisheries (at-sea and shoreside combined). This amount accommodates the catches in both the 1995-2005 and 2003-2005 periods.

Widow rockfish – If widow rockfish is still under a rebuilding plan for the initial year of implementation of trawl rationalization, then 250 mt would be assigned for the initial allocation for the whiting fisheries (at-sea and shoreside), which is consistent with the amount set for 2009. If widow rockfish has been rebuilt by the initial year of implementation, then 10% or 500 mt, whichever is greater, would be assigned for the initial allocation for the whiting fisheries. This would accommodate the amount caught during the 1995-2005 period.

Yellowtail rockfish – Allocate 300 mt of yellowtail rockfish to shoreside whiting and 300 mt to at-sea whiting fisheries. This would split the difference between the average catches in the shoreside sector during the 1995-2005 time period and the average catches that occurred under a healthy widow rockfish period (1995-2000). The 300 mt set aside for the at-sea sector is consistent with the GAP recommendation.

See attached tables that describe the rebuilding ABCs and OYs for darkblotched rockfish, POP, and widow rockfish, and the results of the percentages specified above.

3. Bycatch sharing among whiting sectors: Consistent with 2009 allocations and the trawl rationalization program, distribute darkblotched and widow rockfishes and Pacific Ocean perch pro rata among whiting sectors.

Motion # 4: Framework for future allocations: Specify sector allocations to be decided through the biennial specifications and management process for only those species listed in Table 4-23 on p. 102, specifically:

| | | |
|--------------------|----------------------------------|-----------------|
| Canary rockfish | black rockfish (WOC) | CA scorpionfish |
| Bocaccio rockfish | blue rockfish (CA) | cabezon (CA) |
| Cowcod rockfish | minor nearshore rockfish (N & S) | longnose skate |
| Yelloweye rockfish | minor shelf rockfish (N & S) | other fish |

All other allocations would require a regulatory amendment process to revise.

Maintain FMP provision to suspend formal allocations if a stock is declared as overfished.

FISHERY MANAGEMENT PLAN AMENDMENT 20 – TRAWL RATIONALIZATION –
COMMUNITY FISHERY ASSOCIATION (FCA) AND MISCELLANEOUS
CLARIFICATION ISSUES

In November 2008, the Council selected a final preferred alternative on the essential elements for a trawl rationalization program, but left three issues for trailing actions: establishing accumulation limits, defining eligibility to own, and an adaptive management program. At the March 2009 Council meeting under the trailing action to define accumulation limits, the Council indicated its interested in defining a Community Fishing Association (CFA), using the National Oceanic and Atmospheric Administration (NOAA) Memorandum titled Design and Use of Limited Access Privilege Programs (Agenda Item F.4.a, Attachment 1) and a public comment letter from The Nature Conservancy (Agenda Item F.4.a, Attachment 2) as a starting point.

CFAs could be a special class of entities eligible to hold individual fishing quota (IFQ), a class that would be given special considerations. Under the MSA, to be eligible to hold IFQ CFAs would have to be a U.S. citizen, a corporation, partnership, or other entity established under the laws of the United States or any state. Under Amendment 20 they would also have to be eligible to own a US documented fishing vessel, unless an exception is made for CFAs. The Council's primary task under this agenda item is to identify the criteria entities would need to meet in order to qualify as a CFA (i.e., to define CFAs). Eligibility requirements for Fishing Communities and Regional Fishing Associations listed in the Magnuson-Stevens Act (MSA) (Agenda Item F.4.a, Attachment 3) could be used to define CFAs, or CFAs could be defined in some other way. An outline of potential elements of a CFA and some potential options have been developed by staff to further discussion on this issue (Agenda Item F.4.a, Attachment 4).

With respect to special considerations for CFAs, CFAs are being proposed to create a community-linked entity that would be eligible for higher control limits than other types of entities. A decision on whether CFAs should have a higher accumulation limit than other entities would fall under the accumulation limits agenda item scheduled to be before the Council in June 2009. CFAs may also be an entity that receives special considerations for awards of Adaptive Management quota pounds (QP). Thus there could be some overlap between the objectives the Council specifies for CFAs and some of the potential uses of the Adaptive Management Program.

After the Council took final action in November 2008, several items in need of clarification were identified. Three issues having to do with the at-sea whiting fishery are listed here for clarification by the Council (Agenda Item F.4.a, Attachment 5). The first clarification is regarding whether or not the two worst years that permits can drop from their individual whiting allocation calculation should be the same years when the catcher-vessel was fishing in both the shoreside whiting and the mothership sector. The second clarification asks for confirmation that a rollover of whiting could occur between at-sea sectors. The third clarification asks whether the bycatch buffer in at-sea whiting would apply or not. If the CFA discussion should occupy the entire time allotted for this agenda item (F.4), these three clarifications would be presented again to the Council at a future Council meeting.

For Council member convenience, a copy of the “Pacific Council Recommendations for Rationalization of the Groundfish Trawl Fishery (Including Whiting)” is included in your CD. This has not yet been updated with your March clarifications and actions. For a hard copy, please see Agenda Item G.3.a, Attachment 2 from the March Council meeting.

Council Task:

- 1. Define Community Fishing Associations**
- 2. If possible at this meeting, provide clarification on the following at-sea whiting items:**
 - a. Specify intent with respect to whether a permit should have to drop the same worst two years if it qualifies for an individual allocation in both the shoreside whiting IFQ and mothership co-op programs.**
 - b. Confirm intent to have rollovers of whiting from one at-sea sector to another.**
 - c. Confirm intent not to have bycatch buffers in the whiting non-co-op component of the fishery.**

Reference Materials:

1. Agenda Item F.4.a, Attachment 1: Excerpts from the NOAA Memorandum: Design and Use of Limited Access Privilege Programs.
2. Agenda Item F.4.a, Attachment 2: Public Comment from The Nature Conservancy.
3. Agenda Item F.4.a, Attachment 3: Excerpts from the Magnuson-Stevens Conservation and Fishery Management Act.
4. Agenda Item F.4.a, Attachment 4: Outline of Potential Elements for Community Fishing Associations (CFA) Provisions.
5. Agenda Item F.4.a, Attachment 5: Miscellaneous Trawl Rationalization Clarifications Related to the Whiting Fishery.
6. Agenda Item F.4.a, Attachment 6: Pacific Council Recommendations for Rationalization of the Groundfish Trawl Fishery (Including Whiting) (On CD and Web Only).
7. Agenda Item F.4.c, Public Comment.

Agenda Order:

- a. Agenda Item Overview
- b. Reports and Comments of Management Entities and Advisory Bodies
- c. Public Comment
- d. **Council Action:** Define CFA and Address Miscellaneous Clarification Issues

PFMC
03/23/09

The Design and Use of Limited Access Privilege Programs

(EXCERPTS)

Lee G. Anderson and Mark C. Holliday, Editors
NOAA Fisheries Service – Office of Policy

From technical contributions by the editors and:

Soren Anderson; Mark Fina; Adam Issenberg; Dave McKinney; Richard Newell; James Odlin;
Phil Smith; Phil Steele; Wayne Swingle; and Galen Tromble.

NOAA Technical Memorandum NMFS-F/SPO-86
November 2007



U.S. Department of Commerce
Carlos M. Gutiérrez, Secretary

National Oceanic and Atmospheric Administration
Vice Admiral Conrad C. Lautenbacher, Jr., USN (Ret.)
Under Secretary for Oceans and Atmosphere

National Marine Fisheries Service
William T. Hogarth, Assistant Administrator for Fisheries

D. Eligibility to Acquire/Hold Privileges

The issue here is the selection of the individuals or entities that are allowed to participate in a LAP program. Eligibility relates to the initial allocation issue because those who are chosen to be part of the initial program must be eligible to acquire harvest privileges.

However, all parties that are eligible may not necessarily receive privileges during the initial allocation. Eligibility also relates to the transferability issue. If the set of entities that are eligible subsumes the set receiving initial allocations, transferability must be allowed if all in the larger set are to have access to privileges.

As with other components of the nature of the harvest privilege, the criteria to acquire or hold LAPs should be selected according to the goals and management objectives of the FMP, as constrained by the MSA. To set the stage, at one end of the widest possible continuum is to allow any person or entity to hold harvest privileges. This is not allowed under the MSA. At the other extreme, acquisition can be restricted along a number of margins. For example, only licensed fishermen and certified boat owners who have participated in the fishery for X years using an owner operated boat outfitted with Y gear, and fishing out of Z port are eligible. Moving from broader to more restrictive criteria may help achieve certain management objectives but it can also limit the potential benefits provided by an active market in the trading of privileges. In addition, such moves may affect implementation, operation, and monitoring costs. These are the types of trade-offs that Councils will have to consider.

The MSA does put some constraints on what the Councils can choose to do. As previously discussed, Section 303A(c)(5)(E) links privileges to be acquired or held by persons to those who substantially participate in the fishery.

In MSA Section 3(36) a “person” is defined as:

(36) The term "person" means any individual (whether or not a citizen or national of the United States), any corporation, partnership, association, or other entity (whether or not organized or existing under the laws of any State), and any Federal, State, local, or foreign government or any entity of any such government.

Before interpreting this however, it is necessary to note a general requirement for any LAP in Section 303A(c)(1)(D):

(D) prohibit any person other than a United States citizen, a corporation, partnership, or other entity established under the laws of the United States or any State, or a permanent resident alien, that meets the eligibility and participation requirements established in the program from acquiring a privilege to harvest fish, including any person that acquires a limited access privilege solely for the purpose of perfecting or realizing on a security interest in such privilege;

Since Councils must prohibit any person other than those listed, in plain language this means that only those on the list may be granted LAPs. Therefore the range of applicable “persons” that may own or control harvesting privileges is more circumscribed than the general definition of a “person.” For example, non-citizens, other than permanent aliens, and entities established under foreign laws may not acquire/hold harvest privileges. As a counterpoint, in the 1996 version of the MSA, IFQs could be given to persons in the broadest sense of Section 3(36) and with none of the restrictions specified in Section 303A(c)(1)(D). Even with the introduction of FCs and RFAs (see below), the revised

MSA places more restrictions on who can acquire/hold harvesting privileges than did the previous version.

While the Councils have some latitude in determining who may or may not acquire harvesting privileges, it is certainly more restrictive than the “anybody can own” criterion mentioned above, because of the citizenship requirements and the “substantially participate in the fishery” clause. It is the responsibility of the Council to determine what “substantially participate” actually means based on the fishery management objectives. In addition to vessel owners, who have been recipients in previous IFQ fisheries, presumably recipients could include captains, crew members, processors, or participants in fishery dependent support businesses. At the same time, the Council, to meet management objectives, can prohibit certain citizens, permanent aliens, and U.S. entities from acquiring harvest privileges by specifying eligibility and participation requirements in the FMP. It is interesting to note that there are no specific restrictions in the law on non-U.S. citizens participating through ownership of, or membership in, one of the permitted entities. Presumably this could be addressed independently by the Council.

The reauthorized MSA explicitly allows Councils to permit harvesting privileges to be held by two new types of entities: FCs and RFAs. FCs, previously defined in the MSA, now appear in Section 2(17):

(17) The term "fishing community" means a community which is substantially dependent on or substantially engaged in the harvest or processing of fishery resources to meet social and economic needs, and includes fishing vessel owners, operators, and crew and United States fish processors that are based in such community.

The concept of a RFA was introduced in Section 2(14) of the reauthorized MSA:

(14) The term ‘regional fishery association’ means an association formed for the mutual benefit of members—

(A) to meet social and economic needs in a region or subregion; and

(B) comprised of persons engaging in the harvest or processing of fishery resources in that specific region or subregion or who otherwise own or operate businesses substantially dependent upon a fishery.

If Councils are to use either of these two new options in a LAP program, they must specify criteria that, in addition to conditions set out in the Act, are to be used to officially designate organizations as RFAs or FCs for purposes of the Act. Presumably the designation will be an official Council process carried out under the authority of an approved LAP FMP.

According to Section 303A(c)(3)(A)(i)(I) to (IV), the eligibility requirements for FCs are that they must:⁶

(I) be located within the management area of the relevant Council;

⁶ It is interesting to note that while recreational participants are not mentioned in the formal definitions of a FC and a RFA, they are included in the discussion of eligibility requirements.

(II) meet criteria developed by the relevant Council, approved by the Secretary, and published in the Federal Register;

(III) consist of residents who conduct commercial or recreational fishing, processing, or fishery-dependent support businesses within the Council's management area;

(IV) develop and submit a community sustainability plan to the Council and the Secretary that demonstrates how the plan will address the social and economic development needs of coastal communities, including those that have not historically had the resources to participate in the fishery, for approval based on criteria developed by the Council that have been approved by the Secretary and published in the Federal Register.

The eligibility requirements for RFAs are not quite the same. The first and second are identical but the remainder of 303A(c)(4)(A)(i)-(vi) make for some striking differences between the two types of organizations.

(i) be located within the management area of the relevant Council;

(ii) meet criteria developed by the relevant Council, approved by the Secretary, and published in the Federal Register;

(iii) be a voluntary association with established by-laws and operating procedures;

(iv) consist of participants in the fishery who hold quota share that are designated for use in the specific region or subregion covered by the regional fishery association, including commercial or recreational fishing, processing, fishery-dependent support businesses, or fishing communities;

(v) not be eligible to receive an initial allocation of a limited access privilege but may acquire such privileges after the initial allocation, and may hold the annual fishing privileges of any limited access privileges it holds or the annual fishing privileges that is [sic] members contribute; and

(vi) develop and submit a regional fishery association plan to the Council and the Secretary for approval based on criteria developed by the Council that have been approved by the Secretary and published in the Federal Register.

Given the differences, it appears that FCs must be actual communities which can be identified as a location on a map, and they may be selected out as a qualifying entity because they are in need of, or merit, regional economic development. On the other hand, RFAs are voluntary organizations that are not necessarily geographically specified. There is no reference to the need for regional economic development. Most important, RFAs can not receive LAPs as part of an initial allocation, but they can use those of its members, or may purchase them on the open markets as part of an ongoing LAP program.

The Councils must stipulate criteria that potential groups must meet to be classified as an FC or an RFA and hence be eligible to receive harvesting privileges. In developing the participation criteria for FCs, the Council is directed by Section 303A(c)(3)(C) to consider:

(i) traditional fishing or processing practices in, and dependence on, the fishery;

(ii) the cultural and social framework relevant to the fishery;

(iii) economic barriers to access to the fishery;

(iv) the existence and severity of projected economic and social impacts associated with implementation of limited access privilege programs on harvesters, captains, crew,

processors, and other businesses substantially dependent upon the fishery in the region or subregion;

(v) the expected effectiveness, operational transparency, and equitability of the community sustainability plan; and

(vi) the potential for improving economic conditions in remote coastal communities lacking resources to participate in harvesting or processing activities in the fishery.

When developing participation criteria for RFAs, the list of things the Council is directed to consider is the same except that item (vi) is omitted and the following phrase is added in Section 303A(c)(4) as new item (v): “the administrative and fiduciary soundness of the association.”

These participation criteria demonstrate again that assisting regional economic development can be used as a justification for choosing to use FCs. In addition they clarify a potential underlying purpose for establishing either of the new entities: they may be used to mitigate any severe untoward effects of establishing a harvest privilege program. This likely refers to direct and indirect effects on fishery dependent businesses, community disruptions, and the argument made in some quarters that in a fishery with redundant vessels and processing plants, there can be serious distributional effects on processors if harvesting privileges are given only to vessel owners.

An important difference between FCs and RFAs is the ability of FCs to receive LAPs as part of the initial allocation. Operationally, this means the RFAs can not be formed until after initial allocation is complete and the LAP program is operational. Further RFAs will be organized from the bottom up. The Council will have to make provision for organizations to be designated as RFAs and specify the eligibility criteria, but the decision to form an organization and to apply for designation will be up to willing sub-groups of the existing participants in the fishery. They can become participants through either initial allocations or purchase of harvesting privileges.

While the Councils can presumably treat FCs the same way and let groups apply for designation on their own after the program is in operation, Councils may also include FCs in the initial allocation. This requires a different level of planning during the construction of the LAP FMP. There is even a minor chicken-and-egg problem. FCs can not be designated until the eligibility criteria have been designed, approved by the Secretary, and published in the Federal Register. This approval can likely be made concurrent with the approval of the overall FMP, but it may not be possible to get that approval prior to the approval of the FMP. Until the FCs have been designated, it is not possible to know for certain how much of the TAC should be allocated to the overall FC segment.

One way to envision the process is as follows. The Council decides that it wishes to design and to implement a LAP program. It determines whether it will use IFQs or the more general form of a LAP. It determines that it will allocate X percent of the TAC to traditional types of recipients which will be allocated according to a specified eligibility criteria and an allocation formula or procedure. This is essentially what was done in the Halibut/Sablefish program. The remainder of the TAC will go to FCs that meet the specified eligibility criteria using another allocation procedure. These will have to be

simultaneous decisions based on participant comments and staff analysis during the FMP development process. The whole procedure will be based on the best estimate of how many traditional recipients will meet their allocation criterion, and how many FCs will likely form and be capable of meeting the eligibility criteria. If the plan is approved, the various participants will be given time to show that they meet the appropriate criteria and then the allocations will be made.

In summary, it appears that a FC can be designated as an entity that is entitled to receive harvesting privileges if those privileges would assist in regional economic development. In addition, that designation could be made if the way in which the privileges are used by the FC can ameliorate serious economic or social impacts that would likely occur if the privileges were only given to individuals. The latter reason is the only specific reason noted in the Act for which RFAs can be established. Presumably RFAs can also be used in other cases if the Council can demonstrate that their use will help achieve management objectives, especially those related to maintaining “traditional fishing or processing practices,” the “cultural and social framework of the fishery,” or if they address “economic barriers to access to the fishery.” They can not however receive initial allocations.

At this point, it is worth recalling from the general specifications discussed above that Councils may grant privileges to any “entity established under the laws of the United States or any State.” So even if one accepts the strict interpretation of RFAs and FCs, Councils can still allocate to other types of entities to accomplish fishery management objectives. A city or a town is an entity established under the laws of a State. Further some States may grant legal status to certain forms of fisheries organizations. Therefore if these types of entities can achieve the same goals as can RFAs or FCs, then they are also able to hold or acquire LAPs. This is especially true if the specifications are carefully crafted. Small fishing towns in need of economic development could receive privileges which could be used in approved ways by its citizens. Similarly, organizations of industry participants, broadly or narrowly defined at the will of the Council, could be treated in a similar manner, as long as they have obtained legal status as an entity. This could include a properly authorized fishery cooperative formed under the American Fisheries Act or other similar legislation. Indeed, sectors as introduced by the New England Fishery Management Council could conceivably receive and hold LAPs under the revised MSA if they met the MSA specifications such as legal recognition as an entity.

The potential to include a wide range of entities in a LAP program introduces another policy consideration. The types of entities that have been used in traditional ITQ programs include partnerships and corporations. For the most part, they can be treated like individuals in LAP programs. They receive harvesting privileges and they must use them according to the rules of the plan. When the U.S. Ocean Commission introduced the concept of DAPs they discussed them in terms of a continuum between private control and community control. IFQ programs with privileges allocated to individuals, partnerships, and corporations are at one end of that continuum. Granting LAPs to RFAs, FCs, coops, and fishermen’s organizations is at the other end. Councils may feel that these types of programs may be better able to achieve fishery management objectives because many of

the operational decisions are made by a group of participants rather than by a single authority in a traditional firm. However, they may want to ensure that the internal operating rules for operating these entities are constructed such that they will indeed lead to beneficial results. This is why Congress specified the necessity of Council approval of the operation plans for FCs and RFAs. If Councils choose to use community based entities other than RFAs and FCs, they should still consider the necessity of, and the criteria for specifying, operational plans.

At the same time, it may be possible to devolve some management authority to community-based entities which receive LAPs. For example, the Cape Cod Commercial Hook Sector is responsible for regulating the activities of its members so as to maintain the sector's allowable catch limit. This has the potential to improve overall compliance and to lower government management costs. In these cases, it may be prudent to establish operational plans in the form of a sector allocation proposal between the entity and the Council/NOAA Fisheries.

In summary, the revised MSA sets up procedures which allows Councils to create FCs or RFAs using a specific set of eligibility criteria and a second set of considerations for developing participation criteria. Once formed, both can hold LAPs if they meet the legally recognized criteria, however only FCs can receive LAPs in an initial allocation. Apparently, Councils can also develop LAP programs whereby LAPs can be held by or allocated to any other legally recognized entity, which do not necessarily have to be specified as RFAs or FCs. The program would have to comply with the general LAP mandates contained in the revised MSA. If community-based entities are used, Councils have the option of requiring operation plans to ensure stated criteria are met.

Given the possibility of designating FCs and RFAs or allocating LAPs to other types of entities, the continuum of choice facing the Council is actually more complex than the one used to set the stage for discussion in the introductory paragraph, although the basic points apply. Under the reauthorized MSA, the Councils have the ability to establish a harvesting privilege program following the IFQ model used under the previous versions of the law. But they have much more flexibility. And, in addition, harvesting privileges can be made available to FCs, RFAs, and other entities, as well as to traditional recipients. But as mentioned above, Councils could have issued harvesting privileges to other entities under the prior version of the MSA.

The choice between a traditional IFQ program and a more broadly defined LAP program is an important one that, in addition to the long-term effects on the fishery, may have serious implications for the complexity and cost of the plan development process. It would be quite difficult to give specific advice on the range of options that are available when using the expanded LAP program since this is uncharted territory. The eligibility and participation criteria spelled out in the Act are very general. FCs are likely intended to be cousins of CDQs, but given the lack of specificity it is doubtful that Congress was considering something quite so elaborate. Similarly RFAs may be related, conceptually at least, to Co-ops on the west coast or the cod hook sector in New England, but the analogy is far from perfect. More importantly, the range of other eligible entities is very broad

indeed. When faced with the opportunity to use them to address management objectives of specific fisheries, Councils will likely come up with some very innovative ideas. This is likely exactly what Congress intended. However, the decision to go beyond the basic IFQ model should be a very deliberate one.

For the most part, economic development, even in the most general sense, has not been considered as a management objective except in CDQ fisheries. However, given the option, some Councils may wish to rethink this issue. This will be discussed in further detail below. For now we will focus attention on developing LAP programs to achieve the more common range of fisheries management objectives.

How should a Council make the, at least partially simultaneous, decisions of whether or not to use RFAs or other entities, and if so, what eligibility criteria should be established? On the one hand, they could adopt a process of thinking “outside the box.” Set the management objectives, and design a RFA alternative or select a range of other possible alternatives *de novo* on the basis of these objectives. On the other hand, there may be advantages, at least for conceptualizing the problem, to take a marginal approach. For example, the one stipulated reason for establishing a RFA is to mitigate the untoward distributional or social effects of traditional IFQ programs. But it will not be possible to predict if such things will occur, to what extent and to whom until the various aspects of the program have been selected and studied. Further, it may be possible to address potential untoward effects or certain management objectives by tweaking the IFQ system rather than initiating a more complex system.

Following this logic, consider the issue of determining the eligibility criteria when the focus is on a program that exclusively grants IFQs to traditional recipients such as individuals or firms. At this point, the Council has the option of allowing for broad or restricted participation. To be more specific, under an IFQ program, the range of choices open to the Council could include the following:

- Allow any legal entity permitted by the Act to acquire or hold privileges;
- Allow only individuals or partnerships to acquire or hold privileges but exclude corporations; or
- Establish other restrictions to ensure that only certain types of participants, or sub-groups thereof, acquire or hold privileges.

The use of the first option is constrained by “substantially participate” rule, but the Council may wish to define the term to provide for real and viable options for entry into the fishery. This option provides the most flexibility with respect to allowing changes in the fishery. As such it may be useful in potentially inducing long-term economic efficiency in harvesting and processing. Also, as mentioned earlier, in the context of a traditional IFQ program, the entities that have been selected were from the private end of the continuum.

The second option might be chosen because some think that preventing corporations from participating may help maintain industry and community structure. At the same time, the

limited flexibility may prohibit owners of harvest privileges the opportunity to organize their activities to their best advantage. Currently, many small “mama/papa” operations take advantage of the opportunities provided by incorporation. The point is that the pros and cons of any restrictions should be carefully considered. What may help one section of the industry may hurt another.

The third option can work at two levels. The Council may restrict the type of fishery participant to certain segments of the industry. For example, a Council may stipulate that only individuals in the harvesting sector would be allowed to own privileges, which would prohibit processors from holding privileges. It could also exclude members of unrelated professions who perceive the purchase of IFQ as an investment, or prevent non-fishing interest groups who wish to restrict the activities of commercial fishermen from acquiring privileges. In addition, there may be tighter restrictions placed on the permitted groups. In the example where eligibility is restricted to the harvester sector, tighter restrictions might be used if there are concerns that harvest privileges will be removed from the control of regional fishermen by individuals from other areas. At one extreme, quota ownership may be restricted to vessel owners from a certain area who must be onboard during a fishing trip and in attendance during the off-loading period.

While the Councils do have the flexibility to impose either the general or more specific type of restrictions, it must be acknowledged that the reauthorized Act is quite clear that a wider range of potential owners is now possible. The Councils need to be sure that any limitations are necessary to achieve the management objectives. The full economic and social impacts of various types of limits should be carefully considered when making these decisions.

While the Act does not give specific direction with respect to where in the above range the eligibility criteria should be set, it does address the subject with respect to the related topic of criteria for making the initial allocation of harvest privileges. To ensure fair and equitable initial allocations, the Councils are directed by Section 303A(c)(5) to consider:

- (i) current and historical harvests;
- (ii) employment in the harvesting and processing sectors;
- (iii) investments in, and dependence upon, the fishery; and
- (iv) the current and historical participation of fishing communities.

Once the eligibility criteria have been specified (even if only in a preliminary or draft manner) and taking into account the other selected elements of the proposed program, the Council will be able to make initial estimates of the distribution and other effects of implementation. If some of the projected effects of the traditional IFQ program appear to be incongruent with the objectives of management, it may be wise to consider the use of RFAs or other entities, and to use the expected problems as a focus in determining how they should be designed or selected. It bears repeating that it may make sense to consider tweaking the system to address these issues, rather than to take the plunge and move beyond a traditional IFQ program. For example granting harvesting privileges to both harvesters and processors could address distributional effects on processors. Although it

would likely not find much support with harvesters, it may be preferred to certain types of RFAs.

If the Council wishes to expand its range of choice and consider a more broadly-based LAP program which includes IFQs for individuals and LAPs for RFAs or other entities, it will still be necessary to make the choice with respect to ownership criteria for individuals. In addition, it will be necessary to make an analogous but slightly more complex decision with respect to acceptable types and institutional structures for RFAs or analogous institutions. Again, the choice of the latter may depend on the nature of perceived untoward effects of the traditional IFQ program.

At the first level, the possible range of institutional structures would fall between the following:

1. A group of individuals each holding and using harvest privileges independently, but who may choose to share vessels and processing capability.
2. A corporate entity is granted privileges and those privileges are used by or on behalf of its members according to an agreed upon annual plan that specifies, among other things, who will harvest, and where the product will be landed, processed and sold.

From a loosely-joined collection of individuals to a monolithic centrally (but democratically) controlled union is a very broad range indeed. One reason why a Council may choose to use a more broadly based entity is because designing the structure is part of the game. There will likely not be that much flexibility if they choose to use existing entities. But no matter what, Councils need to determine what kinds of entities will be most useful in allowing for the achievement of the overall management objectives, and then write participation guidelines to ensure that only those types of entities will be used.

If FCs are primarily for economic development, then the process of determining when to use FCs should be different than for RFAs. While the concept of a FC may be related to the CDQ program, the conditions where they can be used in existing fisheries throughout the country are likely to be very different. Originally, CDQs were given to isolated communities with weak economies composed of very poor ethnic minority individuals. The quota shares that they were given were part of a very large TAC of a healthy stock. Moreover, while there was heavy utilization of the stock, giving a small percentage of the TAC as CDQ did not have dramatic effects on the current users. In addition, some of the current users favored the program because they foresaw the opportunity to gain access to these shares through the market place rather than racing across the high seas.

In contrast, most fisheries in the U.S. today are fully utilized and some are overfished and will be, or are, undergoing rebuilding plans which means there will be short-term reductions in harvest. At the same time, while there is a need for economic development in many small and remote fishing ports throughout the U.S., the conditions are seldom as harsh as in the remote parts of Alaska.

It follows that if Councils choose to use FCs that mimic CDQ programs, they will be taking part of a decreasing-sized pie away from current users, who because of restrictive regulations may not be in the best financial shape themselves. If constituents weakly support LAPs in the first place, then the addition of FCs to a program will not be cheered.

On the other hand, economic development can be interpreted in a slightly different way. Granting existing or historical users harvesting privileges in the context of a FC or a similar entity may provide for economic development that was not possible when those users were involved in a competitive open-access race for the fish. They will have the opportunity to cooperatively determine ways to harvest, process, and market the fish so as to increase the net returns and then distribute the gains amongst the members. It is also possible to target these developmental gains because of the ability to specify harvesting privileges as part of the initial allocation. In this case the eligibility criteria will have to be designed so that those eligible for economic development benefits are properly circumscribed. It should not be forgotten that there may be certain existing entities that can be used when Councils are considering economic development. For example, using the municipal governments of small villages may be more convenient than going through the whole process of developing a FC. Depending on the circumstance, municipal governments can be entities which are established under the laws of a State, and if they meet the other criteria in the MSA or those specified in the FMP, they could be an eligible recipient.

If the Council decides to use either FCs or RFAs, it will have to specify the criteria that will be used to evaluate the operational plans that privilege recipients must develop as part of the Council and Secretarial approval process. While operational plans may not be mandated when using other types of eligible LAP entities, Councils would be prudent to consider requiring them especially for initial allocations to entities which are on the community side of the continuum to ensure that the allocations are used as intended.

While the appropriate content of these plans will likely vary according to management objectives and the way in which the Councils choose to construct the entities, the following items will likely be useful or necessary.

1. A statement of how the entity as organized meets the eligibility criteria specified by the Council.
2. A list of members including any pertinent information such as address, vessel or plant name, catch or processing history, taxpayer identification number or other data required for the initial allocation process.
3. The name and contract information of the representative or agent for service of process.
4. A plan on how the harvesting privileges will be used and by whom.
5. A plan to show how actual harvest of the group will not exceed the allotted harvesting privileges. This should include provisions for monitoring of all catch.

6. Rules for entry to and exit from the organization, including procedures for removing or disciplining members who do not abide by the rules, and for informing NMFS of such actions.
7. A contract signed by all parties that they will agree to abide by the plan.
8. A statement of operational rules including collection of fees, voting rules, etc.
9. A commitment to produce a periodic report indicating how it is meeting program requirements.

This Page Intentionally
Left Blank

Eligibility to Acquire/Hold Privileges

The specification of eligibility criteria will have a direct bearing on the design of other components. Some are quite straight-forward and will follow from simple LAP programs. For example, the initial allocation procedure will have to be designed to ensure that entities that are not eligible do not receive QS. Further, the transferability rules and trade approval processes will have to ensure that non-eligible entities do not acquire QS or AHP through market trades.

There are some other rather more subtle issues dealing with the introduction of RFAs and FCs. One has to do with the denomination of the LAP unit. The concept of the LAP based on a portion (rather than a percentage) of the TAC and the possibility of using RFAs and FCs were introduced in the most recent reauthorization. Congress presumably felt that allowing the opportunity to allocate permits based on a portion of the TAC would potentially be better for these organizations than traditional IFQs. So if nothing else, it may be necessary to select the denomination type taking into account what will work best for the types of entity that will receive the quota share.

For example, Councils may feel that FCs, and perhaps certain types of RFAs or similar entities, will be better suited to meet management objectives if their harvesting privileges are more protected. That is, in the case of TAC declines, Councils may feel that they do not want to rely on mandatory percentage cuts. They may desire the option to structure the necessary cuts in some other fashion. Similarly, they may want the option of being able to allocate increases in TAC so that more of the increase goes to specially selected entities. Apparently these options are available under the reauthorized MSA. Two things should be clear, however. First, going to a portion-based QS does not in any way do away with the absolute necessity of keeping the allowable harvest at or below safe biological levels. When the TAC falls, cuts in allowable harvest will be necessary. The discretion will be on who takes the cut, not on whether the cut will be taken. Second, allowing for discretion in the way changes in the TAC are reflected in changes in the AHP of different entities will lead to very difficult and costly political negotiations, as well as the possibility of litigation.

The percentage based system has certain advantages. It is simple to administer, transparent, and likely to be viewed as more fair. It also provides more of the incentives that are the basis for using LAPs in the first place. The harvesting privileges of all participants are more secure which will provide incentives for both biological sustainability and production efficiency. Councils should take a hard look at the pros and cons of choosing either a percentage or a portion based program.

The use of RFAs, FCs, and similar entities will also affect the criteria used to define MO sharelimits. One of the notions behind these organizations is that groups of fishery participants, especially if they are from different sectors, will be able to make fishery operational decisions that will be mutually beneficial to all. Or at least they will make decisions where the effects on all participants are taken into account. As such, it may be permissible, or even desirable, for such organization to control a larger portion of the outstanding QS. One purpose of setting MO share limits is to ensure that one entity can not adversely affect other participants. Since a wider group of participants may be involved in these cases, the concern for this happening may be less.

The eligibility component can also be related to a “yes or no” decision on transferability. With respect to RFAs and FCs, Councils will have to decide whether transferability between either RFAs or FCs, or among RFAs, FCs, and other entities, and if so, in what direction, will help or hinder the achievement of management objectives. The same sort of decision may be necessary even in a traditional IFQ where there are different types of participants who use different types of gear or work out of different ports. This is discussed in more detail above in the initial section on Transferability.

February 18, 2009

Mr. Don Hansen, Chairman
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 101
Portland, OR 97220-1384

Dear Chairman Hansen:

At the November 2008 meeting of the Pacific Fishery Management Council, The Nature Conservancy proposed that the Council make certain changes to the preliminary preferred alternative to remove barriers to the formation of Community Fishing Associations, for the purpose of mitigating the projected negative effects of trawl rationalization on some west coast fishing communities. A Community Fishing Association (CFA) or other such community-based entity would provide an *opportunity* for communities to maintain their participation in the fishery, and would not require an allocation of quota share.

Experience in other fisheries that have undergone rationalization has shown that the first 3 to 5 years after initial allocation of an individual fishing quota (IFQ) system is the period when most of the upheaval in the fishery and traditional fishing communities is likely to occur. After that period it becomes increasingly difficult for new participants or entities – including traditional fishing communities - to enter or re-enter the fishery. It will be important to establish measures to help mitigate community disruption prior to initial allocation such as rules for CFAs.

As explained in our previous submission, a CFA is a new entity that could hold quota share on behalf of a community. In the Central Coast of California, TNC intends to establish such an entity that would build on our existing efforts and eventually hold the permits TNC recently purchased from trawlers in this area and the associated quota share. We will strive to work with communities on the central coast to ensure that fishermen and communities are vested in the fishing entity and that the entity provides tangible benefits and enhances the future of the groundfish fishery. TNC has no intention or desire that its fishing privileges be “retired” or used to constrain the west coast groundfish fishery.

The Council’s final action on trawl rationalization in November 2008 was supportive of the CFA approach. The final motion package identified the need to consider the effect of individual accumulation limits – to be established through a trailing action - on the ability of communities

and individuals to work together to establish community based entities that could hold and manage quota following rationalization, such as CFAs.

The Conservancy and its partners appreciate the Council's continuing attention to the need for maintaining traditional fishing community access to the fishery and understand that establishing an appropriate accumulation limit for a community entity is likely to be difficult without a clear understanding of the need, purpose, and guidelines for such an entity. We offer this second proposal for specific guidelines for a CFA option to assist the Council in taking action on this important need. The recommendations here are based on experience we have had implementing an Exempted Fishing Permit to test a community based approach in Morro Bay and Port San Luis, California and research into similar efforts in other U.S. fisheries.

The benefits of a CFA-type approach are being tested and documented now in the Exempted Fishing Permit the Council approved for 2008 and 2009 and these encouraging results can inform the Council's plan. In order to offer any real opportunity for communities to act to preserve their access to the resource – federal guidelines for establishing community entities *must be in place at the time the IFQ program is implemented*. To ensure that this opportunity is available to communities, we request the Council take the following actions:

- Develop a framework for CFAs in the current set of trailing actions to be completed by June 2009, including specific accumulation limit rules for CFAs that meet the requirements.
- Allow entities that qualify for quota share in excess of individual accumulation limits the opportunity to divest of the excess after initial allocation. Low individual accumulation limits without a grandfather or divestiture provision could lead to a major redistribution of access with serious impacts on communities.

Thank you for your consideration of this request.

Sincerely,



Margaret Spring, Director
California Coastal & Marine Program

Proposed Framework for Establishment of Community Fishing Associations

February 18, 2009

Summary of CFA Proposal:

| | | |
|------|----------------------------------------------------------------------------|---|
| 1. | Problem Statement | 1 |
| 2. | CFAs Can Help Meet National and Regional Fishery Goals and Objectives..... | 2 |
| 3. | Benefits of Community Fishing Associations to Fishery Stakeholders | 3 |
| 4. | Requirements for Community Fishing Associations | 4 |
| 4.1. | Eligibility criteria | 4 |
| 4.2. | Other Approval Criteria | 5 |
| 4.3. | Reporting Requirements | 5 |
| 5. | Accumulation Limit | 6 |
| 6. | Avoiding Excessive Control | 7 |
| 7. | Approval Process | 8 |

1. Problem Statement

As the Council’s evaluation of the proposed groundfish trawl rationalization program indicates, rationalization and consolidation of the trawl fleet is likely a net benefit to the fishery as a whole, but projections of its effects at the individual and community scales are more varied and dislocation is predicted in some communities. Experts recommend advance planning and measures to prevent or mitigate these likely impacts.¹ This change in the management of the fishery arrives at a time when many west coast groundfish ports are struggling to adjust to changes in markets, infrastructure, and recent trawl capacity reduction efforts.

As permits migrate away from historic ports, and consolidation occurs, some communities will be left without trawl access to groundfish, and new entrants from these communities will have little opportunity to become active participants as the fishery recovers. Many groundfish ports on the west coast rely upon diverse fishing opportunities. Groundfish trawling has often been the foundation of these local economies, providing deliveries of fish in quantities that support local processors and other parts of the shoreside fishery infrastructure that in turn support other fisheries in the community. Loss of trawl access as a result of quota or permit migration and consolidation is a high economic and social price for these communities and fishing families to pay.

The Magnuson-Stevens Fishery Conservation and Management Act (“MSA”), 16 U.S.C. § 1801–1891d, as amended in 2006, contains several provisions requiring that fishery management decisions take into consideration and seek to minimize the impact on fishing communities. For example, National Standard #8 requires the government to consider and limit

¹ See, [1999 NRC Report]; GAO, “Individual Fishing Quotas: Methods for Community Protection and New Entry Require Periodic Evaluation” (GAO-04-277, February 2004); 2004 U.S. COP Report, Chapter 19 (*noting that concerns about community impacts led to establishment of the IFQ moratorium in 1996*).

the possible impacts on fishing communities from any proposed management plans or regulations.² Section 303A, which specifically allows for creation of an IFQ, directs the Council to “include measures to assist, when necessary and appropriate, entry-level and small vessel owner-operators, captains, crew, and fishing communities . . .” include provisions to prevent excessive consolidation, and recognize the current and historical participation of fishing communities.³

The Council’s analysis of the rationalization program⁴ has identified several anticipated impacts on fishing communities. The MSA requires that the rationalization program be implemented in a manner that minimizes such adverse impacts on fishing communities and provides for sustained participation of such communities. The preliminary draft Environmental Impact Statement (pdEIS) suggests that several provisions could be used to mitigate such impacts: (1) broad eligibility for QS, (2) a moratorium on transfer of QS, and (3) an adaptive management program (AMP). However, it is unclear how such provisions would work in practice to mitigate for local and community-based impacts, particularly because existing local government administrative structures lack the capacity, authority, expertise and focus to readily take advantage of these opportunities.

What is missing is a community-based entity that can fulfill this role and take advantage of these opportunities at the local level. The establishment of CFAs can help fill this gap and create a mechanism for communities to obtain future economic and social benefits (including jobs and revenues) that will follow the recovery of the groundfish fishery. Further, there is demand for allowing such entities, as seen by the fact that several ports have expressed an interest in pursuing the CFA approach.⁵

2. CFAs Can Help Meet National and Regional Fishery Goals and Objectives

Appropriate accumulation limits and a framework that allows establishment and operation of CFAs or other community entities to prevent or mitigate impacts on fishing communities will support not only the goals and objectives of the trawl rationalization process, but also those set forth in the Pacific Coast Groundfish Fishery Management Plan (PCGFMP) and the MSA. Such approaches are also strongly recommended by expert reports of the National Research Council, the U.S. Commission on Ocean Policy, and the Government Accountability Office.⁶

Such provisions for CFAs in the trawl rationalization process are also needed to meet existing management goals. The Council’s goal in rationalizing the west coast groundfish trawl fishery is to increase net economic benefits from the fishery, promote economic stability, reduce waste and

² 16 U.S.C. § 1851(a) (8).

³ 16 U.S.C. § 1853a.

⁴ Chapter 4; Section 4-14 of the pdEIS

⁵ See, e.g., Resolution No. 61-08, City Council of Morro Bay, October 13, 2008; Resolution No. 21-08, San Mateo County Harbor District, October 15, 2008; Letter from Chuck Della Salla, Mayor of Monterey, to Mr. Donald K. Hansen, October 24, 2008; Resolution No. 08-15, Port San Luis Harbor District, October 28, 2008.

⁶ Cite to 1999 NRC Report, 1994 GAO Report, USCOP.

promote full utilization of the resource, and improve accountability. One of the objectives supporting this goal is to minimize adverse effects from an IFQ program on fishing communities and other fisheries to the extent practical. Further, the objective of the PCGFMP⁷ is to provide for the sustained participation of fishing communities and minimize adverse economic impacts. Including provisions that would promote community stability and improved management through establishment of voluntary Community Fishing Associations would clearly serve these goals.

Moreover, such community-based approaches have proven critical to preventing disruption and political opposition in other fisheries, and as a result are specifically required by the MSRA and recommended by the Natural Research Council⁸ and other expert panels.⁹ Such community-based approaches were specifically adopted in both the pollock cooperative and halibut and sablefish IFQ programs in the North Pacific Council, as well as in other nations (e.g., see GAO 1994).

3. Benefits of Community Fishing Associations to Fishery Stakeholders

The MSA defines the term "fishing community" to mean a community which is substantially dependent on or substantially engaged in the harvest or processing of fishery resources to meet social and economic needs, and includes fishing vessel owners, operators, and crew and United States fish processors that are based in such community.¹⁰ Factors which affect individuals within a fishing community have a significant effect on the whole fishery economy. For example, market changes that diminish processing capacity or a management change or buyout that reduces fishing vessel capacity in a port impact the entire community. These effects have been seen clearly in the Morro Bay Port San Luis Area where the possibility of establishing a community-based entity is currently being tested under an Exempted Fishing Permit (EFP) in the Central Coast of California.

The benefits of the members of a fishery working cooperatively to address shared needs are well-established – and have been clearly evident in the Morro Bay/Port San Luis EFP demonstration project. We envision a CFA as a new entity that can permanently hold groundfish quota share (QS) and permits on behalf of a fishing community as defined in the MSA and that can manage and distribute quota pounds (QP) each year for the benefit of that community.

Creating rules that would allow the creation and operation of CFAs would provide a number of benefits for communities, fishermen, processors, and fishery managers:

- **Local Access and Opportunity:** By acquiring, holding and distributing an amount of quota share on behalf of one or several communities the entity is able to anchor access to the resource in a particular area for the benefit of the local fishing economy;

⁷ See Section 2.1, Objective 16. Pacific Coast Groundfish Fishery Management Plan for the California, Oregon, and Washington Groundfish Fishery. July 2008.

⁸ National Research Council. Sharing the Fish: Toward a National Policy on Individual Fishing Quotas. 1999.

⁹ GAO 1994 (pages 8-9); USCOP 2004 (p. 289-290; Recommendation 19-15)

¹⁰ 16 U.S.C. 1802(17)

- Fishing Participants: Providing a mechanism for pooling of risks (e.g. depleted species) and sharing costs (e.g. observers/monitoring) can benefit fishermen by mitigating the risks and reducing the costs of the new IFQ program to their businesses;
- Fishing Businesses: Ensuring deliveries of fish caught using community held quota share will benefit those who own fish processing or fish receiving businesses in the community;
- Crew and New Entrants: Offering a local source of access to quota share for individuals seeking to move up in the fishery, a fishing association can provide opportunity for crew members and new entrants;
- Fishery Managers: By sharing responsibility and accountability for abiding by fishery regulations with fishermen, a community fishing association can benefit fishery managers by improving accountability and aiding in compliance and enforcement;
- Shoreside Services: Sustaining fishing activity in a particular community will benefit other providers of shoreside services used by fishermen (fuel docks, bait services, haul-out facilities and boat yards, fabrication facilities, etc.).

Importantly, a CFA that provides these multiple benefits would also operate as a co-management entity that provides management services – as opposed to simply a risk pool or other agreement among fishery participants. It is possible that additional benefits for the conservation and management of the resource may become apparent as these entities are established. For example, the entity may be able to form partnerships with research institutions to undertake fishery research, or undertake private fundraising to support specific projects. The partners in the Morro Bay/Port San Luis EFP are interested in exploring these possibilities for a Central Coast CFA entity.

4. Requirements for Community Fishing Associations

Requirements for a Community Fishing Association (CFA) should be tailored to meet the conservation and management goals of the PCGFMP, including community impact concerns, but can also build on approaches used in other fisheries that have undergone rationalization. As envisioned for this fishery, a CFA may be a corporation, partnership, voluntary association, or other entity established under the laws of the United States.

A CFA could hold QS and each year distribute QP to its members. In order to hold quota share, it must comply with all of the requirements of the MSA, the PCGFMP, and the rules governing the trawl rationalization program generally. The Council and NMFS should consider also establishing specific eligibility and approval criteria for CFAs, as well as additional requirements specific to CFAs.

4.1. Eligibility criteria

The Council could consider some or all of the following conditions for eligibility:

- A single CFA may represent multiple communities, but a community may be represented by only one CFA. This requirement will eliminate the potential confusion caused by

multiple CFAs attempting to represent a single community or an overlapping set of communities.

- A CFA must demonstrate support from the eligible community(ies) it seeks to represent (e.g., letter from the mayor, or a city council resolution). This requirement ensures that the CFA is acknowledged as an entity that supports the community and that the community supports the CFA.
- A CFA must be able to demonstrate the participation of at least two fishermen and one fish receiver or fish processor. This requirement will ensure that the CFA represents and engages diverse fishing community sectors, not only a single sector.
- An application must be prepared and submitted to NMFS that includes the following:
 - Articles of incorporation and by-laws;
 - Organizational chart and explanation of management structure;
 - Information required by the agency regarding ownership, relationships, roles and responsibilities for staff and board members to be used to assess compliance with control limits and the individual and collective rule;
 - Statement describing procedures that will be used to distribute QP each year to members of the community;
 - Formal statements of support from governing body(ies) of the communities it seeks to represent; and,
 - An estimate of the amount of QS the CFA will seek to acquire and will identify the number and identities of fishermen and processor(s) that will participate in the CFA.
 - A description of the roles and responsibilities of the members of the association, including dispute resolution mechanisms.

4.2. Other Approval Criteria

In addition to the required elements described above, the applicants should also describe how the CFA will contribute to the social, economic development, and conservation and monitoring needs of the fishery locally, including the needs of entry-level and small vessel owner-operators, captains, and crew. These could include efforts to address potential community impacts identified in the IFQ analysis¹¹:

- The amount of trawl vessel activity in the community – and other groundfish fishing effort;
- The number of jobs as crew, in processing facility, seasonality of employment;
- The amount of local processing activity;
- Municipal or community needs or interests – e.g., revenues;
- Investments in local fishery infrastructure; or
- Factors that affect non-trawl fisheries in the community.

4.3. Reporting Requirements

¹¹ Based on Table 4-61- Overview of impacts, mechanisms, and metrics used to assess community impacts. Trawl Rationalization Decision Document.

Each CFA must file an Annual Report on behalf of its communities by a specified deadline each year. The report should be provided to the communities served by the CFA and to NMFS and the Council. The report should contain information to ensure it is meeting the goal and objectives of the PCGFMP and the trawl rationalization program:

- Description of criteria used to distribute QP among community members;
- Description of process used to identify recipients of CFA QP from among community members;
- Description of efforts undertaken to ensure local employment in the fishery or in fishery related businesses, sale of fish to local receivers and processors, and other local benefits.
- Summary of management changes, including changes in key personnel, board members, and corporate by-laws;
- Copies of relevant decision documents and minutes from CFA Board meetings.

5. Accumulation Limit

A CFA should be able to acquire and hold sufficient QS to provide opportunity for several harvesters and have a material community benefit. There is precedent in other rationalized fisheries for granting a higher limit for community entities. For example, the Bering Sea crab rationalization program granted a higher limit for QS held by Community Development Quota entities for the benefit of Alaska native communities.¹²

There are two options for establishing a CFA accumulation limit:

Option 1 – A CFA may control up to a specified cap (e.g., 10%) of groundfish QS with corresponding caps for individual species. The cap is easy for potential applicants to understand. However, there are likely significant challenges associated with conducting the analysis to justify a particular set of individual species caps up front in the rationalization process.

Option 2 – A CFA may control an amount of quota share (up to a specified cap or “budget” established by the PFMC or NMFS) that is justified based on its location, the number of fishermen likely to participate, the needs of the community, the species available and desired by the local fishery. Different communities may have different goals for their CFAs that would justify different approaches. For example,

Community 1 may have a history of trawling but has lost much of its access in the last decade. It sees its best future in taking advantage of gear switching to encourage continued trawling as well as a greater proportion of hook and line fishing. Because of

¹² See, Section 1.6 Bering Sea Crab Rationalization Program Alternatives adopted by the North Pacific Fishery Management Council. June 9, 2004. We also note that the California Department of Fish and Game, in its October 15, 2008, submittal for the November meeting Briefing Book, agreed that high accumulation limits for associations may be needed when it wrote that for Associations managing quota, “exemptions from accumulation limits may be necessary.” *Report on Adaptive Management*, California Department of Fish and Game (October 15, 2008).

impacts on their community from other fishery management decisions (e.g., closure of open access, closure of salmon fishing) they want the CFA to provide opportunity for displaced fixed gear fishermen. The CFAs quota “budget” would provide for leasing permits and QP each year to support these operations.

Community 2 may have a number of trawl IFQ holders resident who are concerned about their ability to cover costs of monitoring, pool depleted species quota, and desire to increase their opportunity or attract other trawl IFQ holders to the port. The port would like to increase the number of jobs in the fishing sector. They may establish a CFA that can offer fishermen a “bonus” for fishing out of and delivering to that port or the local processor. The CFAs quota “budget” would be justified as providing an additional percentage for these fishermen.

The Applicant would bear the burden of describing the goals of its CFA and requesting and justifying the desired QS budget of QS. This would be subject to the review process and must be approved by the agency. It may be simpler to cap the amount that a CFA may be allowed to hold overall and then review specific requests on a case-by-case basis. This would be only an authorization for the CFA to participate in the market to purchase QS up to a limit; this is not a direct allocation of QS. The Council and NMFS could develop more specific limits as the program matures.

6. Avoiding Excessive Control

CFAs would hold QS on behalf of the community for the use by multiple fishery participants, in order to function meaningfully on behalf of the fishery participants within a community. Consequently, a CFA must be allowed to control an amount of QS greater than the limits that apply to individual participants¹³. However, other than this exception, the CFA and those involved should be held subject to the rules of the trawl rationalization program designed to prevent excessive control. In particular, this refers to the own and control limit for individual ownership of QS.

The IFQ Alternatives Analysis states that the “individual and collective” control rule requires that the QS or QP that counts toward a person's accumulation limit will include (1) the QS or QP owned by them, and 2) a portion of the QS or QP owned by any entity in which that person has an interest. The person's share of interest in that entity will determine the portion of that entity's QS or QP that counts toward the person's limit.¹⁴

To avoid any person gaining excessive control in the fishery through a CFA, this rule may be augmented by the following requirements that could be made specific to CFAs.

¹³ The need for a different accumulation limit for CFAs is more fully described in Section IV.A of our October 29, 2008 letter.

¹⁴ The full description and analysis may be found in the Analysis of the Components, Elements, and Options for the IFQ Alternative, Section A-2.2.3.e Accumulation Limits (Vessel and Control), p. A-226.

- The specific nature of what constitutes an individual’s “interest” in the CFA must be specified in guidelines¹⁵ and described in the CFA application.
- If any individual controls or owns more than, for example, 10% of a CFA then 100% of the QS owned by the CFA is attributed to that individual. This is intended to serve as a barrier to excessive control over the operations of a CFA by an individual – if 100% of a CFA quota share is attributed to an individual, that individual would be in violation of the control rule and forced to divest. This should provide a strong disincentive for inappropriate arrangements in a CFA.
- The “individual and collective” rule should not be a barrier to fishermen working together to share costs and mitigate risks. This would allow the CFA model to benefit fishermen who hold trawl QS who might be barred by the rule from developing a formal partnership with other QS owners.
- Any management changes, including changes in key personnel, board members, and corporate by-laws - of a CFA must be reported to NMFS within a set period of time. This would provide transparency for the agency to monitor on an ongoing basis any management changes that could lead to excessive control.
- Failure to abide by these rules will result in sanctions and eventual revocation of approval of the CFA.

7. Approval Process

Because a CFA comprising multiple participants would need a higher accumulation limit to operate and provide community benefits, the specific nature of the approval should be a certificate that specifies the amount of QS the CFA is authorized to acquire and hold. The certificate may specify other terms and conditions, if necessary.

The application and approval process should be clear and minimize the administrative burden of reviewing applications and monitoring CFAs. The burden must be on the applicant to provide a complete application. Incomplete applications should not be moved forward in the process. States should have a role in reviewing complete, viable applications, but that role should be optional and subject to capacity and resource constraints. The Council may want to consider what its appropriate role would be in reviewing CFA applications.

NMFS should exercise its authority to recover permitting expenses (beyond IFQ program cost recovery) by requiring an application fee be paid. Such a fee would discourage insincere applications and could be waived for communities that can demonstrate hardship and inability to pay.

¹⁵ Comparable regulations have been developed to govern several Alaska fisheries – see 50 CFR 679.2



Magnuson-Stevens Fishery Conservation and Management Act

As Amended Through January 12, 2007

**May 2007
Second Printing**

(EXCERPTS)

U.S. Department of Commerce
Carlos M. Gutiérrez, Secretary

National Oceanic and Atmospheric Administration
Vice Admiral Conrad C. Lautenbacher, Jr., USN (Ret.)
Under Secretary for Oceans and Atmosphere

National Marine Fisheries Service
William T. Hogarth, Assistant Administrator for Fisheries

(c) REQUIREMENTS FOR LIMITED ACCESS PRIVILEGES.—

(1) IN GENERAL.—Any limited access privilege program to harvest fish submitted by a Council or approved by the Secretary under this section shall—

(A) if established in a fishery that is overfished or subject to a rebuilding plan, assist in its rebuilding;

(B) if established in a fishery that is determined by the Secretary or the Council to have over-capacity, contribute to reducing capacity;

(C) promote—

- (i) fishing safety;
- (ii) fishery conservation and management; and
- (iii) social and economic benefits;

(D) prohibit any person other than a United States citizen, a corporation, partnership, or other entity established under the laws of the United States or any State, or a permanent resident alien, that meets the eligibility and participation requirements established in the program from acquiring a privilege to harvest fish, including any person that acquires a limited access privilege solely for the purpose of perfecting or realizing on a security interest in such privilege;

(E) require that all fish harvested under a limited access privilege program be processed on vessels of the United States or on United States soil (including any territory of the United States);

(F) specify the goals of the program;

(G) include provisions for the regular monitoring and review by the Council and the Secretary of the operations of the program, including determining progress in meeting the goals of the program and this Act, and any necessary modification of the program to meet those goals, with a formal and detailed review 5 years after the implementation of the program and thereafter to coincide with scheduled Council review of the relevant fishery management plan (but no less frequently than once every 7 years);

(H) include an effective system for enforcement, monitoring, and management of the program, including the use of observers or electronic monitoring systems;

(I) include an appeals process for administrative review of the Secretary's decisions regarding initial allocation of limited access privileges;

(J) provide for the establishment by the Secretary, in consultation with appropriate Federal agencies, for an information collection and review process to provide any additional information needed to determine whether any illegal acts of anti-competition, anti-trust, price collusion, or price fixing have occurred among regional fishery associations or persons receiving limited access privileges under the program; and

(K) provide for the revocation by the Secretary of limited access privileges held by any person found to have violated the antitrust laws of the United States.

