

October 22, 2017

Mr. Phil Anderson, Chairman

PFMC

7700 NE Ambassador Place, Suite 101

Portland, OR 97220

Agenda Item F.2

Public Comment

Dear Chairman Anderson,

My husband, Bob Eder and I own the F/V Timmy Boy. We fish out of Newport, OR. Our son, Dylan Eder is now the primary captain, and along with 3 additional crewmen, catch sablefish with fixed gear in the trawl individual quota program.

In 2011, the first year of the trawl IQ program, we bought the Timmy Boy, its trawl permit and fishing history for over \$1,000,000, from a trawl fisherman who had decided to retire, and we began fishing our trawl quota with fixed gear—pots. The boat had a decades-long history of fishing for sablefish with both trawl gear **and** pots.

In 2012, the boat went into the yard for a significant rebuild. Hundreds of thousands of dollars were spent, in part to upgrade, but also in part to make it a more efficient pot vessel, suited to our operation. Because we were in the yard for almost all of 2012, we leased our trawl quota to other vessels.

In 2013, we resumed fishing our trawl quota with pots, as we have each year through 2017.

In 2015, we borrowed money and spent over half a million dollars to purchase additional sablefish quota **from a trawl fisherman who wanted to sell us his quota**. During the program, we have also leased quota from trawl-net fishermen **who wanted us to catch their sablefish quota**, and in several years, have leased enough to get us close to a vessel cap.

It's distasteful to talk in public about how much money we've spent doing x or y, making our business investments available for all to review. But we don't know any other way to drive home the point that, as encouraged and permitted by the trawl IQ program, we

have made a significant financial investment. We haven't built a new home or a vacation home. We haven't purchased additional vessels. We've reinvested in our business and bought a revocable privilege to access a public resource. And in doing so, like other trawl quota fishermen using fixed gear, we've followed both the rules and the intent of the program.

We're now confronted with demands from the trawl net fishermen and processors to limit the amount of sablefish that can be caught with fixed gear.

We would point out that over the last 7 years, sablefish has been freely available for lease, and subsequently, for purchase, in the market place. **Frankly, trawl net fishermen are now seeking to take, by regulation, that which they have chosen not to lease or buy.**

However, understanding that this is a trawl IQ program, we've made several suggestions to limit gear switching, as well as suggest a way to make more fish available to all. We've requested a control date be set, after which participation in the gear switching program may not be counted under any future regulation. The Council has acted on this request.

We've also suggested removing the line at 36 degrees, and making that sablefish quota available coast-wide. It bears repeating that last year, in 2016, less than 200,000 pounds of 1.3 million pounds of quota were caught in the south, and to date, only 222,000 pounds of 1.6 million pounds of quota have been caught this year. Making the quota available to all fishermen in the north and south should calm the complaints from trawl net fishermen that "There's not enough sablefish available for us to catch our Dover," and who say, (incorrectly) that it is because of gear switching.

Please note: We are strongly opposed to the suggestions that would set a limit on the percentage of the quota that can be caught only by trawl gear, or by fixed gear. Limiting the quota to a percentage that can only be caught with one gear type or another— that creates a race for fish, at the beginning of the year, when the weather is the worst. It's a safety risk that this program was intended to avoid.

We also strongly oppose dividing quota such that a percentage of what we own or lease must be caught with trawl gear. We suppose that could work for you if you only fished with trawl nets, or if you owned more than one vessel, and one vessel fished with trawl gear and the other with fixed gear. But that isn't the case in 95% of the vessel operations using fixed gear.

We think setting a control date and making more fish available will address any perceived problems. However, if the Council decides to further limit effort, we offer this idea: create a fixed gear endorsement for the trawl permit. How would this work? Here

are some basic outlines of a program that would significantly limit participation and curtail growth. It would incorporate the principle that apportionment of quota is based primarily on production history.

1. Establish a gear endorsement for FG on the trawl permit

There's precedent for this—for example, limited entry trawl permits are already endorsed for trawl gear, and adding fixed gear to the permit can be done relatively easily and inexpensively. NMFS has indicated that an endorsement on a permit is easier to do and is far less expensive and/or complicated than trying to assign a percentage of quota share that could be caught with fixed gear or limited to trawl.

2. Establish a threshold of participation for a permit to qualify for a gear endorsement i.e. 70,000 pounds in any one, two, or three years during 2011-2017 or a total of 250,000 pounds from 2011-2017. The intent is to include those fishermen with significant investment and participation in the fishery. (The poundage in this example is for illustration only; it would be based on a percent of the total quota).

3. A trawl permit that qualifies for a fixed gear (FG) endorsement would continue to be able to land up to the maximum of any one year's landings. In other words, if the maximum pounds of sablefish you've landed is 100,000 pounds in any one year during 2011-2017, that would be the poundage limitation on your FG endorsed permit. Stacking of permits would also be allowed, up to a vessel cap.

