

## SUMMARY OF OREGON DEPARTMENT OF FISH AND WILDLIFE PUBLIC MEETINGS ON PROPOSED CHANGES TO THE NON-TRIBAL DIRECTED COMMERCIAL FISHERY FOR PACIFIC HALIBUT

### Background

In June, 2017 the International Pacific Halibut Commission (IPHC) recommended for the Pacific Fishery Management Council's (Council's) consideration a change in the management of the non-tribal, directed commercial Pacific halibut fishery in Regulatory Area 2A<sup>1</sup>. This fishery is one of the few remaining derby-style commercial fisheries in the United States of America, concentrating effort into as few as two days of fishing each year at current stock levels. The IPHC noted a number of advantages in shifting to a management system that reduces the concentration of fishing effort and eliminates or reduces the race to fish. Potential improvements include: safety, because of greater flexibility in fishing opportunities; reduced wastage, due to an anticipated reduction in regulatory discards in a non-derby fishery; and flexibility for fishers and processors, to improve their ability to influence or respond to market forces. The IPHC did not recommend any particular management system, but stated that they support a reduction in the concentration of fishing effort, and eliminating the race to fish, as a guiding principle for any changes that are made.

The Council's Groundfish Advisory Subpanel (GAP) reviewed the IPHC request at the June, 2017 meeting, and, noting that the derby fishery has been a concern among the commercial fleet for some time, supported consideration of a change in the management system<sup>2</sup>. The GAP identified several potential options for consideration: status quo, a quota/catch share type fishery, a 30-day or 20-day season, and assigning the commercial halibut quota to incidental catch in the sablefish fishery (open access, limited entry fixed gear, and the sablefish-endorsed tier fishery).

The Council recommended that options be developed for moving away from 10 hour derby openings in the non-tribal directed commercial fishery for Pacific halibut, such as managing the fishery to provide a 20 day, 30 day, or shorter season managed with per-vessel trip limits by vessel length, or other options including the ideas identified by the GAP.

The Oregon Department of Fish and Wildlife (ODFW) solicited input via public meetings and phone on the proposal to change the management structure of the directed commercial halibut fishery. Public meetings with commercial halibut fishery participants occurred on July 31 in Port Orford, August 1 in North Bend, August 2 in Astoria, and August 3 in Newport. A total of approximately 40 individuals, primarily fishermen as well as several small fish buyers, provided input. Based on that input, ODFW offers the following information for consideration by the Council in determining a course of action regarding a change to the management of the directed commercial halibut fishery.

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<sup>1</sup> [http://www.pcouncil.org/wp-content/uploads/2017/06/G1a\\_Sup\\_IPHC\\_Ltr2\\_CommDerbyFishery\\_Jun2017BB.pdf](http://www.pcouncil.org/wp-content/uploads/2017/06/G1a_Sup_IPHC_Ltr2_CommDerbyFishery_Jun2017BB.pdf)

<sup>2</sup> [http://www.pcouncil.org/wp-content/uploads/2017/06/G1b\\_Sup\\_GAP\\_Rpt\\_Jun2017BB.pdf](http://www.pcouncil.org/wp-content/uploads/2017/06/G1b_Sup_GAP_Rpt_Jun2017BB.pdf)

## Possible Management Approaches

During discussions with commercial fishery participants, several possible approaches for managing the commercial non-tribal directed halibut fishery in area 2A were explored. These include the ideas suggested by the GAP in June, as well as several new ideas. Several of the concepts could be considered in combination.

Below, the *Concept* presents the idea that was described to or suggested by meeting participants; the *Discussion* represents only topics that were covered at the various meetings and does not include additional aspects that could be of interest but did not come up at these meetings; and the *Information needs* lists preliminary questions raised by meeting participants or ODFW staff.

### 1. Status Quo

*Concept:* Retain the current management system (10-hour openings).

*Discussion:* Some fishermen expressed a strong preference for the derbies, with the opinion that this is the most fair, and retaining the open-access nature of the fishery and relative ease of entry provides opportunity for someone to work hard and be rewarded. The safety concerns were questioned, with some fishermen pointing to what they believe are more significant concerns with the recreational all-depth halibut fishery, and some suggesting that there are many ways fishermen could improve safety that do not require a change in management approach.

Some fishermen expressed an interest in changing the duration of the current derbies very slightly, either lengthening them by a few hours so that they extend from dawn to dusk, or shortening them to around 6 hours, with the intent to reduce the amount of gear set while still providing enough time for successful fishermen to catch their entire trip limits.