(2) WAIVER.—The Secretary may waive the requirement of paragraph (1)(E) if the Secretary determines that—

- (A) the fishery has historically processed the fish outside of the United States; and
- (B) the United States has a seafood safety equivalency agreement with the country where processing will occur.

(3) FISHING COMMUNITIES.—

(A) IN GENERAL.—

(i) ELIGIBILITY.—To be eligible to participate in a limited access privilege program to harvest fish, a fishing community shall—

- (I) be located within the management area of the relevant Council;
- (II) meet criteria developed by the relevant Council, approved by the Secretary, and published in the Federal Register;
- (III) consist of residents who conduct commercial or recreational fishing, processing, or fishery-dependent support businesses within the Council's management area; and
- (IV) develop and submit a community sustainability plan to the Council and the Secretary that demonstrates how the plan will address the social and economic development needs of coastal communities, including those that have not historically had the resources to participate in the fishery, for approval based on criteria developed by the Council that have been approved by the Secretary and published in the Federal Register.

(ii) FAILURE TO COMPLY WITH PLAN.—The Secretary shall deny or revoke limited access privileges granted under this section for any person who fails to comply with the requirements of the community sustainability plan. Any limited access privileges denied or revoked under this section may be reallocated to other eligible members of the fishing community.

(B) PARTICIPATION CRITERIA.—In developing participation criteria for eligible communities under this paragraph, a Council shall consider—

- (i) traditional fishing or processing practices in, and dependence on, the fishery;
- (ii) the cultural and social framework relevant to the fishery;
- (iii) economic barriers to access to fishery;
- (iv) the existence and severity of projected economic and social impacts associated with implementation of limited access privilege programs on harvesters, captains, crew, processors, and other businesses substantially dependent upon the fishery in the region or subregion;
- (v) the expected effectiveness, operational transparency, and equitability of the community sustainability plan; and
- (vi) the potential for improving economic conditions in remote coastal communities lacking resources to participate in harvesting or processing activities in the fishery.

(4) REGIONAL FISHERY ASSOCIATIONS.—

(A) IN GENERAL.—To be eligible to participate in a limited access privilege program to harvest fish, a regional fishery association shall—

- (i) be located within the management area of the relevant Council;
- (ii) meet criteria developed by the relevant Council, approved by the Secretary, and published in the Federal Register;
- (iii) be a voluntary association with established by-laws and operating procedures;
- (iv) consist of participants in the fishery who hold quota share that are designated for use in the specific region or subregion covered by the regional fishery association, including commercial or recreational fishing, processing, fishery-dependent support businesses, or fishing communities;
- (v) not be eligible to receive an initial allocation of a limited access privilege but may acquire such privileges after the initial allocation, and may hold the annual fishing privileges of any limited access privileges it holds or the annual fishing privileges that is [sic]¹⁷ members contribute; and
- (vi) develop and submit a regional fishery association plan to the Council and the Secretary for approval based on criteria developed by the Council that have been approved by the Secretary and published in the Federal Register.

(B) FAILURE TO COMPLY WITH PLAN.—The Secretary shall deny or revoke limited access privileges granted under this section to any person participating in a regional fishery association who fails to comply with the requirements of the regional fishery association plan.

¹⁷ So in original.

(C) PARTICIPATION CRITERIA.—In developing participation criteria for eligible regional fishery associations under this paragraph, a Council shall consider—

- (i) traditional fishing or processing practices in, and dependence on, the fishery;
- (ii) the cultural and social framework relevant to the fishery;
- (iii) economic barriers to access to fishery;
- (iv) the existence and severity of projected economic and social impacts associated with implementation of limited access privilege programs on harvesters, captains, crew, processors, and other businesses substantially dependent upon the fishery in the region or subregion;
- (v) the administrative and fiduciary soundness of the association; and
- (vi) the expected effectiveness, operational transparency, and equitability of the fishery association plan.

(5) ALLOCATION.—In developing a limited access privilege program to harvest fish a Council or the Secretary shall—

(A) establish procedures to ensure fair and equitable initial allocations, including consideration of—

- (i) current and historical harvests;
- (ii) employment in the harvesting and processing sectors;
- (iii) investments in, and dependence upon, the fishery; and
- (iv) the current and historical participation of fishing communities;

(B) consider the basic cultural and social framework of the fishery, especially through—

- (i) the development of policies to promote the sustained participation of small owner-operated fishing vessels and fishing communities that depend on the fisheries, including regional or port-specific landing or delivery requirements; and
- (ii) procedures to address concerns over excessive geographic or other consolidation in the harvesting or processing sectors of the fishery;

(C) include measures to assist, when necessary and appropriate, entry-level and small vessel owner-operators, captains, crew, and fishing communities through set-asides of harvesting allocations, including providing privileges, which may include set-asides or allocations of harvesting privileges, or economic assistance in the purchase of limited access privileges;

(D) ensure that limited access privilege holders do not acquire an excessive share of the total limited access privileges in the program by—

- (i) establishing a maximum share, expressed as a percentage of the total limited access privileges, that a limited access privilege holder is permitted to hold, acquire, or use; and
- (ii) establishing any other limitations or measures necessary to prevent an inequitable concentration of limited access privileges; and

16 U.S.C. 1853a
MSA § 303A

(E) authorize limited access privileges to harvest fish to be held, acquired, used by, or issued under the system to persons who substantially participate in the fishery, including in a specific sector of such fishery, as specified by the Council.

OUTLINE OF POTENTIAL ELEMENTS FOR COMMUNITY FISHING ASSOCIATION (CFA) PROVISIONS

At the March 2009 meeting, the Council tasked staff with presenting options for defining a Community Fishing Association (CFA) using the NOAA Technical Guidance Memorandum called the Design and Use of Limited Access Privilege Programs ((F.4.a, Attachment 1) and The Nature Conservancy's public comment letter (F.4.a, Attachment 2) and as a starting point. The NOAA Technical Guidance Memorandum referred the reader to language in the Magnuson-Stevens Act which describes eligibility and establishing criteria for Fishing Communities and Regional Fishing Associations. Those requirements are listed in Tables 1 and 2 below.

Table 1. Requirements of the MSA with respect to eligibility and CFAs and Regional Fishing Associations (RFA).

| Eligibility Requirement | 303A Reference | |
|-----------------------------------------------------------------------|----------------------------------------------|---------------------------------|
| | Fishing Communities | RFA |
| <i>A fishing community/RFA shall</i> | | |
| Be located within a community | (3)(A)(i)(I) | (4)(A)(i) |
| Meet other Council criteria | (3)(A)(i)(II) | (4)(A)(ii) |
| Be a voluntary association with bylaws and operating procedures | | (4)(A)(iii) |
| Consist of harvesters, processors, support businesses and communities | Residents within the area: (3)(A)(i)(III) | Those who hold QS (4)(A)(iv) |
| Not be eligible to receive QS | | (4)(A)(v) |
| Provide a plan | (3)(A)(i)(IV) | (4)(A)(iv) |

Table 2. Requirements of the MSA with respect to factors the Council is required to consider in establishing criteria for Fishing Communities and RFAs.

| Participation Criteria | 303A Reference | |
|------------------------------------------------------------------------------|---------------------|-------------|
| | Fishing Communities | RFA |
| <i>The Council shall consider</i> | | |
| traditional fishing or processing practices in and dependence on the fishery | (3)(B)(i) | (4)(B)(i) |
| the cultural and social framework | (3)(B)(ii) | (4)(B)(ii) |
| economic barriers to access the fishery | (3)(B)(iii) | (4)(B)(iii) |
| existence and severity of projected impacts | (3)(B)(iv) | (4)(B)(iv) |
| administrative and fiduciary soundness of the association | | (4)(A)(v) |
| effectiveness, transparency and equitability | (3)(B)(v) | (4)(A)(vi) |
| potential for helping remote communities lacking resources | (3)(B)(vi) | |

In addition to the MSA requirements, The Nature Conservancy and the Pacific Coast Federation of Fishermen’s Associations (PCFFA) submitted public comment letters regarding the definition, structure and guidelines of Community Fishing Associations (CFA). The following text is a “strawman” description of a Community Fishing Association developed using the MSA, The Nature Conservancy, and including a proposed definition, qualification criteria, and other requirements and standards. Text and concepts from the MSA, TNC and PCFFA were used in developing this “strawman” proposal. Please note that in the short amount of time available prior to the April Briefing Book deadline dictated that only a limited, rough presentation on possible elements be included. Additional analysis will be presented by Council staff at the April Council meeting. Council staff does not endorse any of the descriptive elements or associated language, but rather presents it here in the spirit of facilitating further development.

| | |
|--------------------------------------------------------------------------------|---|
| Definition of a CFA | 3 |
| Qualification as a CFA..... | 3 |
| Geographic Designations and Community Affiliations..... | 3 |
| Membership Requirements | 3 |
| Organization and Operational Standards | 4 |
| Community Sustainability Plan | 4 |
| Application for Status as a CFA | 5 |
| Criteria for Evaluating Applications and Approval Process..... | 5 |
| General Participation and Special Considerations..... | 6 |
| Special Consideration - Accumulation Limits..... | 6 |
| Special Consideration – Acquisition of QS During the Transfer Moratorium | 6 |
| Special Consideration – Acquisition of QS During the Divestment Period | 6 |
| Special Responsibility - Reporting Requirement..... | 6 |

Definition of a CFA

An association that acquires QS/QP and distributes QP for delivery within the geographic community that the CFA represents. CFAs receive special considerations that are not made available to other participants in the trawl rationalization program.

Qualification as a CFA

To be recognized as a CFA, an entity must

1. Meet the geographic designation and membership requirements.
2. Have the support of local governing entities (county, city or port district).
3. Meet the organizational standards.
4. Develop an adequate community sustainability plan (MSA 303A(c)(3)(i)(I) and (IV)).

Geographic Designations and Community Affiliations

CFAs must be located within the management area of the Council ((Based on MSA 303A(c)(3)).

Geographic Designation Option 1: The geographic areas served by a CFA may not overlap. (i.e. a community may be represented by only one CFA)

Geographic Designation Option 2: The geographic areas served by a CFA may overlap.

Community Affiliations Option 1: A CFA may only represent one community. A single management company **may/may not** administer multiple CFAs.

Community Affiliations Option 2: A CFA may represent multiple communities. The geographic area covered by a CFA may not exceed (X miles of the coast, X adjacent counties, X adjacent port districts).

Community Affiliations Option 3: A CFA may represent multiple communities. There will be no restriction on the geographic size of the CFA.

Community Support. A CFA must demonstrate substantial community support of community members and governing jurisdictions in the area it seeks to represent.

Membership Requirements

Members of the CFAs must be community residents that join together voluntarily.

Option 1 (Based on MSA 303A(c)(3)). Only community residents who conduct commercial fishing, processing businesses, or fishery dependent support businesses may be members of the CFA. Association members may include those who will directly benefit from the distribution of QS/QP. Direct benefits means they will either catch or receive fish in association with the QS/QP provided by the CFA.

Option 2. Only community residents may be members of the CFA. Association member may not include those who will directly benefit from the distribution of CFA QS/QP (“direct benefit” is defined in Option 1). ¹

Note: In further developing membership requirements, one might use a worksheet like the following to delineate the types of entities that must/may/may not participate in a CFA.

| Type of Entity | Must Include | May Include | May Not Include |
|----------------------------------------------------------|---------------------|-------------|-----------------|
| Governing Authorities (counties, cities, port districts) | | | |
| Harvesters | (e.g. at least two) | | |
| Processors | (e.g. at least one) | | |
| Industry Associations | | | |
| Other Public Interest Groups | | | |
| Corporations | | | |
| Partnerships | | | |
| Individuals | | | |

Organization and Operational Standards

A CFA must be organized as a corporation under the laws of the United States.

Beneficiaries: CFAs

Must only distribute QP to their own members.

May distribute to their members as well as nonmembers.

Must offer those outside the association the same opportunity to qualify as a member in a reasonable timeframe.

Community Sustainability Plan

The CFA should develop a community sustainability plan that includes the following:

¹ For example, the CFA might distribute QP via auction using contracts that require the recipient to deliver to buyers within the community the QS and a certain amount of matching QS

1. Specification of the organizations goals and objectives and the means by which it intends to meet those goals and objectives.
2. Description of how the CFA will contribute to the social, economic development, and conservation and monitoring needs of the fishery locally, including the needs of entry-level and small vessel owner-operators, captains, and crew. The description shall include anticipated efforts to address the following as necessary to maintain the characteristic of the community or support its economic development:
 - a. sustaining effort by trawl and other groundfish fisheries;
 - b. maintaining crew, processing and seasonal employment opportunities;
 - c. maintaining local processing activity;
 - d. meeting local community and municipality needs;
 - e. investing in local infrastructure; and
 - f. addressing potential adverse impacts on the nontrawl sector.

Application for Status as a CFA

Applications will include:

1. Articles of incorporation and bylaws.
2. A list of members of the CFA and the nature of their involvement/interest in the fishery.
3. Organization chart and explanation of management structure.
4. A sustainability plan.
5. All information needed for NMFS to assess compliance with control limits.
6. Operating procedures including description of
 - a. roles and responsibilities of members of the association, staff, and contractors;
 - b. the process and criteria by which QP will be distributed; and
 - c. dispute resolution processes.
7. Documentation that shows that all other CFA eligibility requirements have been met.

Criteria for Evaluating Applications and Approval Process

CFAs will be approved provided

A complete application has been provided.

All requirements listed above are met and approved by the Council, including those pertaining to geographic representation and community support.

Approval will include specification of special responsibilities and considerations being afforded the CFA (e.g. the level of QS control that will be afforded the CFA).

General Participation and Special Considerations

CFAs will participate in common with all other participants in the IFQ program and have the same rights and responsibilities, except with respect to special responsibilities and considerations provided for by the Council and through NMFS regulations. General participation includes such things as the obligation to transfer QP to vessel accounts each year and the opportunity for those vessels to use nontrawl gears to harvest their QP under terms identical to those which apply to all other participants.

The special considerations provided may include, but not be limited to, higher accumulation limits than provided for other entities and a higher priority for the allocation of QP under an adaptive management program.

Special Consideration - Accumulation Limits

Accumulation limits may be different (higher) for CFAs than for other entities that are eligible to own quota shares.

Accumulation limits will be on the June 2009 Council agenda.

Special Consideration – Acquisition of QS During the Transfer Moratorium

Transfers of QS to CFAs during the first two years of the trawl rationalization program would not be approved, while all other transfers would be prohibited.

Special Consideration – Acquisition of QS During the Divestment Period

If the Council chooses to allow a divestiture period, CFAs could be the intended recipient or buyer of those QS.

Special Responsibility - Reporting Requirement

CFAs would be required to report on specific aspects of participants, CFA performance measures, etc.

MISCELLANEOUS TRAWL RATIONALIZATION CLARIFICATIONS RELATING TO THE WHITING FISHERY

Three issues for Council clarification are summarized here:

1. Dropping the same two years for permits participating in both the shoreside and at-sea whiting sectors.
2. Whether or not there would be a rollover of unused whiting between at-sea sectors.
3. Whether or not buffers would be used to control bycatch in the non-co-op fishery.

1. Dropping the Same Two Years

In calculating the initial allocation for a catcher vessel permit with whiting history the worst two years will be dropped. This provision is included in the IFQ alternative for both the shoreside and mothership sectors and in the co-op alternative for both the mothership and shoreside co-op programs. Further, the IFQ alternative identified that **if IFQs were adopted for both the mothership and shoreside whiting sectors, a permit with history in both of those sectors would have to drop the same two years** in the calculation of its shoreside whiting quota and the calculation of its mothership whiting quota. There were similar provisions under the co-op alternative. While **there was no provision which specified what would happen if IFQs were adopted for one sector and co-ops for the other**, it appears that application of that rule across the IFQ and co-op programs would be consistent with the options that were considered. The Council is asked to either confirm this interpretation or provide alternative direction.

2. Whiting Rollover

There were options that specified a whiting rollover and no whiting rollover. The preliminary preferred alternative was no whiting rollover; however, the Council's motion did not provide explicit direction on this point during final action. **Under status quo there is a rollover.** The Council staff therefore interpreted **the Council's final action as not changing status quo** (maintaining the rollover). The Council is asked to either confirm this interpretation or provide alternative direction.

3. Buffers

For the mothership sector, the Council's preliminary preferred alternative specified that there would be no buffers used to manage bycatch in the non-co-op segment of the mothership fishery. The following is the relevant section from the co-op program:

A sector's bycatch allocation will be divided between the co-op and non-co-op fishery of the sector, in proportion to the whiting allocated to each fishery. The co-op fishery will close based on attainment of its allocation.

Option 1: For the non-co-op fishery there will be a bycatch buffer. When only the buffer remains, the fishery would close temporarily while a determination is made as to a

possible re-opening. If the fishery is reopened it will close based on attainment of its allocation. The buffer amounts considered will be:

Sub-option i: 20 percent

Sub-option ii: 10 percent

Sub-option iii: 5 percent

- **Option 2:** For the non-co-op fishery there will not be a buffer. The fishery will close based on projected attainment of its allocation.

Since an affirmative action would be required to implement buffers and there was no explicit direction on this point, **the Council staff assumed that at this time buffers would not be one of the tools used to manage bycatch in the non-co-op fishery.** The Council is asked to either confirm this interpretation or provide alternative direction.

PFMC

03/19/09

Pacific Council Recommendations for Rationalization of the Groundfish Trawl Fishery (Including Whiting)

| | | |
|-------|--------------------------------------------------------------------------------|----|
| 1.0 | Overview of Recommendations by Sector | 1 |
| 2.0 | Shoreside Trawl Sector: IFQ Program (Appendix A of the EIS) | 2 |
| 2.1 | Overview of the IFQ Program Elements | 2 |
| 2.1.1 | <i>Initial Allocation</i> | 2 |
| 2.1.2 | <i>Stock Management Units for IFQs</i> | 3 |
| 2.1.3 | <i>Annual Issuance, Holding Requirements and Transfer Rules</i> | 3 |
| 2.1.4 | <i>Tracking and Monitoring</i> | 4 |
| 2.1.5 | <i>Costs and Fee Structure</i> | 4 |
| 2.1.6 | <i>Program Monitoring, Review and Future Auction</i> | 4 |
| 2.2 | Detailed Specification of IFQ Program Elements and Options | 4 |
| 3.0 | Whiting At-sea Trawl Sector: Cooperative Program (Appendix B of the EIS) | 23 |
| 3.1 | Overview of Co-op Program Elements | 23 |
| 3.1.1 | <i>At-sea Whiting Sector Management under Co-ops</i> | 23 |
| 3.1.2 | <i>Co-ops for Catcher Vessels Delivering to Motherships</i> | 24 |
| 3.1.3 | <i>Co-ops for Catcher-Processors</i> | 24 |
| 3.2 | Detailed Specification of Co-op Program Elements..... | 25 |
| B-1 | Whiting Sector Management Under Co-ops | 26 |
| B-2 | Whiting Mothership Sector Co-Op Program | 28 |
| B-3 | Whiting Shoreside Sector Co-Op Program (placeholder, not recommended) | 35 |
| B-4 | Catcher-Processors Co-op Program..... | 36 |

1.0 Overview of Recommendations by Sector

The Pacific Fishery Management Council's (Council) sector specific recommendations for rationalizing the trawl fishery are provided here and will be finalized and forwarded to the National Marine Fisheries (NMFS) for approval later in 2009. The recommendations were adopted at the Council's November 2008 meeting. In general, the Council recommends the following:

Shoreside Trawl Sector (nonwhiting groundfish species and whiting):

Manage with IFQs.

Provide 90% of the initial allocation of nonwhiting IFQ to holders of vessel permits; and set aside 10% of the initial allocation for an adaptive management program that may benefit processors and communities, among others.

Provide 80% of the initial allocation of whiting IFQ to holders of vessel permits; and provide 20% of the initial allocation of whiting to processors.

Mothership Trawl Sector (whiting and groundfish bycatch species):

Manage with a harvester co-op system.

Require that vessels declare pre-season the mothership processor for which they will fish in a coming year.

Catcher Processor Sector (whiting and groundfish bycatch species):

Create a permit endorsement to prevent expansion of the number of participants.

License the current voluntary co-op.
Allocate whiting and bycatch to participants in the existing voluntary co-op program.
Provide an IFQ program if the voluntary co-op program fails (initially allocate IFQ equally among all permit holders).

The amount of allocation available for these sectors will be determined through the intersector allocation process. IFQ for the shoreside fishery may not be delivered to at-sea processors, nor may quota allocated to the mothership or catcher-processor sectors be delivered shoreside.

The following sections provide a general summary of the program for each sector, followed by a complete description that also identifies trailing actions the Council will take in 2009, prior the time it submits the package to NMFS for approval. These trailing actions pertain to eligibility to own IFQ, accumulation limits, and an adaptive management. Implementation is not expected earlier than 2011.

2.0 Shoreside Trawl Sector: IFQ Program (Appendix A of the EIS)

This section details the IFQ program that the Council is recommending for the shoreside sector of the groundfish fishery. The first part of the section describes major components of the program. Table 1, which starts on page 5, presents complete details on elements of the recommended IFQ program.

2.1 Overview of the IFQ Program Elements

Under this program, most status quo management tools would remain in place. The main exceptions are cumulative landing limits and the use of season closures to control whiting harvest. Other measures, such as RCA boundaries, may be adjusted as experience is gained with the IFQ program.

An IFQ will grant an entity the privilege to catch a specified portion of the trawl sector's allocation. Within the IFQ program, vessels will be allowed to use a variety of directed groundfish commercial gear (including nontrawl gear) to take the shoreside trawl sector allocation, which will thus allow for "gear switching." IFQs will be created for most species of groundfish under the Groundfish FMP (although some will still be managed collectively at the stock complex level, e.g. remaining minor slope rockfish). Some groundfish species rarely caught by trawl gear and dogfish will be excluded from the IFQ program. To ensure that optimum yields (OY) for rarely caught species are not exceeded, catch of those species will be monitored and deductions made from the OY in anticipation of the expected level of shoreside trawl sector catch. For trips targeted on whiting, IFQ will be required only for whiting and the main bycatch species.

Halibut individual bycatch quota (IBQ) will be required to cover the incidental catch of Pacific halibut in the groundfish trawl fishery. Under an IBQ program, retention would not be allowed.

The following sections describe the major provisions of the IFQ program.

2.1.1 Initial Allocation

The program will initially allocate IFQ as quota share (QS) to fishery participants based mainly on their historic involvement in the fishery. Following the initial allocation, transfers (described below) will allow for others to also participate in the fishery as quota holders. The initial allocation can be viewed in two segments:

First, in developing its recommendation the Council considered the groups that should be included in the initial allocation, and the proportional split among the groups. The Council recommended that harvesters (those holding limited entry permits for trawl vessels) be given an initial allocation of 90% of the nonwhiting QS and 80% of the whiting QS. Ten percent of the QS for nonwhiting species would be made available for an adaptive management program and processors would receive 20% of the whiting QS.

Second, the Council considered specific allocation formulas that will determine the amount of QS each eligible entity will receive. These calculations are based primarily on the delivery history associated with a vessel permit or processing company over a set number of years. For the allocation to permits, the QS associated with the history of permits retired in the buyback program will be distributed equally among the remaining qualified permits (just less than 45% of the QS will be allocated in this fashion). A special calculation is provided for incidentally caught overfished species. For these species the allocation will be based on the QS recipient's need to cover incidental catch under current fishing practices (as measured by bycatch rates, individual permit logbooks, and the amount of target species QS that an entity receives). None of the QS for these species will be allocated equally among harvesters. A similar approach would be used for the allocation of halibut IBQ.

2.1.2 Stock Management Units for IFQs

QS will be issued for the species groups and areas for which there are OYs (management units). There may be further area subdivisions for species for which there is an area specific precautionary harvest policy. However, QS will not be required for some rarely-caught species. Catch of these species would be monitored to ensure they don't exceed any established allocations. There are also provisions that provide for the subdivision of QS after initial allocation.

2.1.3 Annual Issuance, Holding Requirements and Transfer Rules

In designing the management regime for the IFQ program, the Council is balancing the benefits of flexibility and individual accountability with program costs and the constraints of the very low allowable catch levels of overfished species. Prior to the start of each fishing year, NMFS will issue quota pounds (QP) to entities based on the amount of QS they hold and the overall trawl sector allocation. The QP would have to be transferred to a vessel account in order to be used. When a vessel goes fishing under the IFQ program, all catch must be recorded (including discards) and must be matched by an equal amount of QP from the vessel's QP account. If there is not enough QP to cover the catch from a trip, there is a 30-day grace period during which adequate QP must be transferred into the vessel's account. A vessel's fishing will be limited, and its permit cannot be sold, until the overage is covered. A carryover provision will allow for an overage in one year to be covered by up to 10 percent of the following year's QP; likewise, the provision also will allow QP that were not used in one year to be carried over into the following year, up to 10 percent.

Bycatch reduction and greater efficiency are expected to occur in the groundfish fishery under the IFQ program because of the transferability of QS and QP. Through the transfer of QS/QP (bought and sold or "leased" through private contract), it is anticipated that those best able to avoid catching overfished species, and those who are most efficient, will increase the amount registered to them, while those who consistently have high bycatch rates or operate less efficiently might choose to sell their QS and leave the fishery. Generally, anyone eligible to own a U.S.-documented fishing vessel could also acquire QS and QP, and the QS and QP could be acquired in very small increments.¹ These provisions will allow for new

¹ To be eligible to own QS the person need not actually own a U.S. documented fishing vessel.

entrants into the fishery; for example, a crew member could slowly purchase amounts of quota. During some of its trailing actions the Council may consider modifying provisions pertaining to who is eligible to own the QS.

While transferability is an important component, in order to protect against unintended consequences some provisions limit transferability. For example, there will be accumulation limits on the amount of QS or QP that can be controlled by an entity, and accumulation limits on the amount of QP registered to a vessel. The intent of these limits is to prevent excessive control of quota by a participant. The exact percentages which will be used in these limits will be determined through a trailing action.

An adaptive management provision will allow the Council to use 10 percent of the trawl allocation to provide incentives, support, or other compensation to offset adverse impacts of the program. This program may benefit communities and processors, among others. Details will be the subject of a trailing action.

2.1.4 Tracking and Monitoring

A tracking and monitoring program is necessary to assure that all catch (including discards) is documented and matched against QP. At-sea observers would be required on all vessels and shoreside monitoring during all off-loading (100 percent coverage). Cameras may be used to augment the observers and assure compliance. Compared to status quo monitoring, this will be a significant increase for a large portion of the trawl fleet, particularly non-whiting shoreside vessels. More accurate estimates of total mortality will benefit stock conservation goals. Discarding will be allowed, though all fish discarded will also have to be covered by QP. There would be 100 percent shoreside monitoring; and there may be limited landing hours to control costs. Additionally, a program for the mandatory submission of economic data is included to facilitate monitoring program performance.

2.1.5 Costs and Fee Structure

Program costs are of concern and ongoing Federal administrative costs are estimated in the EIS at \$2.4 to \$2.9 million per year for the entire trawl rationalization program, including the co-ops for the at-sea segment of the fishery (see Section 3). Program benefits are expected to significantly exceed costs. The costs listed here do not include initial implementation costs or the costs that industry will bear for observers. Fee structures will be proposed to recover program costs from industry, up to the limit of 3% of exvessel value.

2.1.6 Program Monitoring, Review and Future Auction

The Council will conduct a formal review of program performance no later than 5 years after implementation and every four years thereafter. The result of the evaluation could include dissolution of the program, revocation of all or part of quota shares, or other fundamental changes to the program. At the time of its first review, the Council will consider also the use of an auction or other non-history based method when distributing quota share that may become available after the initial allocation.

2.2 Detailed Specification of IFQ Program Elements and Options

Table 1 provides a complete description of the IFQ program.

Table 1. Full description of the IFQ Program for shoreside trawl deliveries.

| | Element | SubElement | |
|------------------------------------------|----------------------------------------------------|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A. <u>Trawl Sector Management</u> | | | |
| A-1.1 | Scope for IFQ Management, Including Gear Switching | | <p>For trips delivered shoreside, QP will be required to cover catch of all groundfish (including all discards) by LE trawl vessels with certain gear and species exceptions.</p> <p>Gear Exception: Vessels with an LE trawl permit using the following gears would not be required to cover their groundfish catch with QP: exempted trawl,^a gear types defined in the coastal pelagic species FMP, gear types defined in the highly migratory species FMP, salmon troll, crab pot, and LE fixed gear when the vessel also has a LE permit endorsed for fixed-gear (longline or fishpot) AND has declared that they are fishing in the LE fixed-gear fishery.</p> <p>Species Exception: The following would be excepted from the QP requirement. On nonwhiting trips: except longspine thornyheads south of 34°27' N latitude, minor nearshore rockfish (north and south), black rockfish (WOC), California scorpionfish, cabezon, kelp greenling, shortbelly rockfish, "other" rockfish,^b and spiny dogfish.</p> <p>On whiting trips: except <u>all species other than</u> whiting, sablefish, widow rockfish, canary rockfish, darkblotched rockfish and Pacific Ocean perch.</p> <p><i>This definition of the scope allows an LE trawl vessel to switch between trawl and nontrawl groundfish gears, including fixed-gear, for the purpose of catching their QP ("gear switching"). It also allows a nontrawl vessel to acquire a trawl permit, and thereby use trawl QP to catch the LE trawl allocation using nontrawl gear.^c</i></p> |

Table 1. Full description of the IFQ program (continued).

| | Element | SubElement | |
|-------|-------------------------------------------------------------|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A-1.2 | IFQ Management Units, Including Latitudinal Area Management | | <p>QS will carry designations for the species/species group, area, and trawl sector to which it applies (see A-1.3 for the list of trawl sectors). The QP will have the same species/species group, area, and sector designations as the QS on the basis of which the QP was issued. QP will not be used in a trawl sector other than that for which it was issued,^d and will not be used in a nontrawl sector (i.e. by vessels without trawl permits).^e QP will not be used in a catch area or for a species/species group other than that for which it is designated.</p> <p>The QS/QP species, species groupings and area subdivisions will be those for which OYs are specified in the ABC/OY table that is generated through the groundfish biennial specifications process and those for which there is an area-specific precautionary harvest policy^f</p> <p>QS for remaining minor rockfish will be aggregated for the shelf and slope depth strata (nearshore are excluded from the scope, see Section A-1.1).</p> <p>Changing the management units. After initial QS allocation the Council may alter the management units by changing the management areas or subdividing species groups. Section A-2.1.6 provides methods for reallocating QS when such changes are made after initial implementation of the program.^g</p> <p><i>Hereafter, all references to species include species and species group, unless otherwise indicated.</i></p> |
| A-1.3 | General Management and Trawl Sectors | | <p>Unless otherwise specified, status quo regulations, other than trip limits, will remain in place. If individual vessel overages (catch not covered by QP) make it necessary, area restrictions, season closures, or other measures will be used to prevent the trawl sector (in aggregate or the individual trawl sectors listed here) from going over allocations.^h The IFQ fishery may also be restricted or closed as a result of overages in other sectors.</p> <p>There will be three trawl sectors: shoreside, mothership, and catcher-processors. However, as per Section A-1.1, IFQ will be required only for the shoreside trawl sector. The mothership and catcher-processor sectors will be managed using co-ops, as specified in the co-op section of the trawl rationalization program. If the industry organized voluntary co-op program for the catcher-processor sector collapses, IFQ will be required for the catcher-processor sector, as specified in the co-op program described for that sector.</p> <p><i>Allocation among trawl sectors will be determined in the intersector allocation process.ⁱ</i></p> <p><i>Trawl vessels fishing IFQ with nontrawl gear will be required to comply with the RCA lines applicable for that gear. Such restrictions, as necessary, will be determined in a separate process.</i></p> |
| A-1.4 | Management of NonWhiting Trips | | <p>Nonwhiting trips are those with less than 50% whiting. No changes to management measures, other than those identified in Section A-1.3, have been identified at this time.</p> |
| A-1.5 | Management of Whiting Trips ^j | | <p>Whiting seasons will not be changed under the IFQ program, and so the current spring openings will be maintained to control impacts on ESA-listed salmon.^k When the primary whiting season for a sector is closed for shoreside deliveries, sector-specific QP will be required plus cumulative whiting catch limits apply.</p> |

Table 1. Full description of the IFQ program (continued).

| | Element | SubElement | |
|---------------------------------------|---------------------------------------------------|-----------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A-1.6 | Groundfish Permit Length Endorsements | | Length endorsement restrictions on LE permits endorsed for groundfish gear will be retained; however, the provision that requires that the size endorsements on trawl permits transferred to smaller vessels be reduced to the size of that smaller vessel will be eliminated (i.e., length endorsements will not change when a trawl-endorsed permit is transferred to a smaller vessel).. |
| A-2. <i>IFQ System Details</i> | | | |
| A-2.1 | Initial Allocation and Direct Reallocation | | |
| A-2.1.1 | Eligible Groups | a Groups and Initial Split of QS | <p>Eligible Groups The initial allocation of QS will be made either only to permit owners and processors, as follows.</p> <p>Whiting QS: 80% to permits, 20% to processors and 0% for adaptive management. Nonwhiting QS: 90% to permits, 0% to processors, and 10% for adaptive management.</p> <p><i>After initial allocation, trading will likely result in changes in the distribution of shares among permit owners and processors. Additionally, entities that are neither permit owners nor processors may acquire QS (see below: "IFQ/Permit Holding Requirements and IFQ Acquisition").</i></p> |
| | | b Permits | Landing history will accrue to the permit under which the landing was made. The owner of a groundfish LE permit at the time of initial allocation will receive the QS issued based on the permit. (Also, see Section A-2.1.4 on permit combinations and other exceptional situations.) |
| | | c Processors and Processing Definition | A special definition of "processor" and "processing" will be used for initial QS allocation. A main intent of the definition is to specify that only the first processor of the fish be credited for the history of that delivery when the initial allocation formula is applied (see footnote for definition). ¹ |
| | | d Attributing and Accruing Processing History | <p>For an allocation for shoreside processors (applies only to whiting): attribute history to the receiver reported on the landing receipt (i.e. the entity responsible for filling out the state fish ticket), except history may be reassigned to an entity not on the landings receipt, if parties agree or through an agency appeals process. <i>The intent of this option is to provide an opportunity for catch history to be assigned to the entity that actually processed the fish.</i></p> <p>For shoreside processors, allocations go to the processing business and successor-in-interest will be recognized. NMFS will develop criteria for use in determining the successor in interest with respect to the entities listed on the landings receipts or otherwise eligible for an initial QS allocation based on being the first processor of the fish.^m</p> |
| | | | |
| A-2.1.2 | Recent Participation | a Permits (including CP permits) | Recent participation is not required in order for a permit to qualify for an initial allocation of QS. |
| | | b Processors (motherships) | Not applicable because a co-op program was provided for this sector rather than IFQs. <i>(This header is being left in the document so that paragraph numbering will correspond to numbering in the analysis.)</i> |

Table 1. Full description of the IFQ program (continued).

| | Element | SubElement | |
|---------|--------------------|------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | c Processors (shoreside) | Recent participation is required to qualify for an initial allocation of whiting QS: 1 mt or more of deliveries from whiting trips in each of any two years from 1998-2004. |
| A-2.1.3 | Allocation Formula | a Permits with catcher vessel history | <p>For all fish management units, as specified in Section A-1.2: Equal Division: There will be an equal division of the buy-back permits' pool of QS among all qualifying permits (except the incidentally caught overfished species). (The QS pool associated with the buyback permits will be the buyback permit history as a percent of the total fleet history for the allocation period. The calculation will be based on total absolute pounds with no other adjustments and no dropped years.) Permit History: Tithe remaining QS will be allocated based on each permit's history (see following formulas).</p> <p>For the portion of the allocation based on each permit's history . For non-whiting trips, permit history used for QS allocation will be calculated: For non-overfished species: using an allocation period of 1994-2003. Within that period use relative history and drop the three worst years.ⁿ For overfished species taken incidentally:^o use target species QS as a proxy based on the following approach: Apply fleet average bycatch rates to each permit's depth and latitude distributions and target species QS allocations. Fleet average bycatch rates for the areas shoreward and seaward of the RCA and north and south of 40° 10' N will be developed from West Coast Observer Program data for 2003-06. For the purposes of the allocation, a permit's QS for each target species will be distributed shoreward and seaward of the RCA and latitudinally based on the permit's logbook information for 2003-06. If a permit does not have any logbooks for 2003-06, fleetwide averages will be used.^p</p> <p>For whiting trips, permit history used for QS allocation will be calculated as follows: For whiting, use an allocation period of 1994-2003. Within that period, use relative history and drop the two worst years.^{q r} For bycatch species (if IFQ is used for bycatch species): use the whiting history as a proxy (i.e., allocation will be pro rata based on the whiting allocation).</p> <p>Area Assignments: Landings history will be assigned to catch areas based on port of landing.^s Relative history (%). For each sector, the permit history for each year is measured as a percent of the sector's total for the year.</p> |
| | | b Permits with catcher-processor history | Not applicable because a co-op program was provided for this sector rather than IFQs. <i>(This header is being left in the document so that paragraph numbering will correspond to numbering in the analysis).</i> |
| | | c Processors (motherships) | Not applicable because a co-op program was provided for this sector rather than IFQs <i>(This header is being left in the document so that paragraph numbering will correspond to numbering in the analysis).</i> |

Table 1. Full description of the IFQ program (continued).

| | Element | SubElement | |
|---------|---------------------------------------------------------------|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | d Processors (shoreside) | For whiting: <ul style="list-style-type: none"> Allocate whiting QS based on the entity's history for the allocation period of 1994-2004 (drop two worst years) and use relative history. |
| A-2.1.4 | History for Combined Permits and Other Exceptional Situations | | Permit history for combined permits will include the history for all the permits that have been combined. For history occurring when two or more trawl permits were stacked, split the history evenly between the stacked permits. History for illegal landings will not count toward an allocation of QS. Landings made under nonwhiting Experimental Fishing Permits (EFPs) that are in excess of the cumulative limits in place for the non-EFP fishery will not count toward an allocation of QS. Compensation fish will not count toward an allocation of QS. |
| A-2.1.5 | Initial Issuance Appeals | | There will be no Council appeals process on the initial issuance of IFQ. NMFS will develop a proposal for an internal appeals process and bring it to the Council for consideration. Any revisions to an entity's fish tickets must be approved by the state in order to be accepted. Any proposed revisions to fish tickets should undergo review by state enforcement personnel prior to finalization of the revisions. |

Table 1. Full description of the IFQ program (continued).

| | Element | SubElement | |
|---------|--------------------------------------------|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A-2.1.6 | Direct Reallocation After Initial Issuance | | <p>Reallocation With Change in Overfished Status: When an overfished species is rebuilt or a species becomes overfished there may be a change in the QS allocation within a sector (allocation between sectors is addressed in the intersector allocation process). When a stock becomes rebuilt, the reallocation will be to facilitate the re-establishment of historic target fishing opportunities. When a stock becomes overfished, QS may be reallocated to maintain target fisheries to the degree possible. That change may be based on a person's holding of QS for target species associated with the rebuilt species or other approaches deemed appropriate by the Council.</p> <p>Reallocation With Changes in Area Management (Changes in management lines are expected to be rare; however, when they occur the following provides for the reallocation of QS in a manner that will give individual QS holders with the same amounts of total QP before and after the line changes.)</p> <p>Area Subdivision: If at any time after the initial allocation an IFQ management unit is geographically subdivided, those holding QS for the unit being subdivided will receive an amount of QS for each newly created area that is equivalent to the amount they held for the area before it was subdivided.</p> <p>Area Recombination: When two areas are combined, the QS held by individuals in each area will be adjusted proportionally such that (1) the total QS for the area sums to 100%, and (2) a person holding QS in the newly created area will receive the same amount of total QP as they would if the areas had not been combined.</p> <p>Area Line Movement: When a management boundary line is moved, the QS held by individuals in each area will be adjusted proportionally such that they each maintain their same share of the trawl allocation on a coastwide basis (a fishing area may expand or decrease, but the individual's QP for both areas combined wouldn't change because of the change in areas). In order to achieve this end, the holders of QS in the area being reduced will receive QS for the area being expanded, such that the total QP they would be issued will not be reduced as a result of the area reduction.¹ Those holding QS in the area being expanded will have their QS reduced such that the total QP they receive in the year of the line movement will not increase as a result of the expansion (nor will it be reduced).</p> <p>Reallocation With Subdivision of a Species Group: If at any time after the initial allocation an IFQ management unit for a species group is subdivided, those holding QS for the unit being subdivided will receive an amount of QS for each newly created IFQ management units that is equivalent to the amount they held for the species group before it was subdivided. For example, if a person holds 1% of a species group before the subdivision, that person will hold 1% of the QS for each of the groups resulting from the subdivision.</p> |

Table 1. Full description of the IFQ program (continued).

| | Element | SubElement | |
|---------|-----------------------------------------------------------------------------------|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A-2.2 | Permit/IFQ Holding Requirements and Acquisition (after initial allocation) | | |
| A-2.2.1 | Permit/IFQ Holding Requirement | | <ol style="list-style-type: none"> 1. Only vessels with LE trawl permits are allowed to fish in the trawl IFQ fishery. 2. For a vessel to use QP, the QP must be in the vessel's QP account. 3. All catch a vessel takes on a trip must be covered with QP within 30 days of the landing for that trip unless the overage is within the limits of the carryover provision (Section A-2.2.2.b), in which case the vessel has 30 days or a reasonable time (to be determined) after the QP for the following year are issued, whichever is greater.^u 4. For any vessel with an overage (catch not covered by QP), fishing that is within the scope of the IFQ program (Section A-1.1) will be prohibited until the overage is covered, regardless of the amount of the overage. Vessels which have not adequately covered their overage within the time limits specified in paragraph 3, must still cover the overage before resuming fishing, using QP from the following year(s), if necessary. If a vessel covers its overage, but coverage occurs outside the specified time limit (paragraph 3), the vessel may still be cited for a program violation. 5. For vessels with an overage, the LE permit may not be sold or transferred until the deficit is cleared. |
| A-2.2.2 | IFQ Annual Issuance | a Annual Quota Pound Issuance | <p>QP will be issued annually to QS holders based on the amount of QS held. <i>As specified above, QS holders will have to transfer their QP to a vessel account in order for those QP to be used.</i></p> |
| | | b Carryover (Surplus or Deficit) | <p>A carryover allowance will allow surplus QP in a vessel's QP account to be carried over from one year to the next or allow a deficit in a vessel's QP account for one year to be carried over and covered with QP from a subsequent year. Surplus QP may not be carried over for more than one year.</p> <p>A vessel with a QP surplus at the end of the current year will be able to use that QP in the immediately following year, up to the limit of the carryover allowance (see below).</p> <p>A vessel with a QP deficit in the current year will be able to cover that deficit with QP from the following year without incurring a violation if</p> <ol style="list-style-type: none"> (1) the amount of QP it needs from the following year is within the carryover allowance (see below), and (2) the QP are acquired within the time limits specified in A-2.2.1.^v <p>Carryover Allowance: Limit of up to 10 percent carryover for each species. This applies to both non-overfished species and overfished species. The percentage is calculated based on the total pounds (used and unused) in a vessel's QP account for the current year.^w</p> |

Table 1. Full description of the IFQ program (continued).

| | Element | SubElement | |
|---------|--------------------|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | c QS Use-or-Lose Provisions | No QS use-or-lose provision has been specified.. The need for this provision will be evaluated as part of program review process, and the provision could be added later, if necessary. <i>Section A-2.2.3.b contains a provision mandating the transfer of QP to vessels each year. This is intended to encourage QP use.</i> |
| | | d Entry Level Opportunities | Under the MSA, the Council is required to consider entry level fishermen, small vessel owners, and crew members, and in particular the possible allocation of a portion of the annual harvest to individuals falling in those categories. No special provisions have been identified for analysis. New entry is addressed indirectly by allowing crew, captains and others to acquire QS in small increments. |
| A-2.2.3 | IFQ Transfer Rules | a Eligible to Own or Hold | Those eligible to own QS/QP will be restricted to (i) any person or entity eligible to own and control a US fishing vessel with a fishery endorsement pursuant to 46 USC 12113 (general fishery endorsement requirements and 75% citizenship requirement for entities) and (ii) any person or entity that owns a mothership that participated in the west coast groundfish fishery during the allocation period and is eligible to own or control that US fishing vessel with a fishery endorsement pursuant to Sections 203(g) and 213(g) of the American Fisheries Act (AFA). <i>Other criteria for eligibility to own or hold QS may be developed through a trailing action process (e.g., ownership interest in a vessel or permit). The purpose of such provisions would be to help ensure that QS holders have direct ties or investments in the fishery. Requirements should not be so onerous so as to preclude or discourage crew members, for example, from acquiring QS and entering the fishery. The trailing action will be completed prior to submission of the program to NMFS for approval.</i> |
| | | b Transfers and Leasing | QS/QP will be transferable and transfers must be registered with NMFS. NMFS will not differentiate between a transfer for a lease and a permanent transfer. ^x Each year, all QP must be transferred to a vessel account. A penalty for not meeting this transfer requirement has not been recommended; however, this requirement is intended to encourage its availability for use by the fleet. |
| | | c Temporary Transfer Prohibition | NMFS may establish temporary prohibitions on the transfer of QS, as necessary to facilitate program administration. QS will not be transferred in the first two years of the program (QP will be transferable). |
| | | d Divisibility | QS will be highly divisible and the QP will be transferred in whole pound units (i.e. fractions of a pound may not be transferred). |

Table 1. Full description of the IFQ program (continued).

| | Element | SubElement | |
|--|---------|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | e Accumulation Limits (Vessel and Control) | <p>It is the intent of the Council to have accumulation limits. However, the details for the accumulation limits will be further developed and analyzed through a trailing action to be completed prior to submittal of the trawl rationalization program to NMFS for approval. The trailing action will address (1) identification of the species that would be subject to accumulation limits; (2) description of how to treated overfished species; (3) determination of whether to apply accumulation limits at the vessel (usage) or entity (ownership/control) level or both; (4) how accumulation limits would be tracked; and (5) how accumulation limits would apply to and affect community-based or regional fishery associations. The following language on accumulation limits is currently under consideration.</p> <p>Limits^y may vary by species/species group, areas, and sector. See options listed in Table 2.</p> <p>Vessel Use Limit: A limit on the QP that may be registered for a single vessel during the year. This element will mean that a vessel could not have more used and unused quota pounds registered for the vessel than a predetermined percentage of the QP pool.</p> <p>Control Accumulation Limit: A person, individually or collectively, may not control QS or QP in excess of the specified limit (because there is no the grandfather clause). QS or QP controlled by a person shall include those registered to that person, plus those controlled by other entities in which the person has a direct or indirect ownership interest, as well as shares that the person controls through other means. The calculation of QS or QP controlled by a person will follow the "individual and collective" rule.</p> <p>Individual and Collective Rule: The QS or QP that counts toward a person's accumulation limit will include 1) the QS or QP owned by them, and 2) a portion of the QS or QP owned by any entity in which that person has an interest. The person's share of interest in that entity will determine the portion of that entity's QS or QP that counts toward the person's limit.^z</p> <p>Grandfather Clause: There will not be a grandfather clause for the accumulation limits.</p> <p><i>Note: QS that is not allocated because of the accumulation limits and absence of the grandfather clause will be distributed to other eligible recipients in a manner that maintains the distribution among groups specified in A-2.1.1 and based on the allocation formulas specified in A-2.1.3.</i></p> |

Table 1. Full description of the IFQ program (continued).

| | Element | SubElement | |
|---------|--------------------------------------|------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A-2.3 | Program Administration | | |
| A-2.3.1 | Tracking, Monitoring and Enforcement | | <p>Discarding by Shoreside Sector</p> <p><u>Non-whiting</u> – <i>Discarding of fish covered by QP allowed</i>, discarding of fish covered by IBQ required, discarding of non-groundfish species allowed.</p> <p><u>Whiting</u> <i>Maximized retention vessels:</i> Discarding of fish covered by QP and IBQ, and non-groundfish species prohibited. <i>Vessels sorting at-sea:</i> Same as for non-whiting.</p> <p>At-Sea Catch Monitoring for Shoreside Sector</p> <p><u>Nonwhiting</u> – The sorting of catch, the weighing and discarding of any IBQ and IFQ species, and the retention of IFQ species must be monitored by the observer.</p> <p><u>Whiting</u> <i>For maximized retention vessels:</i> video monitoring as proposed under Amendment 10. Observers would be required in addition to or as a replacement for video monitoring. <i>For vessels that sort at-sea:</i> The sorting, weighing and discarding of any IFQ or IBQ species must be monitored by an observer with supplemental video monitoring.</p> <p>Shoreside Landings Monitoring</p> <p>The sorting, weighing and reporting of any IFQ species must be monitored by a shoreside landings monitor (IBQ will have been discarded at sea).</p> <p>_(Description continued on next page.)</p> |

Table 1. Full description of the IFQ program (continued).

| | Element | SubElement | |
|---------|----------------------------------------------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | | | <p>(...continued from previous page)</p> <p>Catch Tracking Mechanisms for Shoreside Sector</p> <p>Electronic vessel logbook report VMS-based electronic logbook required to be transmitted from vessel. At-sea entry by vessel personnel required including catch weight by species and if retained or discarded.</p> <p>Vessel landing declaration report Mandatory declaration reports.</p> <p>Electronic ITQ landing report Mandatory reports completed by processors and similar to electronic fish ticket report.</p> <p>Processor production report Mandatory reports (possible inclusion of proprietary data included to be recommended as option is fleshed out).</p> <p>Cost Control Mechanisms for Shoreside Sector</p> <p>Shoreside landing hour restrictions Landing hours may be restricted.</p> <p>Shoreside site Licenses Mandatory license for shoreside deliveries. License can be issued to any site that meets the monitoring requirements.</p> <p>Vessel Certification Mandatory certification. Certificate can be issued to any vessel that meets the monitoring requirements.</p> <p>Program Performance Measures for Shoreside Sector Integrate into the tracking and monitoring program the collection of data on cost, earnings and profitability; Economic efficiency and stability; capacity measures; net benefits to society; distribution of net benefits; product quality; functioning of quota market; incentives to reduce bycatch; market power; spillover effects into other fisheries; contribution to regional economies (income and employment); distributional effects/community impacts; employment-seafood catching and processing; safety; bycatch and discards; administrative, enforcement, and management costs. (See A-2.3.2)</p> |
| A-2.3.2 | Socio-Economic Data Collection ^{aa} | | The data collection program will be expanded and submission of economic data by harvesters and processors will be mandatory. Random and targeted audits may be used to validate mandatory data submissions. See footnote for a full description ^{bb} Information on QS transaction prices, will be included in a central QS ownership registry. <i>NOTE: Data collection started before the first year of implementation would be beneficial, in order to have a baseline for comparison.</i> |
| A-2.3.3 | Program Costs Options to be Refined. | a Cost Recovery | Fees up to 3% of exvessel value, consistent with 303A(e) of the MSA, page 86, may be assessed. Cost recovery shall be for costs of management, data collection, analysis, and enforcement activities. |
| | | b Fee Structure | To be determined. The TIQC recommended a fee structure that reflects usage. A fee structure that allows for equitable sharing of observer costs for smaller vessels may be developed. |

Table 1. Full description of the IFQ program (continued).

| | Element | SubElement | |
|---------|----------------------------------------------------------|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| A-2.3.4 | Program Duration and Modification | | <p>The Council shall begin a review of the IFQ program no later than 5 years after implementation of the program. The review will evaluate the progress the IFQ program has made in achieving the goal and objectives of Amendment 20. The result of this evaluation could include dissolution of the program, revocation of all or part of quota shares, or other fundamental changes to the program. Holders of quota shares should remain cognizant of this fact when making decisions regarding their quota shares, including buying selling, and leasing of these shares.</p> <p>The Council shall consider the use of an auction or other non-history based methods when distributing quota share that may become available after initial allocation. This may include quota created when a stock transitions from overfished to non-overfished, quota share not used by the adaptive management program, forfeited “use it or lose it” quota shares , and any quota that becomes available as a result of the initial or subsequent reviews of the program.</p> <p>The specific form of the auction or other method of distribution shall be designed to achieve the goals of Amendment 20, specifically including minimizing the adverse effects from an IFQ program on fishing communities to the extent practical.</p> <p>After the initial review, there will be a review process every four years. A community advisory committee will take part in the review of IFQ program performance.</p> |
| A-3 | <u>Adaptive Management (Option)</u> | | <p>It is the intent of the Council to have an adaptive management program for the shoreside non-whiting sector. Up to 10% of the non-whiting QS will be reserved for this program. QS will be divided among the three states. QS/QP will be provided through separate, but parallel, processes in each of the three states (e.g., through the use of regional fishery associations or community stability plans or other means). Further details will be developed through a trailing action with the intent of having the adaptive management provisions apply during the first year of implementation of the trawl rationalization program.</p> |
| A-4 | <u>Pacific Halibut IBQ—non-retention (Option)</u> | | <p>IBQ for Pacific halibut bycatch in the trawl fishery will be established. The IBQ limit will be for legal-sized Pacific halibut bycatch mortality for up to 10% of the Area 2A Constant Exploitation Yield (CEY) as set by the International Pacific Halibut Commission. This amount will be set initially at 10% and may be adjusted through the biennial specifications process. Such IBQ will be issued on the basis of a bycatch rate applied to the target species QS an entity receives in a manner similar to that described in Section A-2.1.3.a, for overfished species caught incidentally. Area-specific bycatch rates may be used for allocation but halibut IBQ will not be geographically subdivided.</p> |
| | | | |
| | | | |

^a California halibut gear of 7.5” or greater used in state waters would be exempted.

Table 1. Full description of the IFQ program (continued).

^b The list of exempted species adopted by the Council in November 2008 also included “other” rockfish. However, “other” rockfish is not one of the IFQ management units identified in Section A-1.2. Therefore “other” rockfish was dropped from the list of exempted species.

^c Mandatory gear conversion (the permanent switching from trawl to some other gear) was considered but not included at this time.

^d Since the shoreside trawl sector covers all shoreside deliveries, this implies that IFQ issued for the shoreside trawl sector may not be used for at-sea deliveries (i.e. may not be used to cover deliveries made to motherships or catch by catcher-processors).

^e Notwithstanding this provision, a vessel with a LE trawl permit may catch the trawl QP with a nontrawl gear, as per Section A-1.1.

^f An example of an area specific precautionary policy is the geographic differential recommended by the SSC for lingcod. Lingcod is monitored and managed differently in different geographic areas though there is a single coastwide ABC and OY for lingcod.

^g Such changes in latitudinal area management may occur as a result of changes in the management areas for species/species complexes in the ABC/OY table or as a result of separate Council action to change the trawl QS by area. In either case, specific Council action will be required to change the management areas and such action will be accompanied by appropriate supporting analysis and public comment opportunity.

^h The Council authority to establish or modify RCAs will not be changed by this program.

ⁱ The allocation among trawl sectors will be determined as part of the intersector allocation process. The Trawl Individual Quota Committee (TIQC) recommended a number of options for determining the allocation among trawl sectors. One of these would have based the allocation on fleet history, but would not have included in the fleet history the history of any vessel not meeting the recent participation requirement. The Council rejected this application of a recent participation requirement to a determination of fleet history. The remaining TIQC options recommended that the division of allocation among trawl sectors be based on the fleet history over the same time periods used to allocate QS. The TIQC further recommended that if different periods are used for different trawl sectors, either (1) calculate the share for each sector based on its IFQ allocation period, then adjust all percentages proportionately such that they sum to 100%; OR (2) use the shortest period common to the allocation formula for all sectors.