4. A trawl permit endorsed for FG can continue to lease sablefish from trawl fishermen, up to their maximum catch of any previous year. For example: If you own 20,000 pounds of sablefish quota but have leased 90,000 additional pounds, and that is the most you have ever landed in one year of the program, you can continue to lease up to the maximum of any one year's landings.

5. A trawl permit endorsed with FG can be leased to a trawler who wishes to newly start fishing with FG, but a limit on the total pounds allowed to be fished with FG would still be the maximum poundage in any one year that qualified the original permit for the FG endorsement.

But before the Council considers any future limitation on gear switching, it is most important to note that this year, as of the date of this letter, **there is over 1.3 million pounds of sablefish quota still available to be caught in the NORTH.** It is unlikely that this year's trawl sablefish quota is going to be caught.

By limiting gear switching, trawl net fishermen and processors are asking you to fix a problem that gear switching has not caused—the reality is that there aren't sufficient markets for the Dover sole that are caught with the sablefish. We would urge you not to go down the road of a plan amendment to attempt a fix for a marketing problem that is out of your control. Instead, use the first couple of tools in the tool box—a control date, and making fish available coastwide, before engaging in more radical management measures that irreparably damage the millions of dollars of good faith investment by FG fishermen.

Sincerely,

Bob Eder and Michele Longo Eder

F/V Timmy Boy

Argos, Inc

P.O. Box 721

Newport, OR 97365

Public Comment

Paul Clampitt  
7721 168<sup>TH</sup> PL SW  
Edmonds, WA 98026  
206-618-3991  
Pfishcl@gmail.com  
10/21/2017

Chairman Anderson  
Chairman  
Pacific Fisheries Management Council  
77000 N.E. Ambassador Place, Suite 101  
Portland, OR 97220-1384

RE: Five-Year Trawl ITQ Program Review

Dear Chairman Anderson:

Myself and my family have participated in the Pacific coast ground fish fisheries for over 35 years using fixed gear. We primarily fish sablefish but have harvested halibut and rockfish both directly and as bycatch with sablefish. Our current vessel is the F/V Augustine which my oldest son operates and my youngest son is a crew member.

We purchased a trawl permit and trawl quota as soon as it was possible when amendment 20 was passed. We saw an opportunity to regain through the purchase of trawl quota what was lost after the last allocation fight in the early 90's when a change in the division of sablefish went from 50% trawl and 50% fixed gear to 58% trawl and 42% fixed gear. At the time the argument the trawlers used for increasing their allocation was that they would be killing the sablefish anyway so they needed more sablefish to prosecute their other species. I'm hearing the same arguments now. Fixed gear is again being punished for being more species specific even though we have lower impact on the environment.

I'm a member of the CAB involved in the five-year review of amendment 20. The most controversial part of the review is the recommendation by trawl advocates to eliminate gear switching. These advocates are complaining that gear switching is making it difficult to prosecute their deep-water fisheries because sablefish is either a choke species or becoming a choke species.

There is a lot of discussion on how sablefish is constraining in the DTS (dover, thornyhead, sablefish) fishery, but there isn't an explanation on how it's constraining. Is it constraining because it's needed to catch dover because they're mixed, or are trawlers topping off dover trips with sablefish and it's not constraining? How can it be constraining if processors have imposed trip limits

Chairman Anderson

10/21/2017

Page 2

on dover sole? These questions haven't been fully answered or studied. We are just expected to assume it's true. In which case limiting gear switching becomes purely an allocation issue that the market should decide.

I don't believe gear switching is the cause of their problems but this is actually an attempt to remove fixed gear competition from the sablefish market in order for them to purchase trawl sablefish at lower rates to gain higher profits.

If the lack of sablefish was truly inhibiting their ability to land dover sole there wouldn't be trip limits imposed by processors on their deliveries. There wouldn't be 388,000 pounds of sablefish unharvested in 2016, and there wouldn't be 1.3 mil pounds of sablefish still available for 2017.

We shouldn't be talking about eliminating gear switching we should be encouraging it. Sablefish harvested with trawl gear is of smaller size than fixed gear. Harvesting smaller fish can have a negative economic consequence, as it can affect the Spawning Potential Ratio or SPR. By harvesting larger fish, you allow more of the stock to spawn and thus improve the chance to increase the biomass and the ACL.

There are less painful ways to alleviate the perceived problem of sablefish availability. We have suggested removing the artificial dividing line of 36 deg. N which has no biological basis and would bring an addition 1.5 mil pounds. This fish is too valuable to leave on the fishing grounds and should be made available to all trawl quota users including those gear switching.

Also, we should be coming up with ways to lower the crushing cost imposed on the fishery this something all fishermen can get behind.

Sincerely,

A handwritten signature in black ink, appearing to read 'Paul Clampitt', with a stylized flourish at the end.

