NATIONAL MARINE FISHERIES SERVICE (NMFS) REPORT ON FEDERAL DRIFT GILLNET (DGN) PERMITTING

At the November 2016 meeting of the Pacific Fishery Management Council (Council), NMFS, and the California Department of Fish and Wildlife (CDFW) submitted a joint report¹ outlining the current California limited entry drift gillnet (LE DGN) permitting system, an overview of the federal Highly Migratory Species (HMS) permit program, and the management measures that could be included in a federal DGN permit program. This report will clarify the permit requirements necessary for current California DGN permit holders to receive a federal LE DGN permit.

Following further review, NMFS found that some of the potential requirements described in the joint report would need to be revised in order to satisfy federal DGN permitting Alternative 1.² Specifically, the joint report states that Federal DGN permit holders would also be required to hold an HMS permit; however, this requirement has been revised. Approximately half of the California LE DGN permit holders currently do not hold an HMS permit, but rather fish DGN on vessels owned by other individuals or companies that hold the HMS permit for the vessel. This practice is consistent with other HMS fisheries, since the HMS Fishery Management Plan requires that the HMS permit be issued to a vessel owner for a specific vessel but does not require the permit holder be aboard the vessel when fishing for HMS. Further, since the Federal DGN permit holder would not be required to also hold an HMS permit, NMFS would not need to provide a one-time exemption to the requirement that an HMS permit holder be a U.S. citizen, as was stated in the November 2016 joint NMFS/CDFW report.

Alternative 1 also calls for the transition of State to Federal permits to occur "as soon as possible after Council final action."³ Once the Council selects a final preferred alternative, NMFS will begin the regulatory process and intends to implement the Federal DGN permit program by the beginning of the 2018 fishing season (April 1, 2018). Permit renewal dates and deadlines were chosen to align with the current California regulations and to ensure that all permit holders would be able to maximize the value of their already purchased 2017/2018 California LE DGN permit. In doing so, the proposed renewal dates and deadlines ensure that participants would not pay for the same permit twice in one year.

Creating a Federal DGN LE permit which mostly mirrors the existing system with only minor differences, and replaces the existing system, is purely an administrative action and is not expected to increase or decrease potential DGN fishing effort. Upon implementation, every California LE DGN permit holder would be entitled to a federal DGN permit, and no additional federal DGN permits would be issued. NMFS does not anticipate significant environmental or economic impacts as a result; therefore, NMFS has not prepared a draft Environmental Assessment or draft

¹ <u>November 2016 Agenda Item I.5.a, Supplemental NMFS/CDFW Report</u> (also Agenda Item J.6, Attachment 1, March 2017)

 $^{^{2}}$ Alternative 1 ensures that all fishers authorized to fish with DGN under California state law would be entitled to a federal DGN permit

³ June 2016 Council Decisions Summary Document

Environmental Impact Statement prior to final Council action. NMFS has detailed how it would implement the federal DGN permit in this report and the November 2016 joint NMFS/CDFW report.