The TIQC recommends allocation among the whiting sectors based on: Option 1: pro rata in proportion to the whiting allocation, or Option 2: weighted historical catch formula (for example, in projecting bycatch in the whiting fisheries prior to the start of the season, the GMT uses a four-year weighted average starting with the most recent year: 40%, 30%, 20%, 10%).

^j A whiting QP rollover provision was considered but rejected from further analysis. This provision would have allowed unused QP to be reclassified so that they could be used in any whiting sector.

^k The current process for changing the whiting fishery opening dates involves a regulatory amendment developed under the FMP through a framework process. Implementation of an IFQ program should not change this process.

^l “**Processors**” are defined as follows:

An at-sea processor is a vessel that operates as a mothership in the at-sea whiting fishery or a permitted vessel operating as a catcher-processor in the at-sea whiting fishery.

Table 1. Full description of the IFQ program (continued).

A shoreside processor is an operation, working on US soil, that takes delivery of trawl-caught groundfish that has not been “processed at-sea” and that has not been “processed shoreside”; and that thereafter engages that particular fish in “shoreside processing.” Entities that received fish that have not undergone “at-sea processing” or “shoreside processing” (as defined in this paragraph) and sell that fish directly to consumers shall not be considered a “processor” for purposes of QS allocations.

“**Shoreside Processing**” is defined as either of the following:

1. Any activity that takes place shoreside; and that involves: cutting groundfish into smaller portions; OR freezing, cooking, smoking, drying groundfish; OR packaging that groundfish for resale into 100 pound units or smaller for sale or distribution into a wholesale or retail market.

OR

2. The purchase and redistribution into a wholesale or retail market of live groundfish from a harvesting vessel.

^m Transfer of physical assets alone should not be considered a basis for successor in interest. Business relationships such as transfer of the company name and customer base might be reasonable evidence of successor in interest.

ⁿ State landings receipts (fish tickets) will be used to assess landings history for shoreside deliveries.

^o The intent is to provide an allocation method for QS for overfished species which addresses the vessel’s need to have the QS to cover incidental catch in fisheries that target healthy stocks. The method would attempt to allocate the species to those who will be receiving QS for related target species. By allocating overfished species QS to those most in need of it, such an allocation would be expected to reduce transition costs. Currently, the list of overfished species that fall into this category is as follows: canary rockfish, darkblotched rockfish, Pacific Ocean perch, widow rockfish, and yelloweye rockfish. This list may change by the time the program is ready to be implemented. If a major target species became overfished, it would not be intended that such a species would be allocated via an alternative method (for example species such as Dover sole, sablefish, or Pacific whiting).

^p In order to determine an amount of aggregate target species to which bycatch rates will be applied, each vessel’s QS will be multiplied by the trawl allocation at the time of implementation.

^q When the IFQ alternative covered both the shoreside and mothership whiting sectors language was included that specified that permits would have to drop the same years for both their shoreside and mothership deliveries: “If a permit participated in both the shoreside and mothership whiting sectors, the same two years must be dropped for calculation of the permit’s QS for each sector.” Since QS will not be issued for the mothership sector this sentence was dropped from the program. However, there was a similar provision in the co-op alternative (a permit qualifying for both the shoreside and mothership co-op programs would have to drop the same worst years from the formula used to calculate its allocation). Because there is not a shoreside co-op alternative, this language was also dropped from the co-op program. It might be determined that it was the Council intent to require that a permit qualifying for whiting in the shoreside IFQ program and the mothership co-op program drop the same two years in applying the allocation formula for the IFQ and co-op programs.

^r State landings receipts (fish tickets) will be used to assess landings history for shoreside deliveries.

^s Catch area data on fish tickets are not considered appropriate for this purpose. The catch area field is often filled out by fish receivers that do not know the area in which the vessel fished. Additionally catch area is often left unspecified. Therefore it will be assumed that all catch comes from ocean areas near the port of landing.

Table 1. Full description of the IFQ program (continued).

^t Unless there is a change in the total OY or other factors affecting trawl allocation for the areas involved, in which case their change in QP would be proportional to the change in the trawl allocation.

^u QP from a subsequent year may not be accessed until such QP have been issued by NMFS.

^v Carryover of deficits provides some flexibility to use pounds from a year to cover a deficit from a previous year. Without a carryover provision, a vessel would still need to use pounds in a subsequent year to cover an overage but would incur a violation.

^w There has been some GMT discussion of a possible need for the QP surpluses carried over to a following year be adjusted proportionally in the following year if the trawl allocation for the following year changes.

^x QS may be transferred on a temporary basis through private contract (leased) but NMFS will not track lease transfers differently than any other transfer.

^y The “vessel” accumulation limit was originally termed a “permit” limit. The term “permit” was changed to “vessel” to be consistent with Section A-2.1.3, which indicates that QP go into vessel accounts, not permit accounts. The term “own or control” was shortened to “control” for simplicity. “Control” includes ownership and therefore is inclusive of “ownership.”

^z For example, if a person has a 50 percent ownership interest in that entity, then 50 percent of the QS owned by that entity will count against the individual's accumulation limit.

^{aa} Status quo **data collection** includes:

voluntary submission of economic data for LE trawl industry (status quo efforts);
voluntary submission of economic data for other sectors of the fishing industry; and
ad hoc assessment of government costs.

^{bb} **Expanded data collection** would include:

mandatory submission of economic data for LE trawl industry (harvesters and processors),
voluntary submission of economic data for other sectors of the fishing industry,
transaction value information in a centralized registry of ownership, and
formal monitoring of government costs.

Mandatory Provisions: The Pacific Fishery Management Council and NMFS shall have the authority to implement a data collection program for cost, revenue, ownership, and employment data, compliance with which will be mandatory for members of the West Coast groundfish industry harvesting or processing fish under the Council's authority. Data collected under this authority will be treated as confidential in accordance with Section 402 of the MSA.

A mandatory data collection program shall be developed and implemented as part of the groundfish trawl rationalization program and continued through the life of the program. Cost, revenue, ownership, employment and other information will be collected on a periodic basis

Table 1. Full description of the IFQ program (continued).

(based on scientific requirements) to provide the information necessary to study the impacts of the program, including achievement of goals and objectives associated with the rationalization program. This data may also be used to analyze the economic and social impacts of future FMP amendments on industry, regions, and localities. The program will include targeted and random audits as necessary to verify and validate data submissions. Data collected under this authority will be treated as confidential in accordance with Section 402 of the MSA. Additional funding (as compared to status quo) will be needed to support the collection of these data. The data collected would include data needed to meet MSA requirements (including antitrust).

The development of the program shall include: a comprehensive discussion of the enforcement of such a program, including discussion of the type of enforcement actions that will be taken if inaccuracies are found in mandatory data submissions. The intent of this action will be to ensure that accurate data are collected without being overly burdensome on industry in the event of unintended errors.

Voluntary Provisions: A voluntary data collection program will be used to collect information needed to assess spillover impacts on non-trawl fisheries.

Central Registry: Information on transaction prices will be included in a central registry of QS owners. Such information will also be included for LE permit owners/lessees.

Government Costs: Data will be collected and maintained on the monitoring, administration, and enforcement costs related to governance of the trawl rationalization program.

Page left intentionally blank

Table 2. Control cap, and vessel cap options to define QS/QP accumulation limits in IFQ Program (to be refined in trailing actions, prior to the time the Council submits its recommendations to NMFS).

| Stock | Option 1 | | Option 2 | | Option 3 | |
|-------------------------------------------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|
| | Control Cap (%) | Vessel Cap (%) | Control Cap (%) | Vessel Cap (%) | Control Cap (%) | Vessel Cap (%) |
| All nonwhiting groundfish (in aggregate) | 1.5 | 3.0 | 2.2 | 4.4 | 3.0 | 6.0 |
| Lingcod - coastwide c/ | 5 | 10 | 7.5 | 15 | | |
| N. of 42° N (OR & WA) | 5 | 10 | 7.5 | 15 | | |
| S. of 42° N (CA) | 5 | 10 | 7.5 | 15 | | |
| Pacific Cod | 5 | 10 | 7.5 | 15 | | |
| Pacific Whiting | | | 0 | 0 | | |
| Shoreside Whiting (IFQs) | 10 | 15 | 15 | 22.5 | 25 | 37.5 |
| Mothership Whiting (co-ops) | 10 | 25 | 15 | 37.5 | 25 | 50 |
| All Whiting Combined | 15 | 25 | 22.5 | 37.5 | 40 | 50 |
| Sablefish (Coastwide) | 1.9 | 3.8 | 2.9 | 5.7 | | |
| N. of 36° N (Monterey north) | 2 | 4 | 3 | 6 | | |
| S. of 36° N (Conception area) | 5 | 10 | 7.5 | 15 | | |
| PACIFIC OCEAN PERCH | 5 | 10 | 7.5 | 15 | | |
| Shortbelly Rockfish | 5 | 10 | 7.5 | 15 | | |
| WIDOW ROCKFISH | 3.4 | 6.8 | 5.1 | 10.2 | | |
| CANARY ROCKFISH | 5 | 10 | 7.5 | 15 | | |
| Chilipepper Rockfish | 5 | 10 | 7.5 | 15 | | |
| BOCACCIO | 5 | 10 | 7.5 | 15 | | |
| Splitnose Rockfish | 5 | 10 | 7.5 | 15 | | |
| Yellowtail Rockfish | 5 | 10 | 7.5 | 15 | | |
| Shortspine Thornyhead - coastwide | 3.1 | 6.2 | 4.7 | 9.3 | | |
| Shortspine Thornyhead - N. of 34°27' N | 4.8 | 9.6 | 7.2 | 14.4 | | |
| Shortspine Thornyhead - S. of 34°27' N | 4.7 | 9.4 | 7.1 | 14.1 | | |
| Longspine Thornyhead - coastwide | 2 | 4 | 3 | 6 | | |
| Longspine Thornyhead - N. of 34°27' N | 2 | 4 | 3 | 6 | | |
| Longspine Thornyhead - S. of 34°27' N | 5 | 10 | 7.5 | 15 | | |
| COWCOD - Conception and Monterey | 5 | 10 | 7.5 | 15 | | |
| DARKBLOTCHED | 5 | 10 | 7.5 | 15 | | |
| YELLOW EYE g/ | 5 | 10 | 7.5 | 15 | | |
| Black Rockfish | 5 | 10 | 7.5 | 15 | | |
| Black Rockfish (WA) | 5 | 10 | 7.5 | 15 | | |
| Black Rockfish (OR-CA) | 5 | 10 | 7.5 | 15 | | |
| Minor Rockfish North | 5 | 10 | 7.5 | 15 | | |
| Nearshore Species | 5 | 10 | 7.5 | 15 | | |
| Shelf Species | 4 | 8 | 6 | 12 | | |
| Slope Species | 5 | 10 | 7.5 | 15 | | |
| Minor Rockfish South | 5 | 10 | 7.5 | 15 | | |
| Nearshore Species | 5 | 10 | 7.5 | 15 | | |
| Shelf Species | 5 | 10 | 7.5 | 15 | | |
| Slope Species | 5 | 10 | 7.5 | 15 | | |
| California scorpionfish | 5 | 10 | 7.5 | 15 | | |
| Cabezon (off CA only) | 5 | 10 | 7.5 | 15 | | |
| Dover Sole | 1.8 | 3.6 | 2.7 | 5.4 | | |
| English Sole | 10 | 20 | 15 | 30 | | |
| Petrale Sole (coastwide) c/ | 2.9 | 5.8 | 4.4 | 8.7 | | |
| Arrowtooth Flounder | 5 | 10 | 7.5 | 15 | | |
| Starry Flounder | 5 | 10 | 7.5 | 15 | | |
| Other Flatfish | 10 | 20 | 15 | 30 | | |
| Other Fish | 5 | 10 | 7.5 | 15 | | |

3.0 Whiting At-sea Trawl Sector: Cooperative Program (Appendix B of the EIS)

The at-sea whiting sector co-op program is described generally below. Table 1 provides an outline of the sections of the program. A full description of the co-op programs follows Table 1, beginning with a section on management of the whiting fishery and followed by sections on the mothership and catcher-processor sectors of the whiting fishery (the “at-sea” sectors).

The Council considered but did not adopt a co-op program for the shoreside whiting fishery. Instead, the shoreside whiting sector was merged with the nonwhiting sector, both to be managed with IFQs. However, section place holders for the shoreside whiting co-op program are maintained in this document to maintain a numbering system that will correspond to the numbering of the alternatives and sections of the analysis as they are laid out in the EIS.

3.1 Overview of Co-op Program Elements

3.1.1 At-sea Whiting Sector Management under Co-ops

While co-ops will be used to control the harvest within the at-sea whiting sectors, a number of management measures will still be required to control competition between the whiting sectors. This section covers those measures along with other measures which will apply to all sectors managed under co-ops, such as observer requirements and mandatory submission of economic data. The description of the co-op management program for each at-sea whiting sector starts in Section 3.1.2.

The existing allocation of whiting between the shoreside, mothership, and catcher-processor (CP) sectors will not change under the rationalization program (42, 24, and 34 percent, respectively).

Provisions also address bycatch in the at-sea whiting fishery (particularly that of certain overfished species). The Council is recommending incidental groundfish species caps for each of the whiting sectors, for the co-op and non-co-op fisheries within the mothership sectors, and for the co-ops within the mothership sector. Within sectors, bycatch allocations would be pro rata, based on the amount of whiting allocated to that sector.

Area closures may be used to control the pace of the fishery. For the mothership sector, the fishery will be divided into a co-op fishery and a non-co-op fishery (for those who do not desire to take part in a co-op). Participants in the non-co-op fishery will not have a claim to a particular amount of the fish allocated to that fishery; therefore the vessels will likely race to harvest the available allocation..

NMFS will close the whiting fishery, a particular sector, the co-op or non-co-op fishery within a sector, or individual co-ops, as appropriate, if a whiting catch or bycatch limit is reached or in some cases, is projected to be reached. With respect to co-ops, inseason monitoring and closure will be needed only at the highest level of aggregation of the co-ops. For example, if individual co-ops join together to form an inter-co-op that covers the entirety of one of the whiting sectors, then NMFS will track and close at the sector level.

Given the high level of monitoring already in place in the whiting fishery, only moderate changes in monitoring are expected to be needed to implement this program for the at-sea whiting fishery.

For the at-sea segment of the fishery, 100 percent coverage aboard mothership and catcher processors will continue. A program for the mandatory submission of economic data is also included, to facilitate monitoring program performance.

3.1.2 Co-ops for Catcher Vessels Delivering to Motherships

Under this program, those who hold whiting-endorsed permits for catcher vessels in the mothership sector will choose each year whether to be part of a co-op or to register to fish in the non-co-op portion of the fishery. The holders of catcher vessel permits with mothership whiting endorsements will form the co-ops. Based on its catch history, each permit that qualifies for a mothership whiting endorsement will be allocated a portion of the history (endorsement share) of the mothership sector allocation of whiting and bycatch species. Each year, NMFS will distribute a catch allocation to a catcher vessel co-op based on the sum of the endorsement shares for the permits registered to that co-op. NMFS will also distribute a catch allocation each year to the non-co-op portion of the fishery, based on the collective endorsement shares of the permits opting to participate in the non-co-op fishery.

The co-op organization will coordinate harvest by its members. Although co-op agreements will include a mandatory clause that the catch allocation made to a member must equal the amount that the member brings into the co-op, co-op members may transfer catch allocations among themselves. Similarly, if multiple co-ops join together in an inter-co-op, one co-op will be allowed to transfer catch allocation to another co-op within that inter-co-op. NMFS will not necessarily need to track transfers among co-op members or within an inter-co-op.

The class of motherships will be closed by creating a LE permit for mothership vessels. There will be restrictions limiting a vessels ability to both catch and operate as a mothership in the whiting fishery in the same year.

Prior to the start of each season, each catcher vessel permit desiring to participate in the co-op fishery will obligate itself to deliver its catch to a particular mothership. The obligation to a particular co-op or mothership will not carry-over from one year to the next, it may be changed at the catcher vessel permit owners discretion based on its preseason declaration. While catch may be transferred among participants in a co-op or inter-co-op, such transfers would not change the mothership to which the catch is obligated, unless a mutual agreement is reached.

As in the IFQ program, accumulation limits will be imposed to prevent excessive concentration of catch allocations. They will cap the proportion of whiting that an individual or entity can process and will cap the proportion of whiting an individual or entity could accumulate via ownership of catcher vessel permit(s).

3.1.3 Co-ops for Catcher-Processors

Under the catcher-processor (CP) co-op program, the main change from the current CP sector management will be the creation of a CP endorsement to close the CP fishery to new entrants. This endorsement will be granted to LE permits registered to CP vessels if they meet specified qualification criteria. Only vessels with a CP LE permit will be allowed to harvest fish from the sector's allocation. LE permits with CP endorsements will continue to be transferable.

Another important change is that NMFS will, in regulation, assign an amount of catch to the CP sector co-op. This amount will be based on the allocation to the CP sector as a whole. Catch by

the CP sector will be controlled primarily by closing the fishery when a constraining allocation is reached. As under status quo, co-op(s) may continue to be formed voluntarily by CP permit holders. If a co-op is formed, the sector will be managed as a private voluntary cooperative and governed by a private contract that will likely include division of the sector allocation among eligible vessels according to an agreed harvest schedule. NMFS will not establish an allocation of catch or catch history among CP permits unless the co-op fails to form. If the co-op fails to form, an IFQ system will be put into place with IFQ allocated equally to each CP permit (equally divided among all CP endorsed permits). If more than one CP co-op is formed, a race for fish could ensue absent an inter co-op agreement.

3.2 Detailed Specification of Co-op Program Elements

Table 1. Overview of the co-op program.

| | |
|------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| B.1 | <i>Whiting Sector Management Under Co-ops</i> |
| B-1.1 | Whiting Management |
| B-1.2 | Annual Whiting Rollovers |
| B-1.3 | Bycatch Species Management |
| B-1.4 | At-sea Observers/Monitoring |
| B-1.5 | Mandatory Data Collection |
| B-1.6 | Adaptive Management—Not included in recommendation. <i>(This section header is being maintained as a place holder so that numbering will correspond to that of the alternatives and analysis in the EIS).</i> |
| B-1.7 | Length Endorsement |
| B-2 | <i>Whiting Mothership Sector Co-op Program</i> |
| B-2.1 | Participation in the Mothership Sector |
| B-2.2 | Permits/Endorsement Qualification and Characteristics |
| B-2.3 | Co-op Formation and Operation Rules |
| B-2.4 | Obligations to Processors |
| B-2.5 | NMFS Role |
| B-3 | <i>Whiting Shoreside Sector Co-op Program</i> |
| | Not included in recommendation. <i>(This section header is being maintained as a place holder).</i> |
| B-4 | <i>Co-ops for Catcher-Processors</i> |
| B-4.1 | Participation in the Catcher-Processor Sector and Endorsement Qualification |
| B-4.2 | Co-op Formation and Operation Rules |
| B-4.3 | NMFS Role |

B-1 Whiting Sector Management Under Co-ops

B-1.1 Whiting Management

Under the co-op program, catcher vessel permits for the mothership sector will be endorsed for deliveries to motherships and amounts of history assigned; and catcher-processor permits will be endorsed for participation in the catcher-processor sector.

The whiting catch history calculation for each mothership-endorsed catcher vessel permit [CV(MS)] will be assigned to a pool for the co-op in which the permit will participate or a pool for the mothership non-co-op fishery. Co-ops are responsible for monitoring and enforcing the catch limits of co-op members. NMFS will make an allocation assignment to the catcher-processor sector co-op based on the allocation to that sector.

NMFS will monitor the catch in the non-co-op fishery, the co-op fisheries, and the overall whiting catch of all sectors. NMFS will close the mothership co-op fishery when its catch limit has been achieved, and the mothership non-co-op fishery based on projected attainment its catch limit, and the catcher-processor fishery when its catch limit has been achieved. Additionally, all sectors will be subject to closure based on attainment of the overall trawl whiting allocation.

B-1.2 Annual Whiting Rollovers

Under status quo, there is a whiting rollover. The Council's final action did not directly address whiting rollovers.

B-1.3 Bycatch Species Management

For the foreseeable future, the whiting fishery will be managed under bycatch limits (hard caps) for widow, canary, and darkblotched rockfish. The ESA-listed salmon bycatch management measures—that is, the 11,000 Chinook threshold, 0.05 rate threshold, and triggered 100 fathom closure—will also continue to be in place. The goal of bycatch management is to control the rate and amounts of rockfish and salmon bycatch to ensure each sector is provided an opportunity to harvest its whiting allocation.

B-1.3.1 Bycatch Allocation Subdivision

Subdivide bycatch species allocation among each of the whiting sectors, within the sectors subdivide between the co-op fishery and non-co-op fishery (subdivision for the non-co-op fishery does not apply to the catcher-processor co-op program) and subdivide bycatch among co-ops.

B-1.3.2 Bycatch Management

All sectors and co-ops will close as soon as the whiting fishery bycatch cap is reached for one species. The Council may use area closures (seasonal or year-round) to manage overfished stocks in the co-op and non-co-op fisheries. The area closures may be the same or different for different

species. Area closures may be year-round, seasonal, or triggered automatically by the attainment of certain levels of catch.

Unused bycatch may be rolled over from one sector to another if the sector's full allocation of whiting has been harvested or participants in the sector do not intend to harvest the remaining sector allocation.

A sector's bycatch allocation will be divided between the co-op and non-co-op fishery of the sector, based on the allocations made to the permits participating in each portion of the fishery. The mothership co-op fishery will close based on attainment of its allocation. The mothership non-co-op fishery and catcher-processor fishery will close based on projected attainment of its allocation.²

Bycatch will be allocated to each permit and co-op pro rata in proportion to its whiting allocation. Each co-op will cease fishing when its bycatch allocation is reached.

B-1.4 At-sea Observers/ Monitoring

At-sea Whiting Fishery: 100 percent observer coverage aboard mothership and catcher-processors will continue.

For some coverage, cameras may be used in place of observers (feasibility to be determined).

B-1.5 Mandatory Data Collection

The following are the central elements of the data collection program that will be implemented as part of the co-op program.

- Mandatory submission of economic data for LE trawl industry (harvesters and processors).
- Voluntary submission of economic data for other sectors of the fishing industry.
- Include transaction value information in a centralized registry of ownership.
- Formal monitoring of government costs.

Mandatory Provisions. The Pacific Fishery Management Council and NMFS shall have the authority to implement a data collection program for cost, revenue, ownership, and employment data, compliance with which will be mandatory for members of the west coast groundfish industry harvesting or processing fish under the Council's authority. Data collected under this authority will be treated as confidential in accordance with Section 402 of the MSA.

A mandatory data collection program shall be developed and implemented as part of the groundfish trawl rationalization program and continued through the life of the program. Cost, revenue, ownership, employment and other information will be collected on a periodic basis (based on scientific requirements) to provide the information necessary to study the impacts of the program, including achievement of goals and objectives associated with the rationalization program. These data may also be used to analyze the economic and social impacts of future FMP

² This alternative included options for a quota buffer for the non-co-op fishery. The Council's preliminary preferred alternative from June 2008 recommended that there not be a buffer. The Council's final action in November 2008 did not address this issue.

amendments on industry, regions, and localities. The program will include targeted and random audits as necessary to verify and validate data submissions. *Data collected under this authority will be treated as confidential in accordance with Section 402 of the MSA.* Additional funding (as compared to status quo) will be needed to support the collection of these data. The data collected would include data needed to meet MSA requirements (including antitrust).

The development of the program shall include a comprehensive discussion of the enforcement of such a program, including discussion of the type of enforcement actions that will be taken if inaccuracies are found in mandatory data submissions. The intent of this action will be to ensure that accurate data are collected without being overly burdensome to industry in the event of unintended errors. Annual reports will be provided to the Council.

Voluntary Provisions: A voluntary data collection program will be used to collect information needed to assess spillover impacts on non-trawl fisheries.

Central Registry: Information on transaction prices will be included in a central registry of whiting endorsed permit and mothership permit owners. Such information will also be included for sales and lessees.

Government Costs: Data will be collected and maintained on the monitoring, administration, and enforcement costs related to governance of the rationalization program.

B-1.6 Adaptive Management

There will not be an adaptive management set aside for the at-sea whiting fisheries. *(This section is being maintained as a place holder so that numbering will correspond to that in the alternatives and analysis of the EIS.)*

B-1.7 Length Endorsement

Length endorsement restrictions on LE permits endorsed for groundfish gear will be retained, however, the provision that requires that the size endorsements on trawl permits transferred to smaller vessels be reduced to the size of that smaller vessel will be eliminated (i.e. length endorsements will not change when a trawl endorsed permit is transferred to a smaller vessel).

B-2 Whiting Mothership Sector Co-Op Program

Overview. Qualified permits will be endorsed for mothership (MS) co-op participation. Each year the holders of those permits will choose whether their vessels will fish in the co-op fishery, in which individual co-ops will direct harvest, or fish in a non-co-op fishery that will be managed by NMFS as an Olympic style fishery. The co-op will be obligated to deliver its fish to specific mothership processors based on the obligations of each permit in the co-op determined based on preseason declarations. LE permits will be issued for motherships and required for a mothership to receive whiting from catcher vessels.

B-2.1 Participation in the Mothership Sector

a. Catcher Vessels

Vessels with CV(MS)-endorsed permits may participate in either the co-op or non-co-op portion of the mothership fishery. They will choose annually which fishery they will participate in for the coming year. Additionally, any groundfish LE trawl permitted vessels may participate in the co-op portion of the fishery if they join a co-op (as described in Section B-2.3.3).³ No other catcher vessels may participate in the mothership fishery.

A vessel may not engage in the processing of whiting during any year in which a catcher vessel (mothership) (CV(MS)) endorsed permit is registered for use with the vessel.

b. Processors

Only motherships with a mothership LE permit may receive deliveries from catcher vessels participating in the co-op or non-co-op portions of the mothership sector whiting fishery. (Note: motherships may acquire such permits by transfer; see Section B-2.2.2.)

c. Vessels Excluded⁴

Motherships also operating as a catcher-processor may not operate as a mothership: during a year in which it also participates as a catcher-processor.

B-2.2 Permits/Endorsement Qualification and Characteristics

B-2.2.1 Catcher Vessel Mothership Whiting Endorsement (CV(MS) Whiting Endorsement)

a. Endorsement Qualification and History Assignment

Permits with a qualifying history will be designated as CV(MS) permits through the addition of an endorsement to their LE groundfish permit. At the time of endorsement qualification, each permit will also be assigned a catch history that will determine the share of the mothership whiting allocation associated with that permit.

Qualifying for a CV(MS) Whiting Endorsement. A LE permit will qualify for a CV(MS) whiting endorsement if it has a total of more than 500 mt of whiting deliveries to motherships from 1994 through 2003

³ When such permits participate in a co-op the co-op will not be allocated any additional fish based on participation by such a vessel.

⁴ A vessel that has been under foreign registry after the date of the AFA and that has participated in fisheries in the territorial waters or exclusive economic zones of other countries will not be eligible to participate as a mothership in the mothership sector of the Pacific whiting fishery, as per Section 12102(c)(6) of the AFA.

Catch History Assignment (Identification of Endorsement Related Catch History). The initial catch history calculation for CV(MS) whiting endorsements will be based on whiting history of the permit for 1994 through 2003, dropping 2 worst years (see footnote q to Table 1). This catch history will be used by NMFS to assign both whiting and bycatch species allocations to the co-ops and non-co-op fishery pools, as per section B.1.3.2.

For the purpose of the endorsement and initial calculation, catch history associated with the permit includes that of permits that were combined to generate the current permit.

b. Whiting Permit and Endorsement Transferability and Endorsement Severability

The CV(MS) whiting endorsement (together with the associated catch history) *may not be* severed from the groundfish LE trawl permit. CV (MS) permits may be transferred two times during the fishing year, provided that the second transfer is back to the original catcher vessel (i.e. only one transfer per year to a different catcher vessel

c. Accumulation Limit

CV(MS) Permit Ownership: Accumulation limits will be addressed as part of the Council's trailing actions. Recommendations will included when the program is submitted to the secretary for approval.

d. Combination

CV(MS) Permit Combination to Achieve a Larger Size Endorsement. When a CV(MS)-endorsed permit is combined with another permit (including unendorsed permits), the resulting permit will be CV(MS) endorsed⁵

B-2.2.2 Mothership Processor Permit

a. Qualifying Entities

The owners of qualifying motherships will be issued MS permits. In the case of bareboat charters, the charterer of the bareboat will be issued the permit.

b. Qualification Requirements

A qualifying mothership is one which processed at least 1,000 mt of whiting in each of any two years from 1997 through 2003.

⁵ Specifically, a CV(MS)-endorsed permit that is combined with a LE trawl permit that is not CV(MS) endorsed or one that is CV(Shoreside) [CV(SS)] endorsed will be reissued with the CV(MS) endorsement. If the other permit is CV(SS) endorsed, the CV(SS) endorsement will also be maintained on the resulting permit. However, CV(MS) and CV(SS) catch histories will be maintained separately on the resulting permit and be specific to participation in the sectors for which the catch histories were originally determined. If a CV(MS) permit is combined with a CP permit, the CV(MS) endorsement and history will not be reissued on the combined permit. The size endorsement resulting from permit combinations will be determined based on the existing permit combination formula.

c. Transferability

1. MS permits will be transferable
2. MS permits may be transferred to a vessel of any size (there will be no size endorsements associated with the permit) MS permits **may not** be transferred to a vessel engaged in the *harvest* of whiting in the year of the transfer.
3. Limit on the Frequency of Transfers: MS permits may be transferred two times during the fishing year provided that the second transfer is back to the original mothership (i.e. only one transfer per year to a different mothership).

d. Usage Limit

No individual or entity owning a MS permit(s) may process more than 45 percent of the total MS sector whiting allocation..

| |
|---------------------------------------------------|
| B-2.3 Co-op Formation and Operation Rules. |
|---------------------------------------------------|

B-2.3.1 *Who and Number of Co-ops*

Co-ops are not required but may be voluntarily formed among CV(MS) permit owners. The number of co-ops will be indirectly limited by the limit on the minimum number of vessels able to form a co-op (see Section 2.3.3-b).

B-2.3.2 *When*

Each year at a date certain prior to the start of the fishery, MS and CV(MS) permit holders planning to participate in the mothership sector must register with NMFS. At that time CV(MS) permit holders must identify which co-op they will participate in or if they plan to participate in the non-co-op fishery.

B-2.3.3 *Co-op Agreement Standards*

a. Submissions to NMFS and the Council

Co-op agreement. Co-op agreements will be submitted to NMFS for approval. Signed copies of the cooperative contracts must be filed with the Council and NMFS and available for public review before the co-op is authorized to engage in fishing activities.⁶ Any material changes or amendments to the contract must be filed annually with the Council and NMFS by a date certain.

Letter to Department of Justice. Co-ops must also file with the Council and NMFS a copy of a letter from the co-op requesting a business review letter on the fishery cooperative from the Department of Justice and any response to such request.

⁶ During council discussion this was flagged by NOAA GC as a potential legal problem.

b. Number of Participants in Each Co-op (Including Inter-co-ops)

CV permits may join together in separate harvester co-ops. A minimum of 20% of the CV(MS) permit holders are required to form a co-op.⁷ Co-ops may form co-ops with other co-ops. Within one of the whiting sectors, these co-ops may be formed to manage directed catch and/or bycatch. Whiting and bycatch allocations may be transferred among co-ops through inter-co-op agreements.

c. Catch History Distributions Among Permits

Co-op agreements must stipulate that catch allocations to members of the co-op be based on their catch history calculation by NMFS used for distribution to the co-op.

d. Participation by Non-CV (MS) Endorsed Permits

Through temporary arrangements a co-op allocation may be harvested by any catcher vessel holding a valid LE trawl permit which has joined the co-op (including one that does not have a CV(MS) endorsement).⁸

e. Other Required Co-op Agreement Provisions

The Council's intent is to have mothership sector participants work with NMFS to develop and describe a process and co-op agreement requirements to include in implementing regulations for this action.

A co-op agreement must include:

1. A list of all vessels, and which must match the amount distributed to individual permit holders by NMFS
2. Signature of all permit holders participating in the co-op
3. A plan to adequately monitor catch and bycatch
4. Adequate enforcement and penalty provisions to ensure that catch and bycatch overages do not occur
5. Measures designed to reduce bycatch of overfished species
6. An obligation to manage inseason transfers of catch history
7. A requirement that agreement by at least a majority of the members is required to dissolve a co-op (**During council discussion this was flagged by NOAA GC as a potential legal problem**)
8. An obligation to produce an annual report to the Council and NMFS by a date certain documenting the co-op's catch and bycatch data and inseason transfers (the report is to be available for review by the public)
9. Identification of a co-op manager who will:
 - a. serve as the contact person with NMFS, the Council and other co-ops,
 - b. be responsible for the annual distribution of catch and bycatch,
 - c. oversee transfers,
 - d. prepare annual reports, and

⁷ The minimum threshold number of participants required to form a co-op balances the potential advantages for multiple co-ops while limiting implementation and management costs and administrative requirements for managing this sector.

⁸ As a member of the co-op, such a vessel would be subject to Section B-2.4 and the indicated processor obligations.

- e. be authorized to receive or respond to any legal process against the co-op.
- 10. Provisions that prohibit co-op membership by permit holders that have incurred legal sanctions that prevent them from fishing groundfish in the Council region
- 11. A provision that requires new owners to comply with membership restrictions in the co-op agreements

f. Additional Provisions for Inter-co-op Agreements

- 1. In the case of two or more cooperatives entering into an inter-cooperative agreement, the inter-co-op agreement must incorporate and honor the provisions of the individual co-op agreements unless all such agreements (or modifications thereof) are resubmitted for approval.
- 2. The requirements of Sections 2.3.3.a-2.3.3.e apply to the inter-co-op agreement, except that for the purpose of Section 2.3.3.e., subparagraph 7, the members of the inter-co-ops are the co-ops and not the participants in each co-op.

B-2.3.4 Annual Allocation Transferability

- 1. The annual allocations received by a co-op based on catch history of the whiting endorsements held by its members may be transferred among co-op members and from one co-op to another so long as obligations to processors are met (as per Section B-2.4). Additionally, in order to transfer annual allocation from one co-op to another there must be a NMFS approved inter-co-op agreement.
- 2. Allocations may not be transferred from the mothership sector to another sector.

| |
|----------------------------------------|
| B-2.4 Obligations to Processors |
|----------------------------------------|

There will not be a processor tie that carries from one year to the next. CV(MS) permits will be obligated to a single MS permit for an entire year but may change to a different MS permit through a preseason declaration of intent.

By September 1 of the year prior to implementation and every year thereafter, each CV(MS) permit is required to contact NMFS and indicate whether CV(MS) permit will be participating in the co-op or non-co-op fishery in the following year. If participating in the co-op fishery, then CV(MS) permit must also provide the name of the MS permit that CV(MS) permit will be linked to in the following year (i.e., annual catcher vessel, mothership linkage that may be changed each year without requirement to go into the "non-co-op" fishery). Once established, the catcher vessel, mothership linkage shall remain in place until changed by CV(MS) permit.

B-2.4.1 Modification of Obligations

Mothership Permit Transfer. If a mothership transfers its MS permit to a different mothership or different owner, the CV(MS) permit obligation for that year remains in place and transfers with the MS permit to the replacement mothership unless the obligation is changed by mutual agreement. The obligation does not extend beyond the fishing year.

B-2.4.2 Flexibility in Meeting Obligations to Processors

a. Temporary Transfer of the Annual Allocation Within the Co-op or from One Co-op to Another

When CV(MS) permit owners transfer co-op allocations from one co-op member to another within the co-op or from one co-op to another within an inter-co-op such allocations must be delivered to the mothership to which the allocation is obligated through the preseason declaration, unless released by mutual agreement.

b. Mutual Agreement Exception

By mutual agreement of the CV(MS) permit owner and mothership to which the permit is obligated, a permit may deliver to a licensed mothership other than that to which it is obligated.

B-2.4.3 Mothership Processor Withdrawal

If a mothership withdraws subsequent to quota assignment, then the CV(MS) permit that it is obligated to it is free to participate in the co-op or non-co-op fishery. The MS permit shall notify NMFS and linked CV(MS) permits of its withdrawal, and CV(MS) permits shall notify NMFS of their intent to participate in the co-op or non-co-op fishery thereafter. If continuing in co-op fishery, then CV(MS) permit shall provide NMFS with the name of the new MS permit to which it will be obligated for that season.

| |
|------------------------|
| B-2.5 NMFS Role |
|------------------------|

B-2.5.1 Permit and Endorsement Issuance

NMFS will issue all necessary permits and endorsements under the rules specified under this program. Appeals processes will be provided as appropriate and necessary.

B-2.5.2 Fishery Registration and Co-op Approval

NMFS will announce a deadline before which all co-op agreements must be received for the coming year. NMFS will review and approve or reject co-op agreements based on standards provided here and other standards that it deems necessary to achieve the policy intent of the Council's actions.

B-2.5.3 Annual Allocation to Co-ops and the Non-co-op Fishery

a. Co-op Allocation

Each year NMFS will determine the percent of the mothership sector's harvest allocation to be given to each co-op based on the catch history calculation of CV(MS) permits registered to participate in the co-op that year. NMFS does not allocate to the individual permit holder; rather,

NMFS allocates an aggregate amount of harvest tonnage annually to the co-op based on the catch histories associated with the members of the co-ops.

b. Non-co-op Allocation

Each year NMFS will determine the distribution to be given to the non-co-op fishery based on the catch history calculation of permit holders registered to participate in that fishery.

B-2.5.4 Fishery Management and Co-op Monitoring

1. NMFS will track all permit transfers and the invocation of mutual agreement exceptions. Permit transfers will not be valid until registered and acknowledged by NMFS.
2. NMFS will monitor catch and close segments of the fishery as necessary to ensure catch limits are not exceeded for:
 - a. the whiting mothership co-op fishery
 - b. the whiting mothership non-co-op fishery
 - c. the mothership whiting sector as a whole
3. NMFS will not necessarily monitor, but will investigate and enforce as it deems necessary, the permit and co-op obligations to motherships.
4. NMFS will not necessarily monitor or enforce (except as it deems necessary):
 - a. an individual permit's progress towards its catch allocations (permit level catch control will be at the co-op level and enforced through execution of the private contract)
 - b. a co-op's progress toward its catch allocation⁹
 - c. actual performance of the co-op agreement (the parties to the contract will resolve through private contract and remedies any deviation from provisions such as that requiring that a vessel have the opportunity to harvest the catch allocated to the co-op based on that vessel's permit, Section B-2.3.3.c)
5. NMFS will monitor other program provisions as needed. In some situations, there may need to be a declaration procedure to determine where a permit is delivering its obligated catch, for example, if a mothership withdraws without transferring its permit or reaching a mutual agreement for the transfer of obligated deliveries to a different mothership.

| |
|-----------------------------------------------------------------------------------------|
| <p>B-3 Whiting Shoreside Sector Co-Op Program (placeholder, not recommended)</p> |
|-----------------------------------------------------------------------------------------|

The shoreside whiting sector will be managed with an IFQ program. This section header is being maintained so that section numbering here will correspond to section numbering in the alternatives and analysis in the EIS.

⁹ This assumes that there is an inter-co-op agreement in place that covers the entire co-op fishery. If such an agreement is not in place covering both catch and bycatch, NMFS may need to monitor catch by each individual co-op (but not by the individual vessels in the co-op).

B-4 Catcher-Processors Co-op Program

Catch by the catcher-processor sector will be controlled primarily by closing the fishery when a constraining allocation is reached. As under status quo, vessels may form co-ops to achieve benefits that result from a slower-paced, more controlled harvest. The main change from status quo is the creation of a limited number of catcher-processor endorsements and the specification in regulation of the amounts that will be available for harvest by the voluntary co-op. A new entrant will have to acquire a permit with a catcher-processor endorsement in order to enter the fishery.

B-4.1 Participation in the Catcher-Processor Sector , Endorsement Qualification and Permit Transferability.

Catcher-processor (CP) Endorsement. The class of CP endorsed permits (CP permits) will be limited by an endorsement placed on a LE permit. LE permits registered to qualified catcher-processor vessels will be endorsed as CP permits. A qualified permit is one that harvested and processed in the catcher-processor sector of the Pacific whiting fishery at any time from 1997 through 2003. Only vessels catcher-processor vessels with a CP endorsed LE permit will be allowed to process whiting at-sea. LE permits with CP endorsements will continue to be transferable.

Participation as Mothership. Catcher-processors cannot operate as a mothership during the same year it participates in the CP fishery.

CP Permit Combination to Achieve a Larger Size Endorsement. A CP permit that is combined with a LE trawl permit that is not CP endorsed will result in a single CP permit with a larger size endorsement. (A CV(MS) endorsement on one of the permits being combined will not be reissued on the resulting permit.) The resulting size endorsement will be determined based on the existing permit combination formula.

CP Permit Transfers to Smaller Vessels. Length endorsement restrictions on LE permits endorsed for groundfish gear will be retained, however, the provision that requires that the size endorsements on trawl permits transferred to smaller vessels be reduced to the size of that smaller vessel will be eliminated (i.e. length endorsements will not change when a trawl endorsed permit is transferred to a smaller vessel).

Number of Transfers Per Year. CP permits may be transferred two times during the fishing year, provided that the second transfer was back to the original CP (I.e., only one transfer per year to a different CP).

B-4.2 Co-op Formation and Operation Rules

No annual registrations or declarations are required. As under status quo, co-op(s) will be formed among holders of permits for catcher-processors. Participation in the co-op will be at the discretion of those permit holders. If eligible participants choose to form a co-op, the catcher-processor sector will be managed as a private voluntary cooperative and governed by a private contract that specifies, among other things, allocation of whiting among CP permits, catch/bycatch management, and enforcement and compliance provisions. Under the co-op

program, if more than one co-op is formed, a race for fish could ensue absent an inter co-op agreement. NMFS will not establish an allocation of catch or catch history among permits unless the co-op fails to form. If the co-op system fails it will be replaced by an IFQ program and the initial issuance of IFQ will equal among the permits (equally divided among all CP endorsed permits).

Annual Reporting Requirements. The CP cooperative will submit an annual report to the Pacific Fishery Management Council at their November meeting. The report will contain information about the current year's CP fishery, including the CP sector's annual allocation of Pacific whiting; the CP cooperative's actual retained and discarded catch of Pacific whiting, salmon, rockfish, groundfish, and other species on a vessel-by-vessel basis; a description of the method used by the CP cooperative to monitor performance of cooperative vessels that participated in the CP sector of the fishery; and a description of any actions taken by the CP cooperative in response to any vessels that exceed their allowed catch and bycatch. The report will also identify plans for the next year's CP fishery, including the companies participating in the cooperative, the harvest agreement, and catch monitoring and reporting requirements.

B-4.3 NMFS Role

B-4.3.1 Permit and Endorsement Issuance

NMFS will issue all necessary endorsements under the rules specified under this program. Appeals processes will be provided as appropriate and necessary.

B-4.3.2 Annual Allocation

Harvest amounts for the co-op will be specified in regulation. If the co-op breaks up, harvest will be divided equally among the 10 permits.

The catcher-processor sector allocation may be divided among eligible catcher-processor vessels (i.e., those catcher-processor vessels for which a CP permit is held) according to an agreed catcher-processor cooperative harvest schedule as specified by private contract.

B-4.3.3 Fishery and Co-op Monitoring

1. NMFS will track all permit transfers. Permit transfers will not be valid until registered and acknowledged by NMFS.
2. NMFS will monitor catch and close the catcher-processor sector fishery as necessary to ensure catch limits are not exceeded.

Whiting Related Clarifications

Agenda Item F.4.a
Attachment 5

Permit Qualification for Whiting Quota Dropping Same Two Years

- IFQ and MS Co-op both use 1994-2003 allocation period, drop two years
- Both programs specified permits participating in both fisheries would drop same 2 years
- Council action did not address what happens with IFQs for one sector and co-ops for other.
- The write-up of final preferred alternative does not include drop same year requirement but footnotes the issue.

Effects of Choice

- 28 of 32 permits have some participation in both (94-03).
- Consider two permits both with the same total whiting (20k mt)
 - Permit 1 fished every year in one sector (2k mt/yr).

| | '94 | '95 | '96 | '97 | '98 | '99 | '00 | '01 | '02 | '03 |
|----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| SS | 2k | 2k | 2k | 2k | 2k | 2k | 2k | 2k | 2k | 2k |

- Permit 2 fished 5 years in one sector and 5 years in the other.

| | '94 | '95 | '96 | '97 | '98 | '99 | '00 | '01 | '02 | '03 |
|----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| SS | 2k | 2k | 2k | 2k | 2k | | | | | |
| MS | | | | | | 2k | 2k | 2k | 2k | 2k |

- After dropping 2 years,
 - Permit 1 gets credit for 16K,
 - Permit 2 gets credit for 20K (25% more whiting across both sectors) ³

Whiting Rollover

- Within year rollover of whiting between at-sea sectors
 - Status quo – rollover between sectors
 - Options – no rollover and rollover
 - June PPA – no rollover
 - November FPA – no action (Section B-1.2)
- Staff assumed status quo – whiting rollover
 - Note: bycatch rollover between sectors is allowed.

Management of Bycatch: Buffers

- Applies to: non-co-op segment of mothership co-op fishery
 - Vessels opting out of co-ops, racing for fish.
- Concern: bycatch overage by vessels in the non-co-op fishery could shut down co-ops and others.
- Options: consider buffers and consider no buffers with closure on projected attainment.
- June PPA: no buffers with closure on projected attainment
- November FPA: same as June for Section B-1.3.2,
 - the summary
 - mentioned bycatch rollover Option 1,
 - but did not explicitly mention the buffer option (part of same section)
- Staff assumed same as June also included no buffers and closure on projected attainment.

Defining Community Fishing Associations (CFA)

The Current Trawl Rationalization Program

- Any entity or individual can hold quota shares, if they meet the MSA and program requirements.
- Communities can hold quota shares under the current program.
- Currently, all quota share holders would be subject to the accumulation limits.

March Council Motion

- The Council wished to define “Community Fishing Association” at the April 2009 Council meeting.
- Staff were directed to utilize the
 - NOAA Memorandum on Design and Use of LAPPS
 - The Nature Conservancy’s public comment from March 2009

Why Define “Community Fishing Association”?

- Create a special entity with special privileges and responsibilities to benefit communities.
- CFAs would
 - Have higher accumulation limits than other entities
- The Council could allow CFAs to
 - Acquire quota shares during the moratorium
 - Acquire quota shares during a divestiture period
 - Have reporting requirements that other entities are not held to.

Decision Point 1

What are the Goals & Objectives for giving special privileges to CFAs?

CFAs should benefit communities in some way.

Examples:

- Prevent, minimize or mitigate adverse impacts on fishing communities.
- Promote community stability.

Do higher accumulation limits for CFAs promote the goals and objectives?

Intersection of CFAs and Adaptive Management Program

- A CFA is an entity.
- The Adaptive Management Program (AMP) would distribute quota pounds.

- A CFA could receive Adaptive Management quota pounds just like everyone else.
- CFAs and AMP may have some common objectives, as do other IFQ program aspects.

Starting Points for CFAs

- Must be a “legal entity” (U.S. citizen or state/federal legal entity)
 1. CFAs could be modeled on MSA “Fishing Communities.”
 2. CFAs could be modeled on MSA “Regional Fishing Associations.”
 3. CFAs could be defined in some other way.

MSA “Fishing Communities”

- CFAs could be based on Fishing Communities (FC)
 - Could receive an initial allocation of Quota Shares.
 - Consist of residents who fish, process or conduct fishery support business.
 - Meet other criteria developed by the Council.
 - Would develop a Community Sustainability Plan.

MSA “Regional Fishing Associations”

- CFAs could be based on Regional Fishing Associations
 - Consist of fishery participants who hold quota shares (not necessarily community residents).
 - Cannot receive an initial allocation.
 - Meet other criteria developed by the Council.
 - Must develop a Regional Fishery Association Plan.

Third option

- Create a Council driven (not MSA driven) definition of Community Fishing Association
(would be consistent with MSA)

Draft CFA Qualifications

- Must meet a geographic designation.
- Must meet membership requirements.
- Must have the support of community.
- Must meet operational standards.
- Must develop an adequate Community Sustainability Plan.

Decision Point 3

Geographic Designation

- Can CFA's overlap? (TNC – No)
- If not, how would one CFA be established over another?
- How big can a CFA be?
 - One community
 - Multiple communities, but restricted area of coast (TNC)
 - Multiple communities, no geographic restriction

Support of Community

- Should CFAs be required to demonstrate support from local governments? (TNC – Yes)
- Should CFAs be required to demonstrate support from industry participants in the community? (TNC – Yes, ex. 2 harvesters and 1 processor)

Membership Requirements

If higher accumulation limits are allowed for CFAs, the “own and control” issue is re-opened.

CFA membership becomes a critical consideration.

Membership Requirements

- An option to address this issue could include prohibiting CFA members from owning privately held QS.
 - With this option, CFA QP would go to community members that are non-CFA-members.
- Another option is TNC's "10% rule."

Operational Standards

If CFA members can receive and harvest CFA
Quota Pounds...

Should the CFA be allowed to discriminate
between members and non-members?

In other words,

- Can QP be distributed only to CFA members?
- Or must community resident non-CFA-members also have access to CFA QP?

(TNC – no mandates or restrictions)

Adequate Community Stability Plan

- Community Stability Plan should include
 - CFA Goals and Objectives
 - Means to achieve Goals and Objectives
 - Performance measures
- How will the Council/NMFS judge the quality of a CFA Stability Plan?
- What Goals and Objectives are acceptable?
 - Allow CFA formation
 - Disapprove CFA formation

Why define CFA now?

April - Define CFA.

May – GAC to discuss CFAs.

June - Accumulation limits for CFAs and Overfished Species.

GROUNDFISH ADVISORY SUBPANEL REPORT ON FMP AMENDMENT 20-TRAWL
RATIONALIZATION-COMMUNITY FISHERY ASSOCIATION (CFA) AND
MISCELLANEOUS CLARIFICATION ISSUES

The Groundfish Advisory Subpanel (GAP) received a report from Mr. Jim Seger and Ms. Heather Brandon on Community Fishing Associations (CFAs) and offers three recommendations in order of preference.

1) The GAP's primary recommendation is that CFAs should not be entitled to any special privileges. Specifically, the GAP recommends that CFAs should not be permitted to have higher accumulation caps than other entities.

The GAP spent a significant amount of time discussing this issue and raised numerous concerns. As an initial matter, the GAP questioned whether CFAs were necessary. Some members expressed that the Council should wait to see an impact on communities before implementing CFAs. Some members also felt that the Adaptive Management Program is intended to serve many of the same purposes as CFAs, and therefore the Council should wait to see whether Adaptive Management is effective before developing CFAs.

In addition, the GAP noted that because of the broad "eligibility to own" standards adopted by the Council at the March 2009 meeting, the only reason to develop CFAs would be to allow them to exceed accumulation caps. There was strong sentiment among the panel that as a matter of principal all entities should be held to the same standards. There was also a feeling that higher accumulation caps were being proposed as a way to circumvent the control date. In the absence of higher caps, the GAP noted that most of the goals and objectives that CFAs are meant to achieve could be achieved through private contractual arrangements.

Several members expressed concerns that big corporations could use CFAs as a tool to control quota and markets along the entire coast. There was also concern that individual fishermen would be harmed because they would not be able to compete with public entities for quota.

The GAP articulated many other concerns with CFAs. Those concerns are highlighted below in section 3 which covers specific features of CFAs if the Council decides to define them.

2) If the Council decides not to follow GAP recommendation one above, the GAP recommends that the Council delay the decision so that the GAP and other stakeholders have more time to review matters relating to the definition of CFAs.

The GAP feels that more time is needed to develop specific goals and objectives for CFAs along with parameters that will allow them to achieve those goals and objectives without creating other serious problems.

3) If the Council decides to reject the GAP recommendations and define CFAs at this meeting, then the GAP wishes to highlight the following specific concerns.

Geographic designations

- The GAP raised concerns about the strawman option which allows CFAs to cover multiple ports, but prevents more than one CFA from being in a port. The GAP felt that where there is more than one buyer or processor in a port it might make sense to allow for more than one CFA. Conversely, while the GAP acknowledged that it might make sense to allow a single CFA to cover closely related ports (e.g. San Francisco Bay ports), there was concern that a blanket statement authorizing CFAs to cover multiple ports without some rationale or criteria was questionable.
- As a related matter, the GAP wondered whether there would be a cap on the total number of CFAs that could form on the coast.
- Finally, the GAP was concerned that allowing one community to hold a significant amount of quota could harm other communities.

Membership requirements

- The GAP wishes to reiterate that a trawl permit will be required to fish trawl quota. Theoretically anyone could join a CFA, but the GAP objects to anyone fishing trawl quota without a Limited Entry (LE) trawl permit.
- The GAP suggests that processors should be eligible entities to join a CFA, but that they should not be required for the formation of a CFA.

Support of community/local support

- The GAP was concerned that CFAs could create a situation in which individual fishermen would have to compete for quota against public entities that they fund with their tax dollars.

Operational standards

- The GAP was concerned about some participants gaming CFAs thereby allowing mega corporations to use them to consolidate quota and market control.
- Concern was expressed over tracking compliance with accumulation caps for CFA participants.

The GAP also offers the following recommendations related to the at-sea whiting clarification issues identified under agenda item F.4.

Initial allocation – dropping years

The GAP recommends allowing selection of two years to drop from a permit's catch history independently by sector.

Whiting rollovers

The GAP recommends against allowing rollover of whiting in the at-sea sectors.

Bycatch buffers in the mothership fishery

The GAP recommends not establishing buffers.

GROUND FISH MANAGEMENT TEAM REPORT
ON FMP AMENDMENT 20 – TRAWL RATIONALIZATION – DEFINING A COMMUNITY
FISHING ASSOCIATION (CFA) AND MISCELLANEOUS CLARIFICATION ISSUES

The Groundfish Management Team (GMT) received a presentation from Council staff, as well as public testimony, on the task of defining community fishing associations (CFAs). Our agenda at this meeting did not permit us to analyze the CFA definitional elements or standards in detail.

As we understand it, the reason for defining a CFA at this meeting would be for the Council to then decide whether to grant CFAs some exception to the quota share (QS) control limits at the June meeting. CFAs could also receive some preferential consideration in the allocation of quota from the adaptive management program, depending on how the Council structures that program.

In exchange for these special considerations or privileges, a CFA would be expected to further one or more of the Council's management objectives for the Trawl Individual Quota (TIQ) program. Objective 13— "Minimize adverse effects from an IFQ program on fishing communities and other fisheries to the extent practical"—would be seem to be the most pertinent objective. If so, the Council would choose to grant a CFA special privileges if it expected that those privileges would minimize adverse community impacts to a greater degree than the TIQ program would in the absence of that CFA. In turn, it seems implied that CFAs should only be granted special considerations or privileges if established for purposes broader than the basic profit motive.

At the same time, the Council would also want to consider the fact that granting an exception or a special privilege to a policy might detract from the management objective or objectives that the policy was intended to achieve. That is, the Council would want to ensure that the potential costs of that policy were outweighed by the potential benefits of the exception. For example, the primary management objective underlying accumulation limits was to prevent unchecked consolidation in the fleet and quota ownership. Thus, before deciding whether to grant some exception to the accumulation limits, the Council would want to ensure that the exception either did not worsen the risk of consolidation, or, at least, offset any increased risk by achieving some other management objective. The definitional elements and CFA standards could be designed in a way that permitted the Council to make this judgment on a case-by-case basis.