*Information needs:* Request the USCG provide some information on the number of safety incidents from the halibut fishery vs. other fixed gear fisheries.

### 2. Catch Share/Individual Fishing Quota Fishery

*Concept:* Develop a catch share (aka individual fishing quota; IFQ) program for the directed commercial halibut fishery. The intent is to increase flexibility in when to fish, reduce halibut wastage, and reduce spatial and temporal conflict on the halibut grounds.

*Discussion:* Participants at the ODFW public meetings recognized the potential increase in flexibility, and noted that they might receive a better ex-vessel price for halibut if they could supply markets with fresh fish over a longer portion of the year. Some fishermen also supported the opportunity that a catch share approach could provide for halibut retention in the sablefish fishery, if quota holders were allowed to retain halibut with sablefish, reducing regulatory discards and wastage.

Some fishermen supported a catch share approach, noting that most other fisheries are going the way of limited entry permits, quota that can be purchased or leased, etc. Others

opposed the idea for the same reason, noting that the halibut fishery is one of the few remaining fisheries that does not require a large initial investment for a permit and quota.

Many fishermen expressed concern that catch share systems frequently result in permits and quota that become very expensive, limiting opportunities to enter or grow in the fishery, resulting in consolidation of a valuable resource to a few wealthy fishermen, entities, and communities. Several fishermen expressed concern that IFQ would make it very difficult for new entrants, asking “Does anyone care about young people getting into the fishery?” A comment was made in favor of not setting accumulation limits too low, with a request that if the fishery goes to an IFQ system, to make the percentage of quota that someone could own large enough to make it worth it.

Many fishermen were also concerned that this could become an “absentee” fishery, with permits and quota controlled by individuals not actively involved with the fishery, as has been seen in other IFQ fisheries. A requirement that the person owning or leasing the permit and/or quota be on board the vessel while fishing, to prevent such a situation, was suggested and widely supported.

There was substantial discussion at all of ODFW’s public meetings on eligibility and allocation—i.e., who would receive initial quota shares and how they would be distributed. Most fishermen supported an approach that would recognize and reward “traditional halibut fishermen”, by incorporating factors such as length of time over which a participant has halibut fished, production over that time or during a selected window period (including a minimum threshold of production), recent participation, dependence on the halibut fishery as indicated by production and investment, etc.

Suggestions for qualifying window periods included going back from two to 20 years, and requiring landings in anywhere from one to ten of those years. Some fishermen expressed an interest in expanding that to recognize “professional longliners” who also participate in other longline fisheries. Some meeting participants noted that there are people who have only recently invested in the halibut fishery by purchasing a vessel and/or gear, and who have made landings only in recent years; there was some support for recognizing this situation in quota share distribution and/or catch share program design.

Some fishermen requested that if a catch share approach is considered, that quota distribution and accumulation limits not be based on vessel size. Furthermore, it was noted that the current system of vessel size-based trip limits has significantly restricted production from some vessels compared to their potential, and a concern was expressed that this would carry forward into distribution of catch shares with a production-based approach. A suggestion was made to evaluate the potential and degree of limitation imposed by the size-based trip limits by looking at how close to the trip limits each vessel has come, and recognizing that vessels which consistently harvest at least 80 percent of their trip limits have greater harvest potential than their catch history suggests. There was support from several fishermen for developing a point system which would incorporate several different factors (history, production, recency, potential, etc.) in the initial distribution of catch shares.

Many fishermen also wanted to know whether the catch/participation history should go with the license holder or the vessel. Several fishermen who have sold vessels with halibut history in recent years but are now actively fishing other vessels preferred that the history go with the person who applied for the halibut license under which the activity occurred.

Other suggestions for elements to consider in designing a catch share program were to look at the IFQ program in Alaska for sablefish and halibut<sup>3</sup> and learn from that; and to only consider qualifying periods for landings history that end no later than 2017, in case there is increased participation in the upcoming years due to speculation now that this process has started, and/or continuing poor salmon fishing.

*Information needs:* Participation (did they obtain and actively fish a license), catch history (landed pounds), and performance (% trip limits achieved) by vessel by opening and/or year for all years for which data are available (confidential data, not for public release).