In addition, the Council should consider why the special privilege of higher accumulation limits would be necessary for a CFA to form. There is nothing in the TIQ program to prevent individual quota holders from forming associations or cooperatives on their own. Granting special privileges for CFAs might help incentivize such associations. Accumulation limits could, however, prevent a single entity from holding quota "in trust" for a community. The Council did not look at this type of entity when setting accumulation limits in March. Rather, the Council's unit of focus there was individual harvesting entities. Again, the question of how much quota a community trust CFA should be allowed to hold would depend on the expected net benefit of the CFA's proposed management objectives. This would seem most appropriately determined on a case-by-case basis.

SCIENTIFIC AND STATISTICAL COMMITTEE REPORT
ON FMP AMENDMENT 20 – TRAWL RATIONALIZATION – COMMUNITY FISHERY
ASSOCIATION (CFA) AND MISCELLANEOUS CLARIFICATION ISSUES

The Scientific and Statistical Committee (SSC) was briefed by Mr. Merrick Burden and Ms. Heather Brandon on consideration being given to higher accumulation limits for community fishery associations (CFAs) as part of trawl rationalization. The SSC notes the need for clear goals and objectives to inform the analysis of this provision and for tightly specified qualification requirements consistent with the objectives.

PFMC
04/04/09

WASHINGTON DEPARTMENT OF FISH AND WILDLIFE (WDFW) REPORT ON
FMP AMENDMENT 20 – TRAWL RATIONALIZATION – COMMUNITY FISHERY
ASSOCIATION (CFA) AND MISCELLANEOUS CLARIFICATION ISSUES

With regard to the three miscellaneous trawl rationalization issues relating to the whiting fishery, the Washington Department of Fish and Wildlife would like to offer the following clarifications:

1. **Dropping the same two years** – The intent of the motions adopted in November 2008 was such that permit holders participating in the shoreside and mothership whiting fisheries could select two different sets of years to drop. The public testimony provided in November favored this approach as requiring the same set of years be dropped could cause a permit holder to select catch history in one sector over the other. **For clarification, the intent was for permit holders to have the ability to select different sets of years.**
2. **Whiting rollover** – The intent of the motion adopted by the Council was to not have a rollover of unused whiting. By not adopting the option that allowed a rollover, we thought that a rollover would not be allowed. We understand the confusion surrounding this point as Council staff points out that under status quo, rollover is allowed. **For clarification, the intent had been to not allow a rollover for whiting.**
3. **Buffers** – The motion adopted by the Council specified that a sector's fishery would close upon projected attainment (rather than actual attainment) of its whiting or one or more of its bycatch limits; therefore, we did not think that a buffer for the non-co-op fishery was necessary. We agree with Council staff's interpretation of how this issue is to be addressed. **For clarification, the intent of the motion in November was to not have buffers for the non-co-op segment of the mothership fishery.**



HARBOR/MARINA DIVISION

March 4, 2009

RECEIVED

MAR 12 2009

PFMC

Don Hansen, Chair
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 101
Portland OR 97220-1384

RE: Support for Community Fishing Associations

Dear Chairman Hansen:

Monterey Harbor, which is operated by the City of Monterey, has a long and rich history as an important west-coast commercial fishing port. We have been fortunate to have both significant landings in coastal pelagic species as well as groundfish, with both of these fisheries being the cornerstones that allow for the retention of our commercial fishing infrastructure.

While there are some obvious and previously well discussed benefits of IFQ's, there are also potentially worrisome consequences. One is certainly that groundfish activity, following a new economic reality that IFQ's may present, could mean that central coast ports including Monterey could see groundfish quota sold or leased to other areas of the west coast.

Because of this concern, the City of Monterey strongly requests that the Pacific Fishery Management Council:


1. Develop a framework for CFAs in the current set of trailing actions to be completed by June 2009, including specific accumulation limit rules for CFAs that meet the requirements.
2. Allow entities that qualify for quota share in excess of individual accumulation limits the opportunity to divest of the excess after initial allocation. Low individual accumulation limits without a grandfather or divestiture provision could lead to a major redistribution of access with serious impacts on communities.

The City of Monterey also strongly requests that the PFMC take action to permit commercial fishing associations prior to the initial allocation process. We fear that if the PFMC waits until after the initial allocation process to address this

issue it will become increasingly difficult for new participants or entities to enter or re-enter the fishery no matter what the historic basis of their fisheries are.

We believe that the revised Magnuson-Stevens Act wisely anticipated the need for community fishing associations and we urge the Pacific Fishery Management Council to act strongly in support of these associations and the needs of communities.

Sincerely,

A handwritten signature in purple ink that reads "Stephen B. Scheiblaue". The signature is fluid and cursive, with a long horizontal stroke at the end.

Stephen B. Scheiblaue
Harbormaster

SBS/jp

David Bitts
President
Larry Collins
Vice-President
Tom Hart
Secretary
Marlyse Battistella
Treasurer
In Memoriam:
Nathaniel S. Bingham
Harold C. Christensen

PACIFIC COAST FEDERATION of FISHERMEN'S ASSOCIATIONS



<http://www.pcffa.org>

W.F. "Zeke"
Grader, Jr.
Executive Director
Glen H. Spain
Northwest Regional Director
Vivian Helliwell
Watershed Conservation Director
Duncan MacLean
Salmon Advisor

Please Respond to:

☐ **California Office**

P.O. Box 29370
San Francisco, CA 94129-0370
Tel: (415) 561-5080
Fax: (415) 561-5464

☐ **Northwest Office**

P.O. Box 11170
Eugene, OR 97440-3370
Tel: (541) 689-2000
Fax: (541) 689-2500

18 March 2009

Mr. Don Hansen, Chair
Pacific Fishery Management Council
7700 NE Ambassador Place
Portland, OR 97220-1384

RE: Guidelines for Community Fishing Associations

Dear Chairman Hansen:

The Pacific Coast Federation of Fishermen's Associations (PCFFA), representing working men and women in the West Coast commercial fishing fleet, wishes to thank the Council for action at its March meeting to consider community fishing associations as part of the Pacific Coast Groundfish Fishery Management Plan. This was an action that had been requested by U.S. Senator Barbara Boxer, The Nature Conservancy, Ecotrust, Food & Water Watch, Crab Boat Owners Association and PCFFA, among others.

CFAs, as recognized by Congress, hold the potential for mitigating the impacts of individual fishing quota (IFQ) or "catch share" programs by: 1) assuring broader sharing of the economic benefits from the harvest of public trust fishery resources; 2) protection of fishing communities' historic access to fishery stocks off their coast (including fish processing jobs, and prevention of stranded capital); 3) prevention of excessive consolidation, such as where ownership or control of the fishery is held by a small group of processors, corporations or individuals (e.g., Mid-Atlantic Surf Clam fishery); 4) helping to maintain a "critical mass" of fishing vessels/fishermen to support fishing community infrastructure; and 5) to reduce the capital costs for entry into or participation in a fishery. Moreover, CFAs can help to build widespread community support for fishery conservation.

However, if guidelines for CFA establishment and operation are not thorough and well-crafted, CFAs may fail to fulfill their promise to mitigate the many and very real downsides of

individual quota programs. There is always the chance a CFA may become nothing more than a front organization for a large processor, a tyranny of a majority or a tyranny of a minority running roughshod over a port, or otherwise not acting in a manner consistent with the best use and conservation of fish stocks. This means that guidelines have to be carefully crafted. To that end, neither PCFFA nor others requesting CFA guidelines expect to dump guideline development on overworked Council staff for approval in June. PCFFA, anyway, with hundreds of years of fishing experience – hook-and-line, longline, trap and trawl – between its board members and over 50 years of experience between its two staff attorneys crafting legislation and drafting regulations, is willing to assist this effort.

CFA guidelines, at minimum, will have to address:

1. A Definition of what constitutes a Community Fishing Association
 - a) membership (i.e., minimum number of fishermen and processors)
 - b) community support (e.g., letters, city or county resolutions)
 - c) geographic range – minimum and maximum in size.
 - d) who a CFA may represent (one or multiple communities)
2. The Structure of a CFA
 - a) minimum amount of capitalization, assets (other than quota)
 - b) type of incorporation, IRS tax status
 - c) organizational bylaws and structure of board of directors
 - d) record availability for review, name of person for service of process
 - e) types of members (e.g., inclusion of fishermen's marketing associations, cooperatives)
3. Rights of Members and Non-Members in a Community
 - a) a list of the rights of an individual member of a CFA
 - b) a list of rights of non-members in a community *vis a vis* those of members
4. Quota held by CFAs
 - a) grant of quota to CFAs (including access to quota divested by others)
 - b) purchase of quota by CFAs
 - c) maximum amount of quota that may be held by a CFA
 - d) leasing of quota to CFA members, non-members, including maximum percentage charged for leasing quota.
 - e) use of a CFAs quota outside of the community's geographic region
 - f) sale of CFA quota
 - g) disbursement of quota upon cessation of a CFA
5. Participation of CFA With Multiple Gear Types and/or in Multiple Fisheries
 - a) converting quota from one gear to another gear.
 - b) engagement in multiple fisheries, federal and state-managed

You have also received a list of criteria from The Nature Conservancy and Ecotrust, some of which is listed above, for consideration in developing CFA guidelines. We will be attending the April Council meeting and look forward to discussing this important issue further with Council members. Please do not hesitate to contact us if you have questions or need further information.

Sincerely,

W.F. "Zeke" Grader, Jr.
Executive Director

David Bitts
President
Larry Collins
Vice-President
Tom Hart
Secretary
Marlyse Battistella
Treasurer
In Memoriam:
Nathaniel S. Bingham
Harold C. Christensen

**PACIFIC COAST FEDERATION
of FISHERMEN'S ASSOCIATIONS**



<http://www.pcffa.org>

W.F. "Zeke"
Grader, Jr.
Executive Director
Glen H. Spain
*Northwest Regional
Director*
Vivian Helliwell
*Watershed
Conservation
Director*
Duncan MacLean
Salmon Advisor

Please Respond to:

☐ **California Office**

P.O. Box 29370
San Francisco, CA 94129-0370
Tel: (415) 561-5080
Fax: (415) 561-5464

☐ **Northwest Office**

P.O. Box 11170
Eugene, OR 97440-3370
Tel: (541) 689-2000
Fax: (541) 689-2500

18 March 2009

Mr. Don Hansen, Chair
Pacific Fishery Management Council
7700 NE Ambassador Place
Portland, OR 97220-1384

RE: Groundfish Trawl Rationalization – Ownership Requirements

Dear Chairman Hansen:

The Pacific Coast Federation of Fishermen's Associations (PCFFA) represents working men and women in the West Coast commercial fishing fleet. Among those fishermen, belonging to PCFFA member organizations, that we represent are many engaged in the open access groundfish fishery, as well as some in the fixed gear limited entry and trawl fisheries.

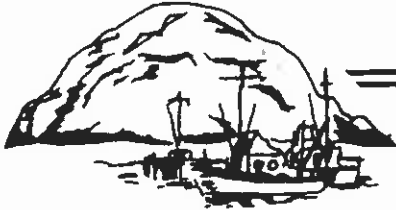
PCFFA is concerned by the Council's decision to allow ownership of quota share in the Groundfish trawl fishery to any US citizen or resident alien. As our staff and our board members testified at the March meeting in Seattle, PCFFA believes that is imperative to place eligibility requirements on the ownership of quota share in order to protect fishermen and allow for new entrants to purchase affordable quota share. This means that ownership of quota share should be limited to fishermen on board (both captain and crew) and to Community Fishing Associations. While the Council has not yet defined the criteria for Community Fishing Associations, PCFFA requests that the Council restrict the sale of quota to either 1) fishermen engaged in the fishery or 2) to Community Fishing Associations.

The Council and members of the public brought up some legitimate concerns about how to address the issue of fishermen and other entities that currently own more than one boat or permit or whose quota share would exceed accumulation limits. PCFFA recommends that the sale of quota share be limited in the second generation to fishermen engaged in the fishery and to Community Fishing Associations. By restricting the market for quota share to participants in the fishery, speculators will be kept out and the price of quota share will remain affordable for fishermen.

Sincerely,

Nate Grader
Deputy Director

Morro Bay Commercial Fishermen's Organization Inc.



P.O. BOX 450, MORRO BAY, CALIFORNIA 93443
(805) 772-4893 • FAX (805) 772-4893 • fish@fix.net

March 2, 2009

RECEIVED

MAR 05 2009

PFMC

Mr. Donald K. Hansen
Chairman
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 101
Portland, Oregon 97220-1384

Dear Mr. Hansen,

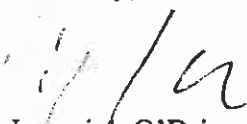
The Morro Bay Commercial Fishermen's Organization was recently asked by one of our Congressional Offices, what it would take to create 1000 jobs ? In our area on the Central Coast of California we face many challenges and one of them is our geographical remoteness. Jobs are hard to come-by and the loss of any that are existing are harder to replace. We are not alone in this situation along the west coast of America, and feel that some special needs and attention will be nessary to protect these Communities from extreme economic hardship in the upcoming transition to the ITQ system. We ask that you please identify our communities and our fragile economies and allow for some form of community set back that would insure the well being of our cities and towns as well as the fishermen that work out of these ports. In this adverse economic atmosphere the creation of jobs is of utmost importance as our communitys have been bleeding fishery jobs for far to long. Please help insure that jobs will not leave our area and possibly help

us make that 1000 job number become a reality. It doesn't take very many fishermen jobs to create that 1000 number as there are many on the beach needed to support those actually at sea.

We urge you to provide for the development of Community Fishing Associations (CFAs) within the IFQ process by taking the following actions:

1. Develop a framework for CFAs in the current set of trailing actions to be completed by June 2009 , including specific accumulation limit rules for CFAs that meet the requirements.
2. Allow entities that qualify for quota share in excess of individual accumulation limits the opportunity to divest of the excess after initial allocation. Low individual accumulation limits without a grandfather or divestiture provision could lead to a major redistribution of access with serious impacts on communities.
3. Please develop and analyze the current plans impact to areas that are likely to suffer the greatest loss to fishing access and offer support to these areas.

Sincerely,



Jeremiah O'Brien

President, Morro Bay Commercial Fishermen's Org.

Coos Bay Trawlers' Association, Inc.

PO Box 5050

63422 Kingfisher Dr.

Coos Bay, OR 97420

Phone (541)888-8012

E-mail: c.trawl@yahoo.com

A Non-Profit Organization Since 1997

Nowhere in the "Community Fishing Association Strawman for the Groundfish Allocation Committee" dated January 28, 2009 or in the "Proposed Framework for Establishment of Community Fishing Associations" dated February 18, 2009 is the concept of fishing the trawl quota on trawl vessels mentioned, yet this proposal deals with the trawl rationalization program.

TNC has been allowed to operate under an EFP to see if pot and longline gear can fish trawl bi-monthly catch limits for sablefish and other species. The strawman paper suggests that community fishing associations need more quota shares than other cooperatives, pooling groups or entities because they need to "provide viable opportunity for several harvesters that will produce material community benefit". TNC is a very wealthy conservation group that has teamed up with well to do communities to form a very powerful organization. How can a mom and pop fishing business compete with such a strong entity?

The QUOTA in a rationalization program will provide increased opportunity for several harvesters that will produce material community benefit similar to what is currently produced with our bi-monthly harvest limits without the pressure on the resource. The trawl sector that has been working on the IQ program never envisioned that the trawl quota would be given to other sectors to fish on anything other than trawl vessels. But the TNC's EFP has demonstrated to ports in California that if they organize into community groups, then they may get trawl quota and fish it on any vessel they wish to use, as long as it is part of the community plan. Gear switching and even gear conversion was always understood by the committee to mean a trawl permitted vessel fishing trawl quota shares and pounds and not as it is being used under this EFP. The ITQC never seriously considered any kind of distribution of quota other than catch history and equal shares of buy-back vessel quota within a window period. To allow an entity to control its distribution, even to non-trawl vessels, WAS NEVER THE INTENT OF THE COMMITTEE.

We believe all pooling groups, all association, all coops that focus on reduction of bycatch and discards through the organizational efforts should have the same considerations as a group that has been labeled as a "community fishing association". The Midwater Trawlers Cooperative is a community fishing association; Coos Bay Trawlers Association is a community fishing association; The Coalition of Coastal Fisheries is a community fishing association. These three groups will no doubt act as bycatch, discard reducing groups and do not believe NMFS or PFMF need to reward such groups with accumulation limits that are above the entity limits that will be established by the Council.

No community fishing association should receive more quota unless they are proposing a new start-up project that may require “an extra shot” of “adaptive management quota” for a very short time to be used as an incentive to attract the input required to reach a successful conclusion of the project. This incentive quota (from the 10% set-a-side) should be set for very limited duration and should only be used to reach the end goal of the project. For example, a port no longer has an ice plant. A community fishing association could apply for some of the set-a-side quota to bring extra fish into the port so the extra revenue could be used to restore, refurbish, reestablish or replace the ice plant.

In the Proposed Framework paper starting on page three is a list of **benefits** of CFAs. Local Access and Opportunity the entity is able to anchor access to the resource for the benefit of the local fishing community. The entity will dictate when fishing will occur, where fishing will occur, where deliveries will occur and who can fish these quota pounds. Some may say that this is what coops do but this goes beyond cooperatives. This could turn out to be over bearing power. Fishing Participants will benefit by reduced costs of observers/monitoring is an unfounded claim because reducing the cost of monitoring by sharing the cost does not reduce the time it will take to monitor the entire catch. If the CFA is allowed to distribute the quota over more vessels and more fishermen, then the monitoring costs will increase exponentially. Fishing Business benefits statement is meaningless. Crew and New Entrants will benefit because they will have access to quota they never had before as long as they are in the good graces of the CFA. The CFA will be able to help out a brother-in-law or cousin by giving trawl quota to them and assigning the quota to be caught with pot gear. Fishery Managers will directly benefit by the improved accountability of the IQ program with almost live, continuous data updates of total mortality. CFAs will add very little to compliance but will be able to track their quota pounds no matter how scattered or diluted the quota pounds become. CFAs could also hide what vessels were used to catch the quota pounds with some internal record keeping. All current fishing associations act as entities that provide management services to its members. Current associations if engaged in by-catch reduction and over exploited species avoidance will become more involved in the conservation of the resource. Any trawl vessel operating smartly within the IQ program will also have the same effects.

In part 4. Requirements for Community Fishing Associations, states that the CFA could hold quota shares (QS) and each year distribute quota pounds (QP) to its members. It further states that the CFA must comply with the requirements of the MSA, the PCGFMP and the rules governing the trawl rationalization program. As it stands now, that would mean that trawl quota would be caught on trawl permitted vessels AND NO OTHER SECTOR.

Under section 4.1 Eligibility criteria, the TNC wants to remove the healthy competition that has helped the industry grow by saying only one association in an given area will be allowed to claim to be a community fishing association. TNC hasn't even figured out how to keep what quota they may receive over the caps and they are already thinking of eliminating the competition. So why can a community support more than one CFA? To remove the chance of competition! The third bullet in this section is what really defines what a CFA is: “two fishermen and one fish buyer”. Then TNC states that “this will ensure that the CFA represents and engages diverse fishing community sectors, not only a single sector”. So one has to assume that one of those fishermen is a trawler with a permit and a permitted trawl vessel and the other

fishermen must be from another sector. And then there is the fish buyer. But this statement shows that TNCs intent is to distribute the quota to other sectors which is not what the committee intended to do! And under the last bullet of this section under the fourth sub-bullet it states, "Statement describing procedures that will be used to distribute QP each year to members of the community". Their intent is clear.

In the section about "Reporting Requirements" the TNC continues to state that the QP will be distributed to other sectors to establish community stability meaning that they will re-allocate these fish they way they believe the Council should have done it in the first place.

In Section 5 Accumulation Limits, TNC offers two options. The first option uses a specified cap that they may control with corresponding caps for individual species. They suggest 10%; we say it should be the same as any other entity. The Council should consider the same limit as everyone else but allow a CFA to have more only if it operates like the whiting cooperatives using their "Golden Rule" of quota ownership. The second option is too bizarre to seriously consider. The TNC intent here is clear, down with trawl and up with hook and line. What trawl fishermen could support this trawl quota give-a-way? The TNC also is confusing the issue of adaptive management here under initial allocation and accumulation caps.

We can not support the TNC's proposal of allowing higher accumulation caps for CFA. The trawl industry came forward requesting the formation of the trawl rationalization program. It was never our intent or desire to give our allocation away to other sectors. The TNC bought trawl permitted vessels with the intent to mothball the vessels and stop, what they claimed is/was, destructive fishing practices and learned just how important the trawl industry is to real fishing communities. The TNC learned that without the trawl industry, processors don't need a workforce but just a couple of laborer will do, that processors can't make it financially on the quota from the open access fishery, that without processors or the trawl industry you just have another community, it just happens to be on the coast.

Sincerely,

Steve Bodnar

Agenda Item F.4.c
Supplemental Public Comment 3
April 2009

April 1, 2009

Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 101
Portland, OR 97220-1384

RE: Pacific Fishery Management Council meeting, San Francisco, April 2009

- A) Agenda Item F.3 Groundfish Fishery Management Plan Amendment 21 - Intersector Allocation**
- B) Agenda Item F.4 Groundfish Fishery Management Plan Amendment 20 - Trawl Rationalization - Community Fishery Association and Miscellaneous Clarification Issues**
- C) Agenda Item F.5 Groundfish Fishery Management Plan Amendment 20 -- Trawl Rationalization - Analysis Parameters for Adaptive Management Program**

Honorable Chairman and Pacific Fishery Management Council (PFMC) members,

Food & Water Watch (FWW) is a national consumer action organization that defends, and advocates for robust public management of essential resources, including fish.

Further to public comment provided by FWW at the April 2009 PFMC meeting in San Francisco, in relation to the above matters, for the consideration of Council please find below a review of FWW's general and specific comments and recommendations, and conclusion.

General comments and recommendations:

FWW appreciates that PFMC members and related stakeholders have invested a substantial amount of time, energy, and resources into the development of Amendment 20 and 21.

FWW has made it clear that we strongly believe 'rationalization' of the groundfish trawl fishery is contrary to the public interest. As structured, these amendments privatize profit and socialize loss. They do not conserve the public's marine ecosystem assets, or allocate the groundfish resource in a strategic manner to maximize long-term national benefits.

FWW, in written and public comments on prior occasions, has recommended Council maintain status quo management and go back to the drawing board to design a process to allocate the groundfish resource in a strategically informed and fair and equitable manner.

We have highlighted the difficulty of completing this task in the absence of a robust, federal regulatory Limited Access Privilege Program (LAPP) design framework, and federal LAPP design guidelines. And for this reason, recommended pausing the allocation process for 6 months, whilst FWW and the Pacific Coast Federation of Fisherman's Associations jointly pursue congressional oversight hearings to revisit controversial fish stock allocation issues - with the view to gaining congressional support to develop the missing allocation framework.

FWW, asserts that any new federal allocation framework should take a diagnostic approach to allocation issues, and be able to clarify a broad range of issues from resource rent capture, to referenda criteria, to community-based allocations, to the equity of granting access privileges essentially in perpetuity.

FWW again requests Council pause the current allocation process, and support Congressional hearings in the national interest.

Specific comments and recommendations:

With respect to agenda items:

- A) F.3 Groundfish Fishery Management Plan Amendment 21 - Intersector Allocation
- B) F.4 Groundfish Fishery Management Plan Amendment 20 - Trawl Rationalization - Community Fishery Association and Miscellaneous Clarification Issues
- C) F.5 Groundfish Fishery Management Plan Amendment 20 -- Trawl Rationalization - Analysis Parameters for Adaptive Management Program

FWW recommends:

F.3 Intersector allocation

As intersector allocations are needed to support the giveaway of the public's groundfish resource asset under the Amendment 20 limited-entry trawl 'rationalization' program - FWW opposes Amendment 21 outright. Hence our call for a minimum 6-month pause on allocation decisions applies to both Amendment 20 and 21 (and A15).

FWW notes that in the way Amendment 21 is drafted, it is not possible for fishermen in non-treaty non-trawl sector to select between alternative options, as only in Alternative 2 is the non-treaty non-trawl sector broken out into its three components: fixed gear, directed open access, and recreational.

Although not inclined to comment on specific species allocations, FWW believes a strong logic exists for Council to weight the allocation of rockfish, sablefish, and lingcod in favor of the fixed gear, open access and recreational sectors. A comparative environmental risk assessment to identify and evaluate risks - such as discards and damage to seafloor habitat - may be used as the decision tool to support this logic.

F.4 Community Fishing Associations

FWW notes, the Council's primary task under this agenda item is to identify the criteria entities would need to meet in order to qualify as a CFA (i.e., to define CFAs).

FWW suggests CFAs may come in many forms. For example, CFAs may organize as groups of fishermen pooling their access and/or allocation entitlements, or a community trust established principally for community development purposes.

FWW believes work on development of CFA qualification criteria has got off to a good start, and requires further work. This work may be done best through a collaborative and perhaps national stakeholder workshop(s) funded by the Department of Commerce. CFAs are a new conceptual undertaking and should be designed well from the outset - to protect them from abuse if for no other reason.

FWW asserts that the common thread uniting CFA entities should be the public interest - achieved by the participation of coastal communities, small-scale fishermen and small processors in value chains that supply the growing demand for local and sustainable seafood. This common thread - public interest sustainable seafood value chains - should be 'front and center' in CFA organizational and operating standards.

Once the CFAs are characterized, FWW highlights that robust analysis is required under the Magnuson-Stevens Act (MSA) P.L. 109-479, sec. 302(f), with respect to how they will operate in the Pacific groundfish fishery specifically. This analysis is required by law - and serves as yet another reason for the Council to pause decision-making for 6-months.

P.L. 109-479, sec. 302(f) [uncodified]

PACIFIC FISHERY MANAGEMENT COUNCIL.—

(1) IN GENERAL.—The Pacific Fishery Management Council shall develop a proposal for the appropriate rationalization program for the Pacific trawl groundfish and whiting fisheries, including the shore-based sector of the Pacific whiting fishery under its jurisdiction. The proposal may include only the Pacific whiting fishery, including the shore-based sector, if the Pacific Council determines that a rationalization plan for the fishery as a whole cannot be achieved before the report is required to be submitted under paragraph (3).

(2) REQUIRED ANALYSIS.—In developing the proposal to rationalize the fishery, the Pacific Council shall fully analyze alternative program designs, including the allocation of limited access privileges to harvest fish to fishermen and processors working together in regional fishery associations or some other cooperative manner to harvest and process the fish, as well as the effects of these program designs and allocations on competition and conservation. The analysis shall include an assessment of the impact of the proposal on conservation and the economics of communities, fishermen, and processors participating in the trawl groundfish fisheries, including the shore-based sector of the Pacific whiting fishery.

(3) REPORT.—The Pacific Council shall submit the proposal and related analysis to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Resources no later than 24 months after the date of enactment of this Act.



Of note, to facilitate the emergence of CFAs as viable entities, realistically, direct initial allocations are required. On this point, FWW draws Council attention to the views of the Government Accountability Office in reference to methods for community protection under IFQs:

*'Several methods are available for protecting the economic viability of fishing communities and facilitating new entry into IFQ fisheries. The easiest and most direct way to help protect communities under an IFQ program is to allow the communities themselves to hold quota.'*¹

To facilitate direct allocations to communities, FWW believes a significant reserve quota pool must be established. To this end, quota shares from the buy-back program, and from those divesting themselves of excess shares, should be retained.

Further thought is required in respect to how the transaction between the public resources reserved in this quota pool and a community-based entity should occur.

F.5 Adaptive Management

FWW recommends that the adaptive management set-aside should be used to mitigate one-off transition impacts including making quota disbursements to community-based entities, and the one time resolution of proven stranded capital issues. It should then be held, to provide an incentive pool for conservation results in the groundfish fishery, and for further transitions or research as required to improve the program.

FWW also supports the future use of the adaptive management set-aside for the generation of rental returns to the public resource owners.

Conclusion:

As a final comment we encourage Council members and other stakeholders to reflect on whether in this groundfish allocation process, too much attention has been focused on the means of delivering fisheries policy (e.g. IFQs), and the end stages of decision-making - rather than on refining at front end of this process the values and principles - such as fairness and equity - on which access to the public's valuable fish resources should be based.

Other countries that have implemented similar rationalization programs without thinking through first principles are now gradually moving to unravel them - at significant cost to taxpayers.

¹ Government Accountability Office, INDIVIDUAL FISHING QUOTAS Methods for Community Protection and New Entry Require Periodic Evaluation, February 2004. website. <http://www.gao.gov/products/GAO-04-277>

In Iceland, after repeated challenges in domestic courts, and a United Nations ruling that its Individual Transferable Quota system violated international law², the Social Democratic party - expected to win office in April 2009 elections - has proposed buying back all quota. If elected, they plan to purchase 5% of the quotas each year. Thus it would take approximately 20 years for the government to claw-back all quota. Once the government owns the quota, it would rent them out to private parties but also keep some of them off the market to allot to fishing villages to manage within a community-based quota system.

This rental/community hybrid proposal is akin to what FWW envisages would result if the U.S. were to undertake fish resource allocation in a fair and equitable manner - whilst maintaining public control of the public's assets. We recommend saving the expense of a future claw-back, and getting allocation right the first time.

Sincerely,



Ben Bowman
Policy Analyst
Food and Water Watch

² Iceland's ITQ system has been challenged repeatedly in court. The first case concerned the manner in which Iceland initially granted fishing licenses; the government distributed licenses to only those people who owned vessels during the short period November 1982 to October 1993. In the *Valdimar* case, a fisherman filed a case after he was denied a fishing license and catch quota because he did not own a boat during this period. In December 1998, the Supreme Court ruled that it was unconstitutional to restrict the right to fish to the small group of people who were fishing during a restricted period of time. In response to the decision, the government of Iceland revised the fisheries management law to allow fishing licenses to be granted to all new vessels, with or without quotas, but did not change the ITQ system.

Two years later, another fisherman challenged the ITQ system in the *Vatneyri* case. This time the Supreme Court sided with the Ministry of Fisheries and found that ITQ system was legal and the government could make permanent allocation of quotas to a restricted group of people.

In 2001, fishermen Erlingur Sveinn Haraldsson and Orn Snaevar Sveinsson challenged the ITQ system again. The two fishermen had purchased a boat in 1998 but were unable to obtain a quota despite repeated applications for catch entitlements. They were able to lease a quota but paid such an exorbitant rental fee that they faced bankruptcy. In September 2001, the fishermen wrote to the Ministry of Fisheries and declared that they intended to fish without quotas and planned to challenge the ITQ system in court. After the fishermen broke the law, they were charged with fishing without a quota. Haraldsson and Sveinsson filed a claim challenging the constitutionality of the ITQ system but the Supreme Court of Iceland ruled that the quota system was legal.

After losing their case in Iceland, the fishermen filed a claim with the United Nations Human Rights Committee. They alleged that Iceland's ITQ system violated the International Covenant on Civil and Political Rights because the system forced them to pay money to a privileged group of citizens, the owners of fishing quotas, in order to pursue their occupation.

In October 2007, the United Nations Human Rights Committee ruled that Iceland's ITQ system did violate international law. In its written decision, the Committee reasoned that although Iceland's Fisheries Management Act stated that the fishing banks around Iceland were the common property of the nation, the ITQ system transformed the right to use and exploit public property into individual property. The committee found that "the property entitlement privilege accorded permanently to the original quota owners... is not based on reasonable grounds." The Committee further argued that allocated quotas that were no longer used by their original holders should revert to the State for allocation to new quota holders in accordance with fair and equitable criteria. The UN ruled that the two fishermen should be compensated for their damages and that Iceland should take measures to give effect to the Committee's decision. As of this date, the Government of Iceland has neither paid damages nor changed its ITQ system to comply with the UN's decision.

Zeke Grader testimony F.4.

Pacific Coast Federation of Fishermen's Associations

The following article is the opinion of the writers and does not reflect the opinions of Fishermen's News or Phelps Publishing Group.



Community Fishing Associations: A New Way Forward

By Sara Randall, Nate Grader

You may have noticed over the past few months that nearly every major newspaper in the United States has carried at least one opinion piece touting the benefits of Individual Fishing Quotas (IFQs), albeit under a new name. IFQs, it seems, have been rebranded as "catch shares" for the well-funded Environmental Defense Fund campaign to promote IFQs for every fishery in the United States and the world. Catch shares, according to these op-ed pieces, are going to end overfishing and end the "race to fish."

Proponents of IFQs have been effective at convincing the uninformed of the merit of the "catch shares" idea, especially when it's disingenuously presented as the only alternative to an "Olympic" style open access fishery, few of which still exist.

It's not just at the editorial boards where quota program proponents have been effective at broadcasting their message. Over the past few years, proponents of IFQs have also been effective at promoting their agenda in Council meetings, legislative venues, NGO events such as the recent Seafood Summit in San Diego, and on the Hill in Washington with the recently published EDF report "Oceans of Abundance."

This simplistic one-size-fits-all approach to fisheries management has done a disservice to the diversity of fisheries management options that have proven effective, and others that show promise. Make no mistake – the proponents of IFQs are explicit in their desire to have every fishery in the US managed by IFQs as part of a plan to parcel up and privatize the ocean (under the aegis of "marine spatial planning").

At the Seafood Summit, these proponents openly asserted that IFQs are the only hope for saving the fishing industry. This may come as a surprise to those of you who fish in well-managed non-IFQ fisheries.

We do know that IFQs, in certain circumstances and if tightly regulated with low accumulation caps, owner-operator provisions, and opportunities for new entrants, can be one way to manage a fishery. The classic example, and one that is mentioned in all the pro-IFQ literature, is the Alaskan sablefish/halibut fishery. However, in practice IFQ fisheries are rarely implemented in this fashion, and generally come under intense political pressure to remove owner-operator requirements and accumulation caps as fishermen age.

We also know that the initial allocation of quota comes at a high social cost. Many fishermen are pushed out of these fisheries in an initial allocation, and young fishermen are burdened with expensive loans to pay for buying their first quota share. IFQs can reduce the race to fish but are certainly not the only way to do that.

Perhaps the most galling aspect of

the campaign, apart from the paternalistic rhetoric about "saving fishermen," is the claim that IFQs will end overfishing. It is the Total Allowable Catch (TAC) based on hopefully good science that is responsible for ending overfishing in a quota fishery, not the way the TAC is divided up among fishermen. If quotas themselves are set too high, over-fishing will still occur, IFQs or no.

Unfortunately, the "catch share" campaign has now drowned out all other ideas and other approaches to fisheries management in public discourse and among policy makers. Amidst all of the discussion about catch shares, another approach to fisheries management has gotten a lot less attention despite its increasing popularity with many fishing communities around the country.

Community Fishing Associations, which fall under the same provision in the Magnuson-Stevens Act (MSA) as IFQs (they are all called "Limited Access Privilege Programs"), are a viable, if somewhat undeveloped, alternative to IFQs and other traditional fishery management tools. In this article we want to suggest that community fishing associations can be an effective way to manage a fishery, as well as to address many of the most pressing challenges facing fishing communities.

However, unlike the proponents of "catch shares," we do not want to suggest that this model is a cure-all for every fishery. Some fisheries are well managed already, under limited entry programs for example, and to suggest a change to these fisheries would be unnecessary.

What Are Community Fishing Associations?

The MSA allows for the creation of community fishing associations under two different categories – fishing communities and regional fishing associations – within the Limited Access Privilege Programs (LAPPs) provision of the Act.

First, a fishing community (FC) is made up of residents who conduct commercial or recreational fishing, processing, or fishery dependent support businesses. In order for a fishing community to be recognized, it would have to submit a community sustainability plan to the Council that addresses the social and economic development needs of coastal communities including those that have not had the resources to participate historically.

A Regional Fishing Association (RFA), on the other hand, must be a voluntary association consisting of participants in the fishery who hold quota share for use in that region. The RFA must have established by-laws and operating procedures and must develop an RFA plan to be submitted to the Council.

The National Marine Fisheries

Service (NMFS) as not yet developed standards or published rules relevant to any of the LAPPs provisions including IFQs. Nor have the Councils developed criteria for community associations, as they are required to do pursuant to the reauthorized MSA. At this point it is unclear what standards are going to be developed at the national level, or what criteria will be developed at each Council.

It is possible that the structure of community associations might differ markedly in each region, based on what

Some fisheries are well managed already, under limited entry programs for example, and to suggest a change to these fisheries would be unnecessary.

criteria each Council develops. PCFFA and other groups around the country are currently working to help develop a national framework that would be broad enough to apply to every fishing community, but still flexible enough to allow communities to tailor the structure of an association to fit local needs.

At the Council level there are already groups that are working to develop criteria for community fishing associations. For instance, in Morro Bay, California, the Nature Conservancy is working to develop a community fishing association with trawl permits that they now own. They have petitioned the Pacific Council to recognize this entity within the groundfish IFQ program and develop criteria that would govern it.

Regardless of the criteria that the Councils develop or the rule making and national standards that NMFS may develop, a community fishing association will, in most circumstances, be structured around an individual port and will be composed of fishermen, processors, and representatives of associated businesses within that port. A community fishing association could hold limited access privileges as an entity in order to anchor access to fish in that community. A community fishing association could also potentially lease quota or other access privileges that it holds to individual fishermen there. In any event, the relationship between individual fishermen and community associations will likely vary according to region.


Many questions still remain concerning community fishing associations, but this has not stopped "proto-community fishing associations" from springing up throughout the country. The formation of these "proto-associations," which are quite different throughout the country, has been driven by the same forces and seeks to achieve the same basic goals.

In many cases, small fishing communities have had to change the structure of their operations when presented with decreasing catches or decreasing fishery access. In Port Clyde, Maine, for instance fishermen formed a fishing cooperative that markets and sells fish under a "Port Clyde Fresh Catch" brand directly to consumers through a "community supported fishery" or CSF. Consumers can subscribe to the CSF and receive headed and gutted fish delivered through a network of local churches. The enterprise has proven successful

and profitable. This year the project is expanding due to its popularity. The Washington Post recently profiled the Port Clyde fishermen and the story brought national attention to these new approaches that fishing communities are developing in order to survive.

Some of the issues that will have to be addressed in structuring either a community fishing association or regional fishing association, as either standards or guidelines, include:

Defining the Community. Perhaps the initial rule or standard related to a FC or RFA will be the requirement to identify in the initial formation state-



Alaskan-Made Products
for the Alaska Fisheries

Now You Need a Slush Bag!

Known as the poor man's RSW these bags hold ice & seawater to quickly chill salmon to meet new quality requirements, minimize scale loss and bruising. Order custom sizes to fit your hold.

Home of the Original NOMAR Bailer Bags

Net Storage Bags • Reel & Hatch Covers • Slush Bags • Skate Bottoms • Deck Machinery Covers • Polar Fleece Clothing • Boat Cushions & Upholstery • Foam • Halibut Flaps • Brailer Bags & Hooks • Gear Bags • Deck Shoes & Boots • Boat Hardware • Rain Gear • Outerwear • Upholstery & Industrial Fabrics

www.nomaralaska.com
(907) 233-4363 FAX (907) 233-4155
Alaska Toll Free (800) 478-8364
Monday-Saturday 9am-6pm
10101 Pioneer Ave. Homer, AK 99603



ment who the members of the FC or RFA are, including its Board of Directors and Executive Committee and executive staff. The statement should define who is eligible for membership, as well as how a member can join or leave. How the rule or standard is developed for defining community for purposes of either an FC or RFA will be important in preventing either an FC or RFA becoming simply the surrogate of a large processor, or even an environmental NGO.

Purposes of the Organization. The rules or standards for the FC or RFA will need to state what the purposes of the FC or RFA will be. The purpose could simply be to hold quota on behalf of its members. Or it could be much broader, so as to include a number of community fishing needs such as marketing, purchasing cooperatives, even establishing a group health insurance program for members.

Financial Structure. Here a rule or standard should require providing a detailed financial statement on behalf of an FC or RFA when it organizes, and periodically thereafter.

It is conceivable some fishing community organizations might want to be organized as for-profit entities, such as cooperatives, while others may choose to organize as a non-profit type of organization. The statement of the initial financial structure should include the nature of its assets, including whether or not it will hold quota in its own name (as opposed to simply being a loose association of quota holders), or whether it will acquire quota. It should also include what other assets it owns or leases, together with a plan for annual financial disclosure to the regional fish-

ery council or even NMFS, as well as to its members.

Rights of the Organization. A rule or standard will be required to state what inherent rights an FC or RFA would have, including the amount of quota share it would be allowed to hold or control and what authorities it would be delegated by the regional councils and NMFS.

Rights of Members. Here there would need to be rules requiring the FC or RFA to spell out in detail the rights of members along with an appeals mechanism for members (as well as non-member fishermen or processors) who believe they have been aggrieved by an FC or RFA. The rights section should also state

show a pretty wide diversity of objectives and capabilities. At the end of the day community fishing associations are just another way to manage a fishery.

1. Developing New Markets

It's no secret that the competition from aquaculture and imported seafood has had a profound effect on the domestic ocean fishing industry.

While imported seafood and aquaculture may have a competitive advantage in price, since they do not pay the true environmental and labor costs of their products, US fishermen still have several advantages over producers of these types of products.

Wild fisheries will always produce

It's no secret that the competition from aquaculture and imported seafood has had a profound effect on the domestic ocean fishing industry.

how members are entitled to use quota held by the community. Or if quota is held only by individuals within that community, how that quota would transfer within the community when an individual member chooses to cash out.

Transparency and Oversight. An FC or RFA would be either holding or acquiring quota of public trust resources. Rules would have to be established requiring transparency within the organization as well as for oversight by the regional council.

Relationship to the Regional Fishery Council. Here rules would be needed outlining the relationship of an FC or RFA to the regional fishery management Council, including oversight, appeals, approval of an FC or RFA by the Council, allocation, where applicable the relationship of quota to the organization, methods and standards for revoking of privileges or even rules for dissolution of the FC or RFA by a regional council.

Anti-Trust. Finally, a rule would need to establish that the actions of an FC or RFA do not violate any state of federal anti-trust statutes, particularly where an organization may hold a substantial portion of the quota to a fishery or where it might have control over most or all of the fisheries in a port.

What Can Community Associations Accomplish?

Now that we know what a community association is and what they are likely to look like, it's time to look at what they can accomplish.

Hopefully, community fishing associations can avoid many of the pitfalls that IFQ systems are susceptible to. A community association could work in many different fisheries. However, such mechanisms do not necessarily make sense for all fisheries.

It should also be emphasized that a community fishing association can be structured in a way to fit local circumstances. A community association in some fishing communities could be used primarily to market fish, while in another it could be used to acquire fishing quota in order to maintain a small scale port-based fleet and local fishery.

The "proto-community fishing associations" that have developed so far

a healthier product than aquaculture, no matter what the fish nutritionists cook up. Domestic wild fisheries have the advantage of being closer to markets and can therefore shorten the supply chain to provide a fresher product. Wild fisheries can also be marketed to take advantage of the public image of fishermen, in much the same way that some agricultural products take advantage of the image of the small family farmer.

A community fishing association could capitalize on these advantages much better than an individual fisherman by developing a regional brand. Developing a local brand based around a community fishing association would be very much like the marketing efforts of state seafood councils, except on a finer scale.

A community fishing association could also provide more coordination for marketing efforts already underway at the individual level. For instance, in recent years we've seen many fishermen engaging in direct sales at farmer's markets, or straight from their boats or even through shipping by mail.

Fishing groups have also long tried to promote awareness among consumers about local and seasonal seafood options. Some fishing groups have applied for third party sustainability certification for their fisheries in order to increase the profitability of the fishery and differentiate it in the marketplace. But most of these efforts have been haphazard and sporadic. A community fishing association could use all these tools more effectively than each individual going it alone.

The demand for locally caught and fresher seafood is growing rapidly, but right now going largely unmet in many parts of the country. Some in the fishing industry have dismissed this demand as "niche" or "boutique" markets. This criticism greatly underestimates the potential size and importance of these new and emerging markets.

The challenge is reaching these new markets in a more effective way than is happening now. Certainly the Port Clyde effort to take the product directly to consumers is an innovative approach - but by no means the only one.

Emerging market niches becoming available to fishermen have not gone unnoticed. Aquaculture companies are

also busy working to develop a domestic aquaculture industry that can tap into these niches. In California, aquaculture companies are interested in developing a "California Grown" brand for farmed fish to meet this demand. The development of "organic" aquaculture is probably also a response to this demand. Community fishing associations could provide a structure to coordinate this kind of marketing and reach key consumers first.

2. Protecting Smaller Ports and Smaller-Scale Fishermen

Community fishing associations are a way to protect smaller ports and smaller fishermen. In an IFQ fishery, many ports could suddenly see their access to fish disappear as quota simply moves out of smaller ports. In the advent of an IFQ fishery, fishing quota could instead be anchored to a particular community through a community fishing association. The fishermen, processors, and other dependent businesses that make up the association in that port could then make decisions on how to use that quota in order to maximize its economic and social benefit to their own community.

Smaller fishermen are likely to lose out in an IFQ fishery, but a community association could help assure that smaller-scale fishermen continue to have access to fish. A community association can also help fishermen diversify their fishing "portfolios" by providing access to fisheries that they do not otherwise have permits or quota for.

We've seen that in order for fishermen to remain in business these days, they need a diverse "portfolio" of fisheries to access. An over-reliance on one fishery makes fishermen vulnerable to fluctuations in that fishery.

3. Maintaining Infrastructure

Maintaining infrastructure is of course related to maintaining smaller fishing ports. As fishing fleets continue to consolidate, infrastructure at many ports has gone into disrepair.

IFQ systems would likely only hasten the collapse of port infrastructure already badly in need of repair, particularly when quota leaves small port communities and fleet consolidation shifts efforts to larger vessels in large ports.

Community fishing associations can help reverse some of these trends by anchoring boats to communities and better assuring local access to local fish, thus helping smaller ports maintain the diversity of fisheries that is necessary to support their infrastructure.

4. Attracting New Entrants

One major challenge that a community fishing association can address is attracting new entrants into the fishery. IFQs prevent people from entering the fishery unless they come from established fishing families already owning boats, or are wealthy enough to purchase quota.

A community fishing association could ease the burden and economic uncertainty of entering a new fishery by providing easier access specifically to upcoming younger fishermen. The uncertainty and volatility of the fishing industry currently keeps many new fishermen outside.

NMFS and proponents of IFQs make the assumption that fisheries can no longer support a significant number of jobs. Consolidating fleet size, they argue, is the only way to maintain the viability of the fishing industry.



HYDRAULIC & INDUSTRIAL HOSES AND FITTINGS

QUICK COUPLERS FLANGES TUBING

METAL FLEX ASSEMBLIES EXPANSION JOINTS

MARINE & INDUSTRIAL EXHAUST FLEX AND COMPONENTS

Hours: M-F 7:30-4:30 Sat 9:00-1:00
206-789-1353 • 800-635-3539
1121 NW 45th St
Seattle WA 98107

www.americanhose.com





A community fishing association model assumes just the opposite – that fisheries can support more jobs by allowing more small-scale family fishermen the opportunity to fish for higher value fish. Community fishing associations would therefore likely lead to a more regionally diverse and economically flexible fleet, as well as stronger fishing communities, than would the massive economic concentration and fleet consolidation that is almost inevitable under ITQs.

5. Building Public Support

One of the most important functions that a community fishing association can fulfill is to provide a way for fishing communities to develop stronger public support, which is no small thing.

At Pacific Marine Expo we had the opportunity to meet one of the founders of the Port Clyde Association, Glen Libby. Libby told us that one of the most important outcomes of their project was the enormous public support they were able to develop. The Port Clyde trawl fishery had been declining because of increasingly restricted access to diminishing stocks. Libby and his colleagues worked to develop more selective trawls with wider windows at the same time they began their CSF. By educating their CSF subscribers about the gear they use and the sustainability of the fishery, they were able to tap into a new ally – the consumer. A community fishing association that is able to build strong public support is more likely to maintain access, and more likely to keep markets to survive economic downturns.

Consumer support can be extremely important to our industry. In California we have seen a recent example of how public support can help maintain access. In 2002, when it looked like much of the Pacific groundfish trawl fishery was going to be shut down, one fisherman in particular was able to keep his fishery open partly because of the strong public support he received.

By 2002 Steve Fitz had developed a small but highly sustainable fishery for sand dabs using a Scottish seine, and had developed something of a following among local restaurateurs and consumers. In response to news of the impending shutdown of the fishery, consumers who knew how Fitz fished advocated to help keep his fishery open. This is an example of just one fisherman who was able to maintain his access. But any fishing organization that is able to develop a strong relationship with a local community can build an important alliance.

Such relationships provide a real opportunity to improve the public image of fishermen through education and outreach, which can only help our whole industry.

A "Meet the Fishermen" dinner organized by the Institute for Fisheries Resources provides an example of another way this can work. During the Slow Food Nation festival in San Francisco in 2008, IFR held a "Meet the Fishermen" dinner at the prestigious Hayes Street Grill in San Francisco. The fishermen's dinner was the first to sell out, and it provided an opportunity for "foodies" to meet real working fishermen face to face. The fishermen who participated

had a chance to explain how they fish, what it's like to be on the ocean, and what things they see on the water. The event was enormously successful.

These are just two examples of the important connections that can be built with consumers. A community fishery association can provide the structure for this kind of sustained outreach and contact with consumers over a long term.

6. Providing Health Care

Health care is an issue that has been a major concern for fishermen around the country and the subject of other FN articles.

The Commercial Fishermen of America (CFA) has been working to restore national healthcare for fishermen through federal legislation since its beginning. Until that happens, or until something better happens regarding health care access in the US generally, many fishermen desperately need healthcare. Most now must go without.

Commercial fishermen are difficult to insure for a number of reasons. Fishermen work in a dangerous job, most fishermen are now in an expensive age bracket to insure, and many fishermen move around a lot for work. A community fishing association could offer a base for fishermen to access health care as a group. Grouping together the members of a community fishing association lowers the risk to insurance companies inherent in insuring specific individuals, making the companies much more likely to insure the group.

A New Way Forward?

The potential benefits of community fishing associations have not been fully explored, which makes the campaign to implement IFQs in every fishery instead all the more frustrating. IFQs are just not going to be the salvation for fisheries and fishing communities that their supporters would have you believe. There are – or should be soon – better alternatives to forced economic consolidation, big-boat vs. small-boat fleet wars and privatizing precious public resources.

Clearly there are other (and likely better) ways to manage a fishery sustainably that keep more people employed and derive more value from a fishery. Innovative fishermen's communities around the country have already been finding ways to meet the major challenges they face head on.

The MSA already allows for the creation of these kinds of community-based fishing support organizations. However, standards or guidelines clearly need to be developed to encourage these alternatives to mature.

A group of fishermen in Port Orford, Oregon have adopted the motto "Fish Smarter Not Harder" for an organization (the Port Orford Ocean Resource Team) they founded to participate in bottom-up fisheries management decisions, collaborative research, and direct marketing. This motto could very well become a mantra for emerging community fishing associations around the country. Community associations are all about finding a smarter response to the challenges that face fishing communities today. ♡

Sara Randall is Program Director for the Institute for Fisheries Resources (IFR), which works to protect fisheries resources and fishing communities on the US west coast. IFR is separate from but closely affiliated with the Pacific Coast Federation of Fishermen's Associations (PCFFA). Nate Grader is also a staff member of IFR working primarily on sustainable fisheries policy issues. The authors can be reached at IFR's San Francisco Office at (415) 561-3437, x 222 or by email to: srandall@ifrfish.org. IFR's web site is at www.ifrfish.org.



Return home safely.

Understanding the risks of your profession, being prepared and responding correctly to emergencies are keys to survival at sea.

Washington Sea Grant has more than a decade of experience in providing essential information and hands-on training to prepare you to react effectively to a variety of shipboard emergencies.

Our goals are to maximize your chances of survival and bring you back home safely.

For additional information or to schedule a class, contact

Sarah Fiskén
Washington Sea Grant
Fishermen's Terminal
West Wall Building, Room 124
4005 20th Avenue West, Seattle, WA 98199
206.543.1225
sfisken@u.washington.edu



April 7, 2009

Mr. Don Hansen, Chairman
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 101
Portland, OR 97220-1384

Agenda Item F.4 – FMP Amendment 20, Trawl Rationalization—Community Fishery Association (CFA) and Miscellaneous Clarification Issues

Dear Chairman Hansen:

Let me begin by thanking you and the Council for your work at the March meeting, and commend you for recognizing the interrelation of the trawl rationalization program with the viability of fishing communities and the other groundfish sectors.

Ecotrust is a Portland, OR based organization that works create economic opportunity, social equity and environmental well-being. We operate a number of for-profit and non-profit structures, and have a history of innovations—these include co-founding the world's first environmental bank, starting the world's first ecosystem investment fund, creating a range of programs in fisheries, forestry, food, farms and children's health, and developing new scientific and information tools to improve social, economic and environmental decision-making. Over nearly 20 years, Ecotrust has converted \$60 million in grants into more than \$300 million in capital for local people, businesses, and organizations from Alaska to California.

We are here today to comment on the council's deliberations on Community Fishery Associations. Our testimony is informed by our experience operating the North Pacific Fisheries Trust (NPFT). The NPFT is a \$6 million revolving loan fund, the first of its kind in the nation, operating in Alaska and on the West Coast. Our goal is to support community fisheries efforts such as Community Quota Entities (CQE) in the Gulf of Alaska. We also have investments in west coast fisheries that this Council manages.

Two experiences in Alaska with CFA-like entities are instructive for developing the CFA framework: Community Quota Entities (CQEs) and Community Development Corporations (CDQ). The NPFT (Trust) works with both types.

CDQs were established 15 years ago and were allocated 10% of overall quota in many species. Today they are vibrant community based economic development engines.

Community Quota Entities (CQEs) were formed 10 years into the Alaska IFQ program and were not allocated any QS and must buy it on the open market. They do this with great difficulty, given the price for quota and the capital barriers to entering into the market.

Both CDQs and CQEs are examples of CFAs. The management processes of both organizations create a sense of cohesion and cooperation at the scale of communities. Both forms have evolved considerable managerial skill and capacity. In terms of viability, however, one system is healthy, one is not. The major lesson here is that it is beneficial to establish CFA type institutions immediately when starting an IFQ program. As a 2004 Government Accounting Office report found (GAO-04-277), “the easiest and most direct way too help protect communities under an IFQ program is to allow the communities themselves to hold quota”.

Based on our experience with CDQs and CQEs, we ask for the following actions by the Council:

- Develop guidelines for CFA before the trawl IFQ program is implemented.
- As recommended by the GAO, make initial allocations to CFA type institutions that meet the guidelines.
- Create a pool of quota available to CFAs that includes, but is not limited to, the following three sources of quota shares:
 - A divestiture period during which those entities that qualify for quota share in excess of individual accumulation limits can divest of these excess quota shares, preferably, e.g., through a right of first refusal, to CFAs;
 - The difference between OYs and historical landings; and
 - The publicly financed “buyout quota”—as a reminder, the \$46M trawl buyout used a \$10M appropriation from the federal treasury and a \$36M guaranteed loan that remaining fleet members are paying off. That means that 22% of the “buyout quota” was financed by the public and should go to public interest entities.
- Consider higher accumulation limits for CFAs. This would help with several issues of importance to ensure community viability:
 - Holding quota at the community level helps reduce debt loads of new entrants;
 - Users of any gear type can access the quota by leasing for 8% overhead;
 - Community-held quota reduces mobility and maintains fishing opportunity and associated processing and port industries;
 - Taking some portion of overall quota off the market reduces trading volatility.
 - Reduces capital requirements for in season needs to cover overages

The “strawman” description of a Community Fishing Association prepared by council staff (Attachment 4, Agenda item F.4.a) is a promising start.

We encourage the Council to review a new collection on community impacts of quota programs published by the American Fisheries Society. It’s called *Enclosing the fisheries: people, places, and power* (Lowe, M. E., and C. Carothers, editors, 2008, American Fisheries Society, Symposium 68, Bethesda, MD; ISBN 978-1-934874-05-9), and contains many useful discussions about community entities including the Alaska CDQs and CQEs.

Also, here in San Francisco, Ecotrust is working with fishermen on the development of a community-based seafood venture at Fisherman’s Wharf. We have given considerable thought to the governance, community affiliation, financial viability and operations of what is essentially a CFA, and would be happy to share our business plan with council staff.

In conclusion, we feel that CFAs provide an important vehicle to make the benefits of catch share programs accessible to communities, and to better achieve the economic, social, and environment objectives of these programs in general, and the trawl ITQ program in particular.

Thank you.

A handwritten signature in cursive script, appearing to read "Ed Backus".

Edward Backus, Vice President – Fisheries, Ecotrust
Board Chair – North Pacific Fisheries Trust

Please note: This motion was modified by several amendments; which will be available in the Final April 2009 Council Meeting Minutes and Voting Log. Some of the items listed in this document may or may not have been voted on. Again, please note the final will be available in the Final April 2009 Council Meeting Minutes and Voting Log.

Agenda Item F.4 d
Supplemental Motion
April 2009

California Department of Fish and Game Proposed Motion Concerning Basic Elements of Community Fishing Associations (CFAs)

Motion # 1. I move that the Council preliminarily adopt the following:

Goals

Provide a vehicle for a vulnerable community (as defined in the DEIS) to own QS or hold QP to meet community stability issues such as dislocation of trawlers, processors, crew, loss of revenue, and cultural and social changes as a result of the Trawl-Rationalization process as the first priority.

Provide for a primary groundfish fishing community (as identified in the DEIS), that becomes “vulnerable” through the implementation of the Trawl-Rationalization to own QS or hold QP to meet community stability issues such as dislocation of trawlers, processors, crew, loss of revenue, and cultural and social changes.

Provide for needed infrastructure to sustain trawl fisheries and non-trawl fisheries such as crab, salmon, nearshore GF fisheries within that community.

Demonstrate measurable positive changes to the stability of vulnerable communities through the use of CFAs and trawl quota.

Motion # 2. I move that the Council preliminarily adopt the following:

Organization

A Community Fishing Association or Regional Fishing Association (RFA) may be a corporation, partnership, voluntary association, OR other entity established under the laws of the U.S. that is eligible to hold QS/QP under the rules of the trawl rationalization program.

Such an entity is not entitled to receive an initial allocation of QS. Trawl permits must be used in conjunction with QS/QP.

Such an entity is entitled to acquire QS during the first two years of the Trawl Rationalization program through a divestiture stipulation.

Such an entity is entitled to receive preferential status for consideration of Adaptive Management Program QP within the structure of that program.
Motion #3. I move that the Council develop the following elements (and use the Agenda Item F.4.a Attachment 4) between now and the June Council meeting:

CFA Structure and Operations -

a. How is the CFA organized and how will it operate?

Suggestions:

- Managed under articles of incorporation and/or by-laws, including removal of officers, sanctions or code of conduct for individuals granted QP, and conditions under which the CFA can be dissolved;
- Maintain and disclose an organizational chart and explanation of management structure, including roles and responsibilities;
- Maintain and disclose information necessary to assess compliance with ownership and control limits and the individual and collective rule;
- Provide statement describing how QS are held and procedures that will be used to distribute QP each year to members of the community;
- Identify the number and identities of participants in the CFA.
- Identify how the QS will be sold or held should the CFA dissolve or have new officers.

b. How does the CFA propose to meet the goals?

Suggestion: - must have an approved Community Stability/CFA Plan that addresses the various community stability issues identified in section 4-14 of the DEIS. Must describe how it will contribute to the social, economic development, and conservation and monitoring needs of the fishery locally, including the needs of community- based new processors/receivers, entry-level and small vessel owner-operators, captains, and crew.

Membership in CFAs

Who must be a member?

Who may be a member?

Who can't be a member?

Membership and Control

Any member who controls ?% or more of a CFA will be deemed to control the entire entity - and all the CFAs' QS/QP is attributed to that person.

Approval, Reporting, Compliance

The Council intends that there should be a NMFS approval and review process ?? to verify that CFAs meet the requirements of Organization, Structure and Operations, membership, and control and submit periodic (annual?) reports. NMFS will develop those mechanisms and requirements, including review processes to ensure compliance and share them with the Council.

Question to Explore that would have bearing on the accumulation limits:

Task staff to work with NMFS to determine whether any barriers exist (control definition; accumulation limits as individual or collective) that would not allow “informal” arrangements (CFAs) to be formed and to explore options where CFAs may need more flexibility in exceeding control/accumulation limits.

Suggested Possible Goal to address question above:

Provide a formal organizational structure in the body of a CFA so trawl quota can be used for increased economic sustainability of a vulnerable community that cannot be accomplished through regular community relationships because of control rules adopted through the Trawl Rationalization program.

FISHERY MANAGEMENT PLAN AMENDMENT 20 – TRAWL RATIONALIZATION –
ANALYSIS PARAMETERS FOR ADAPTIVE MANAGEMENT PROGRAM

In November of 2008, the Council stated the intention to have an Adaptive Management Program (AMP) for the shoreside non-whiting sector, but elected to develop the details of the program through a trailing action. The trailing action schedule involved (1) an issue briefing at the January 27 – 29, 2009 Groundfish Allocation Committee (GAC) meeting, (2) delineation of analysis parameters at the April, 2009 Council meeting, (3) presentation of analysis at the May 5 – 7, 2009 GAC meeting, where GAC recommendations to the Council would occur, and (4) final decision making by the Council at the June, 2009 Council meeting.

In order to continue orderly development of AMP options and analysis, key items need to be identified at this meeting:

- The specification of AMP goals and objectives.
- The identification of AMP options for analysis, such as
 - The allocation decision making process: should analysis focus on a process for awarding AMP quota that is formulaic, proposal-driven, potentially taking on the characteristics of an Exempted Fishing Permit process, or some other process?
 - The decision-making organizational structure: should the analysis focus on the states, the Council, or National Marine Fisheries Service taking lead roles in soliciting AMP proposals, reviewing AMP proposals, and approving AMP awards?

Council staff has been considering possible design elements for an AMP. These thoughts and concepts were outlined in a white paper provided in the March 2009 Briefing Book (included here as Agenda Item F.5.a, Council Staff White Paper on Adaptive Management Program Options). Within this white paper are several possible options that the Council may wish to consider for inclusion or exclusion from further analysis.

Particular items needing Council decision and guidance under this agenda item are included as a supplemental staff report (Agenda Item F.5.a, Supplemental Staff Report: Summary of Decision Points, Including Example Options).

Council Action:

- 1. Specify goals and objectives for an Adaptive Management Program.**
- 2. Specify options for further analysis.**

Reference Materials:

1. Agenda Item F.5.a, Council Staff White Paper on Adaptive Management Program Options.
2. Agenda Item F.5.a, Supplemental Staff Report: Summary of Decision Points, Including Example Options.

3. Agenda Item F.5.c, Public Comment.

Agenda Order:

- a. Agenda Item Overview
 - b. Reports and Comments of Agencies and Advisory Bodies
 - c. Public Comment
 - d. **Council Action: Adopt Parameters for Adaptive Management Program**
- Merrick Burden/Kit Dahl

PFMC
03/17/09

Z:\PFMC\MEETING\2009\April\Groundfish\F5 Analysis Parameters for AMP.doc

Council Staff White Paper Adaptive Management Program Options

Introduction

This document briefly summarizes Council staff perspectives on design elements for a Trawl Rationalization Adaptive Management Program (AMP). This is intended to help the Council work through the issues that need to be considered when specifying a program and, if so desired, provide guidance on potential decision-making options that could be specified. Staff does not believe that in this case there is a NEPA requirement that formal options be specified since the general effects of implementing an AMP are analyzed in the Trawl Rationalization EIS. But specifying options often helps both decision-makers and the public to work toward a commonly-agreed outcome.

Council Process for Developing the Adaptive Management Program

The following table shows the proposed schedule for Council action on the AMP:

| Month | Decision/Recommendation Points |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| April | <ul style="list-style-type: none">• Council identifies and approves generic goals, objectives, and options for analysis Options include process options for awarding AMP quota |
| May | <ul style="list-style-type: none">• GAC reviews staff analysis• GAC develops recommendations on:<ul style="list-style-type: none">○ Specific program goals, objectives, and standards○ Entities eligible for receiving AMP quota (if necessary)○ Process for awarding AMP quota to entities |
| June | <ul style="list-style-type: none">• Council reviews staff analysis• Council reviews GAC recommendations• Council specifies:<ul style="list-style-type: none">○ AMP goals and objectives○ AMP standards○ Entities eligible to receive AMP quota (if necessary)○ Process for awarding AMP quota to entities |
| Post-June | <ul style="list-style-type: none">• Council staff integrates Council AMP motion into Trawl Rationalization EIS• Implementation including regulatory provisions |

Major Issues to be Decided

This paper discusses the following issues that staff believes the Council needs to address in designing the AMP:

- Goals, objectives, and standards (evaluation criteria)
- Decision-making structure
- AMP quota transferability, duration, and ownership eligibility

- Monitoring and evaluation processes, program review

Current Status of the Adaptive Management Program Proposal

At the November 2008 meeting, the Council adopted the following motion describing the broad outlines of an AMP:

It is the intent of the Council to have an adaptive management program for the shoreside non-whiting sector. Up to 10% of the non-whiting QS [quota shares] will be reserved for this program. QS will be divided among the three states. QS/QP [quota pounds] will be provided through separate, but parallel, processes in each of the three states (e.g. through the use of regional fishery association or community stability plans or other means). Further details will be developed through a trailing action with the intent of having the adaptive management provisions apply during the first year of implementation of the trawl rationalization program.

Since the Council's November action constituent groups have met and discussed the development of the AMP and Council staff expects the constituents will provide comments to the Council separately. But in developing the ideas in this white paper, staff has tried to address some of the ideas developed during the constituent.

General Principals for Program Design

Staff believes that AMP design will mainly involve decision-making process issues and that a relatively open, flexible, and simple program framework will best accommodate different approaches to the decision-making process. Staff has been working from the following general principals:

- The decision-making process will be governed by one or more goals identified by the Council, providing boundaries on what activities or entities will be eligible to receive AMP quota.¹
- The decision-making process will most likely involve the Council, but States may play an independent role in decision-making (for example, by pre-screening proposals). Staff notes language in the motion identifying "separate, but parallel, processes in each of the three states."
- NMFS will be involved in the decision-making process, at a minimum reviewing Council/State decisions.
- Staff has been advised that for legal reasons it is likely that NMFS will retain control of AMP QS while distributing the associated QP to program participants.²
- The AMP could be "proposal-driven" or "formulaic." In a proposal-driven process the use of AMP quota will be identified by individuals or entities that apply to receive quota. A decision-making process then evaluates proposals to determine which "applicants" should receive quota, and how much quota each applicant should receive. In a formulaic process very specific criteria or performance standards determine who receives AMP quota and the allocation is based on a formula rather than case-by-case decisions.
- The Council and NMFS will not be directly involved in structuring local entities that may receive AMP quota, such as regional fishery associations, community stability plans, or other entities that might receive quota, although evaluation criteria could favor certain types of entities or limit eligibility to certain types.

¹ It is expected that the program goal or goals could be modified from time to time to address changing socioeconomic or environmental conditions.

² Note that this is somewhat at odds with the language in the Council's motion.

Program Development Issues

Specifying Program Goals and Related Standards or Project Evaluation Criteria

The overall purpose of the AMP is to address undesirable changes in the structure and performance of the west coast groundfish trawl fishery (including processors) so that trawl rationalization is consistent with the goals, objectives, and guiding principals laid out by the Council (see Chapter 1 in the EIS); Groundfish FMP goals and objectives; National Standards listed in §301 of the Magnuson-Stevens Act; and requirements of limited access programs listed in §303A(c) of the Act. The EIS identifies the following purposes in the description of the AMP: “to create incentives for developing gear efficiencies, for community development, or to compensate for unforeseen outcomes from implementing the IFQ program.” A truly adaptive program would respond to unforeseen and adverse effects from trawl rationalization stemming from implementation. However, if the Council wants to have an adaptive management program allocating quota on day one of implementation, it would be necessary to anticipate potential adverse effects. The program would then be designed around these anticipated effects.

Establishing program goals is an important part of program design. There are a number of ways the Council could approach this task in terms of the specificity of these goals. Goals could be kept broad, essentially relying on the language from the MSA, FMP, and EIS cited above. This would give the Council the greatest flexibility to consider particular activities or proposals for the use of AMP quota on a case-by-case basis. As an alternative or in addition, specific program goals could be enumerated, focusing on particular issues that are anticipated to arise. In that case the specific goals would be translated into (ideally measurable) standards and evaluation criteria used to decide what specific activities, projects, and entities should receive AMP quota. If more specific goals are identified, the overall AMP framework could incorporate enough flexibility to allow the Council to change the goals from time to time.

If the Council chose to focus the AMP on specific objectives at this time, then some examples of possible program goals are:

Vulnerable communities: *Protect vulnerable communities from the adverse effects of trawl rationalization.* A program with this goal would distribute AMP quota to harvesters or others (e.g., government or nongovernment organizations) to ensure landings in specified vulnerable communities or communities that can demonstrate harm resulting from trawl rationalization. Objectives could include preventing the loss of fishing-dependent businesses and related employment and tax revenues supporting port infrastructure.

Stabilizing harvester-processor relationships: *Support existing business relationships between harvesters and processors.* A program with this goal would distribute AMP quota to processors and/or harvesters that commit to continue an existing business relationship. Objectives could include preventing the closure of a processing plant or providing an incentive for processors to develop new product forms or markets.

Encouraging conservation benefits: *Favor harvesting techniques and technologies that reduce environmental impacts.* A program with this goal would distribute AMP quota to harvesters that use gear and methods producing conservation benefits. Activities could include testing new gear and methods to determine the conservation benefits or supporting the switch to gear and methods that have proven conservation benefits. Objectives could include reducing incidental catch of depleted species or reducing habitat impacts.

It should be emphasized that these three program descriptions are examples and whatever goals the Council chooses will not necessarily accord with what is described here.

The Council could identify more than one program goal for using AMP quota at the start of the program. If multiple goals are identified then criteria would be needed to help choose between proposals meeting different goals. (This assumes that the total amount of quota requested by applicants exceeds the amount available under the program, a zero sum situation.) One possibility would be to prioritize the goals, so that for example, those focusing on vulnerable communities will be “funded” over those focusing on stabilizing harvester-processor relationships. Alternatively, the AMP quota could be “allocated” among the goals in advance so that, for example, up to 50 percent would go to vulnerable community proposals, 30 percent to processor-harvester proposals, and 20 percent to conservation-related proposals. Whether only one goal or multiple goals are chosen initially, the Council should be able to periodically change the program goal to address the overall purpose of the AMP. Thus, for example, the program might initially favor harvester-processor relationships but at a later stage transition to supporting conservation-related activities.

Decision-making Structure: State, Council, and NMFS Roles

In designing the decision-making process, the central question is the role that the States, the Council and NMFS will play in deciding the distribution of AMP quota. The motion identifies a strong role for the States. On the other hand, State Council representatives have expressed different views on the States’ capacity to establish an independent process for deciding on the distribution of AMP quota. Based on this information staff has identified four possible decision-making structures:

1. **States → Council → NMFS (Proposal Evaluation Process):** Under this structure first a state would pre-screen proposals from applicants within their state or work with applicants in developing proposals. Proposals accepted by the state would then be forwarded to the Council. The Council would review all proposals submitted and make a recommendation to NMFS on the allocation of AMP quota among the proposals.
2. **States → NMFS (Proposal Evaluation Process):** This structure is similar to the first except that there would be no direct Council role. States would submit proposals directly to NMFS with the Council having a broad oversight role. For example, the Council’s role would be confined to specifying program goals, periodically evaluating program performance, and modifying the program as necessary.
3. **NMFS (Proposal Evaluation Process):** Under this structure, individual applicants would submit proposal directly to NMFS. The Council would have the type of broad-scale involvement described above (e.g., setting program goals).
4. **NMFS (Allocation by Formula):** This structure would substantially reduce or eliminate regular decision-making. At its simplest there would be no proposal process as suggested in the first two structures. Any entity that meets specific criteria, which could be defined as a performance standard, would automatically receive AMP quota, divided up among recipients according to a pre-set formula. For example, anyone who delivers to a specified port or processor would receive quota. Alternatively, as in the previous two decision structures, applicants could be selected but the allocation of AMP quota would then be made formulaically.

The overall decision-making structure could still accommodate varying degrees of state involvement. For example, the framework could be open enough so that each state could decide what role they want to play in selecting recipients. This approach is similar to how the Council currently reviews

groundfish exempted fishing permit (EFP) applications, found in Council Operating Procedure (COP) 19. In some cases, a state will work with applicants to bring forward proposals while in other cases applicants bring proposals they have developed independently to the Council without state agency involvement.

If the AMP ends up being a proposal-driven process with the Council being the principal decision-maker, then the workload implications need to be considered. Again referring to COP 19, the process described there involves the GMT, GAP, and SSC in addition to the Council. Recently, a substantial amount of agenda time has been devoted to reviewing groundfish EFP proposals. If the AMP review process is zero sum (the amount of quota requested exceeds the amount available), Council involvement could add substantially to work load and agenda time.

Allocation of AMP Quota between States

Language in the Council's November motion referencing "separate, but parallel, processes in each of the three states" suggests the need for fixed allocations of AMP quota for each state. This would prevent any one state receiving what is perceived as an excessive amount of AMP quota. It would likely be necessary to make such allocations if the program is more state-centric and the Council plays a small day-to-day role. Alternatively, the distribution of AMP quota among the states could simply be monitored. If it becomes apparent that a disproportionate share of the AMP quota is being landed in a particular state the Council could then make adjustments to the program (up to establishing fixed allocations) to redress the imbalance. Under this approach, judgments about the distribution of AMP quota could be made based on a general statement of policy, such as over several years AMP quota should not be disproportionately distributed to any one state. A program without fixed allocations would be more appropriate if the Council had an ongoing decision-making role. It would give the Council the flexibility to vary the amounts of quota that ends up in each state based on a needs assessment or simply as an outcome of an evaluation of all proposals that might be received or the application of a pre-determined formula.

AMP Quota Use, Duration, and Ownership Eligibility

There are two basic ways to view AMP quota, which influence how AMP quota use would be monitored. One perspective is to see AMP quota as a reward for past behavior or as an incentive for committing to a particular course of action in the future (i.e., the coming year). For example, any harvester who delivers to specified ports would receive a portion of AMP quota in the following year; alternatively, if he commits to those deliveries in the current year he could receive the AMP quota at the beginning of the year.³ In an incentive-oriented program, there is little need to monitor how AMP quota is used and if the recipient wishes to sell the AMP quota that shouldn't be a problem as long as they engage in the behavior that AMP was designed to encourage. Another perspective is to direct AMP quota to specified uses. For example, a harvester requests AMP quota to experiment with a new fishing method that has a high risk-reward ratio. In this case the AMP distributes quota for specified activities that will occur in the future and there is thus a greater need to monitor its use because the receiver of AMP quota shouldn't do anything with it other than use it for a stated purpose. But since QP will be fungible (one unit of quota is indistinguishable from all other units of the same type), it will be difficult to determine whether the AMP quota (separate from any other QP in a vessel account) was used for the stated purpose, was sold, or remained unused.

The Council could consider whether AMP quota receivers would be exempted from accumulation limits up to the amount of AMP quota received. This is especially an issue with vessel limits. If vessels at their

³ In either case there would need to be a mechanism to check whether the behavior actually occurred.

limits cannot exceed them with AMP quota it will be difficult to use AMP quota to influence the largest harvesters' actions.

How frequently AMP quota will be allocated needs to be considered. Ultimately, AMP quota will be used in the form of QP in vessel accounts and QP will be of 1-year duration. However, allocation decisions don't need to occur that often. For example, allocation could be made to an activity or project that has a multi-year time span. This could provide recipients more certainty about their future operations, which some entities may find beneficial, but may reduce the flexibility to make adaptations to the program (although periodic review could be built in). A proposal-driven program structure would need to specify how frequently proposals would be accepted and AMP quota allocated.

If AMP QP can be held elsewhere than in vessel accounts the Council may wish to establish eligibility criteria for AMP quota receipt different from the general IFQ eligibility requirements.

Monitoring and Evaluation Processes, Program Review

An AMP program will likely require several different monitoring and evaluation elements:

- If proposal-driven, a framework for evaluating proposals and deciding which ones to "fund"
- If AMP quota is allocated for a specified activity, a monitoring element to ensure that AMP quota is actually used in that way; if the AMP quota is provided as a reward or an incentive for a particular action, a monitoring or auditing element may be needed to verify that the action was taken (e.g., use of a particular gear)
- Periodic review of the overall AMP to decide if goals are being met and whether those goals need to be changed.

In a proposal-driven process the Council will likely need to specify the required contents of proposals. Again, COP 19 offers a good starting point for identifying the types of information a proposal should contain. Generally, this includes information about the applicant, the proposed activity, and how it addresses program objectives.

In a proposal-driven process, if the amount of AMP quota available is less than the amount requested, evaluation criteria could be a way to better match the total amount of AMP quota requested with the amount available. Criteria would likely be matched with program goals (for example, making only vulnerable communities, processors, or harvesters eligible). Measurable, minimally subjective criteria would be preferable to make it clear what a proposal needs to focus on in order to successfully receive AMP quota. In these situations the Council could decide in advance on a maximum number of recipients based on the amount of available quota. Alternatively, if proposals specify the amount of AMP quota needed, the Council would use that information when screening proposals so that the total amount did not exceed the total amount of AMP quota available.

If the program is set up so that AMP quota use must be monitored, as discussed above, there are two monitoring issues: checking whether the AMP quota was transferred (sold) to someone else outside the terms of the proposal and whether it is fully utilized, at least in preference to any other quota the recipient may possess. Figuring out whether this happens does not necessarily require AMP quota to be tracked separately from other quota but would rely on a year-end accounting of the use of quota. But the need to account for AMP quota in this way could be difficult and reduce the overall efficiency of IFQs. If the terms of the AMP proposal have been violated then sanctions could be applied, such as loss of the future eligibility or reduction in the amount of AMP quota received in subsequent periods to make up for unused quota.

In addition to the type of basic accounting just discussed, the Council may require follow-up reports from AMP quota recipients in order to assess whether that AMP quota use met broader goals and objectives. Again, COP 19 offers a starting point for thinking about follow-up reports since it specifies the contents of such a report for EFPs.

Finally, at a broader level, the Council will likely want to evaluate overall program performance. This could build on project-specific performance evaluations and involve reconsideration of program goals. The mandated 5-year IFQ program review cycle may be a good vehicle for this type of evaluation. Since any AMP program would be part of the federally-managed limited entry trawl fishery, NMFS is likely to play a role in this type of periodic program review.

Additional Staff Comments

Interpretation of the Council's AMP Motion

The Council's motion states that "up to 10 percent of the non-whiting QS will be reserved for" the AMP. Characterizing AMP quota as QS and allowing the amount of QS dedicated to the AMP to vary from time to time raises some additional issues. First, QS would have to be reallocated, either to or from QS holders, each time it varies from the previous amount (from 8 percent in one year to 7 percent in the next, say). Second, reference to QS in the Council's motion also raises more general questions about the nature of AMP quota. QS may be considered an asset of indefinite duration (subject to program changes) that produces regular returns in the form of QP. However, it seems unlikely that the Council intends to grant such an indefinite privilege to an AMP quota recipient.

Staff interpreted the "up to" language as reflecting the Council's intent that any unused AMP quota will be redistributed back to the groundfish shoreside trawl fleet. Staff believe it is easier to treat AMP quota as a set aside that is deducted from the shoreside trawl sector allocation of the OY for a given management unit. The remainder of the sector allocation would then be distributed among QS holders based on the percentage value of their QS holdings. (The figure on page 10 illustrates the general process for the allocation of AMP QP based on this model.) If the Council's intention in referencing QS in the motion is to ensure that a portion of the sector allocation the Council might want to consider whether or not this could be accomplished in the FMP amendment and/or regulatory language without denominating AMP quota as QS.

The decision on the amount of AMP quota to be reserved also needs to be synchronized with the harvest specifications process and the resulting distribution of QP into vessel accounts. First, the Council could decide in advance the amount of quota to set aside, once OYs and sector allocations have been set. Then the AMP quota could be allocated under whatever mechanism is established. Finally, if there is any unused AMP quota after the allocation process it could be returned to all QS holders. The allocation of AMP quota and any subsequent redistribution of unused AMP quota to QS holders does not necessarily have to occur before the beginning of the fishing year as long as deposits to vessel accounts is timely enough to allow its use at some point during the year and/or for the specified purpose.

Strawman Program Examples

Basic Formulaic Program

Program goal: Dampen changes in the coastwide pattern of groundfish landings.

Who would qualify? Any vessel eligible to receive QP that delivered at least 90 percent of its landings in a year to the same port(s) it delivered to in the previous year. (In the first year of the program the previous year would be the year prior to the beginning of the program.)

How would AMP quota be allocated? Pro rata to all eligible vessels according to the QP in the vessel account at the beginning of the year.⁴

What monitoring would be required? No additional monitoring would be required. Information already collected could be used to determine eligibility. The use of AMP quota would not have to be monitored since it is a reward for past behavior.

Under this approach there wouldn't be an AMP in the first year of implementation since AMP quota is allocated based on past behavior; in other words, in the first year the AMP quota would go to all QS holders.⁵ Assuming the IFQ program begins on January 1, 2011, in 2012 AMP quota would be distributed by comparing vessel landings in 2011 to landings in 2010.

Formulaic Process with Eligibility Decision

Program goal: Stabilize existing processor-harvester relationships.

Who would qualify? The Council would select recipients among groups of vessels and processors that have entered into delivery agreements. A group of vessel owners and a processor would submit a signed contract (and other information, if needed) and the Council would determine if the contract met established program goals, in which case they would be eligible to receive AMP quota. Evaluation criteria could be based on processing location, past involvement in the fishery, contract amount, product form, etc.

How would the AMP quota be allocated? Quota would be allocated to the harvester-processor group pro rata based on recent processing history and/or the catch history of contracted harvesters. The contract would specify how QP would be distributed among the vessel accounts of the contracted parties.

What monitoring would be required? Additional monitoring may be required depending on program criteria. Information would be needed to determine if the contract terms were met, for example. If the criteria required a specific activity to be performed beyond the contract terms (such as landed fish processed into a particular product form) then additional monitoring would be necessary.

Proposal-driven Process for a Specific Purpose

Program goal: Address adverse impacts to communities disproportionately affected by trawl rationalization.

Who would qualify? Any entity could submit a proposal describing what the AMP quota would be used for, the amount requested, and the vessel account(s) into which it would be deposited. The Council would then screen proposals based on a set of qualitative evaluation criteria.

⁴ This could be the total amount deposited to the account (not net of withdrawals) at some date after January 1 but early in the year.

⁵ Other, more complicated, methods could allow the distribution of AMP in the first year. For example, it could be based on a commitment to deliver according to the 90 percent criterion in the first year compared to the year before the IFQ program starts. If the vessel does not perform as agreed some penalty, such as loss of eligibility, could be assessed in the subsequent year.

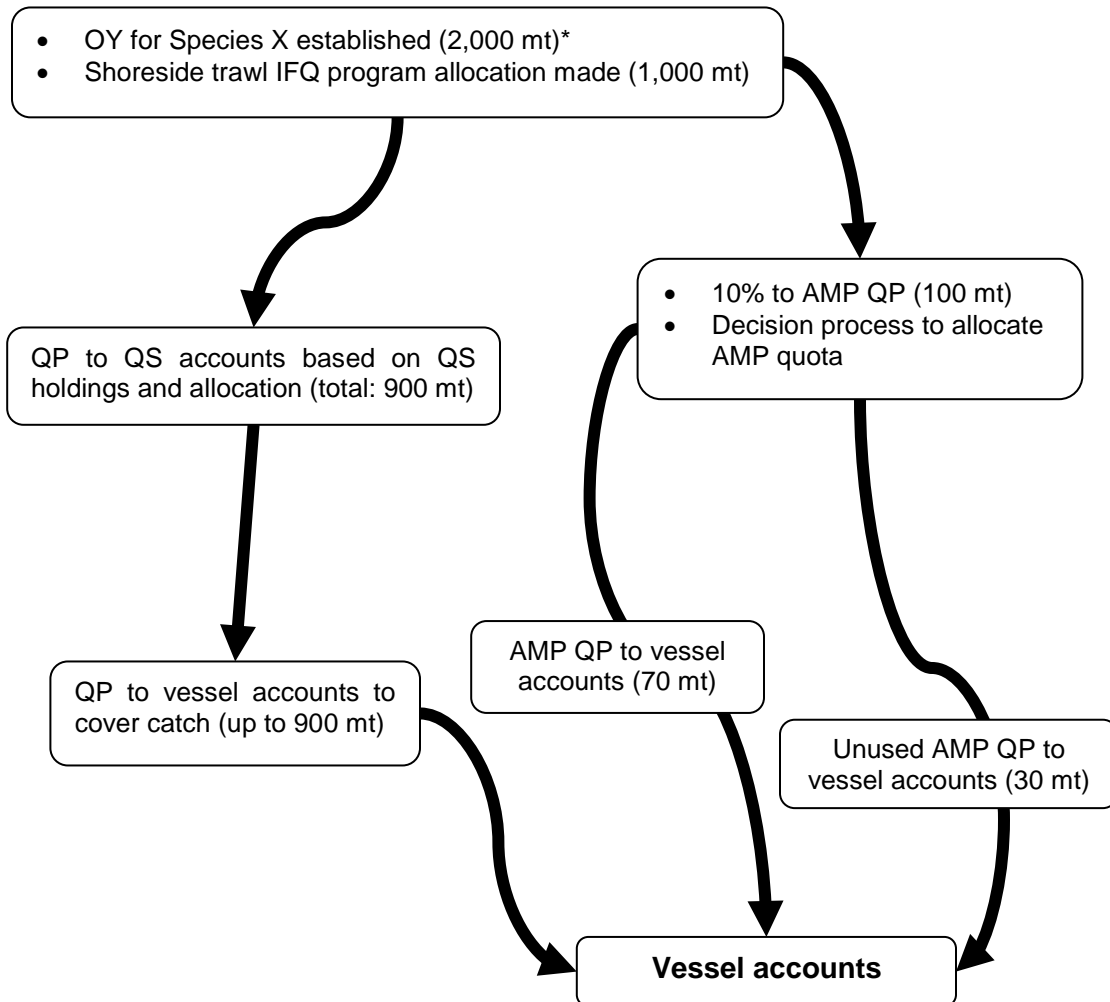
How would the AMP quota be allocated? AMP quota would be allocated according to the amounts specified in accepted proposals.

What monitoring would be required? The level of monitoring would depend on the nature of the proposal. A proposal that was broadly incentive based, like the first strawman example outlined above, would require a low level of monitoring. If the proposal identified a specific activity that the AMP quota would be used for then a higher level of monitoring would be required. For example, the proposal could request AMP quota to test a new, bycatch-reducing gear design. Some form of monitoring would have to be built into the process to check if the gear testing occurred and to understand the role that the AMP quota played as an incentive. As discussed elsewhere, if an applicant did not meet the terms of the original proposal then some type of sanction could be applied, such as loss of future eligibility.

In this proposal-driven process a zero sum situation could preclude “funding” all applicants. This would increase the need for evaluation criteria to limit the number of recipients in line with the available amount of AMP quota. Alternatively, all proposals could be “funded” but each applicant would receive less quota than requested.

G:\master\!GRDfmp\A20_TIQs\Z_Kit\Council Staff White Paper on AMP-March08CM.doc

Example of AMP Quota Distribution



*Example amounts to demonstrate the flow of quota to vessel accounts.

Adaptive Management Program Summary of Decision Points, Including Program Examples

Introduction

This document is intended to serve as a guide for Council action on the Adaptive Management Program (AMP). The Council's decision on the AMP will involve several steps, beginning with decisions made at the April Council meeting and ending with final action at the June Council meeting.

This document can be separated into three parts, with the first part describing the decisions to be made on program features, the second part outlining the timing of these decisions, and the third part describing two example AMPs, which are intended to facilitate thinking about the subsequent decision-making steps in June. These example programs are intended for illustration purposes only, but can also be used to show how several decision points are interrelated.

As discussed in the Staff White Paper (Agenda Item F.5.a, Attachment 1), staff views AMP quota as a set aside from the shoreside trawl allocations of management unit optimum yields (OYs). The Council would establish this set aside during the biennial specifications process and it would amount to no more than 10 percent of the overall shoreside trawl sector allocation for each management unit. (As discussed in the Staff White Paper, identifying the set aside and deciding on the amounts to be distributed to AMP quota recipients would have to be timed with the overall harvest specifications process so that the remainder of the shoreside trawl sector allocation could be distributed to quota share (QS) holders along with any unused amount of the AMP set aside.) The AMP quota is only realized as quota pounds (QP) in vessel accounts. This does not mean, however, that individuals and entities other than vessel owners cannot participate in deciding how the quota will be used, but ultimately these decisions involve agreements with vessels about the disposition of quota to vessel accounts and its subsequent use.

Program Features

The outline below describes 11 program features which constitute decision points in designing the AMP. Readers may want to refer to the Staff White Paper for more information on the decisions summarized in the outline.

Program Feature 1: AMP goals and objectives. In developing the goals and objectives the Council could consider:

- 1) Will the AMP be proactive, reactive, or both?
- 2a) Will the AMP be used for truly unanticipated consequences, or
- 2b) Will it be used for a more specific purpose identified by the Council?

Examples:

- community protection
- processor stability
- environmental best practices
- facilitate new entry
- other purposes

Program Feature 2: AMP allocation process: To determine the allocation process the Council could consider:

- 1) AMP quota allocation is proposal driven
- 2) AMP quota allocation is formulaic
- 3) Combination (recipients selected based on proposals/application but quota distributed by formula)
- 4) Other process

Program Feature 3: Decision-making organizational structure. The decision structure and the allocation process (feature 2) are closely related program features. The Staff White Paper identifies and discusses the following arrangements for the institutions involved in deciding how AMP quota will be allocated:

- 1) State → Council → NMFS
- 2) State → NMFS
- 3) Council → NMFS
- 4) NMFS (proposal driven)
- 5) NMFS (formulaic)
- 6) Other structure?

Program Feature 4: Individuals and entities eligible to receive AMP quota. As noted above, ultimately AMP quota will be realized as deposits to vessel accounts. However, other types of individuals or entities could decide what vessels receive quota. Examples of eligibility criteria include involvement in the fishery, ties to fishing communities generally, or ties to specified communities. Eligibility requirements may be especially necessary under a formulaic allocation process (feature 2).

Program Feature 5: Accumulation limits for AMP quota. Presuming AMP quota is in the form of QP, the Council may want to consider whether to relax the vessel limits for holding AMP QP. This decision may be related to what types of entities are eligible to receive quota (feature 4).

Program Feature 6: The application process, including contents of applications, and standards for evaluating applications. If it is a proposal driven process, what standards are used to decide which applicants to “fund”?

Program Feature 7: AMP quota transferability. Will AMP quota be transferable? If transfers are allowed, will AMP quota have to be tracked separately from all other QP? This may also relate to the monitoring of AMP activities and quota use (feature 8)

Program Feature 8: Monitoring and evaluation of AMP activities and quota use. Project evaluation standards could be the same as those used for evaluating applications (feature 6). AMP quota recipients could be required to submit performance reports to facilitate evaluation.

Program Feature 9: State allocation of AMP quota. Should the Council establish fixed percentages for the amount of AMP quota used in each state or should they just be standards or objectives used in the program review process?

Program Feature 10: AMP quota duration. For how many years should quota be distributed to recipients before it is reallocated? Possible time periods include 1 year (duration of QP), 2 years (to coincide with biennial harvest specifications), or 5 years (to coincide with trawl rationalization program review).

Program Feature 11: Overall program review. Should there be periodic evaluation of the performance of the program as a whole? Should it be substantially based on evaluating program activities (feature 8) or use some other evaluation method? Should it be an opportunity to revise program goals and objectives (feature 1)? How often should this type of program review occur?

Decision Points

In terms of the Council decision process for developing the AMP the Council could specify options for any of the program features enumerated above (decision points)—to facilitate public input—and decide on program design covering all features as final action at the June 2009 Council meeting. Alternatively, the Council could just identify program features sequentially, deciding on some (broad-scale) features at the April Council meeting and deciding on the remaining features at the June Council meeting. It is also possible to proceed through some combination whereby options are specified for some program features while others are simply specified outright, similar to the approach taken in developing the alternatives for the trawl rationalization program as a whole.

At the April Council meeting, staff believes it is necessary for the Council to at least address the first three program features described above. Most important would be to specify goals and objectives for an AMP since this has implications for many other aspects of the program. Staff also recommends at the April meeting the Council work on the second two program features, which are also broad-scale aspects of program design. (These are determining the allocation process for awarding AMP quota and determining the organizational structure for the AMP among various agencies.) If the Council is able to decide on any of the other program features at the April meeting, this would facilitate presenting an analysis of possible program designs at the June Council meeting.

Based on Council guidance staff would then develop one or more program designs, incorporating any remaining program features that were not specified by the Council in April. The May 5-7 Groundfish Allocation Committee (GAC) meeting in Portland, Oregon, would be an opportunity for staff to get additional input on program design

issues; the GAC could also develop recommendations for Council final action at the June meeting.

Example Programs

To facilitate development of an AMP structure, staff has provided the following strawman program designs. These examples are formatted in a manner that resembles the list of decisions shown above. Staff does not intend these strawman examples to be seen as “alternatives” or “proposals”; rather they are hypothetical examples intended to illustrate possible decisions and the inter-relatedness of various program features.

Program Example 1

The goal of Example 1 is to provide for community stability. To the extent that processors are also a part of a community, this example is intended to help support processor activities by providing some additional sense of certainty. This certainty comes through the requirement that recipients land a specified amount (either as a proportion of their total landings or as a fixed amount) into one or more ports (specified as part of the application process) during the period for which they receive AMP quota. Since AMP quota is intended to act of an incentive to “leverage” continued landings into the port, the specified landing amount would be greater than the amount of AMP quota distributed. The landing amount would be established as part of the program (by the Council for example) rather than proposed by applicant.

AMP quota is distributed annually for a period of 5 years.

Example 1 is both proactive and reactive. It relies on the applicants to submit proposals. Those applicants may see a future need for AMP quota and submit an application, and in that way Example 1 would be proactive. However, applicants may also see a decline in fishing activity over time and submit a proposal to counter that effect and in this way Example 1 is reactive.

A basic qualification for applicants is that they must reside in or have substantial ties to a west coast fishing community (defined as any community where groundfish have been landed). At a minimum the applicant must be a groundfish harvester (own or control a vessel registered to a groundfish trawl permit) and a processor, but could be an entity composed of multiple harvesters/processors any other individuals or entities with substantial fishing community ties (other business entities, non-government organizations, local governments). Any such entity would have to demonstrate their legal and contractual existence as part of the application process.

Example 1 is also intended to recognize the limited resources available from various agencies for implementing such a program. This is achieved through a relatively formulaic organizational structure which requires little to no direct involvement by the state agencies and the Council, except to the degree that goals, objectives, and standards are originally specified and adopted by the Council. Applicants, instead, submit AMP applications directly to National Marine Fisheries Service (NMFS), and if those

applications meet the necessary standards, they are eligible to receive AMP quota. That AMP quota is awarded to applicants proportional to the most recent 3-year average landings of the vessel(s) included in that application.

This example also takes into account limited resources by not tracking AMP quota use or transfers. Instead, landings are tracked to ensure the amount landed in the nominated community is equal to or greater than the specified amount. QP transfers are not limited because the objective focuses on landings to a specified community.

Based on the need to achieve some community stability, accumulation limits are suspended for those applicants that receive AMP quota – to a degree. Vessels identified as part of an AMP application would be allowed to have amounts of quota in their account that are equal to or lesser than the sum of a) the accumulation limit plus b) the amount of QP allocated as part of the AMP award.

Those entities that receive AMP quota would be required to submit a program performance report prior to the end of the 5-year period. These reports would be used to evaluate the effectiveness of the program at the end of 5 years (coinciding with the trawl rationalization program review).

Program Example 2

Example 2 is intended to provide for “environmental best practices” through measures such as gear switching, gear modifications or research, area management, or other measures that may result in conservation benefits. Because the goal of this example implies that new techniques could be developed which are unforeseen at this stage, this example necessitates a proposal-driven process. This example is constructed in a manner that utilizes a State → Council → NMFS organizational process, which acknowledges language in the November 2008 motion stating “separate but parallel processes in each of the states.” Through this type of process, it is envisioned that each of the three west coast states would hold a public process designed to review and recommend specific proposals (including award amounts) to the Council. The Council then considers those state recommendations and submits the formal recommendation to NMFS for implementation. The Council would not consider proposals other than those forwarded by each of the states.

Because Example 2 relies on a proposal-driven process (rather than a formulaic process) the entities eligible to receive AMP quota can be specified more broadly. As such, those eligible to receive AMP quota under this example are more loosely defined and include entities which may not be formally engaged in fish harvesting and/or processing activities, but which may be indirectly associated with – or have interest in – the outcomes and performance of the fishery. Unlike Example 1, there would not be a requirement for ties to a fishing community but there would be a requirement to be tied to the shoreside groundfish trawl fishery as a whole.

In order to evaluate proposals within this example, the standards for AMP quota applications would presumably require that the applicant identify the goals of the project, the metrics used to identify whether the goals for the project are being met, and an identification of the vessels to be engaged if the application is “funded.” Other standards would undoubtedly be necessary, but these types of standards are provided for consideration and purposes of further future elaboration.

Under this example AMP quota could not be transferred except to the account of another vessel that is part of the entity receiving AMP quota (if the recipient is an organization including multiple vessels). A relatively simple ledger system would have to be established that ensures an applicant does not transfer more quota than the amount held prior to receiving AMP quota (details on this ledger system to come at a later date). AMP quota might have to be tracked in more detail if it is to be used for a very specific purpose that is only part of the overall activities of the recipient. (For example, if the recipient has proposed using the AMP quota specifically to test a new gear design but only planned to use this gear part of the time, some method would have to be developed to track how the use of AMP quota related to the gear testing.)

Since this example focuses on improvements to the fishery as a whole rather than community stability, the need for formally splitting AMP quota across the three west coast states does not appear to be as important as in Example 1. Therefore, no state-based split of AMP quota is specified; instead all of the state-recommended proposals for AMP quota would compete with each other, with a final recommendation by the Council for which applications would be funded. The end result could be that no proposals from one of the states would receive funding. However, as part of periodic program review, the distribution of AMP quota among the states would be evaluated and adjustments to the program made as necessary.

The submission of performance reports is also required in Example 2; however, those performance reports are intended to feed back into the proposal-driven application process. Those reports would be used, in part, to help determine if the future funding of a given application should be viewed favorably. If an entity were to submit a proposal for a different project than what has occurred in the past, then it is not envisioned that the performance reports for past projects would be used in the evaluation process for the new project.

Summary of the Program Examples by Program Feature

| Program Feature | Example 1 | Example 2 |
|----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. AMP goals and objectives | "Intended to facilitate community stability, of which processors are a part" | "Intended to encourage environmental best practice through means such as (but not limited to) gear switching, gear modifications/research, and area management" |
| 2. Method for allocating AMP quota | Formulaic: Pro-rata distribution based on most recent 3 year vessel landings volume | Proposal-driven: Based on the amount requested in the proposal |
| 3. Decision making organizational structure | NMFS (formulaic) | State → Council → NMFS |
| 4. AMP quota eligibility | Must include: Processors, vessel owners Can include: Other businesses, community organization/agency, Port authority, or similar | Entities eligible must be substantially engaged or related to the fishery. Includes (but is not limited to) fishery NGOs, vessels, processors, public-private partnerships |
| 5. AMP and accumulation limits (do acc. limits apply to AMP?) | Accumulation limits do not apply to AMP recipients | Accumulation limits do apply to AMP applicants/recipients |
| 6. Application process and standards for AMP applicants | Applicants must submit proposals describing the applicant (including make-up and contractual details of entity), the port(s) to which landings would be made, and the amount(s) to be landed. 3-year landings history for participating vessels would be pulled from PacFIN. Specified landings must be made into stated community. | Applicants must submit proposals similar to COP 19, including a succinct description of goals, proposed activities, amount of AMP quota requested and evaluation metrics. Standards may include use of AMP for specific purpose, depending on proposal. Other standards TBD |
| 7. AMP quota transferability | Transfers not limited | Not transferable outside of vessels included under receiving entity (ledger system set up to ensure AMP quota not transferred) |
| 8. Monitoring and evaluation of AMP activities and quota use | Required to submit performance reports. Reports used in 5 year program review, but not for subsequent AMP allocation processes. Tracking of specific use of AMP quota not required beyond transfers and landings | Required to submit performance reports. Performance reports considered in subsequent AMP awards for the same purpose. Different applications are not influenced by performance report. Tracking specific uses of AMP quota may be required. |
| 9. State allocations of AMP | 33% / 33% / 33% | No state allocation – periodic evaluation of AMP quota distribution |
| 10. AMP quota duration | 5 years | 2 years |
| 11. Program review | Program review coincides with AMP quota duration (5 years) and is based directly on an assessment of the effect of the AMP on the distribution of landings coastwide | 5-year program review based on a general assessment of activities in meeting overall goals and objectives of the AMP |

PPMC

3/31/09

G:\PPMC\MEETING\2009\April\Groundfish\F5a_suppStaffRprt.doc

GROUND FISH ADVISORY SUBPANEL REPORT ON
FMP AMENDMENT 20-TRAWL RATIONALIZATION-ANALYSIS PARAMETERS FOR
ADAPTIVE MANAGEMENT PROGRAMS

The Groundfish Advisory Subpanel (GAP) discussed the topic of development of and the need for an Adaptive Management Program (AMP) under Amendment 20 to the Groundfish Fishery Management Plan (FMP). The GAP reiterates our remarks from November 2008 in that the AMP should have a clearly defined purpose, should be used to address unintended consequences, should not be used to allocate fish away from the trawl sector, and, annually, unused AMP quota pounds should be rolled over to trawl quota share holders.

The GAP recommends adoption of the AMP proposal submitted by the Fishermen's Marketing Association (Agenda Item F.5.c, April 2009) as a strawman proposal to go forward with program development, dependent upon funding and resources. The GAP recommends that progress on developing the AMP should not impede implementation of the Trawl Rationalization Program by 2011.

Related to the Fishermen's Marketing Association's proposal, the GAP has the following specific recommendations:

- References to quota shares or shares should be changed to quota pounds or pounds, which is in line with our understanding of how quota shares will be used to fund the AMP.
- Under the PURPOSE section, the GAP recommends the primary goal should be that AMP quota pounds should be used to mitigate unforeseen negative consequences. That is, the third paragraph in this section should be identified as the primary goal. The GAP's primary concern is to protect existing ports and communities, and preserving fishery-dependent infrastructure.
- Under the PROTOCOL section, Number 1, the GAP recommends revising the first sentence to read "In allocating quota pounds between the states of Washington, Oregon, and California, the Council will consider processing history in each of those states." Under Number 2, the GAP recommends this subsection be revised to read "The states will establish their own process for submission and review. The states may choose to use either a proposal or formulaic approach. Under a proposal-based approach, completed proposals and recommendations for consideration must be received by the Council for review at least two weeks prior to the June Council meeting."

GROUND FISH MANAGEMENT TEAM REPORT ON
FMP AMENDMENT 20- TRAWL RATIONALIZATION-ANALYSIS PARAMETERS FOR
ADAPTIVE MANAGEMENT PROGRAM (AMP)

The Groundfish Management Team (GMT) reviewed the Council staff's white paper on Adaptive Management Program (AMP) Options (Agenda Item F.5.a) and their supplemental report (Agenda Item F.5a Supplemental Staff Report) and provides the following considerations.

Overview

The Council's first task under this agenda item is to determine the goals and objectives of the program, or in other words, the desired outcomes of the program. Once an outcome is defined, staff can then begin to analyze how the program could be designed to best achieve that outcome. With multiple objectives in play, the question becomes how to design the program in a way that achieves some balance of those outcomes. When it is unlikely that a program could be designed to achieve all desired outcomes equally well, objectives should be prioritized.

There have been a number of potential of objectives discussed in the context of the AMP, including by the Council during its deliberations on final action in November. Therefore another Council task at this meeting is to provide some indication about how they want to prioritize the finite budget of adaptive management quota.

The GMT identified two considerations for the Council to consider in its discussion of goals and objectives: (1) available resources and complexity of program administration that achieves those outcomes; and (2) whether other tools exist for achieving those goals (e.g., exempted fishing permits [EFP], research, essential fish habitat review, etc). With respect to the first, the National Marine Fisheries Service has expressed their concern to the Groundfish Allocation Committee in January, and to the GMT at this meeting, about their ability to have a complex AMP in place at the beginning of the program. As to the second, the Council should consider whether an outcome could be accomplished either through inherent aspects of the trawl individual quota (TIQ) program (e.g., individual accountability) or through other mechanisms (e.g. exempted fishing permits, research, essential fish habitat review, etc.).

GMT review of the issues also identified at least three major questions about the program's design that would be helpful for the Council to address at this meeting:

1. Should the program be proposal based or formula based?
2. Should the program be designed to prevent harm (proactive) or to respond to harm (reactive)?
3. Does the program need to be in place on "Day 1" of the program or could it be developed later?

Goals and Objectives

The Amendment 20 Draft Environmental Impact Statement (DEIS) states the following purposes for the AMP:

“ . . . to create incentives for developing gear efficiencies, for community development, or to compensate for unforeseen outcomes from implementation the IFQ program.”

Agency reports submitted in November 2008 indicated several potential goals and models for the program. The Washington Department of Fish and Wildlife (WDFW) considered community stability paramount in initial implementation of the adaptive management program, however other considerations could be considered later (Agenda Item F.3.f, WDFW Report, November 2008). The California Department of Fish and Game (CDFG) recommended that AMP quota pounds (QP) aide in community and regional development, provide incentives gear switching, mitigate unforeseen circumstances of rationalization, promote attainment of a stable market to encourage sustainable fishing practices, facilitate new entrants, and increase profits to individuals or communities in order to allow them to purchase their own individual fishing quota (Agenda Item F.3.f, CDFG Report, November 2008). The GAC has discussed crafting adaptive management provisions in a manner that has a regional distribution and that the distribution should take a fair and reasonable approach to dividing the AMP QP among the states. In implementing adaptive management, the program may wish to recognize formal regional or community fishing associations. The GMT also reviewed the results of the workshops held by Environmental Defense Fund on the AMP, which were held to capture the opinions of several different interested parties.

Given what has been presented to date in the Draft Environmental Impact Statement, state agency reports, and public comment, the GMT suggests the following have emerged as primary goals and objectives. These appear to be:

- Community stability,
- Processor protection,
- Conservation,
- Assisting new entrants, and
- Unforeseen/unintended consequences.

Community Protection

One goal of the TIQ program as a whole that has been identified for AMP is minimizing adverse impacts to communities. In accomplishing this goal, the Council could establish either a proactive program or a reactive program. One way of being proactive is to develop an approach which directs AMP quota to communities of concern by developing a list of communities that are eligible to receive AMP quota at the start of the program. In other words the Council could identify communities that appear to be at risk from adverse impacts of the TIQ program and delineate a process for providing AMP quota in such a way that minimizes those risks. Definitions of vulnerable or at-risk communities might include those whose residents receive little or no initial allocation of quota share, are dependent on groundfish trawling, will likely see shifts in trawl landings, are adjacent to high bycatch areas for a particular species, and/or have limited port infrastructure. Alternatively, the Council could choose a reactive approach that

addresses unforeseen adverse impacts on potentially any community by directing AMP quota to those that have been determined to be adversely impacted after the program has started.

The GMT notes that there currently appear to be no mechanisms in the TIQ program (or other management tools) for minimizing the adverse effects on a community.

Non-whiting Processor/Buyer Protection

A similar, yet slightly different concern, is the impact of the TIQ program on shorebased processing plants and receivers. If shifts in delivery activity occur, one could expect that processing businesses in particular regions could be adversely impacted due to a loss of deliveries. As with communities, the AMP could be proactive and seek to identify businesses that appear to be at risk, and provide quota to keep them in business. However, a reactive approach could also be used to mitigate against loss of processing or receiving capacity in an area through an award of AMP quota after the trawl rationalization program has been implemented.

The GMT notes that there appear to be no direct mechanisms within the TIQ program (or other management tools) to minimize the adverse effects of rationalization on non-whiting processors.

Conservation

Another potential goal of the adaptive management program is to address conservation concerns. These would include such things as bycatch reduction, minimization of habitat impacts, or selective gear development. The GMT notes that this is a fairly broad category that ultimately seeks conservation of a number of different things. There was also recognition by the GMT that a number of the proposed conservation objectives are being addressed through other management initiatives or are internal to the design of the TIQ program. For example habitat protection was identified as a potential goal of the AMP. However, the Council has undertaken habitat protection measures through the Essential Fish Habitat process, and that process undergoes periodic evaluation that provides opportunity for developing new measures. Similarly bycatch reduction is expected to be one of the principal outcomes of the rationalization program as it currently stands given market incentives to avoid constraining species. Finally, new gear development was identified as yet another means of achieving conservation outcomes through the AMP. However, the GMT notes that the EFP process provides a mechanism to test innovative gears.

New Entrants

Providing a mechanism to allow new entrants into both the harvesting and processing sectors has been discussed as a possible AMP goal. This objective would lend itself more to a proposal driven process than a formulaic approach. Essentially applicants would have to provide details that outline how an infusion of AMP quota would provide a catalyst for their entry into the rationalized trawl fishery. These could then be vetted on a competitive basis and awarded to the applicant that best fit the Council's stated criteria. Ultimately the GMT recognizes that it is not critical to the success of the TIQ program to achieve this goal concurrent with the onset of the program, and it would likely be better analyzed during program review.

Unforeseen / Undesired Consequences

Providing a mechanism to deal with unforeseen or undesired consequences of the rationalization program is another potential goal that has been stated for an AMP. As with conservation, this could encompass a wide variety of issues that are difficult to assess. By definition unforeseen consequences would require a reactive program response while undesired consequences may be foreseen ahead of time and potentially prevented. Ultimately it appears that many of the undesired consequences are discussed elsewhere in this report while unforeseen consequences may be more appropriately addressed through program review in five years.

State-Based Goals & Objectives

The Council's motion in November stated that "QS will be divided among the 3 states. QS/QP will be provided through separate, but parallel, processes in each of the three states." There seem to be at least two goals underlying a state-based process: (1) each state may have different priorities for use of the AMP; and (2) at least in the context of community stability, perhaps that states are best suited to identify the communities that would benefit most from the program. The flexibility of a proposal-based system seems better suited to accommodate these goals.

We also discussed how a formula-based program might work for a state-focused program. To achieve different objectives, the states would presumably need to develop separate formulas. With the community stability objectives, the states could provide a list of communities or entities that would be eligible to receive quota to which the formula would be applied. Based on a set of common criteria, each state could evaluate which of its communities were at risk and had the most potential to benefit from assistance from the AMP.

GMT Recommendations

1. Set and prioritize goals of the program that will meet the broader objectives of TIQ.
2. Balance complexity and flexibility with cost and ability to administer the program.
3. Consider analyzing a state-by-state process for administering program.

PFMC
04/08/09

SCIENTIFIC AND STATISTICAL COMMITTEE REPORT ON FMP AMENDMENT
20 – TRAWL RATIONALIZATION – ANALYSIS PARAMETERS FOR ADAPTIVE
MANAGEMENT PROGRAM

The Scientific and Statistical Committee (SSC) received a briefing on the analysis parameters for the adaptive management program (AMP) from Ms. Heather Brandon and Mr. Merrick Burden. Both the Council Staff White Paper and Supplemental Staff Report (Agenda Item F.5.a) highlight several important issues that need to be decided and analyzed for the program. The SSC is not able to comment on analyses until the goals and objectives of the program are determined and the design parameters and analyses are further developed.

Nevertheless, the SSC highlighted several aspects of the program that may be particularly important.

1. If the program is intended to address unintended consequences associated with rationalization, those consequences will not be fully known until after rationalization occurs. These consequences may be different in the early periods of rationalization than in later periods after the industry has adjusted to the trawl individual quota program. Therefore, flexibility may be a desirable design feature.
2. The AMP currently states that up to 10 percent of quota pounds can be reserved for the program. The Council will need goals and objectives, as well as the corresponding analysis, to determine the appropriate percentage of the quota to be used in the AMP.
3. Given that 10 percent of the quota is the maximum amount that may be allocated to an AMP, spreading this amount across too many programs could lead to diminished program results.