In addition to the key questions of eligibility and allocation, many additional design features of a catch share program (e.g., transferability, accumulation limits, community sustainability considerations, new entrant provisions, cost recovery, monitoring, enforcement, etc.) would come with substantial information needs and would require extensive analysis if this option is considered. Additional information on catch share program design is available online from NOAA Fisheries at [http://www.nmfs.noaa.gov/sfa/management/catch\\_shares/resources/design\\_evaluation.html](http://www.nmfs.noaa.gov/sfa/management/catch_shares/resources/design_evaluation.html).

### **3. Extended Season**

*Concept:* Extend the current openings from 10 hours to a longer period of time (for example, 7, 10, 20, or 30 days). This is intended to reduce crowding on the grounds, and improve flexibility, safety, by allowing a longer time in which to fish.

*Discussion:* Currently, approximately 60 percent of directed commercial halibut licenses issued by IPHC are actively fished each year. With longer openings, more vessels might be expected to apply for a license and/or fish, and more of the vessels that do fish might be expected to harvest the full amount allowed under trip limits. Trip limits would have to be reduced from current levels in order to accommodate the increased effort and harvest without exceeding the sector allocation. Many fishermen expressed concern that significantly lower trip limits would not be economically viable. Some fishers preferred longer openings even with lower trip limits.

A concern was raised that with longer limits, experienced halibut fishermen would still catch their limits in a short amount of time, while less experienced or successful fishermen

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<sup>3</sup> The Alaska program assigned halibut quota shares to vessel owners/leaseholders who made at least one landing in the three years immediately prior to IFQ program development (1988, 1989, 1990); the amount of quota each received was based on halibut catch in the best five out of seven years (1984-1990). For more information, see NPFMC/NMFS, *Twenty-Year Review of the Pacific Halibut and Sablefish Individual Fishing Quota Program*, December 2016, <https://www.npfmc.org/halibutsablefish-ifq-program/>

would have longer to try to get their limits, possibly increasing bycatch of other species. Some fishermen expressed that extending the season would benefit inexperienced

fishermen, taking halibut away from the traditional longline fleet. A suggestion was made to do the opposite, and shorten the derby to 6 or so hours, with no trip limits, on the theory that this would still allow experienced fishermen to be successful but would reduce the amount of gear set and reduce the potential for gear conflict/loss.

*Information needs:* IPHC proposed to analyze what potential trip limits would be with longer openings (retaining the current vessel size classes), and is expected to present the results to the Council in September. What reduction in wastage might be expected with an extended opening duration?

#### **4. Incidental fishery with sablefish**

*Concept:* Transfer some of the directed commercial halibut allocation to an incidental fishery with sablefish, south of Pt. Chehalis, WA. Fishermen could participate in the directed or new incidental fishery, but not both in the same year. This is intended to reduce wastage of halibut that otherwise must be discarded when sablefish fishing. It would also allow fishermen who chose the incidental fishery more flexibility in when they land halibut, which could increase the price received by allowing fresh halibut to trickle into the market.

*Discussion:* Some fishermen expressed support for the ability to retain halibut while sablefish fishing, to reduce regulatory discards and wastage, and as an alternative to the crowding and other challenges that occur with the current derbies. There was no interest expressed at any of the meetings in moving all of the commercial halibut allocation to an incidental fishery; there was a widespread desire to maintain some form of directed halibut fishery. Suggestions for how much halibut quota to transfer to an incidental fishery included a range from 5-15% of the quota, or looking at how much of the directed halibut quota has been taken by vessels that also fish in the sablefish fishery (with longline gear only) and perhaps moving that amount to an incidental quota. Questions included whether an incidental halibut allowance would be for limited entry sablefish endorsed vessels only, or both limited entry and open access; and how halibut would be allocated and what the landing limits would be.

Many fishermen expressed strong concerns that a ratio approach, i.e., setting incidental halibut limits proportional to sablefish landings, could result in making halibut available to fishermen who have substantial sablefish landings but who have not been traditional halibut fishermen, disadvantaging the primary halibut fishermen. Concerns were also raised about potential increases in open access sablefish effort, and therefore reduced trip limits if halibut retention were allowed, devaluing the sablefish opportunity, as well as and the potential for increased sablefish permit and/or quota lease prices.