ADAPTIVE MANAGEMENT PROGRAM ASSOCIATED WITH THE PACIFIC TRAWL GROUND FISH IFQ PROGRAM

DEFINITION

The Adaptive Management Program (AMP) of the Pacific Groundfish IFQ Program sets aside up to 10% of the Quota Shares for species requested through an application on an annual basis unless identified for a longer period of time. These shares will be issued to the requesting permit owner upon the recommendation of the PFMC and approval of the NMFS. Any unallocated shares will be redistributed to all share holders in proportion to their holdings. Any shares provided through this program may not be transferred to or used by anyone not identified in the proposed application.

PURPOSE

The specific objectives of an application may vary. However, since the fish made available through this program is taken "off of the top" from all quota share holders, it should be thought of as an investment being made for the benefit of the trawl fishing industry. It is the intent that these benefits will lead to an economically stronger trawl fishing industry which then contributes to the economic health of fishing communities.

The fish provided through this program should be invested in a way that would foster the development of new entrants in fish processing and distribution with an emphasis on increasing employment and new market opportunities, new product forms, more selective fishing gear, and biological research.

Shares made available through this program may also be used to mitigate any unforeseen negative consequences of the IFQ program provided that this mitigation will lead to a stable situation where additional or on going allocations are not required.

The purpose of this program is not to maintain and protect the status quo, but rather to assist the orderly change necessary to improve the economic health of the fishing industry.

PROTOCOL

A. Submission

1. The allocation of shares made available through this program will be done so in a way so that the distribution to recipients will approximate a balance between the three states of 20% Washington, 45% Oregon, and 35% California. The distribution to the States will vary for species with unique geographic distributions and will be established by the Council. The States will conduct a review of each application received from their constituents and make recommendations to the Council.
2. The States will establish their own process for submission and review; however completed proposals and recommendations for consideration must be received by the Council for review, at least two weeks prior to the June Council meeting.

B. Proposal Contents

1. AMP proposals must contain sufficient information for the Council to determine:
 - a. That the proposal meets the purpose of the program.
 - b. There is adequate justification for the granting of quota.
 - c. The potential benefits of the allocation of quota have been adequately identified.
 - d. That the allocation of quota will mitigate any negative consequences of the IFQ program.
2. Applicants must submit a completed application in writing that is structured as a business plan addressing how the quota is to be used. It should include, but is not limited to, the following information:
 - a. Date of application.
 - b. Applicant's names, mailing addresses, and telephone numbers.
 - c. A statement of the purpose and goals of the proposal.
 - d. Valid justification explaining why issuance of AMP quota is warranted.
 - e. A statement of whether the proposal has broader significance to the industry than the applicant's individual goals.
 - f. An expected total duration of the proposal (i.e., number of months or years proposed to conduct fishing activities).
 - g. Number and name of vessels covered under the proposal.

- h. A description of the species to be harvested under the AMP and the amount(s) of such harvest necessary to conduct the proposal.
- i. Measurable benchmarks for sales, employment, capital expenditure, benefits to related business, etc.
- i. The signature of the applicant.

C. Review and Approval

1. The Council Advisory bodies will review AMP proposals in June and make their recommendations to the Council for preliminary Council action at that time. Final action on proposals will occur at the November Council meeting. Only those proposals that were considered in June may be considered in November; proposals received after the June Council meeting for the following calendar year will not be considered.
2. The Council will give priority consideration to those proposals that:
 - a. Lead to the establishment of new processing businesses or seafood distribution businesses and increase employment (highest priority).
 - b. Encourage innovative gear modifications and fishing strategies.
 - c. Encourage the development of new market opportunities.
 - d. Provide mitigation to negative impacts of the IFQ program leading to long-term stability.

D. Other considerations:

AMP candidates or participants may be denied future allocation if they have been convicted of any violation involving the falsification of fish receiving tickets or other provisions of the IFQ program.

E. Report Contents

1. The participant must present a preliminary report on the results of the project to the Council two weeks prior to the April Council meeting of the following year.
2. A final written report on the results of the project must be presented to the Council two weeks prior to the September Council meeting.
3. The preliminary and final report should include discussion on how the quota was used and detail whether the proposals benchmarks have been met. The report must identify the value of sales, number of employees, nature of benefits to related businesses, etc. If any of the benchmarks have not been met, then there must be a discussion as to why.

4. Timely presentation of results is required to determine whether future AMPs will be recommended.



Adaptive Management Program Development Workshops – Overview

After the November 2008 Council meeting it was clear that the Adaptive Management Program (AMP) had strong support from the Council, although the details remained nebulous with different people and groups envisioning that it would be used to meet different objectives. Both the substance of the program and the process were largely undefined. With the goal of clarifying and developing potential parameters and details of the program, Environmental Defense Fund (EDF) convened a series of meetings with participation from fishermen, processors, environmental organizations, states, and Council staff.

Over three meetings participants made an effort to craft four options for the AMP focused on achieving processor, conservation, state and fishermen desires respectively. Of course, there was significant overlap in the goals and objectives between several of the options. No effort was made to reach consensus on any of the substantive options, and participants were asked to help other groups craft the best possible option to achieve those particular goals and objectives.

The goals identified by workshop participants included:

- Maintaining existing processing capability,
- facilitating long term business planning,
- increasing the long term value of groundfish production,
- providing an equitable geographic dispersion of quota and fishing effort,
- providing certainty to current participants,
- minimizing adverse impacts,
- creating incentives for sustainable/best fishing practices, providing stability for fishing communities,
- enabling the program to react to unforeseen circumstances,
- facilitating new entrants in fish processing, and
- enabling an economically stronger trawl fishing industry.

Selecting from those goals, representatives from various groups then defined objectives (i.e. specific outcomes that would indicate achievement of a goal) and strategies (i.e. steps that could be taken to achieve those objectives).

Of the four options developed by the group, three were proposal based and one was formulaic. We spent some time talking about process questions that surround the proposal based approach, but by the last meeting the majority of participants at that meeting seemed to feel that a formulaic approach would be less subjective and easier to implement concurrently with the remainder of the IFQ program.¹ Some of the reasons participants favored the formulaic approach

¹ A summary of the questions we discussed regarding the proposal/EDF type approach can be found in the attached summary of stakeholder workshops on page 8.

included fairness, cost, administrative burden, certainty, and the ability of the formulaic approach to be proactive rather than reactive.

The majority of the group also indicated an interest in meeting again to further develop the program. The consensus was that for another meeting to have value, it would first be critical for the Council to prioritize the goals for the program. It would also be important for the Council to clarify whether they prefer a proposal driven system or a formulaic approach.

The attached Summary of Stakeholder Workshops describes the details of the process we went through and the options developed. We hope that this effort will be helpful as the Council further defines priority goals and objectives and structure for the AMP at this meeting.

This overview is merely a summary of the workshop proceedings. It does not reflect EDF's recommendations for the Adaptive Management Program which will be presented in our public comment.

INTRODUCTION

The PFMC voted in November, 2008 on initial allocation in the non-whiting trawl fishery: 90% allocation to LE permits/vessels, and 10% to an Adaptive Management program, with the details of Adaptive Management to be developed. EDF convened a series of meetings with stakeholders to begin the process of fleshing out options for how the Adaptive Management Program (AMP) could be structured.

Three working sessions were held, with attendance/participation varying somewhat from session to session. In every session there was representation from the fishing, processing, and environmental sectors, and also State and Council participation. A list of participants, by meeting, is shown below (with apologies for errors or omissions).

| Name/Organization | Dec 8, 2008 | Jan 21, 2009 | March 19, 2009 |
|--------------------------------------|--------------------|---------------------|-----------------------|
| Andrew Bornstein, Bornstein Seafoods | Yes | Yes | Yes |
| Brian Mose, facilitator | Yes | Yes | Yes |
| Corey Niles, WDFW | | Yes | Yes |
| Craig Urness, Pacific Seafoods | | | Yes |
| Dan Erickson, ODFW | | | Yes |
| Dorothy Lowman, EDF | Yes | Yes | Yes |
| Geoff Bettencourt, Fisherman | Yes | | |
| Jen Kassakian, Ocean Conservancy | Yes | Yes | |
| Jim Caito, Caito Fisheries | | Yes | |
| Joanna Grebel, CDFG | | | Yes |
| Johanna Thomas, EDF | Yes | Yes | |
| Kelly Ames, ODFW | | | Yes |
| Laura Pagano, NRDC | Yes | Yes | Yes |
| Meghan Jeans, The Ocean Conservancy | Yes | | |
| Merrick Burden, PFMC | Yes | Yes | Yes |
| Paul Kujala, Fisherman | | | Yes |
| Pete Leipzig, FMA | Yes | Submitted paper | |
| Shems Jud, EDF | Yes | Yes | Yes |
| Stuart Nelson, facilitator | Yes | Yes | Yes |
| Tommy Ancona, FMA | Yes | Submitted paper | |

The process used in the sessions was informal – the ad hoc group worked on clarifying goals and objectives, combining them into options, and fleshing out the details of options. A brainstorming, rather than consensus approach, was used. Development and recording of an option did not imply that all participants agreed with it.

The intention of the process was to:

- Provide support for individuals or organization to develop their own ideas or options (stimulate thought).
- Provide a range of options and information for Council to assist it in defining the parameters of the AMP program.

In this paper, the results of these stakeholder sessions are summarized. These findings are only representative of the work completed by those present at the sessions, it is not presented as inclusive of the views of all stakeholders.

IDENTIFYING GOALS AND OBJECTIVES FOR AMP

Though the potential purposes of AMP were oft-discussed leading up to the Council vote in November, few stakeholders had a common understanding of what specific goals and objective of the program might be, or how they would be put into practice. We identified a suite of goals, with each goal further described by objectives (what does achievement of the goal look like?) and strategies (how do we get there?). A common format was used to allow “bundling” of different goals to build different programs. Not all elements were fully fleshed-out. Note that not every entry under “objectives” and “strategies” strictly fits these definitions; however, we include them here as they were enunciated at the meetings.

PROCESSOR PERSPECTIVE

| Goal | Maintain existing processing capability | Increasing the value of groundfish production (over long term) | Facilitate long term planning & stability |
|-------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| Objectives what does it look like? | use AMP to direct fish to vessels that need it (to keep them in business, and fish flowing to plants) | there will be higher quotas... And markets won't currently handle it | Industry training opportunities |
| | give quota to fishermen to encourage new entrants (only processor has incentive to <u>give</u> quota away) | proactive not reactive | Economic development and benefits in coastal communities |
| | proactive not reactive (precautionary approach) | continuity of supply | multi-year process |
| | promote geographically dispersed fishery - keep ports up and down the coast open | fewer boats with higher landings increases fleet viability; platform for growth | proactive not reactive |
| | | encourage flexibility | |
| Strategies How do we get there? Actions | direct quota to fleet manager at plant to divvy appropriately amongst fleet | | duration of AMP = life of the ITQ program |
| | Co. receives the AMP | | annual doesn't facilitate long term planning |
| | no charge for use of AMP | | need to "scale" AMP to Co size (production history will vary over time) |
| | divvy up to boats each season | | not a competitive process each year where you don't know how much you'll access |

STATE PERSPECTIVE^{*}

| Goal | Provide certainty to current participants | Equitable geographic dispersion | Minimize adverse impacts | Conservation |
|--------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
| Objectives what does it look like? | proactive not reactive | by state | "baffles" on wholesale changes | prevent localized depletion |
| | multi-year process to facilitate planning and stability | within states | equitable - based on past, and preventing large swings between states (avoid big winner/loser). Defined by landings history. | environmentally friendly gear. Gear innovation. |
| | equitable - based on past, and preventing large swings between states (avoid big winner/loser). Defined by landings history. | restore fishing activities when stocks are rebuilt in areas where they existed when stocks were healthy | without un-balancing negotiating dynamics between processors and fishermen | reducing habitat effects |
| | find balance between processor stability and attracting new entrants | | prevent localized depletion | |
| | certainty is good for business... Attracts new entrants | | | |
| | states have a public process (documented) | | | |
| Strategies How do we get there? Actions | quota needs to stay in the state | state by state pools of quota (divided amongst states) | quota as tool to minimize adverse impacts | conservation groups would have input |
| | Who is eligible to apply? Council decision required fishermen and processors can apply | based on history. Or - based on needs (how to assess needs?) | | ENGOS may make proposals |
| | multi year plan | need to define "vulnerability" | | |
| | will always be fished by permit holders | | | |

^{*}Note: not all state agencies were present at each session; these goals, objectives and strategies were based on participants' comments and on the public record of discussion at earlier Council and GAC meetings

ENVIRONMENTAL PERSPECTIVE

| Goal | Sustainable/best fishing practices | Community stability | Ability to react appropriately to unforeseen impacts of ITQ program |
|-----------------------------------------------|--------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|------------------------------------------------------------------------------|
| Weight (%) | 60% | 20% | 20% |
| Objectives what does it look like? | minimize habitat impact | variety of types of fishing vessels | need flexibility... To assign QPs to direct to addressing environmental uses |
| | incentives for innovation and greater selectivity | ensure that geographic shifts do not create risk of local depletion | |
| | ie net sensors (mensuration) - electronics to ensure nets fishing effectively (quickly off the bottom) | communities have a responsibility to support resource stewardship | |
| | encourage compliance. Must have good track record to access AMP | "character of the coast" preserved overall (macro, not micro view) | |
| | less catch of overfished species and other bycatch | | |
| Strategies how do we get there? | Incentives for controlled gear conversion/switching | | if no unforeseen impacts, the 20% would revert to other goals |
| | 100% observer coverage | | |
| | set amount of AMP (3-5%) to environmental objectives from year 1 | | |
| | annual allocation process | | |
| | proposal system - could be partnered with other AMP Goals/Programs | | |
| | research to confirm benefits of different gears & methods | | |
| | establish rating criteria to minimize subjectivity | | |

FISHERMEN PERSPECTIVE

| Goal | New entrants in fish processing | Economically stronger trawl fishing industry | Mitigate unforeseen consequences of IFQs |
|-------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| Objectives what does it look like? | increasing employment | more selective fishing gear | |
| | new market opportunities | biological research | |
| | new product forms | | |
| Strategies How do we get there? Actions | proposals that lead to establishment of new processing or seafood distribution businesses. | proposals that encourage innovative gear practices and fishing strategies. | proposals that provide mitigation to negative impacts of the IFQ program leading to long term stability. |
| | proposals that encourage development of new market opportunities. | | |
| | not trying to maintain the status quo, but to assist in orderly change to improve the economic health of the fishing industry. | | |

STRUCTURE & DESIGN ELEMENTS OF AMP (PROPOSAL OR FORMULA?)

With goals more clearly enunciated, it remained to develop structure and design elements whereby the programs could be implemented.

Three of the “paths” developed – fishermen, environmental, and State – utilized a proposal system, while one (processors) used a formulaic approach.

PROPOSAL SYSTEM – “1ST CUT”

In our first attempt to craft options using a proposal system, we focused on capturing relevant points rather than forging a comprehensive option. Following are the points – some of them questions rather than answers – recorded during our initial proposal-system brainstorming session.

STATE PERSPECTIVE

- process could differ state to state.
- proposal-based program - who is eligible and who decides?
- proposals submitted to: through federal channels; states would recommend; state would develop process to recommend.
- legalities - you can't allocate to a state; states would make recommendations.
- entity submits proposal to state, state forwards to Council/NOAA.
- within State: use authority of DFW . Tap into board of advisors/reviewers (diverging viewpoints).
- proposals are evaluated... What are criteria? Weighting?
- Multi-year process.
- say... First year... Stability to processors. Build criteria based on that goal. Could change focus over time. Criteria more guiding than determinative.
- may be more qualitative than quantitative.

- how to ensure that other goals don't get set aside? Could get extra points for addressing environmental, for instance.
- must be an audit/review component - did applicants live up their plans?
- must be careful that states don't establish competing criteria (through weighting of criteria).
- BIG FEATURE OF THIS OPTION - who is eligible to apply? Trade-off openness with chaos!

Subsequent discussion points:

- Washington would like a program in place at the outset of the program.
- California has little appetite or capacity to take on a program that is costly or time consuming.

ENVIRONMENTAL PERSPECTIVE

- proposal system, with weighting of goals.
- environmental AMP could be rolled into other types of AMP proposals having these goals.
- Possible measurement criteria:
 - establish benchmark conservation criteria to define measurable parameters of "best practices."
 - overfish/bycatch species (lowest mortality, lowest encounters).
 - at-sea releases (lowest ratio of discards to retained).
 - bottom impacts (highest bottom-fish landings per hour towed).
- who submits proposals? Fishermen/processors, or ENGOs?
- set up a formula to measure achievement of criteria. Recognize practicalities from fishing perspective.
- define parameters that are meaningful; may be different by State.
- incentives to reward catching fewer overfished species.
- Who reviews/evaluates proposals? Same system as would be used in other proposal review proposals.
- possibility - this AMP gets assigned to vessels, and withdrawn from those not meeting standards.
- incentives to permanently switch to less impactful gear; research to confirm what is less impactful gear.

Subsequent discussion point:

- Could convene a process whereby fishermen develop practical guidelines for setting sustainable fishing guidelines, based on the measurement criteria shown above.
- Using appropriate criteria, the environmental program could easily be converted to a formulaic approach.

FISHERMEN PERSPECTIVE

- shares provided through this program may not be transferred to or used by anyone not identified in the proposal/application.
- distribution of shares to approximate a balance between States (WA 20%, OR 45%, CA 35%).
- distribution to States will vary for species with unique geographic distinctions.
- each State conducts a review of each application received from constituents & make recommendations to council.
- States to establish own processes for submission & review.
- AMP proposals must have sufficient info for Council to determine:
 - a. That the proposal meets the purpose of the program

- b. There is adequate justification for the granting of quota
- c. The potential benefits of the allocation of quota have been identified
- d. that the allocation of quota will mitigate any negative consequences of the IFQ program
- application structured as a business plan addressing how quota will be used.
- applications to States 2 weeks prior to June Council Meeting. Council advisory bodies to make recommendations to Council in June for preliminary action. Final action at November Council meeting.
- any AMP candidates convicted of falsification of fish tickets or other elements of IFQ plan may be denied future access to AMP.
- follow up reports to be submitted to Council indicating specific accomplishments, shortcomings, and rationale for shortcomings.

Subsequent discussion point:

- the current EFP process seems to be fairly workable and transparent.

PROPOSAL SYSTEM – “2ND CUT”

Having cited possible elements of a proposal system under three different AMP “paths” (State, environmental, fishermen), we recognized that many of the design issues are common to a proposal-driven system. We attempted to address issues inherent in the proposal system by addressing key issues in turn, starting at the highest level (allocation of AMP to States), then progressing to finer details (use of AMP aboard vessels).

Results of this exercise are shown below:

| Proposal System Element | Primary Area of Discussion | Option(s) Discussed | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|----|----------|-----|-----|-----|-----------|-----|-----|-----|----------|-----|-----|-----|-------|--|--|--|------------|-----|-----|-----|------------|-----|-----|-----|------------------------------------------------------------------------------|
| AMP by-species | AMP must be calculated and distributed by species. All species are important in an ITQ fishery as abundances and target vs. non-target species change constantly. | Do all species need to be included? Or just the major ones? | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| AMP division amongst States | <p>A formula to divide AMP, by species, amongst States. For example (using species grouping instead of individual species):</p> <table><tr><th>AMP</th><th>WA</th><th>OR</th><th>CA</th></tr><tr><td>Flatfish</td><td>20%</td><td>45%</td><td>35%</td></tr><tr><td>Sablefish</td><td>20%</td><td>45%</td><td>35%</td></tr><tr><td>Rockfish</td><td>20%</td><td>45%</td><td>35%</td></tr><tr><td>Other</td><td></td><td></td><td></td></tr><tr><td>Groundfish</td><td>20%</td><td>45%</td><td>35%</td></tr><tr><td>Overfished</td><td>20%</td><td>45%</td><td>35%</td></tr></table> <p>Percentages could vary according by State. Key factor should be landings in the State (not abundance of species in waters adjacent to the State). QS not “held” by States but rather held in trust by Federal government. AMP “flows through” the States to vessels that will fish it.</p> | AMP | WA | OR | CA | Flatfish | 20% | 45% | 35% | Sablefish | 20% | 45% | 35% | Rockfish | 20% | 45% | 35% | Other | | | | Groundfish | 20% | 45% | 35% | Overfished | 20% | 45% | 35% | Or... could have no formal division amongst States. Council could decide. |
| AMP | WA | OR | CA | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Flatfish | 20% | 45% | 35% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sablefish | 20% | 45% | 35% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Rockfish | 20% | 45% | 35% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Groundfish | 20% | 45% | 35% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Overfished | 20% | 45% | 35% | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| AMP Programs within States – the same or different? | <p>Council could specify broad terms and States could vary the emphasis. If States wanted dramatically different systems, it wouldn’t be formalized that way. Some States could be more active, others more passive (delegating functions to Council). NMFS would maintain the final say – approve of any AMP distributions.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Who qualifies? Who can submit proposals? | <p>Since LE vessels will ultimately fish the AMP, vessels should be specified and included in the proposal. Similarly, processors should be included (since processors did not get an initial allocation, AMP is necessary to secure their interests). Other entities could apply (for example, environmental organizations) but must specify who will harvest and process the catch. Should include signatures of participant vessels and processors. Proposals that include strong partnership elements (have all parties identified) will likely get a higher grade in the evaluation process.</p> | <p>Initial exclusion of vessels and/or processors from proposals may improve the “clout” of the applicant; that is, once the AMP is procured, you are in a strong position to find qualified vessels and processors.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Proposal System Element | Primary Area of Discussion | Option(s) Discussed |
|----------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Will AMP be fully subscribed each year? | <p>AMP should be fully allocated each year. It's too complex otherwise.</p> <p>Make AMP the "first fish caught" (including an identifier on AMP QPs).</p> <p>There will be lots of proposals each year... no shortage of stakeholders eager to utilize the AMP. Everyone wants more fish! AMP should be allocated at the beginning of the season to facilitate planning.</p> <p>Since AMP will always be fished by LE permit-vessels – might as well use AMP to encourage "best use" of the fish.</p> <p>Want system to improve chances that QPs will be fished each season.</p> | <p>May not be enough, or high enough quality, proposals to fully allocate AMP. Should be an option not to give out the whole thing (in which case, AMP would flow through to vessels pro rata to their holdings.</p> <p>Leave it to the States to decide.</p> |
| Is AMP awarded one year at a time? Or multi-year? | <p>It's helpful to know <u>before</u> designing the AMP what the goals and objectives of Council are.</p> <p>Want to encourage stability, and one-year distributions could be administratively burdensome, and disruptive to industry.</p> <p>If program is one year at a time, there must be reasonable expectations on how to access AMP each year (for example BC system – issued each year, but the goals & objectives and the evaluation process are "fixed").</p> <p>If AMP allocated for multi-years there'd be less available to deal with unforeseen circumstances.</p> <p>Would be very difficult to have differing durations for proposals within the AMP system. All proposals should be on the same schedule, whether one year or longer.</p> | |
| AMP: one purpose (goal) or multi-purpose? | <p>Can have multiple goals, but must be specific about how goals are weighted and that the weighting will be consistent over time so industry has some certainty.</p> <p>Can have stand-alone goals, each with a specified portion of the AMP and a distinct evaluation process, or can have "bundled" goals, with proposal scoring based on best overall fit.</p> | <p>Can pick a single or predominant goal; for example, community stability.</p> |
| Who evaluates proposals? | <p>State-driven process: each state allocates resources (for example staff and/or advisory groups already in place) to evaluate proposals.</p> <p>Council would review State recommendations.</p> <p>NMFS would approve and issue AMP.</p> <p>We need a flowchart to describe how the State process will intersect with Council.</p> | <p>What if States don't want to be very involved?</p> <p>NMFS concerned about complexity and workload.</p> <p>Could involve GAP or other Council advisory bodies?</p> |
| When are proposals due/evaluated? | <p>Once a year, before the season. Similar to the EFP schedule.</p> | |
| Do accumulation limits apply to AMP? | <p>No.</p> | <p>Yes.</p> |

| Proposal System Element | Primary Area of Discussion | Option(s) Discussed |
|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| Performance Reports, system of follow-up. Are proponents meeting commitments? | How to get report before the season is over? A one year lag? Could be a benefit of a multiyear program - make progress reports. | |
| Consequences on non-performance? | Could be sanctions for failing to deliver on proposal commitments – for example, don't receive AMP next time. Must be on a case-by-case basis; if a fishermen/processor arrangement falls apart... who is to blame? Must be assessed. Quasi-judicial functions... check legal footing. | Could be complaint-driven system. A proposal may fall apart, but both sides may be content... no complaint, no problem? |

Despite making progress on defining the parameters of a proposal-driven AMP system, participants present at the third (March 19) session generally concluded that:

- Given the complexity and subjectivity inherent in a proposal approach, there is considerable appeal to a formulaic approach, particularly at the launch of the program.
- A proposal and formulaic approach need not be mutually exclusive... elements could be mixed and matched.

We thus considered some variations on a formulaic approach, including the first cut from the processor option, and two alternative approaches that were presented at the March 19 meeting.

FORMULAIC SYSTEM – “1ST CUT”

The key points in the first effort to develop a processor-oriented formulaic option were as follows:

- 3 goals (maintain existing processing capacity, increasing the value of groundfish production over the long term, and facilitating long term planning and stability) = one purpose.
- All AMP to this purpose.
- formula to decide how much each Co gets based on corporate production history.
- not an application process.
- use fish tickets as criteria (for determining production history).
- production history is basis - should be pretty current... 5 years trailing, for example
- 5 years is better than one year... (most recent).
- no AMP for Co's already out of business; if you have a zero year last yr you're a new entrant
- fish flow - re processor giving fish to fishermen to help them out. Issue - giving out up-front pro-rata to holdings, or metering it out over the season
- new entrants - a period of "disadvantage" as they gain production history (5 yr formula)
- every year the AMP is issued
- accumulation limits? Do they apply to AMP? Can they go over with AMP? We need rules before we can determine.

With this program fairly narrow in focus, and the appeal of a formulaic approach growing, we looked at some additional, slightly broader, options.

FORMULAIC SYSTEM – “2ND CUT”

The two options discussed March 19 are appended to this document. These options have the following potential characteristics:

- Based on landings history (by state, and/or by plant, and/or by vessel). The period chosen, and the weighting of the years, has a bearing on who gets what. The qualifying period and formula can be used to steer industry toward desired results (goals and objectives). The formula could change over time based on review.
- System can include discretion – for example, AMP may flow through to processing plants based on their production history. Plants may then allocate AMP to vessels according to their pro rata landings, or plants may have discretion in how they distribute AMP amongst their fleets. The Council could include rules specifying the way quota would be distributed among vessels when establishing the formula.
- System can be “binary” – qualification for AMP may be “all or nothing.” For example, simply providing evidence of a signed delivery arrangement with a processor may qualify a vessel for AMP, whereas vessels lacking an arrangement may get none.

Two options discussed March 19 are described as follows:

FORMULA OPTION (VARIATION OF PROCESSOR OPTION)

1. AMP flows through States based on agreed-upon percentages, for example:

| | |
|----|-----|
| WA | 20% |
| OR | 45% |
| CA | 35% |

Percentages could be based on historical averages. Different qualifying periods, terms, and calculation methods could have different effects.

example:

| | AMP Division Amongst States | | | | |
|----------------------|-----------------------------|-----------|---------|-----------|-----------|
| | to Permits | to AMP | WA | OR | CA |
| ITQ Distribution % | 90% | 10% | 20% | 45% | 35% |
| ITQ Distribution lbs | 39,583,593 | 4,398,177 | 879,635 | 1,979,180 | 1,539,362 |

2. AMP flows through processors (at plant level by-state) based on the plant’s production history (calculated share of fish purchases in that state). For example a plant with 10% of the production history in Oregon will have access to 10% of Oregon’s AMP. The nature of the formula could favour stability or new entrants.

| example: | Processing History (Shares) | | | AMP Distribution by Plant (lbs) | | |
|---------------------------|-----------------------------|-------------|-------------|---------------------------------|------------------|------------------|
| | WA | OR | CA | WA | OR | CA |
| # Plants by State | 5 | 10 | 10 | | | |
| Processing History | | | | | | |
| Plant 1 | 30% | 20% | 15% | 263,891 | 395,836 | 230,904 |
| Plant 2 | 25% | 20% | 15% | 219,909 | 395,836 | 230,904 |
| Plant 3 | 20% | 15% | 15% | 175,927 | 296,877 | 230,904 |
| Plant 4 | 15% | 15% | 10% | 131,945 | 296,877 | 153,936 |
| Plant 5 | 10% | 10% | 10% | 87,964 | 197,918 | 153,936 |
| Plant 6 | | 10% | 10% | - | 197,918 | 153,936 |
| Plant 7 | | 5% | 10% | - | 98,959 | 153,936 |
| Plant 8 | | 2% | 5% | - | 39,584 | 76,968 |
| Plant 9 | | 2% | 5% | - | 39,584 | 76,968 |
| Plant 10 | | 1% | 5% | - | 19,792 | 76,968 |
| | 100% | 100% | 100% | 879,635 | 1,979,180 | 1,539,362 |

- AMP flows to vessels according to delivery arrangements made between plants and fishermen. Plants advise NMFS which LE permit vessels to allocate AMP QPs (lbs and species) to. There could be rules to ensure that AMP gets fairly distributed amongst vessels.
- AMP flows to vessels. Could be rules governing how AMP is used, for example AMP = first fish caught (no carry-forward), AMP transferable amongst vessels, no charge for AMP (sub-leasing).

Principles underlying this Option:

- Simple, low cost at outset of ITQ plan.
- Consistent system across States.
- Processing activity within States a proxy for meeting State goals & objectives.
- Processors and fishermen share the goal of keeping fish and fishing activity in communities.
- Processors having AMP to allocate to vessels meets their needs.
- All AMP on vessels, with flexibility of usage, meets fishermen needs.
- Ongoing review of formulas, with revision if required.
- If review warrants, formula approach can be replaced by Proposal/Evaluation system.

A possible variation discussed:

- Processors could be compelled to distribute AMP to participating vessels based on their pro rata contribution to the proposal, or their production history (vs. having discretion). For example, it could be distributed based on landings at plant in the previous year.

FORMULA OPTION 2 (VARIATION OF FISHERMEN OPTION)

- AMP flows through States based on agreed-upon percentages, for example:

| | |
|----|-----|
| WA | 20% |
| OR | 45% |
| CA | 35% |

Percentages could be based on historical averages. Different qualifying periods, terms, and calculation methods could have different effects. Note – this is the same as the prior option.

example:

| | AMP Division Amongst States | | | | |
|----------------------|-----------------------------|-----------|---------|-----------|-----------|
| | to Permits | to AMP | WA | OR | CA |
| ITQ Distribution % | 90% | 10% | 20% | 45% | 35% |
| ITQ Distribution lbs | 39,583,593 | 4,398,177 | 879,635 | 1,979,180 | 1,539,362 |

- AMP distributed to vessels according to two criteria, with suggested weighting 50/50 between the two:
 - Based on the vessels' % of State landings (production history). That is, the vessel gets its pro rata share of the State's AMP. Different qualifying and weighting formulas could be applied.
 - Based on evidence of a delivery arrangement with a processor. If a valid document is provided, then the vessel qualifies under this criteria and receives an equal portion of AMP as other vessels meeting the test; if not, the vessel receives no AMP under this qualification.

This is a "two-tiered" qualifying system, with a. based on a production history formula, and b. based on a "binary" (yes or no) qualification.

To vessels:

| | | WA | OR | CA |
|-----------------------------------------------------------------|-----|---------|-----------|-----------|
| based on % of State landings history | 50% | 439,818 | 989,590 | 769,681 |
| based on evidence of delivery arrangement with plant (by state) | 50% | 439,818 | 989,590 | 769,681 |
| | | 879,635 | 1,979,180 | 1,539,362 |

Additional calculations are shown in the example in the appendix.

In this option, the weighting between the two qualifying criteria could be varied.

SUMMARY OF PROGRESS: THE “LEANING” OF THE GROUP

While we reiterate that our ad hoc working group had no decision-making mandate, and was not operating under a formal consensus model, by the end of our third meeting, there was substantial support for the following propositions among third meeting participants:

- Implement a formula-based AMP at the outset because of simplicity, workability, and cost.
- Review the formula-based AMP after 3-5 years (possibly linked to a comprehensive review of the ITQ program). Consider:
 - The applicability of the production history and other formulas.
 - Rationale and support for moving to a proposal-driven model.
- Many variations and sub-options are possible. One sub-option raised was to take, say, 2% of the AMP under Formula 1 option and use a “binary” conservation qualifying criteria (that is, if sustainable fishing guidelines are met, then the vessel qualifies; if not, no AMP under this 2%. The balance of the AMP, 8%, would be awarded according to the overall formula.
- Use of three year production history for formulas was favoured; five years was deemed too long (retards change), shorter timeframe deemed unstable (no stability for existing participants).
- Distribute AMP based on actual (history) not political grounds.

It was hoped that this summary of our progress in defining the parameters of AMP program would be useful to Council and spur thought amongst stakeholders.

Participants expressed a willingness to engage in further talks after the April Council meeting if such work is found to be helpful.

APPENDIX - OPTIONS

1. Processor focus
2. State Focus
3. Environmental Focus
4. Fishermen Focus
5. Formula Option 1
6. Formula Option 2

Processor Focus

| Goal | Maintain existing processing capability | Increasing the value of groundfish production (over long term) | Facilitate long term planning & stability |
|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| Objectives what does it look like? | use AMP to direct fish to vessels that need it (to keep them in business, and fish flowing to plants) | there will be higher quotas... And markets won't currently handle it | Industry training opportunities |
| | give quota to fishermen to encourage new entrants (only processor has incentive to <u>give</u> quota away) | proactive not reactive | Economic development and benefits in coastal communities |
| | proactive not reactive (precautionary approach) | continuity of supply | multi-year process |
| | promote geographically dispersed fishery - keep ports up and down the coast open | fewer boats with higher landings increases fleet viability; platform for growth | proactive not reactive |
| | | encourage flexibility | |
| | | | |
| Strategies How do we get there? Actions | direct quota to fleet manager at plant to divvy appropriately amongst fleet | | duration of AMP = life of the ITQ program |
| | Co. receives the AMP | | annual doesn't facilitate long term planning |
| | no charge for use of AMP | | need to "scale" AMP to Co size (production history will vary over time) |
| | divvy up to boats each season | | not a competitive process each year where you don't know how much you'll access |
| | | | |
| | | | |
| Design Elements | 3 goals = one purpose | | |
| | All AMP to this purpose | | |
| | formula to decide how much each Co gets based on corporate production history | | |
| | not an application process | | |
| | use fish tickets as criteria (for determining production history) | | |
| | production history is basis - should be pretty current... 5 years trailing, for example | | |
| | 5 years is better than one year... (most recent) | | |
| | no AMP for Co's already out of business; if you have a zero year last yr you're a new entrant | | |
| | fish flow - re processor giving fish to fishermen to help them out. Issue - giving out up-front pro-rate to holdings, or metering it out over the season | | |
| | new entrants - a period of "disadvantage" as they gain production history (5 yr formula) | | |
| | every year the AMP is issued | | |
| | accumulation limits? Do they apply to AMP? Can they go over with AMP? We need rules before we can determine. | | |

| Goal | Provide certainty to current participants | Equitable geographic dispersion | minimize adverse impacts | conservation |
|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
| Objectives what does it look like? | proactive not reactive | by state | "baffles" on wholesale changes | prevent localized depletion |
| | multi-year process to facilitate planning and stability | within states | equitable - based on past, and preventing large swings between states (avoid big winner/loser). Defined by landings history. | environmentally friendly gear. Gear innovation. |
| | equitable - based on past, and preventing large swings between states (avoid big winner/loser). Defined by landings history. | restore fishing activities when stocks are rebuilt in areas where they existed when stocks were healthy | without un-balancing negotiating dynamics between processors and fishermen | reducing habitat effects |
| | find balance between processor stability and attracting new entrants | | prevent localized depletion | |
| | certainty is good for business... Attracts new entrants | | | |
| | | | | |
| | states have a public process (documented) | | | |
| Strategies How do we get there? Actions | quota needs to stay in the state | state by state pools of quota (divided amongst states) | quota as tool to minimize adverse impacts | conservation groups would have input |
| | Who is eligible to apply? Council decision required fishermen and processors can apply | based on history. Or - based on needs (how to assess needs?) | | ENGOS may make proposals |
| | multi year plan | need to define "vulnerability" | | |
| | will always be fished by permit holders | | | |
| | | | | |
| Design Elements | process could differ state to state | | | |
| | proposal-based program - who is eligible and who decides? | | | |
| | proposals submitted to: through federal channels; states would recommend; state would develop process to recommend | | | |
| | legalities - you can't allocate to a state; states would make recommendations | | | |
| | entity submits proposal to state, state forwards to Council/NOAA | | | |
| | within State: use authority of DFW . Tap into board of advisors/reviewers (diverging viewpoints) | | | |
| | proposals are evaluated... What are criteria? Weighting? | | | |
| | multi year process | | | |
| | say... First year... Stability to processors. Build criteria based on that goal. Could change focus over time. Criteria more <u>guiding</u> than <u>determinative</u> . | | | |
| | may be more qualitative than quantitative | | | |
| | how to ensure that other goals don't get set aside? Could get extra points for addressing environmental, for instance | | | |
| | must be an audit/review component - did applicants live up their plans? | | | |
| | must be careful that states don't establish competing criteria (through weighting of criteria) | | | |
| | BIG FEATURE OF THIS OPTION - who is eligible to apply... Tradeoff openness w/ chaos | | | |

| Goal | Sustainable/best fishing practices | Community stability | Ability to react appropriately to unforeseen impacts of ITOQ program |
|---------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|------------------------------------------------------------------------------|
| Weight (%) | 60% | 20% | 20% |
| Objectives what does it look like? | minimize habitat impact | variety of types of fishing vessels | need flexibility... To assign QPs to direct to addressing environmental uses |
| | incentives for innovation and greater selectivity | ensure that geographic shifts do not create risk of local depletion | |
| | ie net sensors (mensuration) - electronics to ensure nets fishing effectively (quickly off the bottom) | communities have a responsibility to support resource stewardship | |
| | encourage compliance. Must have good track record to access AMP | "character of the coast" preserved overall (macro, not micro view) | |
| | less catch of overfished species | | |
| Strategies how do we get there? | Incentives for controlled gear conversion/switching | | if no unforeseen impacts, the 20% would revert to other goals |
| | 100% observer coverage | | |
| | set amount of AMP (3-5%) to environmental objectives from year 1 | | |
| | annual allocation process | | |
| | proposal system - could be partnered with other AMP Goals/Programs | | |
| | research to confirm benefits of different gears & methods | | |
| | establish rating criteria to | | |
| Design Elements | proposal system, with weighting above | | |
| | environmental AMP could be rolled into other types of AMP proposals having these goals | | |
| | Possible measurement criteria: - establish benchmark conservation criteria to define measurable parameters of "best practices" - overfish/bycatch species (lowest mortality, lowest encounters) - at-sea releases (lowest ratio of discards to retained) - bottom impacts (highest bottom-fish landings per hour towed) | | |
| | who submits proposals? Fishermen/processors, or ENGOs? | | |
| | set up a formula to measure achievement of criteria. Recognize practicalities from fishing perspective | | |
| | define parameters that are meaningful; may be different by State | | |
| | incentives to reward catching fewer overfished species | | |
| | Who reviews/evaluates proposals? Same system as would be used in other proposal review proposals | | |
| | possibility - this AMP gets assigned to vessels, and <u>withdrawn</u> from those not meeting standards | | |
| | incentives to permanently switch to less impactful gear; research to confirm <u>what is</u> less impactful gear | | |

| Goal | New entrants in fish processing | Economically stronger trawl fishing industry | Mitigate unforeseen consequences of IFQs |
|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| Objectives what does it look like? | increasing employment | more selective fishing gear | |
| | new market opportunities | biological research | |
| | new product forms | | |
| | | | |
| | | | |
| | | | |
| Strategies How do we get there? Actions | proposals that lead to establishment of new processing or seafood distribution businesses. | proposals that encourage innovative gear practices and fishing strategies. | proposals that provide mitigation to negative impacts of the IFQ program leading to long term stability. |
| | proposals that encourage development of new market opportunities. | | |
| | | | |
| | | | |
| | not trying to maintain the status quo, but to assist in orderly change to improve the economic health of the fishing industry. | | |
| Design Elements | any unallocated shares will be redistributed to all share holders in proportion to their holdings | | |
| | shares provided through this program may not be transferred to or used by anyone not identified in the proposal/application. | | |
| | distribution of shares to approximate a balance between States (WA 20%, OR 45%, CA 35%) | | |
| | distribution to States will vary for species with unique geographic distinctions | | |
| | each State conducts a review of each application rec'd from constituents & make recs to council | | |
| | States to establish own processes for submission & review | | |
| | AMP proposals must have sufficient info for Council to determine: a. That the proposal meets the purpose of the program b. There is adequate justification for the granting of quota c. The potential benefits of the allocation of quota have been identified d. that the allocation of quota will mitigate any negative consequences of the IFQ program | | |
| | application structured as a business plan addressing how quota will be used. | | |
| | applications to States 2 wks prior to June Council Mtng. Council advisory bodies to make recommendations to Council in June for preliminary action. Final action at November Council meeting. | | |
| | any AMP candidates convicted of falsification of fish tickets or other elements of IFQ plan may be denied future access to AMP | | |
| | follow up reports to be submitted to Council indicating specific accomplishments, shortcomings, and rationale for shortcomings | | |
| | | | |

Formula Option

1 AMP flows through States based on allocation percentages; for example

| | |
|----|-----|
| WA | 20% |
| OR | 45% |
| CA | 35% |

Percentages could arise from:
 historical averages
 current averages (rolling)
 desired levels (adjusted periodically)
 or be arbitrarily pegged (with periodic review)

example:

ITQ Distribution %
 ITQ Distribution lbs

| | | AMP Division Amongst States | | |
|------------|-----------|-----------------------------|-----------|-----------|
| to Permits | to AMP | WA | OR | CA |
| 90% | 10% | 20% | 45% | 35% |
| 39,583,593 | 4,398,177 | 879,635 | 1,979,180 | 1,539,362 |

Could be different percentages by species, or across the board
 States could "sub-divide" their allocation by region (ie north half of state gets 60%, south gets 40%)

2 AMP flows through processors (at plant level by-state) based on production history

Each plant with qualifying history receives pro rata share of AMP to distribute to vessels

Production history could be calculated in various ways:

- 3 year rolling average
- 3 year rolling average w/ greater weight on recent year(s)
- last year

Nature of formula can favor stability or facilitate new entrants
 Could change formula over time
 Other goals could be introduced over time (ie conservation)

example:

Plants by State
 Processing History

Plant 1
 Plant 2
 Plant 3
 Plant 4
 Plant 5
 Plant 6
 Plant 7
 Plant 8
 Plant 9
 Plant 10

| Processing History (Shares) | | | AMP Distribution by Plant (lbs) | | |
|-----------------------------|------|------|---------------------------------|-----------|-----------|
| WA | OR | CA | WA | OR | CA |
| 5 | 10 | 10 | | | |
| 30% | 20% | 15% | 263,891 | 395,836 | 230,904 |
| 25% | 20% | 15% | 219,909 | 395,836 | 230,904 |
| 20% | 15% | 15% | 175,927 | 296,877 | 230,904 |
| 15% | 15% | 10% | 131,945 | 296,877 | 153,936 |
| 10% | 10% | 10% | 87,964 | 197,918 | 153,936 |
| | 10% | 10% | - | 197,918 | 153,936 |
| | 5% | 10% | - | 98,959 | 153,936 |
| | 2% | 5% | - | 39,584 | 76,968 |
| | 2% | 5% | - | 39,584 | 76,968 |
| | 1% | 5% | - | 19,792 | 76,968 |
| 100% | 100% | 100% | 879,635 | 1,979,180 | 1,539,362 |

3 AMP flows to vessels according to delivery arrangements made by plants and local fishermen.

Plants advise NMFS which LE permit vessels to allocate QPs (lbs and species)

Potential rules governing AMP distribution:

- no more than 5% of a state's AMP to a single vessel
- each plant receiving AMP to distribute to at least 3 vessels
- no charge to vessels for AMP
- up to industry to enforce delivery arrangements
- provisions ensuring vessels "playing ball" receive AMP (not unfairly excluded)?

Max per-State AMP to a single vessel:

Min # vessels/plant
 Min # vessels/state

| |
|----|
| 5% |
| 3 |

| WA | OR | CA |
|--------|--------|--------|
| 43,982 | 98,959 | 76,968 |
| 15 | 30 | 30 |

4 AMP on vessels

Potential rules governing AMP use:

- AMP freely transferable amongst vessels
- AMP = first fish caught, no carry-forwards
- no charge for transfers - swaps only

Principles underlying this Option:

- Simple, low cost at outset of ITQ plan
- Consistent system across States
- Processing activity within States a proxy for meeting State goals & objectives
- Processors and fishermen share the goal of keeping fish and fishing activity in communities
- Processors having AMP to allocate to vessels meets their needs
- All AMP on vessels, with flexibility of usage, meets fishermen needs
- Ongoing review of formulas, with revision if required

| | | | | |
|-----------|------------|------------|-----------|------------|
| TAC (lbs) | 43,981,770 | | | |
| ITQ | 90% | 39,583,593 | | |
| AMP | 10% | 4,398,177 | WA | OR |
| | | 43,981,770 | 8,796,354 | 19,791,797 |
| | | | | 15,393,620 |

| | | |
|------------------|-----|-----------|
| AMP Distribution | | |
| WA | 20% | 879,635 |
| OR | 45% | 1,979,180 |
| CA | 35% | 1,539,362 |
| | | 4,398,177 |

- Elements
- determine State AMP allocation %'s
 - determine formula for allocation of State AMP to vessels:
based on % of state landings
based on proof of delivery arrangement w/ plant
 - review & evaluate

| | | | | |
|------------------------------------------------------|-----|---------|-----------|-----------|
| To vessels: | | WA | OR | CA |
| based on % of State landings history | 50% | 439,818 | 989,590 | 769,681 |
| based on evidence of delivery arrangement with plant | 50% | 439,818 | 989,590 | 769,681 |
| | | 879,635 | 1,979,180 | 1,539,362 |

| | | Landings by State | | | Landings History | | | Prod'n History | | | Proof of Delivery Arrangement | | | Del Arr. Allocation | | | AMP Distribution to Vessels (lbs) | | | |
|---------|----|-------------------|---------------|---------------|------------------|-------------|-------------|------------------|------------------|------------------|-------------------------------|----|----|---------------------|------|------|-----------------------------------|--------|----|--------|
| Vessels | | % Landings WA | % Landings OR | % Landings CA | Landings WA | Landings OR | Landings CA | % of WA landings | % of OR landings | % of CA landings | WA | OR | CA | WA | OR | CA | WA | OR | CA | Total |
| 1 | 1% | 100% | | | 439,818 | - | - | 4.7% | | 0.0% | 1 | | | 3.8% | 0.0% | 0.0% | 37,613 | - | - | 37,613 |
| 2 | 1% | 100% | | | 439,818 | - | - | 4.7% | 0.0% | 0.0% | 1 | | | 3.8% | 0.0% | 0.0% | 37,613 | - | - | 37,613 |
| 3 | 1% | 100% | | | 439,818 | - | - | 4.7% | 0.0% | 0.0% | 1 | | | 3.8% | 0.0% | 0.0% | 37,613 | - | - | 37,613 |
| 4 | 1% | 100% | | | 439,818 | - | - | 4.7% | 0.0% | 0.0% | 0 | | | 0.0% | 0.0% | 0.0% | 20,697 | - | - | 20,697 |
| 5 | 1% | 100% | | | 439,818 | - | - | 4.7% | 0.0% | 0.0% | 1 | | | 3.8% | 0.0% | 0.0% | 37,613 | - | - | 37,613 |
| 6 | 1% | 100% | | | 439,818 | - | - | 4.7% | 0.0% | 0.0% | 1 | | | 3.8% | 0.0% | 0.0% | 37,613 | - | - | 37,613 |
| 7 | 1% | 100% | | | 439,818 | - | - | 4.7% | 0.0% | 0.0% | 0 | | | 0.0% | 0.0% | 0.0% | 20,697 | - | - | 20,697 |
| 8 | 1% | 100% | | | 439,818 | - | - | 4.7% | 0.0% | 0.0% | 1 | | | 3.8% | 0.0% | 0.0% | 37,613 | - | - | 37,613 |
| 9 | 1% | 100% | | | 439,818 | - | - | 4.7% | 0.0% | 0.0% | 1 | | | 3.8% | 0.0% | 0.0% | 37,613 | - | - | 37,613 |
| 10 | 1% | 100% | | | 439,818 | - | - | 4.7% | 0.0% | 0.0% | 0 | | | 0.0% | 0.0% | 0.0% | 20,697 | - | - | 20,697 |
| 11 | 1% | 100% | | | 439,818 | - | - | 4.7% | 0.0% | 0.0% | 1 | | | 3.8% | 0.0% | 0.0% | 37,613 | - | - | 37,613 |
| 12 | 1% | 100% | | | 439,818 | - | - | 4.7% | 0.0% | 0.0% | 1 | | | 3.8% | 0.0% | 0.0% | 37,613 | - | - | 37,613 |
| 13 | 1% | 100% | | | 439,818 | - | - | 4.7% | 0.0% | 0.0% | 1 | | | 3.8% | 0.0% | 0.0% | 37,613 | - | - | 37,613 |
| 14 | 1% | 100% | | | 439,818 | - | - | 4.7% | 0.0% | 0.0% | 0 | | | 0.0% | 0.0% | 0.0% | 20,697 | - | - | 20,697 |
| 15 | 1% | 100% | | | 439,818 | - | - | 4.7% | 0.0% | 0.0% | 1 | | | 3.8% | 0.0% | 0.0% | 37,613 | - | - | 37,613 |
| 16 | 1% | 50% | 50% | | 219,909 | 219,909 | - | 2.4% | 0.9% | 0.0% | 1 | 1 | | 3.8% | 2.7% | 0.0% | 27,265 | 36,126 | - | 63,390 |
| 17 | 1% | 50% | 50% | | 219,909 | 219,909 | - | 2.4% | 0.9% | 0.0% | 0 | 1 | | 0.0% | 2.7% | 0.0% | 10,349 | 36,126 | - | 46,474 |
| 18 | 1% | 50% | 50% | | 219,909 | 219,909 | - | 2.4% | 0.9% | 0.0% | 1 | 1 | | 3.8% | 2.7% | 0.0% | 27,265 | 36,126 | - | 63,390 |
| 19 | 1% | 50% | 50% | | 219,909 | 219,909 | - | 2.4% | 0.9% | 0.0% | 1 | 0 | | 3.8% | 0.0% | 0.0% | 27,265 | 9,380 | - | 36,645 |
| 20 | 1% | 50% | 50% | | 219,909 | 219,909 | - | 2.4% | 0.9% | 0.0% | 0 | 1 | | 0.0% | 2.7% | 0.0% | 10,349 | 36,126 | - | 46,474 |
| 21 | 1% | 25% | 75% | | 109,954 | 329,863 | - | 1.2% | 1.4% | 0.0% | 1 | 1 | | 3.8% | 2.7% | 0.0% | 22,090 | 40,816 | - | 62,906 |
| 22 | 1% | 25% | 75% | | 109,954 | 329,863 | - | 1.2% | 1.4% | 0.0% | 1 | 0 | | 3.8% | 0.0% | 0.0% | 22,090 | 14,070 | - | 36,160 |
| 23 | 1% | 25% | 75% | | 109,954 | 329,863 | - | 1.2% | 1.4% | 0.0% | 1 | 1 | | 3.8% | 2.7% | 0.0% | 22,090 | 40,816 | - | 62,906 |
| 24 | 1% | 25% | 75% | | 109,954 | 329,863 | - | 1.2% | 1.4% | 0.0% | 1 | 1 | | 3.8% | 2.7% | 0.0% | 22,090 | 40,816 | - | 62,906 |
| 25 | 1% | 25% | 75% | | 109,954 | 329,863 | - | 1.2% | 1.4% | 0.0% | 1 | 0 | | 3.8% | 0.0% | 0.0% | 22,090 | 14,070 | - | 36,160 |
| 26 | 1% | 25% | 75% | | 109,954 | 329,863 | - | 1.2% | 1.4% | 0.0% | 1 | 1 | | 3.8% | 2.7% | 0.0% | 22,090 | 40,816 | - | 62,906 |
| 27 | 1% | 25% | 75% | | 109,954 | 329,863 | - | 1.2% | 1.4% | 0.0% | 1 | 1 | | 3.8% | 2.7% | 0.0% | 22,090 | 40,816 | - | 62,906 |
| 28 | 1% | 25% | 75% | | 109,954 | 329,863 | - | 1.2% | 1.4% | 0.0% | 1 | 1 | | 3.8% | 2.7% | 0.0% | 22,090 | 40,816 | - | 62,906 |
| 29 | 1% | 25% | 75% | | 109,954 | 329,863 | - | 1.2% | 1.4% | 0.0% | 0 | 0 | | 0.0% | 0.0% | 0.0% | 5,174 | 14,070 | - | 19,244 |
| 30 | 1% | 25% | 75% | | 109,954 | 329,863 | - | 1.2% | 1.4% | 0.0% | 1 | 1 | | 3.8% | 2.7% | 0.0% | 22,090 | 40,816 | - | 62,906 |
| 31 | 1% | 25% | 75% | | 109,954 | 329,863 | - | 1.2% | 1.4% | 0.0% | 1 | 1 | | 3.8% | 2.7% | 0.0% | 22,090 | 40,816 | - | 62,906 |
| 32 | 1% | 25% | 75% | | 109,954 | 329,863 | - | 1.2% | 1.4% | 0.0% | 1 | 0 | | 3.8% | 0.0% | 0.0% | 22,090 | 14,070 | - | 36,160 |
| 33 | 1% | 25% | 75% | | 109,954 | 329,863 | - | 1.2% | 1.4% | 0.0% | 0 | 1 | | 0.0% | 2.7% | 0.0% | 5,174 | 40,816 | - | 45,990 |
| 34 | 1% | 25% | 75% | | 109,954 | 329,863 | - | 1.2% | 1.4% | 0.0% | 0 | 1 | | 0.0% | 2.7% | 0.0% | 5,174 | 40,816 | - | 45,990 |
| 35 | 1% | 25% | 75% | | 109,954 | 329,863 | - | 1.2% | 1.4% | 0.0% | 1 | 0 | | 3.8% | 0.0% | 0.0% | 22,090 | 14,070 | - | 36,160 |
| 36 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 37 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 38 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 39 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 40 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 41 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 42 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 43 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 44 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 0 | | 0.0% | 0.0% | 0.0% | - | 18,760 | - | 18,760 |

Formula Option 2

| | | | | | | | | | | | | | | | | | | | | |
|-----|----|--|------|------|---|---------|---------|------|------|------|--|---|---|------|------|------|---|--------|--------|--------|
| 45 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 46 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 47 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 48 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 0 | | 0.0% | 0.0% | 0.0% | - | 18,760 | - | 18,760 |
| 49 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 0 | | 0.0% | 0.0% | 0.0% | - | 18,760 | - | 18,760 |
| 50 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 51 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 52 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 53 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 54 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 55 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 56 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 0 | | 0.0% | 0.0% | 0.0% | - | 18,760 | - | 18,760 |
| 57 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 58 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 59 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 60 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 0 | | 0.0% | 0.0% | 0.0% | - | 18,760 | - | 18,760 |
| 61 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 0 | | 0.0% | 0.0% | 0.0% | - | 18,760 | - | 18,760 |
| 62 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 63 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 0 | | 0.0% | 0.0% | 0.0% | - | 18,760 | - | 18,760 |
| 64 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 65 | 1% | | 100% | | - | 439,818 | - | 0.0% | 1.9% | 0.0% | | 1 | | 0.0% | 2.7% | 0.0% | - | 45,506 | - | 45,506 |
| 66 | 1% | | 60% | 40% | - | 263,891 | 175,927 | 0.0% | 1.1% | 1.5% | | | 1 | 0.0% | 0.0% | 3.8% | - | 11,256 | 41,444 | 52,700 |
| 67 | 1% | | 60% | 40% | - | 263,891 | 175,927 | 0.0% | 1.1% | 1.5% | | 0 | | 0.0% | 0.0% | 0.0% | - | 11,256 | 11,841 | 23,097 |
| 68 | 1% | | 60% | 40% | - | 263,891 | 175,927 | 0.0% | 1.1% | 1.5% | | | 1 | 0.0% | 0.0% | 3.8% | - | 11,256 | 41,444 | 52,700 |
| 69 | 1% | | 60% | 40% | - | 263,891 | 175,927 | 0.0% | 1.1% | 1.5% | | | 1 | 0.0% | 0.0% | 3.8% | - | 11,256 | 41,444 | 52,700 |
| 70 | 1% | | 60% | 40% | - | 263,891 | 175,927 | 0.0% | 1.1% | 1.5% | | 0 | | 0.0% | 0.0% | 0.0% | - | 11,256 | 11,841 | 23,097 |
| 71 | 1% | | 60% | 40% | - | 263,891 | 175,927 | 0.0% | 1.1% | 1.5% | | | 1 | 0.0% | 0.0% | 3.8% | - | 11,256 | 41,444 | 52,700 |
| 72 | 1% | | 60% | 40% | - | 263,891 | 175,927 | 0.0% | 1.1% | 1.5% | | | 1 | 0.0% | 0.0% | 3.8% | - | 11,256 | 41,444 | 52,700 |
| 73 | 1% | | 60% | 40% | - | 263,891 | 175,927 | 0.0% | 1.1% | 1.5% | | | 1 | 0.0% | 0.0% | 3.8% | - | 11,256 | 41,444 | 52,700 |
| 74 | 1% | | 60% | 40% | - | 263,891 | 175,927 | 0.0% | 1.1% | 1.5% | | | 1 | 0.0% | 0.0% | 3.8% | - | 11,256 | 41,444 | 52,700 |
| 75 | 1% | | 60% | 40% | - | 263,891 | 175,927 | 0.0% | 1.1% | 1.5% | | | 1 | 0.0% | 0.0% | 3.8% | - | 11,256 | 41,444 | 52,700 |
| 76 | 1% | | 60% | 40% | - | 263,891 | 175,927 | 0.0% | 1.1% | 1.5% | | | 1 | 0.0% | 0.0% | 3.8% | - | 11,256 | 41,444 | 52,700 |
| 77 | 1% | | 60% | 40% | - | 263,891 | 175,927 | 0.0% | 1.1% | 1.5% | | | 1 | 0.0% | 0.0% | 3.8% | - | 11,256 | 41,444 | 52,700 |
| 78 | 1% | | 60% | 40% | - | 263,891 | 175,927 | 0.0% | 1.1% | 1.5% | | | 1 | 0.0% | 0.0% | 3.8% | - | 11,256 | 41,444 | 52,700 |
| 79 | 1% | | 60% | 40% | - | 263,891 | 175,927 | 0.0% | 1.1% | 1.5% | | 0 | | 0.0% | 0.0% | 0.0% | - | 11,256 | 11,841 | 23,097 |
| 80 | 1% | | 60% | 40% | - | 263,891 | 175,927 | 0.0% | 1.1% | 1.5% | | | 1 | 0.0% | 0.0% | 3.8% | - | 11,256 | 41,444 | 52,700 |
| 81 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 1 | 0.0% | 0.0% | 3.8% | - | - | 59,206 | 59,206 |
| 82 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 1 | 0.0% | 0.0% | 3.8% | - | - | 59,206 | 59,206 |
| 83 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | 0 | | 0.0% | 0.0% | 0.0% | - | - | 29,603 | 29,603 |
| 84 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | 0 | | 0.0% | 0.0% | 0.0% | - | - | 29,603 | 29,603 |
| 85 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 1 | 0.0% | 0.0% | 3.8% | - | - | 59,206 | 59,206 |
| 86 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 1 | 0.0% | 0.0% | 3.8% | - | - | 59,206 | 59,206 |
| 87 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 1 | 0.0% | 0.0% | 3.8% | - | - | 59,206 | 59,206 |
| 88 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 1 | 0.0% | 0.0% | 3.8% | - | - | 59,206 | 59,206 |
| 89 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 1 | 0.0% | 0.0% | 3.8% | - | - | 59,206 | 59,206 |
| 90 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 1 | 0.0% | 0.0% | 3.8% | - | - | 59,206 | 59,206 |
| 91 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 0 | 0.0% | 0.0% | 0.0% | - | - | 29,603 | 29,603 |
| 92 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 1 | 0.0% | 0.0% | 3.8% | - | - | 59,206 | 59,206 |
| 93 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 1 | 0.0% | 0.0% | 3.8% | - | - | 59,206 | 59,206 |
| 94 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 1 | 0.0% | 0.0% | 3.8% | - | - | 59,206 | 59,206 |
| 95 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 0 | 0.0% | 0.0% | 0.0% | - | - | 29,603 | 29,603 |
| 96 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 0 | 0.0% | 0.0% | 0.0% | - | - | 29,603 | 29,603 |
| 97 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 1 | 0.0% | 0.0% | 3.8% | - | - | 59,206 | 59,206 |
| 98 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 0 | 0.0% | 0.0% | 0.0% | - | - | 29,603 | 29,603 |
| 99 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 1 | 0.0% | 0.0% | 3.8% | - | - | 59,206 | 59,206 |
| 100 | 1% | | | 100% | - | - | 439,818 | 0.0% | 0.0% | 3.8% | | | 1 | 0.0% | 0.0% | 3.8% | - | - | 59,206 | 59,206 |

| | | | | | | | | | | | | | | | | | | | |
|-------|----|----|----|------------------|-------------------|-------------------|------|------|------|----|----|----|--------|--------|--------|---------|-----------|-----------|-----------|
| count | 35 | 65 | 35 | 9,346,126 21% | 23,200,384 53% | 11,435,260 26% | 100% | 100% | 100% | 26 | 37 | 26 | 100.0% | 100.0% | 100.0% | 879,635 | 1,979,180 | 1,539,362 | 4,398,177 |
|-------|----|----|----|------------------|-------------------|-------------------|------|------|------|----|----|----|--------|--------|--------|---------|-----------|-----------|-----------|

43,981,770



April 7, 2009

Mr. Donald Hansen and Members of the Pacific Fishery Management Council
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 101
Portland, OR 97220-1384

**Re: Public Comments on Agenda Item F.5. FMP Amendment 20-Trawl Rationalization-
Analysis Parameters for Adaptive Management Program**

Dear Mr. Hansen and Pacific Fishery Management Council Members:

Ocean Conservancy and Natural Resources Defense Council, on behalf of our more than 1.4 million members and activists, respectfully submit the following comments on Agenda Item F.5. FMP Amendment 20-Trawl Rationalization-Analysis Parameters for Adaptive Management Program.

At its November 2008 meeting, the Council adopted a final preferred alternative for the trawl ITQ program which included an Adaptive Management Program (AMP). Under this program, every two years, as part of the Council's biennial management specifications process, the Council may elect to set aside up to 10 percent of the available quota pounds (QP) for use in this program. As envisioned, the AMP program could be used for several purposes related to socio-economic balance and conservation including increasing landings in certain communities, increasing deliveries to certain processors, helping crew and others enter the fishery, encouraging specific harvesting behaviors, such as bycatch avoidance, and to mitigate unforeseen outcomes of program implementation. The Council elected to determine the details of this program as part of a trailing action, scheduled to be completed in June 2009.

The decision is now before the Council to determine the goals and objectives of the program, as well as to identify the AMP options for analysis. With this decision, the Council has the opportunity to set into motion the development of a program with the potential to greatly enhance achievement of ITQ program objectives, including promoting practices that reduce bycatch and discard mortality and minimize ecological impacts, and minimizing the adverse effects of the program on fishery communities.

For the past four months, Ocean Conservancy and Natural Resources Defense Council have participated in a multi-stakeholder effort, lead by Environmental Defense Fund (EDF), to develop ideas for how the program might be structured, including identification of priority uses, goals, objectives for the program. The results of these meetings have been submitted under separate cover for review under this agenda item. We would like to take this opportunity to identify those issues of greatest importance to us for your consideration.

1. Include “improve conservation performance” as a goal of the Adaptive Management Program

Many different interest groups have targeted the AMP as the means by which their concerns about the ITQ program overall can be met. In order to have a meaningful impact on priority issues, it is important that the AMP quota not be spread too thinly between great numbers of priorities. Rather, it should be focused on two or three priority areas for which there is significant opportunity to offer a meaningful benefit for the fishery overall.

Ocean Conservancy and Natural Resources Defense Council believe conservation should be a primary purpose of this program. As bycatch management, especially of overfished species, and minimizing ecological impacts are two of the primary drivers for developing an ITQ program for this fishery, it is fitting that the AMP be used to enhance the achievement of this goal. In addition, nothing in the trawl design creates an incentive to reduce habitat impacts. Moreover, the ITQ program as designed does not include incentives to reduce bycatch of non-quota species. The AMP could be used to strengthen the conservation performance of this fishery by, for example, providing additional incentives to reduce bycatch, limit habitat impacts, and to encourage innovation and the development and use of “best practices” in the fishery.

With “improved conservation performance” identified as a goal of the program, there are several objectives that the AMP could be used to meet. These include:

- Reducing bycatch of overfished and non-target or unmarketable species;
- Minimize habitat impact;
- Encourage innovation; and
- Encourage compliance

2. Support designating 30-50 percent of the AMP quota to meeting the “Conservation” goal.

To realize the potential conservation benefits of the AMP described above, it is imperative that a meaningful portion of the available AMP quota pounds be used for conservation purposes. We urge the Council to consider a set-aside of up to 30-50 percent of the AMP quota to ensure adequate poundage is available to meet the AMP’s conservation objectives.

We are, of course, aware that different “priority uses” have been identified by other stakeholders, and agree that other goals such as community stability have merit. However, it is imperative that conservation goals be identified as a priority and have a set percentage of the AMP quota allocated to them, and that use of AMP to, for example, mitigate community disruption, not preclude an AMP focus on improving the conservation performance of this fishery.

3. Support analysis of both a formulaic and proposal-driven approach

We believe the goals of the AMP could effectively be met either using a proposal-driven or formulaic approach, and support including both approaches in further analyses.

Proposal-driven approach

A proposal-driven approach would operate similarly to the current EFP process where an applicant would submit an application for AMP quota which would be qualitatively assessed through a review process. Proposals would be weighed against one another and those with the most merit would receive AMP quota allocation. Should the Council elect to move forward with a proposal-driven approach, there are several objectives we would hope to see successful proposals address, including:

- Reduce bycatch of overfished species;
- Reduce catch of any non-target or unmarketable species;
- Reduce impacts to bottom habitat (e.g., including use of lower impact gear or reducing tow times)

Formulaic approach

We believe that many opportunities exist to encourage conservation through a formulaic approach. We have identified two possible paths to implementing a formulaic approach for the conservation goal of the program.

a. Reward-focused

A reward-focused approach would provide incentive for meeting conservation objectives by rewarding certain demonstrated behaviors and results. It would have the additional benefit of being fairly automated, and would not necessarily require any sort of application outside of a request for consideration to receive the quota. For example:

- The top individuals who have achieved the greatest reduction in bycatch rate from the previous year (or management cycle) are awarded with a portion of the conservation-designated quota. (The number of rewarded individuals would be determined based upon analysis of how many pieces that quota could be broken into and still be meaningful.)
- The top individuals who have achieved the greatest reduction in relative bottom impacts (measured in terms of catch/total aggregated tow time) are rewarded with additional quota.
- The top individuals with the greatest quantity of overfished species quota left over are rewarded with additional quota of target species.

b. Application-focused

An application-focused approach would allow a pre-determined pool of applicants to apply for some portion of the AMP quota based upon commitments made to improving conservation performance as well as encouraging the development of strategies, gear technologies, etc. that might have broader application in the fishery. For example:

- Give quota to individuals who commit to using a gear proven to reduce bycatch (which would have to be defined by NMFS).

- Provide opportunities for adding to the list of NMFS-approved bycatch reduction technologies by giving quota to individuals who apply with a commitment to testing new gears and strategies that will result in bycatch reduction.

In order to ensure that the quota is not distributed too broadly among applicants, it may be necessary to narrow down the universe of potential applicants up front. One option for doing so may be to identify the segments of the fishery with the greatest overall bycatch, or the least amount of catch per hours towed (i.e., the greatest habitat impacts).

A post-term report would be required at the end of the quota period that would demonstrate the success of the efforts made, or lack thereof (which in and of itself might provide useful information on bycatch reduction or tow time reduction strategies that were proven to be unsuccessful).

The “formulaic” aspect of this approach might come in two phases. First, a proposal might be evaluated based on whether or not it meets one or more of the stated goals of the AMP program itself. A second formula could be applied that would determine what portion of the AMP quota each eligible applicant would receive. In terms of conservation projects, you might consider identifying key priorities (e.g., a particular segment of the fishery with the greatest need for improvement) and thus narrowing the pool of applicants up front. Alternatively, we might develop a list of conservation elements their application addresses (e.g., reduce bycatch of overfished species, testing of new gear, reduce bottom impacts) and award quota on a scaled basis with more quota going to applications that address more issues or issues noted as of greatest concern.

4. Implement Adaptive Management Program in Year One of the ITQ

We strongly urge you to not delay the implementation of this aspect of the program. By postponing implementation of the AMP, distribution of all quota share would become the status quo, and later repossession of 10 percent of this quota for the AMP would likely be met with significant opposition, decreasing the ease (and likelihood) of successful implementation of the AMP provision down the road.

We appreciate the Council's concern with developing and implementing a potentially complicated program at the same time as the greater ITQ program, and support consideration of a more simplified program in years one and two, so long as it addresses each of the identified priorities of the AMP, including conservation.

Good ideas are a great start, but ultimately you get what you design and plan for. The AMP is an important design feature of the ITQ program for ensuring that many of the hoped-for environmental benefits actually occur.

Thank you for the opportunity to comment on this issue. We look forward to continuing to work with Council staff and stakeholders to develop a workable framework for this program that will create maximum benefits with minimal administrative burden.

Sincerely,

Jen Kassakian
Pacific Fishery Sustainability Manager
Ocean Conservancy

A handwritten signature in black ink, appearing to read 'Laura Pagano', with a stylized, flowing script.

Laura Pagano
Attorney
Natural Resources Defense Council

NATIONAL MARINE FISHERIES SERVICE MOTION ON ADAPTIVE MANAGEMENT

I would move the Council preliminarily adopt the following motion to be finalized in June 2009:

| | | |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| Program goals and objectives | <ul style="list-style-type: none"> ▪ Community stability ▪ Processor stability ▪ Conservation ▪ Unintended/unforeseen consequences of TIQ program ▪ Facilitate new entrants (both processors and harvesters) | |
| | First 2 years of TIQ program | Year 3-5 of TIQ program |
| Method for allocating AMP quota pounds | <p>Pass-Through For first two years AMP quota pounds will be distributed consistent with initial distribution of TIQ quota pounds.</p> <p>During this period, Council staff will work with states to determine details of the formula for determining community and processor eligibility, as well as methods for allocation consistent with additional goals.</p> | <p>Formulaic</p> <p>Quota pounds distributed consistent with the formulas developed during the first two years.</p> |
| Decision making organizational structure | <p>Pass-Through (see above)</p> <p>Options to consider after year 2: NMFS State → Council → NMFS Council → NMFS</p> | Based on selection of option. |
| Division of AMP quota pounds | <p>Pass-Through (see above)</p> <p>During first two years, consider division of quota pounds among the states for application in year 3.</p> <p>Additional considerations to be determined.</p> | Allocate based on Council action relative to division of AMP quota pounds. |
| AMP quota pound duration | <p>N/A</p> <p>Analyze a program using a quota pound duration of variable number of years.</p> | 3 years, then determined through the 5 year TIQ program review . |
| Program review | N/A | Initial program review at year 5 as part of the comprehensive review of the TIQ program. |
| Program duration | N/A | Analyze a range of program sunset dates as part of the 5 year TIQ program review, 10, 15, 20 years, including an option of no sunset. |

FINAL CONSIDERATION OF INSEASON ADJUSTMENTS – IF NEEDED

Consideration of inseason adjustments to 2009 groundfish fisheries may be a two-step process at this meeting. The Council will meet on Monday, April 6, 2009, and consider advisory body advice and public comment on inseason adjustments under Agenda Item F.2. If the Council elects to make final inseason adjustments under Agenda Item F.2, then this agenda item may be cancelled, or the Council may wish to clarify and/or confirm these decisions. If the Council tasks advisory bodies with further analysis under Agenda Item F.2, then the Council task under this agenda item is to consider advisory body advice and public comment on the status of 2009 groundfish fisheries and adopt final inseason adjustments as necessary.

Council Action:

Consider information on the status of ongoing 2009 fisheries and adopt inseason adjustments as necessary.

Reference Materials:

None.

Agenda Order:

- a. Agenda Item Overview
 - b. Reports and Comments of Agencies and Advisory Bodies
 - c. Public Comment
 - d. **Council Action:** Adopt or Confirm Final Adjustments to 2009 Groundfish Fisheries
- Merrick Burden

PFMC
03/19/09

Agenda Item F.6.b
Supplemental GMT Report
April 2009

Projected mortality impacts (mt) of overfished groundfish species updated with most recent research estimates and fishery projections through April 2009.

| Fishery | Bocaccio b/ | Canary | Cowcod | Dkbl | POP | Widow | Yelloweye |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------------------------------------------------------------------------------|--------|-------|-------|-------|-----------|
| Limited Entry Trawl- Non-whiting | 15.1 | 16.2 | 1.3 | 214.4 | 82.1 | 18.1 | 0.3 |
| Limited Entry Trawl- Whiting | | | | | | | |
| At-sea whiting motherships a/ | | 4.3 | | 6.0 | 0.5 | 60.0 | 0.0 |
| At-sea whiting cat-proc a/ | | 6.1 | | 8.5 | 0.5 | 85.0 | 0.0 |
| Shoreside whiting a/ | | 7.6 | | 10.5 | 0.1 | 105.0 | 0.0 |
| Tribal whiting | | 1.4 | | 0.0 | 0.7 | 3.7 | 0.0 |
| Tribal | | | | | | | |
| Midwater Trawl | | 3.6 | | 0.0 | 0.0 | 40.0 | 0.0 |
| Bottom Trawl | | 0.8 | | 0.0 | 3.7 | 0.0 | 0.0 |
| Troll | | 0.5 | | 0.0 | 0.0 | | 0.0 |
| Fixed gear | | 0.3 | | 0.0 | 0.0 | 0.0 | 2.3 |
| Fixed Gear Sablefish | 0.0 | 0.3 | 0.0 | 1.0 | 0.2 | 0.3 | 1.1 |
| Fixed Gear Nearshore | 0.3 | 3.3 | 0.0 | 0.0 | 0.0 | 0.3 | 1.2 |
| Fixed Gear Other | 5.0 | 0.0 | 0.0 | 9.0 | 0.0 | 0.7 | 0.0 |
| Open Access: Incidental Groundfish | 2.0 | 0.9 | 0.0 | 0.0 | 0.0 | 4.0 | 0.3 |
| Recreational Groundfish c/ | | | | | | | |
| WA | | 20.9 | | | | | 5.2 |
| OR | | | | | | 1.0 | |
| CA | 67.3 | 22.9 | 0.1 | | | 6.2 | 2.8 |
| EFPs | 13.7 | 2.7 | 0.3 | 1.3 | 0.0 | 5.5 | 0.3 |
| Research: Includes NMFS trawl shelf-slope surveys, the IPHC halibut survey, and expected impacts from SRPs and LOAs. | | | | | | | |
| | 2.0 | 8.0 | 0.2 | 2.0 | 2.0 | 5.7 | 2.4 |
| TOTAL | 105.4 | 99.8 | 1.9 | 252.7 | 89.8 | 335.5 | 15.9 |
| 2009 OY d/ | 288 | 105 | 4.0 | 285 | 189 | 522 | 17 |
| Difference | 182.6 | 5.2 | 2.1 | 32.3 | 99.2 | 186.5 | 1.1 |
| Percent of OY | 36.6% | 95.1% | 47.5% | 88.7% | 47.5% | 64.3% | 93.3% |
| Key | | = either not applicable; trace amount (<0.01 mt); or not reported in available data | | | | | |
| a/ Non-tribal whiting values for canary, darkblotched, and widow reflect bycatch limits for the non-tribal whiting sectors. | | | | | | | |
| b/ South of 40°10' N. lat. | | | | | | | |
| c/ Values in scorecard represent projected impacts for all species except canary and yelloweye rockfish, which are the prescribed harvest guidelines. | | | | | | | |
| d/ 2009 and 2010 OYs are the same except for darkblotched (291 mt in 2010), POP (200 mt in 2010), and widow (509 mt in 2010). | | | | | | | |

PFMC
04/09/09

FISHERY MANAGEMENT PLAN (FMP) AMENDMENTS TO IMPLEMENT ANNUAL CATCH LIMIT (ACL) REQUIREMENTS

The Magnuson-Stevens Fishery Conservation and Management Reauthorization Act of 2006 (MSRA) established several new fishery management provisions pertaining to National Standard 1 (NS1) of the Magnuson-Stevens Fishery Conservation and Management Act (MSA), which states, "Conservation and management measures shall prevent overfishing while achieving, on a continuing basis, the optimum yield from each fishery for the United States fishing industry." On January 16, 2009, the National Marine Fisheries Service (NMFS) published a final rule in the Federal Register to implement the new MSRA requirements and amend the guidelines for NS1. (Agenda Item D.3.a, Attachment 1). NMFS has provided an overview of the amended NS1 guidelines in the presentation presented in Agenda Item D.3.a, Attachment 2.

The MSRA and amended NMFS guidelines introduce new fishery management concepts including overfishing levels (OFLs), annual catch limits (ACLs), annual catch targets (ACTs), and accountability measures (AMs) that are designed to better account for scientific and management uncertainty and to prevent overfishing. One important change in the final guidelines is that ACTs are no longer mandatory, rather they are included as an optional accountability tool intended for the management of fisheries without inseason monitoring and harvest controls. These important aspects of the MSRA are required to be implemented by 2011 for most species and by 2010 for those species designated as being subject to overfishing. It is anticipated the Council will need to amend the Groundfish Fishery Management Plan (FMP) to accommodate the new NS1 guidelines. Regarding timing to complete this endeavour, it is important to note that current groundfish management involves no stocks subject to overfishing.

Under this agenda item, the Council is scheduled to review the amended NS1 guidelines as they pertain to Council operation in general and to specifically scope out initial issues and a proposed timeline for potentially amending its groundfish FMP. It may be prudent for the Council to identify changes to FMP terminology and processes prior to the next biennial specifications process. A possible schedule is attached as Agenda Item F.7.a, Attachment 1, that accommodates this.

Precautionary harvest control rules exist for the actively managed species in the FMP, control rules which provide a solid foundation for the implementation of new fishery management provisions such as the OFL and the ACL, which are analogous to the current definition of acceptable biological catch (ABC) and optimum yield (OY), respectively in the FMP. The Council should consider a new definition and control rules for specifying an ABC which, under the new NS1 guidelines, factors scientific uncertainty into the specification. Likewise, the Council should consider the necessity of deciding control rules for specifying an ACT given the inseason adjustment process used to manage groundfish fisheries.

Finally, there may be consideration for classifying some FMP species as Ecosystem Component species. According to the new NS1 guidelines, Ecosystem Component species do not require specification of reference points (i.e., harvest specifications) but should be monitored to the extent that any new pertinent scientific information becomes available (e.g., catch trends, vulnerability, etc.) to determine changes in their status or their vulnerability to the fishery. For this classification, such species should: 1) be a non-target species or stock; 2) not be determined to be subject to overfishing, approaching overfished, or overfished; 3) not be likely to become

subject to overfishing or overfished, according to the best available information, in the absence of conservation and management measures; and 4) not generally be retained for sale or personal use. There are a number of dwarf rockfish species and other groundfish FMP species that are largely unexploited and appear to meet the criteria for an Ecosystem Component classification.

The Council should consider the new NS1 guidelines and consider the comments of Council advisory bodies and the public before providing guidance on the scope and schedule for amending the groundfish FMP to comply with mandates of the MSRA and the new NS1 guidelines.

Council Action:

- 1. Review final NMFS guidance on NS1.**
- 2. Discuss initial issues for groundfish management and an FMP amendment to meet the new NS1 guidelines.**
- 3. Provide guidance on the scope and schedule for amending the FMP.**

Reference Materials:

1. Agenda Item D.3.a, Attachment 1: Final rule to amend the NMFS guidelines for National Standard 1 (74 FR 3178).
2. Agenda Item D.3.a, Attachment 2: NMFS presentation on NMFS guidelines for National Standard 1.
3. Agenda Item F.7.a, Attachment 1: Draft Schedule for Council action on a Groundfish Fishery Management Plan amendment for National Standard 1 guideline changes.

Agenda Order:

- a. Agenda Item Overview
- b. Reports and Comments of Management Entities and Advisory Bodies
- c. Public Comment
- d. **Council Action:** Scope and Plan FMP Amendments to Implement ACL Requirements

John DeVore

PFMC
03/19/09

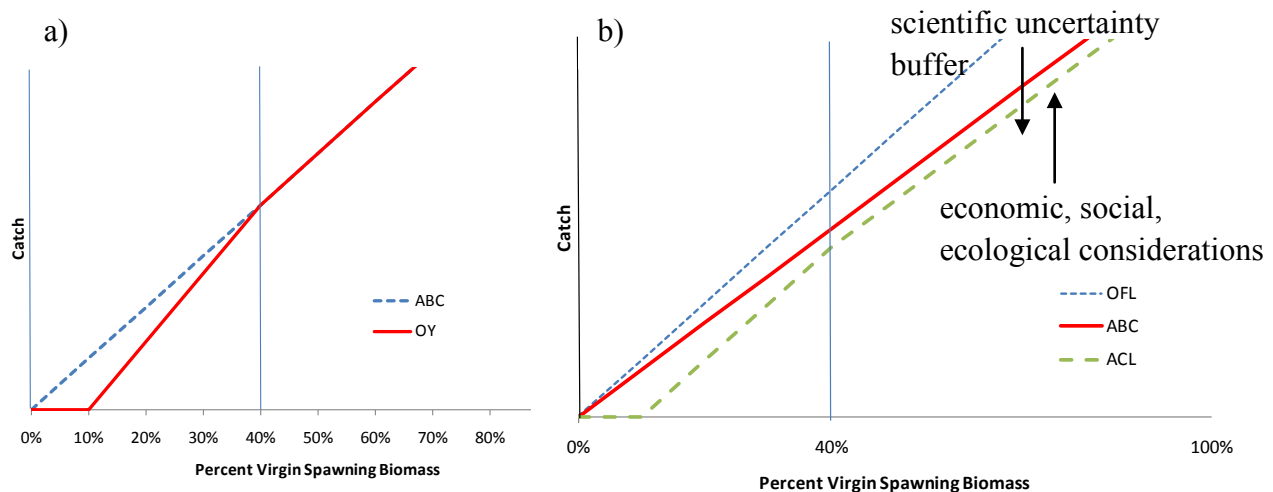
**Draft Schedule for Council Action on Groundfish FMP
Amendment to Incorporate Revised National Standard 1
Guidelines**

| Stage | Date |
|---------------------------------------------------------------------------------------|----------------|
| Final Rule published | January 2009 |
| Council initial scoping | April 2009 |
| Range of alternatives, preliminary analysis, draft amendment language | June 2009 |
| Preliminary Council action: adopt preliminary preferred alternative for public review | September 2009 |
| Council final action: Adopt preferred alternative | November 2009 |
| Secretarial approval | 2010 |
| Regulatory changes implemented, if needed | January 2011 |

SCIENTIFIC AND STATISTICAL COMMITTEE REPORT ON FMP AMENDMENT TO IMPLEMENT ACL REQUIREMENTS

The Magnuson-Stevens Fishery Conservation and Management Reauthorization Act (MSRA) and the revised National Standard 1 (NS1) guidelines introduce new fishery management concepts to better account for scientific and management uncertainty in order to prevent overfishing. The Council's current Fishery Management Plan (FMP) for Pacific coast groundfish needs to be aligned with the NS1 guidelines, and scientific uncertainty needs to be explicitly specified and accounted for. Dr. Alec MacCall briefed the Scientific and Statistical Committee (SSC) on the activities of the NMFS NS1 Working Group (NS1WG). The NS1WG has been working on technical issues associated with implementing the new annual catch limit (ACL) requirements.

The two figures below represent: (a) the Council's current 40-10 harvest control rule and terminology for the conservation and management of groundfish and (b) a hypothetical harvest control rule that includes scientific uncertainty as required by the MSRA.



To quantify scientific uncertainty in stock status, the SSC recommends conducting a meta-analysis to characterize variability in stock assessments over time. The Council will then have a basis with which to evaluate the trade-off between the size of the scientific uncertainty buffer and the risk of overfishing and can specify a level of risk aversion. The SSC would then review the application of the scientific uncertainty buffer based on that policy choice.

Under the NS1 guidelines, the groundfish FMP will need to specify status determination criteria so that overfishing determinations can be readily made. The FMP must describe whether a maximum fishing mortality threshold or an overfishing limit (OFL) will be used to determine overfishing status. The former is specified as a fishing mortality rate (e.g., F_{msy}) and the latter as a catch level. The SSC recommends defining overfishing as exceeding the OFL catch because it is straightforward, understandable, easily measured, and can accommodate annual accountability measures.

The SSC also recommends the following tasks be completed as soon as practicable, with Council staff coordinating these efforts. The SSC would then review the completed products.

1. Evaluate the efficacy of current in-season monitoring as an accountability measure, which should be documented in the FMP amendment.
2. Document the history of current harvest control rules to identify precautionary adjustments currently in place.
3. Review current rebuilding plans and analytical methods to ensure compliance with NS1 guidelines.
4. Categorize all FMP groundfish species as “stocks in the fishery” or “ecosystem component species”.
5. Assign vulnerability scores to all species in the FMP. A stock’s vulnerability is a combination of its productivity, which depends upon its life history characteristics, and its susceptibility to fishery. These scores could potentially be used in conjunction with the meta-analytical results to tier uncertainty buffers.

The SSC notes that there does not appear to be enough time to adequately finish these tasks under the proposed schedule. Frameworking the FMP amendment may provide flexibility in both implementation and application of MSRA ACL requirements.

PFMC
04/07/09



April 09, 2009

Don Hansen, Chairman
Don McIsaac, Executive Director
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 101
Portland, OR 97220-1384

Re: FMP Amendments to Implement Annual Catch Limit Requirements

Mssrs. Hansen and McIsaac:

The Marine Fish Conservation Network and Natural Resources Defense Council appreciate the opportunity to comment on the scope of fishery management plan (FMP) amendments required to implement the Reauthorized Magnuson-Stevens Act's (MSRA's) annual catch limit (ACL) requirements for the Groundfish FMP. In comments to the National Marine Fisheries Service (NMFS) on the ACL proposed rule, the Pacific Fishery Management Council (PFMC) stated its belief that the Council currently prevents overfishing for the key groundfish species.¹ While we agree that the PFMC's system of management has many laudable features and contains elements called for in the new fisheries law and in the new NS1 Guidelines, we believe that the Groundfish FMP requires significant modifications to comply fully with the law and the new NS1 guidelines.

1. ACLs are required for all stocks in the fishery

The recently published NS1 final rule guidelines for ACLs and AMs (ACL final rule, 74 Fed. Reg. 3178) state that the requirement for ACLs and AMs applies to all stocks in a fishery, and all stocks in the FMP should be considered "in the fishery" unless otherwise specified through rulemaking. 50 CFR § 600.310(d)(1). NMFS requires that all stocks or stock complexes currently listed in the FMP are "stocks in a fishery," including target as well as non-target stocks that are caught incidentally during the pursuit of target stocks in a fishery (including "regulatory discards" as defined under Magnuson-Stevens Act section 3(38), which may or may not be retained for sale or personal use). 50 CFR § 600.310(d)(3-4). The ACL final rule clarifies that all stocks in a fishery *must* have status determination criteria, MSY and OY specification, an ABC control rule, mechanisms for specifying ACLs, and accountability measures. 50 CFR § 600.310(c)(1-5). The ACL final rule reinforces the intent of Congress that the

¹ Pacific Fishery Management Council. Comments on NMFS Proposed Revisions to the Guidance for National Standard 1 of the MSFCMA, September 22, 2008.

scope and applicability of the new ACL requirements be broad and inclusive, consistent with the MSRA's inclusive definitions of "fishery," "fishing," and "stocks of fish." § 16 U.S.C. 1802.

The revised NS1 guidelines create a new FMP category of "ecosystem component" (EC) species to improve ecosystem-based management. The guidance for classifying EC species specifies that they must be non-target species, not subject to overfishing, and not generally retained for sale or personal use. 50 CFR § 600.310 (d)(5)(A)-(D). If a council elects to classify a non-target bycatch species as an EC stock, it must implement measures to minimize bycatch consistent with National Standard 9 and protect their role in the ecosystem. 50 CFR § 600.310(d)(5)(iii). Classification as EC species must not be used to avoid setting ACLs for stocks that properly require them.

To the extent that stocks in the Groundfish FMP do not comply with these requirements, we believe that the FMP must be modified accordingly.

Under the current 2009-2010 Pacific groundfish specifications, numerical catch limits are established for 31 species or stock complexes within the groundfish FMP,² but it is not clear that all 92 species or separate stocks in the FMP are explicitly covered by stock-specific or stock complex ABCs, ACLs, and accountability measures. The Council should clearly specify that all stocks in the FMP are addressed or modify its catch specification process beyond 2010 to ensure that all stocks in the FMP have the required status determination criteria, MSY and OY specification, an ABC control rule, mechanisms for specifying ACLs, and accountability measures. 50 CFR § 600.310(c)(1-5). If stock-specific ABCs, ACLs and AMs are not possible, the FMP and future catch specification cycles should clearly demonstrate how stocks were grouped into complexes and assessed for purposes of ABC and ACL specification.

2. To the extent that management by stock complexes is unavoidable, the Council must ensure that stocks are sufficiently similar in geographic distribution, life history, and vulnerabilities to the fishery such that the impact of management actions on the stocks is similar.

We believe that every effort should be made to manage stock with species-specific ACLs and not in multi-species stock complexes. The Council's Scientific and Statistical Committee (SSC) has repeatedly recommended that as a general policy, stocks should be managed based on species-specific catch limits defined through stock assessments, rather than through stock complex aggregate numbers. Supplemental SSC Report April Agenda Item H.1.c April 2008 at 2, Supplemental SSC Report Agenda Item D.4.d November 2007 at 2. Likewise, an expert working group convened by the Lenfest Ocean Program and MRAG Americas noted this concern and proposed as one of their guiding principles that, "[v]ulnerability and the consequences of overfishing primarily relate to individual stocks of fish, and therefore grouping of stocks into assemblages for management can undermine sustainability." Rosenberg, A., et. al. Setting Annual Catch Limits for U.S. Fisheries: An Expert Working Group Report. Lenfest Ocean Program. September 2007.

² See Final EIS for Proposed ABC and OY Specifications and Management Measures for the 2009-2010 Pacific Coast Groundfish Fishery, Tables 2-1a and 2-1b, pp. 14-17.

Where single-stock ACLs are not presently feasible due to lack of information on data-poor stocks occurring in the fishery, the use of stock complex ACLs must incorporate new guidance outlined in the ACL final rule to ensure that stocks are sufficiently similar in geographic distribution, life history, and vulnerabilities to the fishery such that the impact of management actions on the stocks is similar. 50 CFR § 600.310 (d)(8). To underscore the importance of evaluating the vulnerability of data-poor stocks that have been aggregated into stock complexes, the ACL final rule adds a new provision requiring Councils, in consultation with their SSCs, to analyze the vulnerability of stocks in a stock complexes. A stock's vulnerability is defined as a combination of its productivity, which depends upon its life history characteristics, and its susceptibility to the fishery. 50 CFR § 600.310(d)(10). We anticipate that additional technical guidance will be forthcoming from NMFS to assist Councils in this process.

Rosenberg *et al.* (2007) recommended Productivity and Susceptibility Analysis (PSA) as a tool to assess stock vulnerability and risks of overfishing on data-poor stocks, based on a methodology originally developed for Australian fisheries to set more precautionary ACLs for stocks with higher vulnerabilities and greater uncertainties. The PSA methodology measures potential risk of the resource to overfishing by examining several productivity and susceptibility attributes that are scored from high to low risk, and an overall risk score is calculated and plotted on a PSA plot. Thus, for example, stocks that have low susceptibilities and high productivities are considered to have a low vulnerability of becoming overfished, while stocks with low productivities and high susceptibilities would have a high vulnerability of becoming overfished. 74 Fed. Reg. 3185. Some Council SSCs are considering the use of PSA to inform decisions about buffer sizes when setting ABCs as well as the size of the management uncertainty buffer when setting ACLs. The risk score for a species in a particular fishery is used to establish ACLs and AMs, for instance. Under the ACL final rule, current stock complexes are to be assessed through PSA and reorganized if individual stocks are found to be dissimilar in terms of geographic distribution, life history, and vulnerabilities to the fishery.

The ACL final rule provides that where the use of stock complexes for data-poor stocks is unavoidable, an indicator stock with measurable status determination criteria (SDC) may be used to help manage and evaluate more poorly known stocks that do not have their own SDC, but it should be representative of the typical status of each stock within the complex, with similar vulnerability. 50 CFR § 600.310 (d)(9). The guidelines are equally clear on the need for ACLs based on indicator stocks to ensure that more vulnerable members of the complex are not at risk from the fishery, and for periodic re-evaluation of the available information to determine whether a stock is subject to overfishing or is approaching an overfished condition. 50 CFR § 600.310 (d)(9).

3. The Council should ensure that its catch specification process for each FMP complies fully with the new requirements of the law and the revised NS1 and NS2 guidelines.

In the revised NS1 guidelines, NMFS requires that Councils establish a mechanism for specifying ABCs and ACLs in the FMP,³ as well as a process for receiving scientific information and advice in the specification of ABC.⁴ The procedures and mechanisms for specifying OFL, ABC, ACL, and AMs

³ See Title 50 of the Code of Federal Regulations, 50 CFR § 600.310(b)(iii).

⁴ 50 CFR § 600.310(f)(3): "Councils should develop a process for receiving scientific information and advice used to establish ABC." This process must establish an ABC control rule (discussed at (c)(3) and (f)(4)), identify the body that will

must be included in each FMP. NMFS also recommends that Councils modify their Statement of Organization, Practices and Procedures (SOPPs) to describe the roles and responsibilities of the Council, SSC, and any peer reviewers in this process.⁵

The PFMC has a formal, well-defined catch specification process for assessed stocks and mechanisms for setting catch limits or bycatch limits for stocks or stock complexes that lack assessments, as well as a working SSC that recommends ABCs to the Council. The information used to calculate status determination criteria, OFLs, and ABCs should be compiled in a Stock Assessment and Fishery Evaluation (SAFE) report for each FMP that describes the information, how it was used, the uncertainty associated with it, and other relevant considerations.

Broadly, we believe that the catch specification process should proceed in a stepwise fashion as follows:

1. Stock assessment review scientists evaluate the status of stocks and recommend an overfishing level (OFL, corresponding to F_{MSY} or proxy) and preliminary ABC, which are then summarized in a draft Stock Assessment and Fishery Evaluation (SAFE) report.⁶
2. The SSC evaluates the information in the draft SAFE report and recommends an ABC level that may not exceed OFL and is based, when possible, on the probability (which cannot exceed 50% and will almost always be significantly less, *see* 50 CFR § 600.310(f)(3)) that an actual catch equal to the stock's ABC would result in overfishing. The ABC must be derived from an ABC control rule that should include a buffer, or margin of safety, to account for the scientific uncertainty in the estimation of OFL. Scientists may recommend ABCs lower than specified in the control rule, based on their evaluation of the uncertainty and risk associated with the data, as long as they clearly explain why. 50 CFR § 600.310(f)(3). The control rule provides the maximum bound on ABC beyond which the SSC recommendation may not go, i.e., any deviation from the rule is more conservative, not less.
3. The Council specifies an ACL that may not exceed the SSC's ABC recommendation, and formulates management measures (AMs) necessary to constrain catch at or below the ACL. Unless adequate inseason management controls are in place to prevent ACL from being exceeded or management uncertainty has already been accounted for in the ABC or ACL, an annual catch target (ACT) should be included in the system of AMs and the ACT should be based on an ACT control rule that specifies the setting of ACT such that the risk of exceeding the ACL due to management uncertainty is low.

In order to comply with the final rule, the Council should review its Standard Operating Procedures and Practices (SOPPs), Council Operating Procedures (COPs), and SSC Terms of Reference (TORs) and amend them as needed to ensure consistency with the required elements of the ACL requirements.

apply the ABC control rule (i.e., calculates the ABC), identify the review process that will verify the resulting ABC, and confirm that the SSC recommends the ABC to the Council.

⁵ See the preamble to the NS1 final rule, 74 Fed. Reg. at 3181. The Statement of Organization, Practices and Procedures (SOPPs) is described in existing regulations at 50 CFR § 600.115.

⁶ National Standard 2 of the MSA states that conservation and management measures shall be based upon the best scientific information available: 16 U.S.C. § 1851(a)(2).

4. Significant modification of the groundfish ABC control rule is needed to address scientific uncertainty and provide an adequate margin of safety against the risk of overfishing

For stocks required to have an ABC, the revised NS1 guidelines specify that each Council *must* establish an ABC control rule based on scientific advice from its SSC. 50 CFR § 600.310(f)(4). The revised NS1 guidelines specify that acceptable biological catch (ABC) may not exceed the overfishing level (OFL). ABC is a level of annual catch that is intended to account for the scientific uncertainty in the estimate of OFL and any other scientific uncertainty, and therefore NMFS expects that ABC will virtually always be significantly reduced from OFL to reduce the risk that overfishing might occur in a given year. 50 CFR § 600.310(f)(3). Moreover, the determination of ABC should be based, *to the extent possible, on the probability that the actual catch equal to the stock's ABC would result in overfishing. The guidelines emphasize that, while the probability that overfishing will occur cannot exceed 50%, it must be significantly less in most cases.* 50 CFR § 600.310(f)(4).

The groundfish FMP employs an explicit ABC control rule for assessed stocks that sets ABC equal to a proxy spawning potential ratio (SPR) for MSY, where the Council-specified proxy for MSY is set at $F_{40\%}$ and the target stock biomass is $B_{40\%}$ (for slower-growing, long-lived West Coast rockfish the ABC is set at the more conservative $F_{50\%}$ level and the target stock biomass is $B_{50\%}$). However, this should more properly be considered an OFL control rule because no explicit uncertainty buffer has been established between OFL and ABC. An ABC control should account explicitly for scientific uncertainty in the estimate of OFL so that $ABC < OFL$.

Precautionary elements to this ABC control rule do exist. The minimum stock size threshold (MSST) is set at $B_{25\%}$, below which rebuilding commences. When a stock biomass has dropped below $B_{40\%}$, fishing mortality is reduced linearly until $OY = 0$ at 10% of $B_{unfished}$. This is the so-called “40-10 rule.” While these elements are praiseworthy, we believe that the PFMC 40-10 rule requires modification to address stock-specific differences in vulnerability due to life history and other factors, and to provide adequate buffer (or margin of safety) between OFL and ABC such that there is a very low risk of overfishing.

Given that there is always uncertainty in the estimate of MSY and OFL, we believe that the ABC control rule should be configured so that ABC is *always* less than the OFL. If the control rule contains multiple tiers to account for different levels of information available for each stock in the FMP, then the system of uncertainty buffers for each tier should provide increasing precaution with decreasing levels of information and increasing uncertainty. The procedure for setting ABC would be as follows:

1. Determine the “overfishing level” (OFL) based on MSY or proxy.
2. Calculate the fishing mortality rate at OFL (F_{OFL}).
3. Calculate the ABC ($< OFL$).
4. Calculate the fishing mortality rate used to set the ABC (F_{ABC}) such that $F_{ABC}/F_{OFL} < 1$. The buffer between F_{ABC} and F_{OFL} increases as the level of uncertainty increases.

For stocks with high levels of information and adequate stock assessments, the uncertainty buffer for ABC may be derived quantitatively from a statistical analysis of the probability that a given ABC will avoid overfishing. In conjunction with this probabilistic analysis and because even so-called data-rich stocks frequently still have uncertainty (and some can be quite high in uncertainty as demonstrated by

retrospective analyses), a vulnerability analysis should be used to determine the magnitude of the buffer. For data-limited and unassessed stocks, it will not be possible to calculate the probability of overfishing in the ABC point estimate. If a probability-based approach is not applicable, then a simple percentage buffer determined from a vulnerability analysis, other research data, and professional judgment will be required.

To guide the development of adequate control rule buffers, we believe that the PFMC should adopt a policy requiring ABCs and ACLs to be set at a level that has a high probability (e.g., 75% or higher) of not exceeding the overfishing level. An expert working group convened by the Lenfest Ocean Program in 2007 to provide scientific recommendations on the implementation of ACLs emphasized the need for fishery managers to consider the acceptable level of risk of exceeding the prescribed OFL when setting ACLs (Rosenberg *et al.* 2007), and we support their recommendation that the groundfish FMP contain an explicit risk policy to achieve that objective in the specification of both ABCs and ACLs.

5. If the ABC control rule is structured to account for different levels of information available for each stock in the FMP, then the system of uncertainty buffers for each category or “tier” should provide increasing precaution with decreasing levels of information and increasing uncertainty.

The revised NS1 guidelines clearly require the PFMC to establish ACLs for all stocks in the FMP, not just those with an assessment. The PFMC groundfish FMP is comprised of many diverse species, but only the major target stocks have stock-specific catch limits while many others are loosely grouped into stock assemblages (stock complexes) for purposes of catch specification. The number of stocks actually “managed” with catch limits or other measures often represents only a small fraction of the total number of stocks in the FMPs, and basic stock status information is lacking or limited for many stocks in the fishery. To facilitate the process of setting ACLs for data-limited stocks in the fishery, the PFMC’s groundfish FMP requires a system of control rules that will provide a basis for setting ACLs in data-poor situations as well as data-rich situations.

Since only about one-quarter of managed groundfish stocks have been assessed in the Pacific region, the Council has established three broad categories for purposes of determining ABC/OY and overfishing levels, based on levels of information available for each stock, which were described in the “SFA” amendments to the groundfish FMP in 1998.⁷ For unassessed and data-poor stocks, options for setting OFLs, ABCs and ACLs include using:

- A percentage or average of catch or bycatch from prior years
- Available fishery-independent research data
- Qualitative measures of stock productivity and vulnerability of stocks to the fishery

Potential indicators of overfishing for unassessed and data-poor stocks could include:

- CPUE from logbooks
- Catch area from logbooks

⁷ PFMC. Amendment 11 to the Pacific Groundfish FMP, Appendix B. October 1998: pp. 5-5 to 5-10.

- Index of stock abundance from surveys
- Stock distribution from surveys
- Mean size of landed fish

If these approaches are used to establish ACLs for data-poor groundfish stocks, the Council should provide a clear explanation of how they were used, the uncertainty associated with their use, and the means by which the Council, in consultation with the SSC, accounted for this uncertainty and has complied with the new guidelines for ACLs and AMs. To the extent that information is more limited and uncertainty is higher, catch limits must be set more conservatively to avoid the likelihood of overfishing. An effective system of ACLs under the new guidelines should provide incentives to acquire better data and reduce the uncertainty associated with specifying catch limits. The use of stock complexes for data-poor stocks should not under any circumstances be used to avoid obtaining better information in order to set ACLs on a stock-specific basis.

6. If the Council adopts a system of ACLs without employing ACTs, the FMP should include a single control rule combining both scientific and management uncertainty in the ABC recommendation and ACL

NMFS recommends that an annual catch target (ACT) be employed as part of the system of accountability measures for management uncertainty in ensuring that the catch does not exceed the annual catch limit (ACL). In most cases, some reduction in the target catch below the limit will result.⁸ In data-poor fisheries without inseason monitoring capability, setting the ACT less than ACL increases the chances of staying within the limit and avoiding frequent overage deductions in subsequent years. If an ACT is not employed within the system of AMs, however, a single control rule combining both scientific and management uncertainty in the ABC recommendation and ACL would be employed as the alternative.⁹ In that case, the ACL would account directly for management uncertainty and optimum yield (OY) factors, such that $ACL < ABC$. Incorporating the management uncertainty (and any relevant OY considerations) directly into the ACL calculation provides a clear basis for setting $ACL < ABC$ while still maintaining ACL as a limit not to be exceeded that triggers management measures to cease fishing. The Council should consider options for specifying ACLs using a control rule that includes explicit treatment of management uncertainty and OY factors.

7. The Council should review its system of management monitoring and enforcement measures to ensure that each FMP contains adequate accountability measures

The new fisheries law requires FMPs to establish a mechanism for specifying annual catch limits such that overfishing does not occur in a fishery, accompanied by measures to ensure accountability. 16 U.S.C. § 1853(a)(15)). The inclusion of accountability measures underscores Congress' intent to ensure compliance with catch limits: the ACL is the level of annual catch of a stock that serves as the basis for invoking AMs (50 CFR § 600.310(f)(2)(iv)); the objective for establishing AMs is that the ACL not be exceeded (50 CFR § 600.310(f)(6)).

⁸ 74 Fed. Reg. at p. 3193.

⁹ 50 CFR § 600.310(f)(7).

In the revised NS1 guidelines, accountability measures are defined as management controls that prevent ACLs or sector-ACLs from being exceeded (inseason AMs), where possible, and correct or mitigate overages if they occur (reactive AMs). In addition to inseason AMs and reactive AMs, AMs may include area closures, changes in gear, changes in trip size or bag limits, reductions in effort, and other appropriate management controls for the fishery. 50 CFR § 600.310(g)(2) and (3). For fisheries without inseason management controls, AMs should include annual catch targets (ACTs) that are set below ACLs to reduce the risk that catches will exceed the ACLs. 74 Fed. Reg. 3178. The PFMC has not employed ACTs as part of a system AMs, but should consider their use for fisheries lacking effective inseason management controls.

Whenever possible, the groundfish FMP should include inseason monitoring and management measures to prevent catch from exceeding ACL. 50 CFR § 600.310(g)(2). If management information is not available to prevent ACLs from being exceeded within the current fishing season, AMs *must* be triggered and implemented as soon as possible to correct the operational issue that caused the ACL overage. 50 CFR § 600.310(g)(3). Annual review is necessary to determine if any ACL was exceeded: evaluation of performance and prompt management actions to address overages are required on an annual basis. 50 CFR § 600.310(g)(3). In some data-poor recreational fisheries, it may be appropriate to consider the use of a system of multiyear average ACLs and AMs based on achievement of a rolling average catch. 50 CFR § 600.310(g)(4). But NMFS intends that evaluation of moving average catch to the average ACL would be conducted annually and that AMs would be implemented if average catch exceeds the average ACL. 74 Fed. Reg. 3197. In addition, the ACL should be set conservatively in such cases to account for the clear management uncertainty inherent in such circumstances.

Councils are also instructed to adopt an ACL performance standard that triggers re-evaluation of the system of ACLs and AMs is working as intended. NMFS provides for some flexibility in the standard: the guidelines state that if the catch of a stock exceeds its ACL more than once in the last four years (i.e., more often than 25% of the time) then the system of ACLs and AMs requires modification, i.e., a lower ACL or improved AM. NMFS states that a more conservative standard could be adopted as deemed appropriate. 50 CFR § 600.310(g)(3). To date, we are not aware that the Pacific Council has adopted a formal ACL performance standard for any of its fisheries.

8. The Council, in consultation with the SSC and the regional science centers, should evaluate and include in the FMP any species or stocks not currently listed in the FMP that qualify as “stocks in the fishery,” based on a vulnerability analysis or other relevant information

Some species not currently listed in the groundfish FMP may be caught incidentally as bycatch and may be retained and sold or utilized at a level that merits inclusion as stocks in the fishery, while others may be identified by scientists as species of concern that merit monitoring and formal designation in the FMP as Ecosystem Consideration (EC) species. The revised National Standard guidelines define the scope of “stocks in a fishery” broadly to include non-target stocks caught incidentally during the pursuit of target stocks in a fishery, including regulatory discards as defined under the Magnuson-Stevens Act section 3(38). 50 CFR § 600.310(d)(4). These non-target stocks may or may not be retained for sale or personal use.

If non-target stocks occur in the fishery only occasionally and in small quantities, and if there is no reason to believe that the quantity of bycatch is biologically significant, based on the best scientific information available, then their inclusion would not be necessary. Determining when the bycatch mortality of non-target stocks is significant enough to merit inclusion as a stock in the fishery, however, is challenging in a data-limited environment where the risk of overfishing is uncertain. One alternative, if scientists are concerned but unsure, is to designate a non-target species as an Ecosystem Component Species (600.310(d)(5), assuming it fits the criteria for EC listing. That designation establishes the species as monitored stock in the fishery, subject to compliance with National Standard 9.

Knowing when a data-poor non-target species in the fishery observer data base should be reclassified as stocks in the fishery or when they merit classification as an EC species will require the best professional judgment of scientists using all the information available. A vulnerability analysis that assesses a stock's productivity and susceptibility to the fishery should be conducted for any species or stock identified as potentially at risk from fishing in order to determine if formal inclusion in the FMP is required.

Conclusion

The new overfishing requirements raise the bar considerably for fishery management performance, although additional technical guidance from the Fisheries Service is needed to support implementation. New agency guidance on methods of assessing the vulnerability of stocks is expected early this spring. In addition, we anticipate technical guidance on methods of establishing ABC control rules, including uncertainty buffers designed to be more conservative as a stock declines in abundance and as uncertainty increases. Finally, the NMFS should work with PFMC to develop methods of addressing ecological factors when setting ACLs to prevent overfishing and achieve optimum yield, including procedures for setting ACLs for forage fish stocks that preserve their role as prey in the ecosystem.

Sincerely,

Laura Pagano
Oceans Attorney
Natural Resources Defense Council
111 Sutter St., 20th Floor
San Francisco, CA 94104
(415) 875-6100

Ken Stump
Policy Director
Marine Fish Conservation Network
600 Pennsylvania Avenue, Suite 210
Washington D.C. 20003
(202) 543-5509

REVIEW OF IMPLEMENTING REGULATIONS FOR THE VESSEL MONITORING SYSTEM

Industry representatives have requested a presentation on the vessel monitoring system program (VMS) as it relates to participation and compliance with both the program and associated management regulations, such as the rockfish conservation area (RCA) boundaries. In particular, there have been questions about the enforcement of RCA boundaries and how determinations are made as to whether vessels are fishing, in transit, or hauling back. At the inception of the VMS program, the Council requested that the program have only very basic capabilities.

Given the improvements in equipment in the five years since implementation and changes in the management system (both past and anticipated changes), the Council may wish to consider whether the basic system works well enough or a process should be initiated for updating the VMS program to take advantage of new technologies and possibly increase industry flexibility? If the Council decides that consideration of a modification to the VMS system would be appropriate, it should be brought up when the Council does its workload planning under Agenda Item G.5.

Council Action:

Discussion.