*Information needs:* How much of the directed halibut catch was by boats who also fish for sablefish with hook and line gear (not pot gear) in recent years? What is average and range of halibut bycatch on sablefish longline trips? What amount of halibut retention with hook and line sablefish would moving 5-15% of the directed halibut quota to an incidental

allowance provide for, and how might this be distributed in a way that does not “give it away” to sablefish highliners (e.g., perhaps something like a fixed number of halibut per

sablefish trip, with provisions to prevent targeting halibut)? What reduction in halibut wastage might be expected due to the ability to retain some halibut in the sablefish fishery?

##### **5. Split Season (“A/B” Seasons)**

*Concept:* Designate all directed halibut licenses issued as “A” licenses or “B” licenses. Conduct the directed fishery with separate days open for A and B licenses (the licenses would be identical in all other ways). The intent is to reduce crowding during each opening.

*Discussion:* Some fishermen expressed cautious support for further exploration of this idea. Some wondered if it might disadvantage some fishermen compared to others because of different weather/ocean conditions on openings on different days. A buyer noted that this would spread out fresh halibut coming into the market, and could result in better market conditions and higher ex-vessel prices.

*Information needs:* How would IPHC schedule the days (in the same week, one week apart, two weeks apart, etc.)?

##### **6. Move the seaward rockfish conservation area boundary**

*Concept:* Move the seaward boundary of the fixed gear rockfish conservation area (RCA) line shoreward from 100 fathoms during the directed commercial halibut openers only, to allow fishermen access to more halibut grounds and reduce crowding.

*Discussion:* Yelloweye rockfish bycatch remains a concern for all fisheries due to low allowable impacts while the stock rebuilds. Many fishermen expressed opinions that the seaward RCA boundary could be relaxed during halibut openers, either entirely or in selected areas, without increasing yelloweye rockfish bycatch impacts too much. A suggestion was made to relax the RCA boundary for one year and require full retention of rockfish during that year to get a better idea of what the bycatch would be. Several fishermen stated their opinions that moving the seaward RCA boundary in and leaving the fishery otherwise status quo is by far the best option. Suggestions for how far in to move it ranged from 70-95 fathoms, with widespread support for moving it in as much as possible.

Some fishermen objected to the fact that sport halibut anglers are allowed to fish inside the commercial fixed gear RCA (with the exception of sport yelloweye rockfish conservation areas) while they are not. There was a request to get credit, similar to the recreational fisheries, for using descending devices when releasing yelloweye rockfish in the commercial fishery if halibut fishing shallower than 100 fathoms is allowed.

*Information needs:* Estimates of expected impacts to yelloweye rockfish would be key to evaluating the viability of this alternative. The amount of additional area available to fish under new RCA scenarios (e.g., with the seaward boundary at a range of intervals between 70-95 fathoms) would inform an understanding of how much crowding relief might occur.

## 7. Limited Entry Permits

*Concept:* Cap the potential number of participants in the directed commercial halibut fishery by converting the current free open access licenses issued by IPHC to a limited number of permits. The intent is to prevent further growth in effort, and associated concerns, such as reduced trip limits and increased spatial conflict.

*Discussion:* Some of the directed commercial halibut licenses issued by IPHC in any year are not fished. Current active participants are concerned about the potential for overcapacity. There was a suggestion to issue limited entry permits for this fishery regardless of whether any other management changes are made, in order to eliminate inactive licenses from the trip limit calculations, and prevent future growth in effort. Many meeting participants worried that if the ability to participate in the commercial directed halibut fishery is left wide open, too many people might enter, and the resulting poundage available to each vessel would be too small to be economically viable. Qualification criteria such as active use of a directed halibut permit at least once in the last five years were suggested for a limited entry permit; more stringent criteria could also be considered.

*Information needs:* How many permits have been issued per year over the last 10 years? How many of those have made landings in each year? Are there any permits that have been issued repeatedly but never made landings? How many permits would be issued if the requirement to qualify was to have made at least one landing under a directed commercial halibut license in the last five years? What is anticipated in terms of permit value, consolidation, impacts on small vessels and communities? Would limiting the number of permits achieve the goals of safety, flexibility, and wastage if no other changes were made to the fishery?

## Summary

Most participants in these public meetings agreed that there are problems related to crowding, safety, wastage, market opportunities, etc. with the current derby system, although there was no consensus at this stage on a preferred alternative approach, and there were some who feel that status quo is best. In general, there was broad interest in making sure that there is recognition of those who have been participating in the directed halibut fishery with any change that is made. Meeting attendees also understood that the process of considering any significant change, such as moving to an IFQ system, will require substantial time for development and analysis of alternatives, public review, and decision-making.