Reference Materials:

None

Agenda Order:

- a. Agenda Item Overview
- b. NMFS Office of Law Enforcement Report
- c. Reports and Comments of Management Entities and Advisory Bodies
- d. Public Comment
- e. Council Discussion

Jim Seger
Dayna Matthews

PFMC
03/20/09

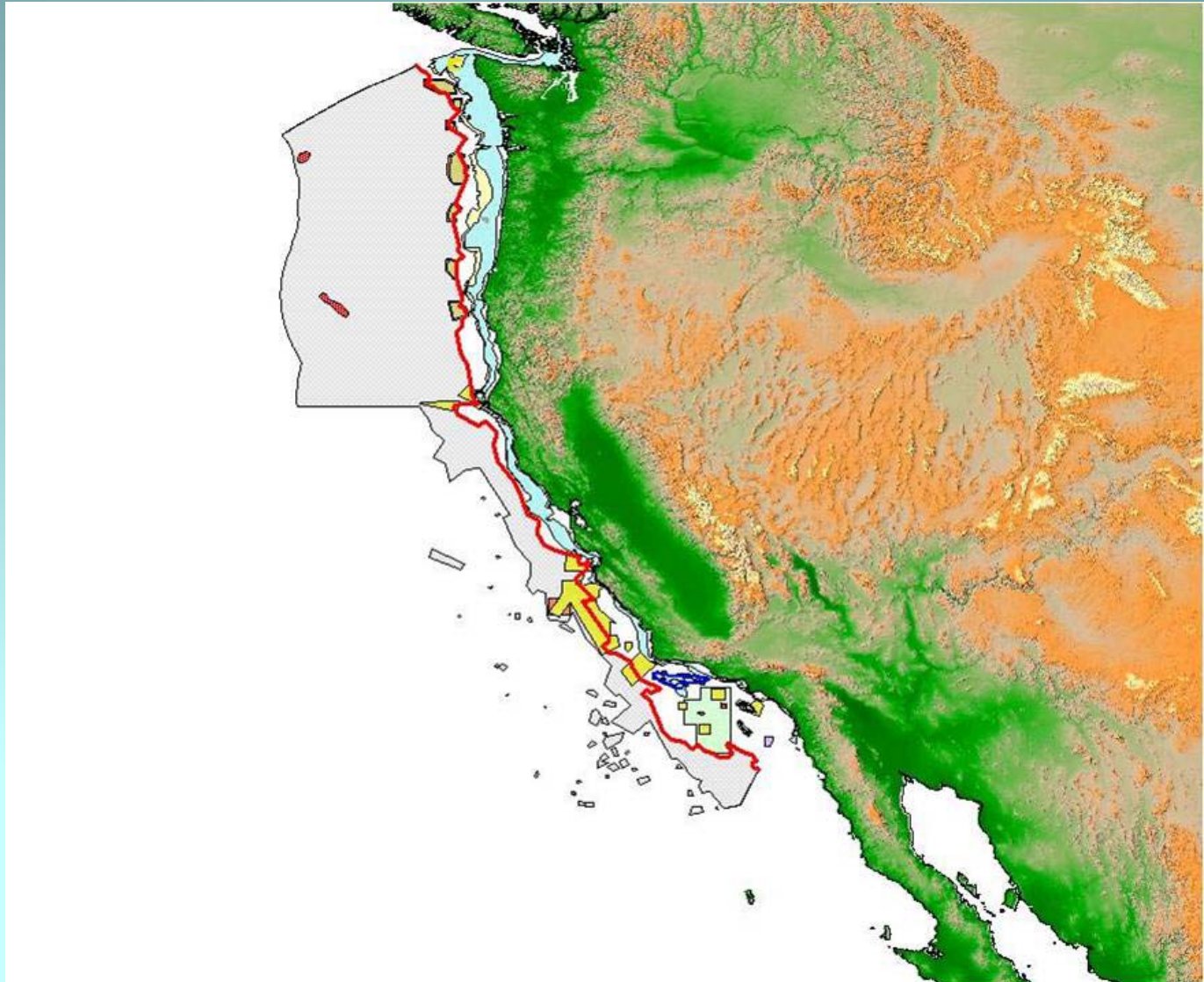
Presentation to the PFMC OLE Vessel Monitoring System (VMS)



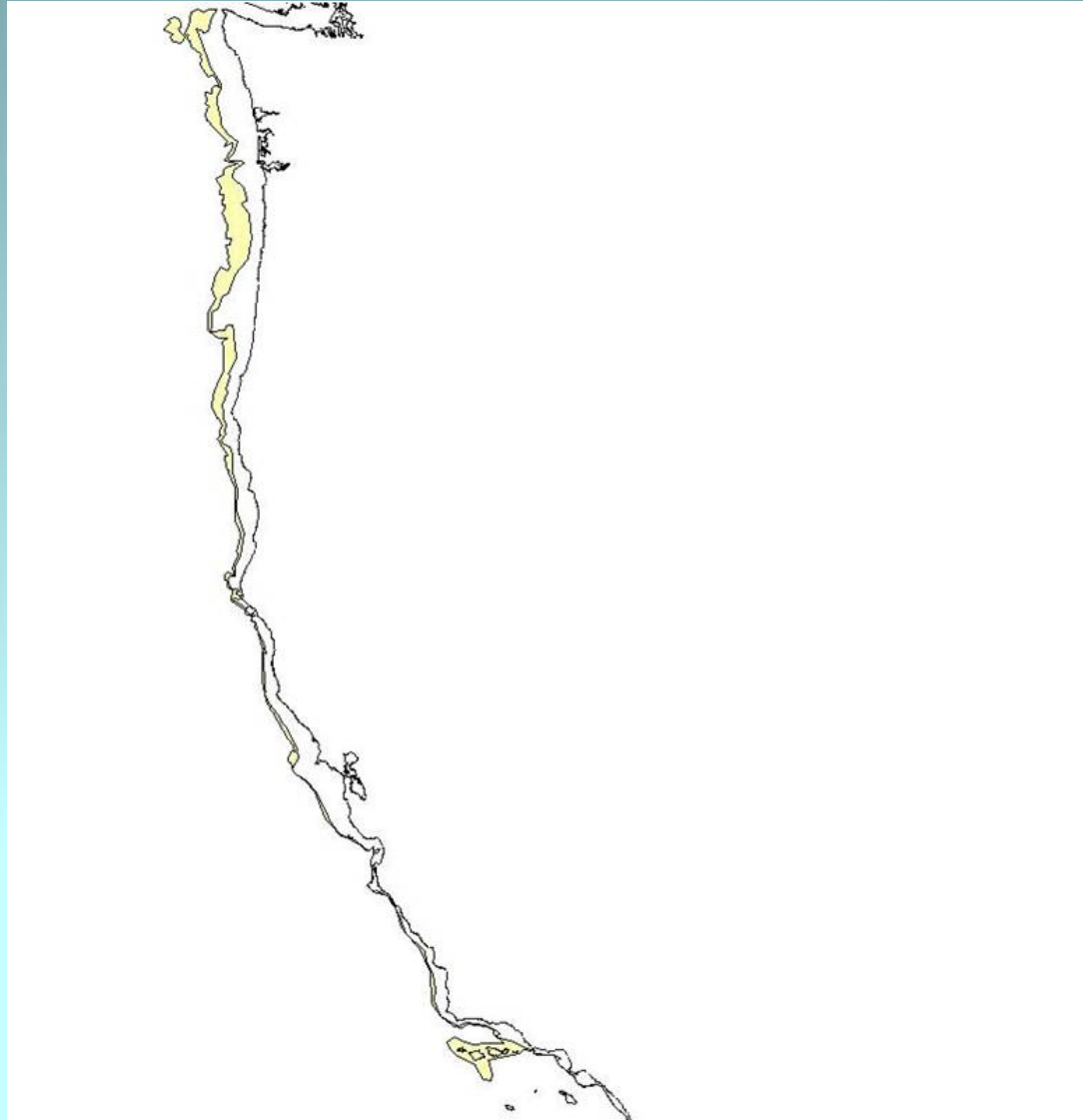
Beginning of VMS Program

- In 2003, the Pacific Fisheries Management Council (PFMC) began using depth-based management for commercial and recreational groundfish fishing in order to avoid harvest of overfished groundfish species.
- Depth-based management can be difficult to enforce with limited at-sea patrolling capabilities. In order to address this problem, Fisheries managers implemented VMS
- The initial fleet monitored by NOAA Fisheries Office of Law Enforcement (OLE), was Limited Entry Permitted (LEP) Vessels. This fleet initially totaled about 350 vessels

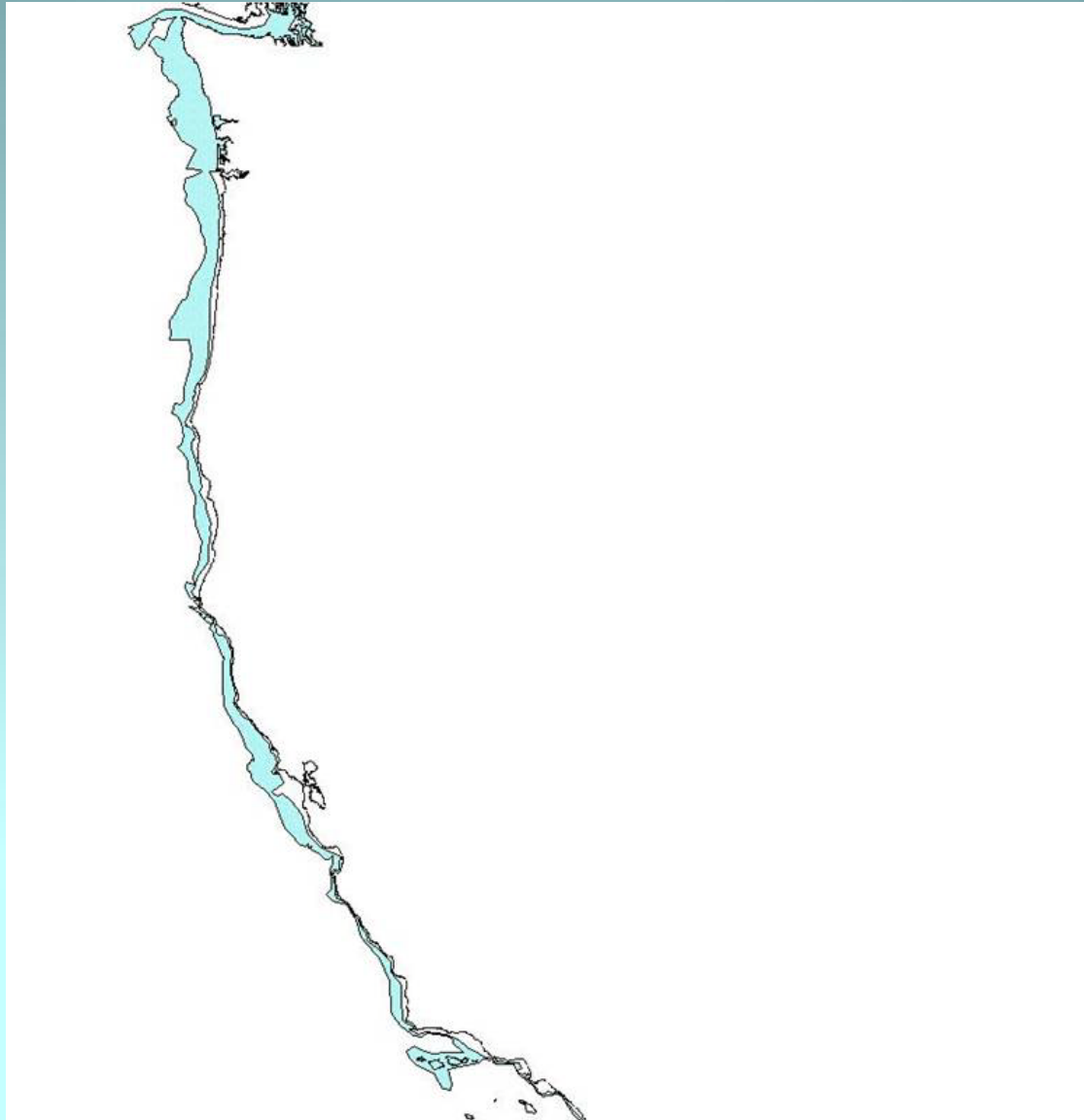
West Coast Conservation Areas



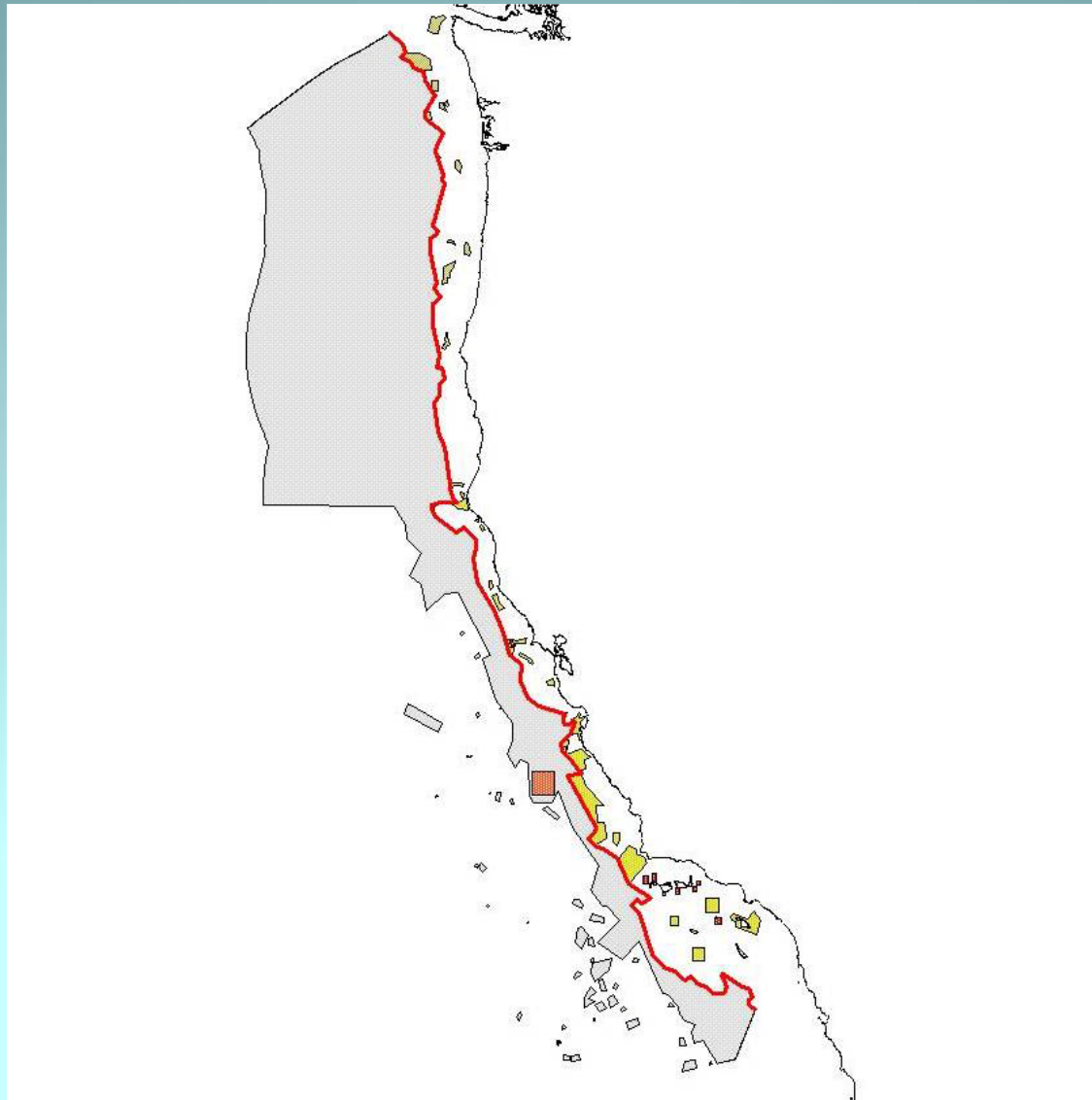
Trawl RCA



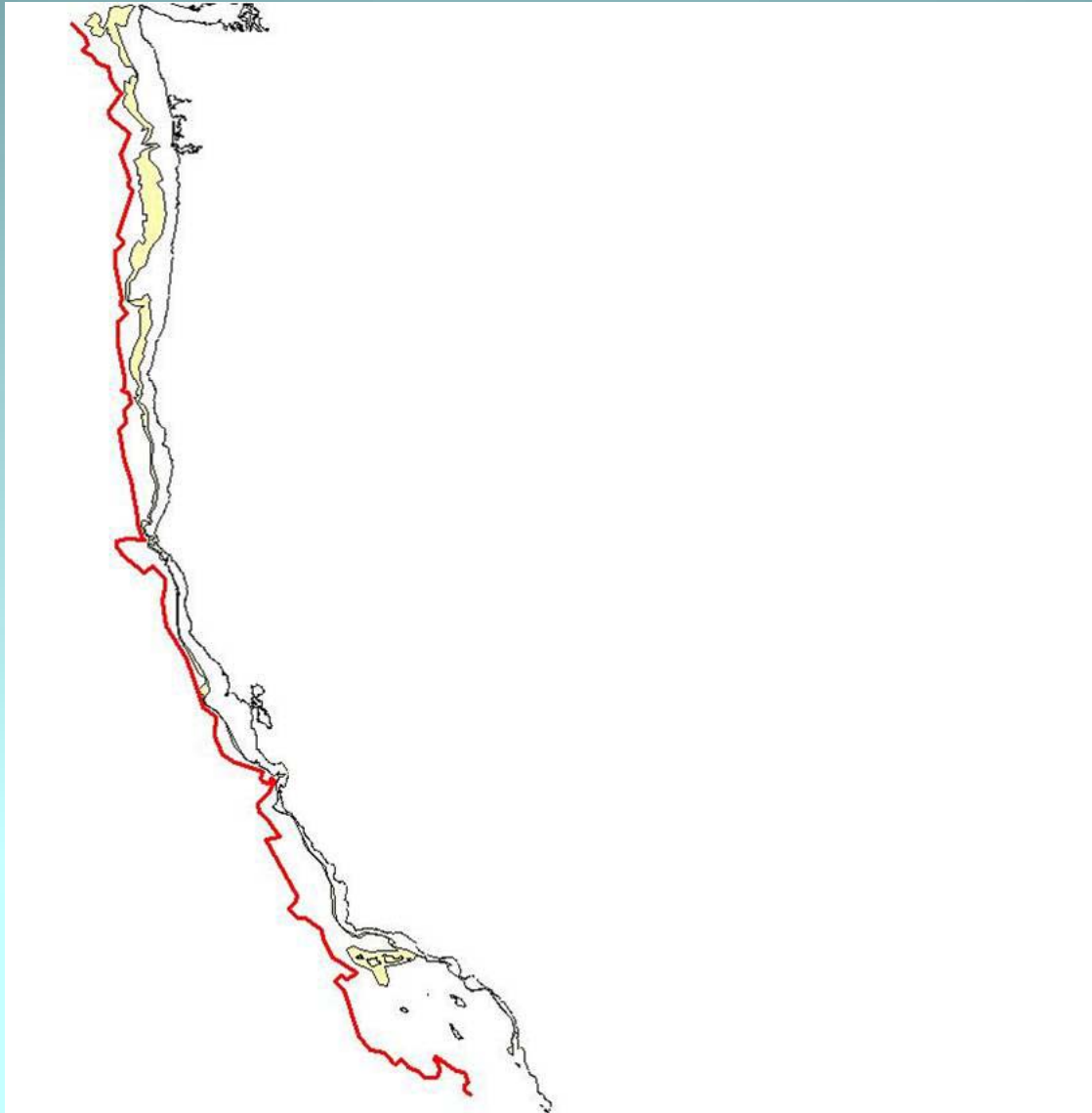
Non Trawl



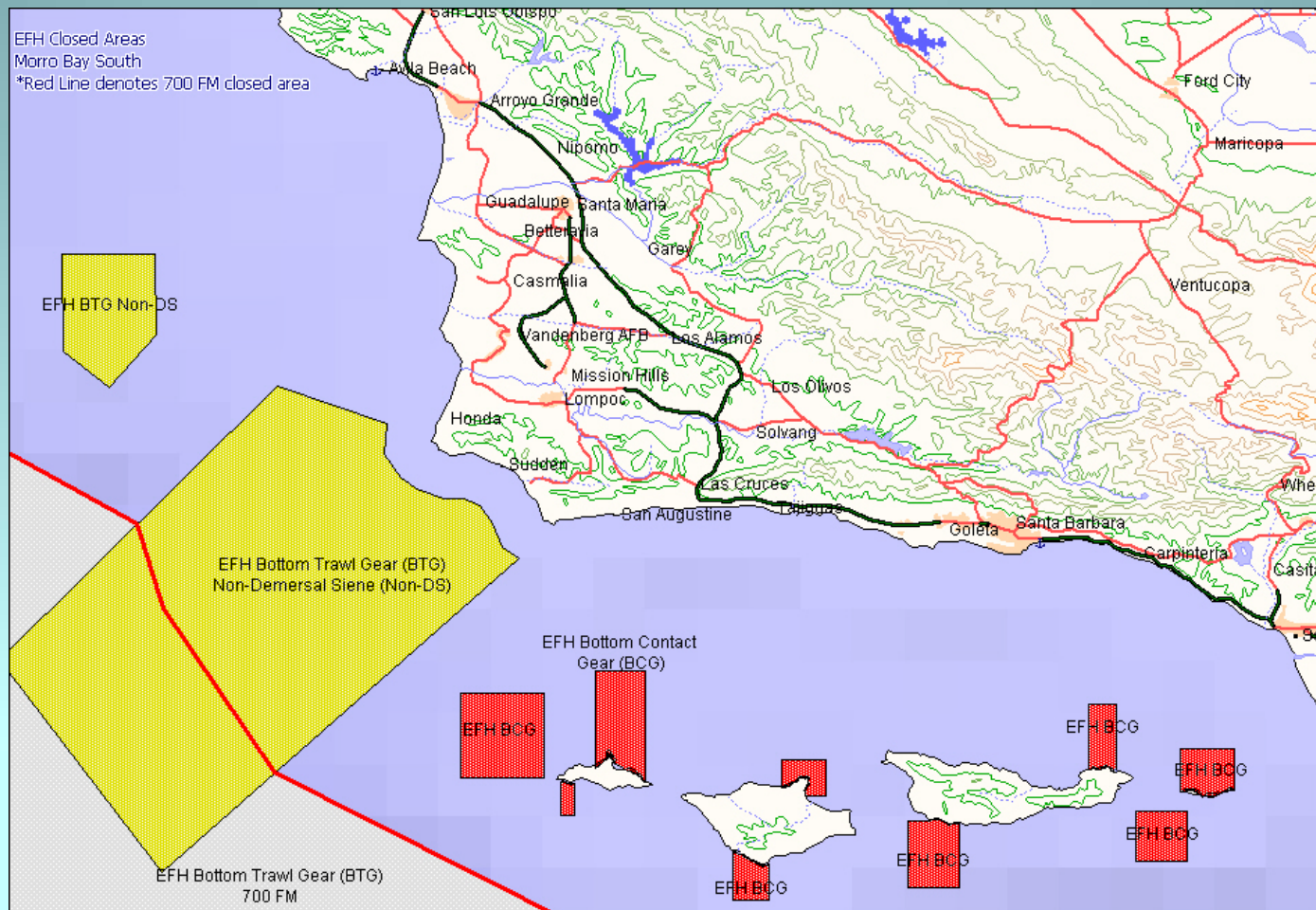
EFH Areas



Trawl RCA and EFH 700FM Line



Channel Islands EFH Areas



Beginning of VMS Program Notification of Fleet

- In order to properly notify operators of LEP Vessels about the VMS regulations that would become effective on January 1, 2004, OLE mailed an information package to each LE Permit owner and holder.
- The informational Package included a letter describing the VMS regulations and a copy of the small business compliance guide for the new VMS regulations.

Compliance Guide Example



*National Oceanic and Atmospheric
Administration
National Marine Fisheries Service*

Compliance Guide for the Pacific Coast Groundfish Fishery **Vessel Monitoring Program**



Compliance Guide Example

COMMONLY ASKED QUESTIONS

Vessel Monitoring Systems (VMS)

- Q: Who is required to have VMS?
- Q: Does a non-trawl vessel that is not registered to a limited entry groundfish permit need to have VMS if the vessel is used to fish in state waters and only transits through Federal waters with groundfish onboard?
- Q: Does a non-trawl vessel that is not registered to a limited entry groundfish permit need to have VMS to fish in both state and federal waters on the same trip when only groundfish from state waters are retained?
- Q: Which VMS units and communications service providers can I use?
- Q: What are the vessel owner's responsibilities?
- Q: What if VMS transmissions are interrupted?
- Q: Who pays for the costs associated with VMS?
- Q: Can a VMS transceiver unit be registered to more than one vessel at the same time?
- Q: Can I have a back-up VMS transceiver unit certified and ready to go if the first unit fails?
- Q: What is an activation report?
- Q: How do I submit an activation report?

Compliance Guide Example

COMMONLY ASKED QUESTIONS

Vessel Monitoring Systems (VMS)

- Q: Do I need to send a new activation report following reinstallation of a VMS unit or change in service provider?
- Q: Who must send declaration reports?
- Q: What information is included in a declaration report?
- Q: When are declaration reports required?
- Q: How long are declaration reports valid?
- Q: When do I revise a declaration report?
- Q: How do I submit a declaration report?
- Q: With a phone-in system, what proof will I have that I sent a declaration report?
- Q: Can more than one gear type be declared in a single declaration report?
- Q: Can I get an exemption from the VMS requirement?
- Q: How do I submit or cancel an exemption report?
- Q: When do I submit an exemption report?
- Q: How long is an exemption report valid?
- Q: What are the regulatory provisions regarding transiting GCAs and who is affected by them?

Compliance Guide Example

Contact Information

Vessel Monitoring Systems (VMS)

VMS transceiver unit installation or operation, declaration reports, or enforcement questions:
NMFS Office of Law Enforcement (NMFS OLE) 206-526-6133
http://www.nmfs.noaa.gov/ole/nw_northwest.html

Phone-in System for declaration reports, installation/activation, and exemption reports:
1-888-585-5518

VMS Reimbursement Program - Pacific States Marine Fishery Commission 503-595-3100
www.psmfc.org

Regulatory questions: Groundfish Branch NMFS, Northwest Region
206-526-6140
www.nwr.noaa.gov

Click on "Groundfish & Halibut", "Groundfish Fishery Management", and then on "Vessel Monitoring System"

National Oceanic and Atmospheric Administration
National Marine Fisheries Service
Northwest Region
7600 Sand Point Way NE
Seattle, WA 98115
www.nwr.noaa.gov

Why VMS is valid

- The Global Positioning System (GPS) is a U.S. space-based radio navigation system that provides reliable positioning, navigation, and timing services to civilian users on a continuous worldwide basis -- freely available to all. For anyone with a GPS receiver, the system will provide location and time. GPS provides accurate location and time information for an unlimited number of people in all weather, day and night, anywhere in the world. – from gps.gov
- What do modern vessels use for navigation? GPS
- What does VMS use to capture position reports? GPS
- Since 1993, GPS has become a widely used navigational aide worldwide.

Beginning of RCA / VMS Program Limited Entry Permitted Vessels Year 1 and 2

- During the first two years of the VMS program OLE placed a large emphasis on education and outreach.
- Staffing was limited in these first two years, with only one VMS tech on staff. Four VMS techs are currently on staff.
- Trouble shooting the system was the priority.
- As a result, the number of cases that were initiated in years 1 and 2 of the program were limited.
 - NW – 17 cases
 - SW – 3 cases

Beginning of RCA / VMS Program Issues Encountered

During the initial rollout of the VMS program OLE encountered the following technical issues.

- VMS self installs: Issues encountered with VMS self installs included;
 - Location of Antennas
 - Poor power to the VMS units
 - Cables and connectors not properly secured or made water resistant.

Open Access VMS

- Council adoption of preferred alternative November 2005
- OLE / NWR outreach Spring 2006
- OLE Agents hold town meetings fall 2007
- Program effective January 1, 2008
- Continued Outreach and Education
 - WA/OR
 - all commercial OA vessels who landed groundfish in 2008 were contacted by either OLE or state officers regarding VMS requirements in the fall of 2008.
 - CA
 - SWD will be posting informational posters at marina kiosks, boat ramps, gear stores, fuel docks and harbor offices at principle ports.
 - SWD will be contacting specific vessels from list of potential fishers and leave an informational flier on the vessel or with the operator or crew.
- Current number of OA vessels with registered VMS units 590

VMS Fleet as of March 2009

Vessel Data

- Fleet
 - Total Fleet 877 Vessels
 - Open Access 590 Vessels
 - LEP Vessels 287
- Fleet size by State
 - AK - 25
 - WA - 168
 - OR - 300
 - CA – 384
- Fleet size by location
 - North of 40-10 - 549
 - South of 40-10 – 328

RCA/VMS Case Process

- VMS Technician and Special Agents monitor conservation areas for possible incursions that appear to have merit.
- Special Agent begins investigative process and develops case package if warranted.
- Special Agent submits case package to ASAC for review.
- Upon review, case package sent to GCEL.
- GCEL reviews case package and determines/issues a disposition.
- OLE Special Agents make cases on the totality of information available.
 - VMS Data and Images
 - Vessel Declaration Information
 - Permit Information
 - Logbook Data
 - Fish Ticket Data
 - Interview with Skipper

VMS Cases Statistics

Data in the Law Enforcement Database is grouped in the following ways.

- **Incident:** Any information received which may or may not result in a investigation.
- **Count:** Each specific and separate violation. *(may include RCA incursions, declaration violation, no VMS, powering off, lying to a Federal Agent, gear violations, trip limit violations, etc.)*
- **Case:** An investigation initiated in response to an incident *(may involved multiple counts)*.
- **Disposition:** Outcome of a case as determined by GCEL.

RCA / VMS Cases
Northwest/Southwest Statistics
1/1/2004 – 03/03/2009

NW Division VMS Statistics

- *Incidents:* **392**
- *Counts:* **803**
- *Cases:* **179**

SW Division VMS Statistics

- *Incidents:* **213**
- *Counts:* **386**
- *Cases:* **95**

RCA / VMS Cases
Northwest Division Statistics
1/1/2004 – 03/03/2009

- **Disposition of Counts:**

- Closed/Written or Verbal Warning Issued – **618 counts**
- Summary Settlement issued – **9 counts**
- OLE Open Counts – **105** **Comprised of 9 cases*
- GCEL Open Counts – **19** **Comprised of 9 cases*
- GCEL Settled Counts – **52** **Comprised of 12 cases*

- **Total NOVAs Assessed: \$863,037**
- **Total Final Settlements: \$246,293**

RCA / VMS Cases
NW Statistics
1/1/2004 – 03/03/2009

Case Adjudication Dates as Determined by GCEL

04/21/2006 – *Settlement agreement signed*

11/17/2006 – *NOVA Paid*

12/04/2006 – *NOVA on time payments*

12/06/2007 – *NOVA Paid*

02/12/2008 – *NOVA Paid*

02/19/2009 – *NOVA Paid*

03/18/2008 – *NOVA Paid*

09/02/2008 – *NOVA Paid*

09/25/2008 – *NOVA Paid*

10/27/2008 – *NOVA Paid*

01/20/2009 – *NOVA Paid*

02/05/2009 – *NOVA Paid*

RCA / VMS Cases
Southwest Division Statistics
1/1/2004 – 03/03/2009

- **Disposition of Counts:**

- Closed/Written or Verbal Warning Issued – **221 counts**
- OLE Open Counts – **73** **Comprised of 14 cases*
- GCEL Open Counts – **79** **Comprised of 17 cases*
- GCEL Settled Counts – **13** **Comprised of 5 cases*

- **Total NOVAs Assessed:** **\$186, 547**
- **Total Final Settlements:** **\$ 44,750**

RCA / VMS Cases
SW Statistics
1/1/2004 – 03/03/2009

Case Adjudication Dates as Determined by GCEL

01/07/2009 – *NOVA Paid*

04/30/2007 – *NOVA Paid*

07/17/2008 – *NOVA Paid*

01/20/2009 – *NOVA Paid*

08/28/2008 – *NOVA Paid*

Case Summary – West Coast Wide

01/01/2004 – 03/03/2009

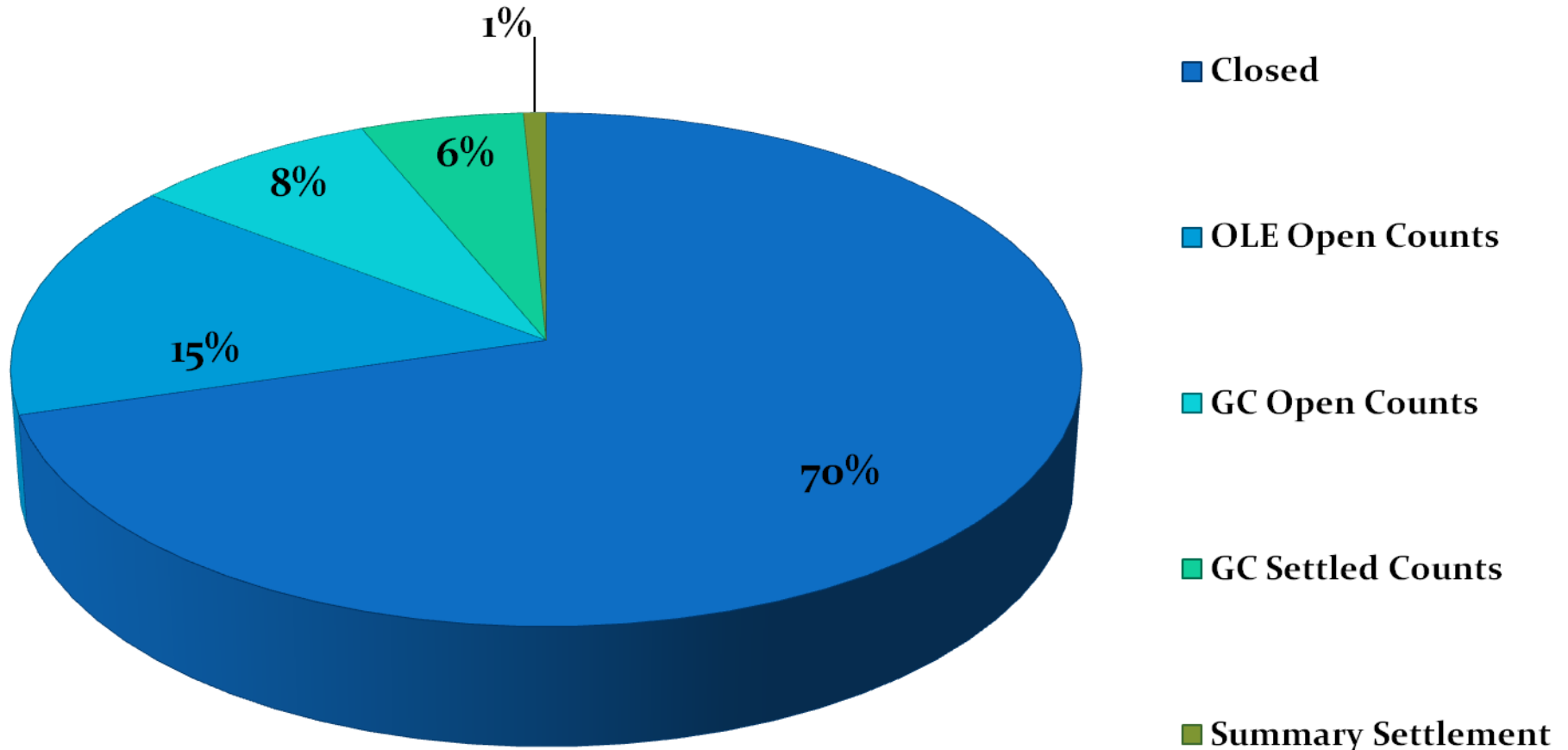
- OLE Open Cases - **23**
- GCEL Open Cases – **26**
- OLE Summary Settlements - **9**
- GCEL Settled Cases – **17**

- ***Total Assessed*** **\$1,049,584**
- ***Total Settlements*** **\$291,043**
- ***Average settlement*** **\$17,120**

- *Agents and VMS Techs have noted a marked improvement in Conservation Area compliance in recent months.*

VMS West Coast Wide

1182 counts



VMS Compliance and VMS Operation

What can vessel operators do to better comply with VMS regulations?

- Keep updated Conservation Area points on plotter
- Keep VMS unit maintained and operating properly.
- Post a watch at night to avoid drifting into a Conservation Area.
- Call OLE and self report if there is an issue relative to a Conservation Area.
(self reporting does not insulate individual from potential liability of alleged violation)
- Fill out logbook accurately and contemporaneously (not later based on recollection).
- Subscribe to the NWR Groundfish E-mail Group
- Monitor VMS unit operational status on VMS manufacturer web site
- After installation or replacement of new unit, confirm OLE is receiving the required data.

VMS Compliance and VMS Operation

- Maintain vessel electrical system:
 - Clean power is necessary on board the vessel.
 - Battery capacity should be sufficient to power the VMS unit and vessel electrics.
 - Vessel should have adequate capability to recharge the batteries.
 - Optimal battery configurations is two batteries per vessel.
 - One battery for vessel electrics.
 - One battery for VMS unit.
 - (Separate batteries with an isolator circuit)

What can Vessels Owners do to better comply with VMS and RCA Requirements

- Maintain good communication with vessel operator. Require operator to notify owner of any contact with law enforcement
- Ensure the RCA coordinates are updated routinely in the vessels GPS and Chart Plotter systems
- Require operator to update log book entries in real time
- Track vessel's RCA / VMS fishing operations on the internet.

Pilot Projects

- Sensor unit:
 - The Oregon Trawl Commission is working with a VMS manufacturer to develop a gear sensor package that with approval may be integrated with the VMS unit.
 - The gear sensor package may provide data that may be able to show the fishing state of a vessel at sea.
 - ***When and if*** this package becomes available, and ***if cost effective***, the gear sensor data may provide enough information to better determine vessel activity relative to closed area incursions.

ENFORCEMENT CONSULTANTS REPORT ON REVIEW OF IMPLEMENTING REGULATIONS FOR THE VESSEL MONITORING SYSTEM

The Enforcement Consultants (EC) met with the Groundfish Advisory Subpanel (GAP) and discussed their concerns over enforcement of Vessel Monitoring System (VMS) regulations. The EC reviewed the GAP statement related to F.8.c, report on review of implementing regulations for the VMS. While NOAA, Office for Law Enforcement (OLE), has provided their perspective, the EC wishes to comment on specifics related to the GAP statement.

Fine amounts based on the egregiousness of the violations: The GAP's statement indicates large fines have been levied for "what could be termed as minor violations". The State Officer or NOAA Agent conduct the investigation on VMS incidents and submits case packages to NOAA Office of General Council Enforcement and Litigation (GCEL). Notices of Violation and Assessment (NOVA's) are issued by the NOAA GCEL, not investigators.

Due to legal constraints and our respect for confidentiality, our ability to provide details in a public forum related to specific case is limited. Like the late Paul Harvey used to say "and now.....the rest of the story". Per NOAA OLE's presentation and statistics related to this issue, of all violation counts investigated, 7 percent have been settled by NOVA or Summary Settlement. In other words, 93 percent of the counts have been cleared with no formal action. If the Council wants more detail, we would be happy to provide information related to specific instances in a closed session.

Stacking of separate incidents into a single case investigation, to include inadvertent incursions in order to build larger cases. As demonstrated by the numbers of cases that were not acted upon, law enforcement engages in an evaluation process to determine if an incursion was related to extenuating circumstances. There are times when Rockfish Conservation Area (RCA) incursions were valid, but a declaration was not made. Other VMS cases did not start out that way, but were secondary to other violation investigations. Our intent is not to stack charges to ensure that weak cases gain strength by marrying them with stronger cases, but to show a pattern that identifies the egregious offender.

Timeliness of notifications for violations and Failure to notify owner of vessel. The EC understands that there is frustration related to lack of notification to owners when an investigation begins. Part of this frustration is tied to owner liability for the actions of their employees. An assumption is made by investigators that if an operator is contacted by law enforcement, he understands he is being investigated. Also, it is assumed that some level of communication is occurring between the operator and owner. Our understanding is that this is not always the case. Depending on timing, notification can jeopardize the investigation itself. So while the EC is willing to consider ways in which to enhance notification, the integrity of the investigation must always be considered. With State partners coming on line with regard to more involvement in VMS enforcement, those additional enforcement resources should help with the timeliness issue.

Analyzing better technology such as higher ping rates: The EC concurs with the GAP, that advances in technology should always be considered and incorporated when cost effective. Beyond the recommendations made by the GAP, improvements in electronic log book reporting would help provide a long-term and accurate real-time record where all parties involved in fishing, fish management and fisheries enforcement could benefit. At the inception of the program, concerns that ping rates at one hour intervals may not be adequate to meet industry and management requirements in articulating fishing vessel activity were raised. The decision that was made was a function of cost. The Council may want to revisit that decision. We wish to make it clear, though, that investigative conclusions are made on the totality of the investigative information and not ping rates alone.

RCA transit rules that deal with baiting and gear stowage while transiting a RCA by vessels that use long line gear. This issue was vetted during VMS program development. No other alternatives have been thus far offered to allow this kind of activity and ensure the enforceability of the RCA program.

Can Enforcement provide charts with RCA lines to fishermen? Can a graphic description of the RCAs be put on a website, coordinates are not user friendly. The EC believes that the groundfish industry is made up of professional fishermen, and have a number of expectations, to include: that the fisherman knows the regulations associated with his fishery and that he is always aware of his location. The EC experienced one situation where the vessel operator told the investigator that he had not updated his chart plotter in five years. It is the responsibility of the agency to provide the regulations, but the fisherman has responsibility to ensure that he is properly equipped and knowledgeable to ensure compliance with those regulations.

Anecdotal evidence suggests sporadic compliance due to the nature of the open access fleet. They want a simple call in procedure to report when they leave a fishery for an extended time. A procedure similar to this already exists. Fishermen leaving the Exclusive Economic Zone (EEZ) or hauling out for more than 7 days simply need to call in. Fishermen leaving the fishery for the remainder of the year need to provide OLE with a letter signed by the vessel owner.

The Council and industry asked for and received a low cost basic VMS / RCA program that after six years has demonstrated a high degree of industry compliance. This has been delivered to provide the groundfish industry with a valued harvest opportunity while protecting over-fished species. Hopefully, these protections will allow species rebuilding so that all might benefit from this valuable public resource. The EC is committed to working with both industry and the Council to improve the VMS system and enhance communication.

PFMC
04/09/09

GROUND FISH ADVISORY SUBPANEL REPORT ON REVIEW OF IMPLEMENTING REGULATIONS FOR THE VESSEL MONITORING SYSTEM

The Groundfish Advisory Subpanel (GAP) received a report from Mr. Dayna Matthews in regards to incursions and violations in Rockfish Conservation Areas. The GAP highlighted several major concerns and also discussed potential solutions. The GAP notes that seemingly egregious fines have been imposed for what could be termed as minor violations.

The GAP is also concerned with the timeliness of notifications for violations. Anecdotal evidence suggests that notifications of violations and fines have sometimes come as much as four years after the alleged incidents. That time lag makes it difficult for fishermen to provide a potential explanation or defense for the incursion or violation as details of the event fade. Consequently, the accused frequently has no choice but to settle on the fine levied or stipulate to some other penalty decided in the arbitration process. In addition, separate incidents are often packaged together into single cases raising similar questions regarding the ability of the accused to mount an adequate defense.

Continuing on the subject of notification, the GAP feels that notification should occur promptly after the first incident, and that vessel owners should be included in the notification as they are typically the party responsible for covering any fines levied. The GAP feels that sometimes notification is delayed while agents build bigger cases based on continued inadvertent incursions into the Rockfish Conservation Areas (RCAs). The GAP also feels that vessel owners should be notified because the skippers might be reluctant to disclose the notice of violation, and requiring vessel owners to check tow lines and plots for every day of fishing might be onerous.

The GAP believes that there are many possible explanations for behavior that might appear to be in violation of RCA transit rules. Such explanations include entering the RCA for safety reasons, breakdowns, and rough weather among others. The GAP feels that new technology should be analyzed to determine whether finer detail might aid Office of Law Enforcement (OLE) in determining when an actual fishing violation is occurring. Some of this technology is already available and should be used to help clarify when fishing actually is and is not occurring in the RCAs. Additionally, in the case of long line gear, the GAP requests changes to the regulations that would clarify that baiting of hooks on the way out and stowing gear on the way in would not be a violation of RCA transit rules.

The GAP wonders whether enforcement could provide charts with RCA lines as not all fishermen have plotters. The GAP also wonders whether a graphic depiction could be placed on the website as the coordinates available now are not user friendly.

The GAP feels that the Vessel Monitoring System (VMS) system imposed on the open access fleet should also be examined to determine the effectiveness and the cost benefit ratio in that fishery. Anecdotal evidence suggests sporadic compliance due to the nature of the open access fleet (i.e. small, low powered vessels, intermittent vessel usage and seasonal shifting to other fisheries). The GAP feels that a simple call in procedure should be made available for vessels that leave the fishery for an extended time.

Based on these concerns, the GAP feels that some formal discussion is warranted by the Council. The GAP recommends establishing an ad hoc committee to continue these discussions in order to make VMS both more effective and less burdensome on fishermen.



January 20, 2009

Mr. Don Hansen, Chairman
Pacific Fishery Management Council
7700 NE Ambassador Place
Suite 101
Portland, OR 97220

Dear Mr. Chairman:

When the Council approved a vessel monitoring system (VMS) for the west coast trawl groundfish fleet, many of us supported it – though in some cases reluctantly – because we believed it would allow access to healthy fish stocks while allowing less robust stocks to rebuild. While this has happened to a certain extent, permit holders are now finding several problems with the way the VMS program is being implemented and enforced.

First, the level of fines imposed for even minor infractions including, in some cases, inadvertent or unavoidable incursions into the Rockfish Conservation Area (RCA) can be excessive. Enclosed is a copy of 50CFR Part 660 Subpart G which outlines penalty action which may be taken or is mandated for West Coast groundfish fishery violations. This information has not been widely communicated to the fishing industry and it comes as a shock to permit holders when large monetary sanctions are suddenly issued. Some permit holders have received summary judgment statements for \$20,000 to \$70,000. The non-whiting trawl groundfish fleet has mean gross revenue of around \$225,000. Penalties of this magnitude are devastating.

Second, no distinction seems to be made between presence in the RCA and fishing in the RCA. A vessel transiting at slow speed or blown into the RCA while trying to retrieve fouled gear is treated the same as a vessel illegally fishing. In spite of assurances given by NOAA Enforcement at the time the VMS was established, no real-time method exists to notify NMFS of operational problems.

Third, enforcement needs to be timelier, especially when an incursion is documented by NMFS but is unknown to the permit holder or vessel operator. The VMS unit provides only time and vessel position; enforcement officers infer from these readings whether they believe a vessel is fishing rather than transiting. The subsequent investigation of fish tickets and vessel logs can occur months after the event is documented. Some permit holders have received notice of violations 12 months to as much as four years after the fact. At that point, details of weather, mechanical issues, ship-board problems, etc. may no longer be available and an innocent operator can offer no justification for otherwise defensible actions.

These are just some of the issues that have been discussed among the fleet in recent months; there are no doubt others. Regardless, it is time for some Council oversight of what they have created and some cooperative solutions.

In the past, the Council's Groundfish Advisory Subpanel and Enforcement Consultants have met jointly to discuss problems from industry and enforcement perspectives. Such a meeting has not been held for some time and it is overdue. The Council should direct the two advisory bodies to have such a meeting.

Once there has been some communication and open discussion and the advisory bodies have presented any necessary reports, the Council should schedule time to review how the system is working and suggest modifications to NMFS.

Violations should not be taken lightly. Neither should the legal concept of "innocent until proven guilty." The issues raised here need further airing in a public forum. We must explore ways to improve the reporting and enforcement system and answer the question: "is it working or will monetary penalties force fishermen out of business?" The question is being asked by good, conscientious fishermen and vessel owners - not by people attempting to gain from violations of fisheries regulations.

Sincerely,

Peter Leipzig
Executive Director

Fishermen's Marketing Association

Brad Pettinger
Director

Oregon Trawl Commission

Ancillary G
GAP Agenda
Item F.8
Review of VMS Implementation Regulations.

John Law
2795 Massachusetts Ave.
Lemon Grove, CA. 91945
(858) 414 9731
Wildwestjl@yahoo.com
CA. DFG F/V WILDWEST #36207

Council members, Please consider the following material to be open public comment on Item F. 8 Review of VMS Implementation Regulations.

The councils recent decision to create a simple registration process for vessels participating in the open access sector of the groundfish fishery has raised many questions amongst local fishermen. Many who have never fished groundfish are now anxious to sign up for the fishery. Most thought that they would never be able to participate because of past control dates. My feeling is that the number of vessels signing up to participate will be on the increase.

I am asking the council to require ALL groundfish vessels that take groundfish, other than the nearshore group, be required to maintain an active VMS system.

Along the San Diego coast we have a large canyon that provides the opportunity to take SHELF rockfish and Bocaccio rockfish within 100 yards of the surfline near Scripps Pier. The 60 Fathom depth contour line runs within one mile of the shore and does not take into account the small finger canyons. Because of the steep dropoff, non-VMS vessels can fish undetected over the Federal line in waters up to 80 fathoms deep without going outside the three mile zone. A common scenario in this area is to use a small sportfishing style skiff that is licensed commercially to engage in the take of multiple sport limits of vermilion rockfish. When safely ashore, the vessel owner sells the catch using his commercial license. In addition, the close proximity to Mexican waters provides opportunities for Mexican caught fish to be sold under the authority of a commercial license.

If all vessels landing shelf, slope and sablefish were required to have a permit and an active VMS, this problem would be stopped immediately. Mandatory VMS systems would be better than any other type of permit process and the number of vessels registering for a groundfish permit in all of Southern California would drop significantly.

Conversations with NMFS enforcement agents have convinced me that the only way to stop illegal groundfish take is to use VMS on all groundfish vessels.

Respectfully,
John Law

STATE CAPITOL
Room 3120
SACRAMENTO, CA 95814
(916) 319-2006
FAX (916) 319-2106

DISTRICT OFFICE
3501 Civic Center Drive
Suite 412
San Rafael, CA 94903
(415) 479-4920
FAX (415) 479-2123

CALIFORNIA LEGISLATURE



Jared Huffman
ASSEMBLYMEMBER, 6TH DISTRICT

CHAIR, Water Parks and Wildlife

COMMITTEES
Natural Resources
Utilities & Commerce
Assembly Budget Committee
Subcommittee No. 3 on
Resources

April 7, 2009

Don Hansen
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 101
Portland, OR 97229-1384

Dear Chairman Hansen:

I am pleased that the agenda for the April 9th meeting of the Pacific Fishery Management Council includes time to consider an exception for the Vessel Monitoring System for deeper near shore rock fishermen operating out of the Port of Bolinas. Andrew Kleinberg, Josh Churchman, and Jeremy Dierks, the only deeper near shore rock fishermen operating out of the Port of Bolinas, are requesting an exemption from the Vessel Monitoring System (VMS) requirement for the Port of Bolinas for unique reasons.

These fishermen operate small fishing businesses using rod and reel off 20 foot boats that are moored in a protected marine sanctuary where there is no power source. They must cross federal water in order to fish in allowable state waters near the Farallone Islands. When they travel back to Bolinas, they cross federal waters with fish on board and must have a VMS.

The VMS unit will draw down any battery in a week. The cost to replace batteries coupled with monthly fees and associated costs to maintain the VMS for the several hundred pounds of fish that they are permitted to catch does not make financial sense.

Bolinas fishermen have supplied the local community with rockfish for the last hundred years. While it is important to prevent over-fishing and maintain a good supply of rockfish, we also need to protect small fishing operations like this from going extinct.

The permit restrictions are designed for bigger fishing businesses and should be re-evaluated in this case. Consideration of an exemption, on a case by case basis, for small boats under 25 feet in length that are moored in areas where there is no power source and which must cross federal water to fish in allowable state water seems reasonable. Thank you for considering their request.

Sincerely,

A handwritten signature in black ink, appearing to read "Jared Huffman", written over a horizontal line.

JARED HUFFMAN
Assemblymember, 6th District

STATE CAPITOL
Room 4139
SACRAMENTO, CA 95814
(916) 319-2006
FAX (916) 319-2106

DISTRICT OFFICE
3501 Civic Center Drive
Suite 412
San Rafael, CA 94903
(415) 479-4920
FAX (415) 479-2123

CALIFORNIA LEGISLATURE



Jared Huffman
ASSEMBLYMEMBER, 6TH DISTRICT

CHAIR, Environmental Safety &
Toxic Materials Committee

COMMITTEES
Appropriations
Utilities and Commerce
Water Parks and Wildlife

November 4, 2008

Don Hansen
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 101
Portland, OR 97229-1384

Dear Chairman Hansen:

I am writing on behalf of Andrew Kleinberg, Josh Churchman, and Jeremy Dierks, the only deeper near shore rock fishermen operating out of the Port of Bolinas. They request the following topic be placed on the March 2009 Pacific Fishery Management Council agenda: Consideration of an exemption from the Vessel Monitoring System (VMS) requirement for the Port of Bolinas.

While it is important to prevent over-fishing and maintain a good supply of rockfish, these fishermen operate small fishing businesses using rod and reel off 20 foot boats, and they are caught in the middle of permit restrictions designed for bigger fishing businesses.

Kleinberg, Churchman, and Dierks must cross federal waters in order to reach allowable fishing in state waters near the Farallone Islands. When they travel back to Bolinas, they cross federal waters with fish on board and must have a VMS. Further complicating matters, the boats are moored off-shore in Bolinas Lagoon which is a protected marine sanctuary where there is no access to any shore power source. The VMS unit will draw down any battery in a week. The cost to replace batteries coupled with monthly fees and associated costs to maintain the VMS for the several hundred pounds of fish that they are permitted to catch does not make financial sense. These small fisherman are simply going extinct.

Up until the VMS law came into effect, Bolinas supplied the local community with rockfish for the last hundred years. Consideration of an exemption, on a case by case basis, for small boats under 25 feet in length that are moored in areas where there is no power source and which must cross federal water to fish in allowable state water seems reasonable. I hope you will pay close attention to their request.

Sincerely,

A handwritten signature in black ink, appearing to read "Jared Huffman", written over a horizontal line.

JARED HUFFMAN
Assemblyman, 6th District



April 3, 2009

Don Hansen
Pacific Fishery Management Council
7700 NE Ambassador Place, Suite 101
Portland, OR 97229-1384

RE: Exemption from Vessel Monitoring System requirements for small fishing operations

Dear Chairman Hansen,

Thank you for reviewing the implementing regulations for the Vessel Monitoring System on your April 9, 2009 agenda. As the County Supervisor representing the coastal area of Marin County, I am very concerned that the requirement for a Vessel Monitoring System is an excessive economic burden on Marin's small, commercial fishing industry, in particular the owners of fishing boats in Bolinas. I believe that there are unique circumstances which warrant an exemption from this requirement for the Bolinas fishermen.

The Bolinas fishermen have very modest operations, using rod and reel off 20 foot boats, and their catch measures in hundreds of pounds, at best. In spite of their size, these fishermen are very important because they are the only local commercial source of fresh fish. Their presence provides local food security, and they are a small but valuable piece of our local economy. The circumstances of these small operations are somewhat unusual in that they must cross federal waters in order to reach fishing grounds in state waters near the Farallon Islands, and as a result they are required to have a VMS. Additionally, they moor their boats offshore in Bolinas Lagoon, where there is no access to a power source. Batteries are not a good alternative because replacement of batteries is required weekly and is cost prohibitive for these small operations. Purchase and maintenance of a Vessel Monitoring System in addition to the batteries is likely to overwhelm these marginal, but vitally important operations.

While I support the use of VMS as a tool in protecting our nation's fisheries, I strongly urge you to consider creating a mechanism within the regulation that will allow an exemption for small scale fishing operations which face a disproportionately high burden from the cost of VMS systems. An exemption of this type could be applied specifically to the Bolinas fisherman, or could be applied on a case-by-case basis using criteria related to the size or profitability of the operation.

Thank you for your consideration.

Sincerely,

Steve Kinsey
Marin County Supervisor

Marin County Board of Supervisors
3501 Civic Center Drive, Suite 329, San Rafael, CA 94903