Paul Clampitt

Public Comment

**FISHING VESSEL OWNERS' ASSOCIATION  
INCORPORATED**

**RECEIVED**

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October 18, 2017

**PFMC**

Mr. Phil Anderson, Chairman  
Pacific Fishery Management Council  
7700 N.E. Ambassador Place, Suite 101  
Portland, OR 97220-1384

RE: **Five-Year Trawl ITQ Program Review**

Dear Chairman Anderson:

The following comments are being made on behalf of the 95 family vessel owners that are members of the Fishing Vessel Owners' Association (FVOA) from Seattle, Washington. We are a trade association that represents hook and line and pot vessel operations. Several of our members have been participating in the trawl ITQ program adopted and implemented in 2011. Our members have purchased trawl QS, leased trawl QS, and reconfigured their vessels for the purpose of targeting sablefish and also other rockfish species in the trawl ITQ program. Our vessel owners deliver an iced product to shore based processors in all three coastal states.

When the Council passed Amendment 20, which established the trawl ITQ program and allowed for gear switching, your supporting documents stated the following:

"Recipients are free to use QS with any groundfish gear including trawl, longline and fishpots, switching permanently from trawl to some other gear" (Section 2.2.1, page 37)

And

"Council action regarding gear switching takes into account the opportunity to reduce bycatch and other possible adverse environmental impacts" (Section 2.6.1, page 50)

Our members, who have purchased trawl QS and have purchased gear and reinvested in their vessels, and leased trawl permits in order to participate in the trawl ITQ program for the last seven years and took the Council at its word when they made investments to participate in the trawl ITQ gear switching program.

We understand that some trawl and shore based processors would now like to restrict the use of gear switching as they claim it is impeding the ability to harvest other species because sablefish is allegedly necessary to catch species such as Dover sole. We do not believe the trawl interest have made their case for the following reasons:

1. During the 2016 season there was 388,000 pounds of trawl sablefish not used or harvested. If sablefish is so necessary for accommodating the harvest of Dover sole, the question needs to be addressed, why this poundage was not being utilized.
2. During the current 2017 season, as of October 17th, there is currently over 1,530,041 pounds still available of trawl sablefish. If other trawl species need sablefish in order to land them, why is this not occurring during the current fishing year? Why hasn't the sablefish been used to help land other species during the spring and summer months? Are the trawlers choosing to use fixed gear to catch their remaining fish? If so, why?

We do not believe there is the problem that has been suggested by the trawl interest. The Council and the GAP have discussed changing the trawl sablefish QS south of 36 degrees, such that, this fish could be harvested coast wide. In 2016, this was 788 Mt of sablefish. If the council were to take this action and considering that sablefish during 2016 was not totally utilized by trawl interest, such action should mitigate the trawler's fears of not having enough sablefish without limiting gear switching. We would suggest first allowing the trawl sablefish south of 36 degrees to be taken coast wide before considering further restrictions to gear switching. Additionally, the trawl sablefish south of 36 has not been harvested in its entirety. Table 2 of Agenda Item #-7, Page 7 from the September 2017 meeting, shows that only about 25% of this sablefish is being fished. If this fish is allowed to be harvested coast wide, it provides a huge opportunity for the trawl interest to land more miscellaneous species associated with sablefish.

From Table 2, Page 7 – Assessment of unused trawl Sable south of 36 (September 2017 Council meeting)

	Southern Quota	Harvest	Unused	Percent used
2014	653 Mt	197 Mt	456 Mt	23
2015	720 Mt	145 Mt	574 Mt	26
2016	788 Mt	182 Mt	605 Mt	25

Should the Council make a decision to limit gear switching, we advise against a percentage restriction of the trawl TAC. This action would result in those fixed-gear vessels with trawl permits making a choice to fish earlier and earlier in the year to maximize the probability of them catching their sablefish. We see this type of action resulting in a race for fish pushing vessels to fish earlier in the year during bad weather and creating unnecessary safety concerns.

The Council has now notified the public of a control date that may or may not be used to determine gear switching privileges. If the Council chooses this option, we recommend that the right to gear switch needs to be assigned to the federal trawl permit. After some discussion, our membership believes if the right went to the vessel instead of the permit, the vessel operator would then be in control of a permit they may not have purchased leaving the person or entity that bought the permit hostage to a leasee. This result does not seem to be a logical or fair outcome. Additionally, if the permit went to a vessel, replacement procedures would need to be considered.

In summary, our members do not believe there is a problem with the current gear switching provisions provided for in Amendment 20 and the Trawl ITQ program. In fact, the ability to gear switch was an integral part of the government's defense when a lawsuit was brought against the ITQ program.

Chairman Phil Anderson  
October 18, 2017  
Page 3

Should the Council limit gear switching, we ask that those who purchased trawl sablefish in good faith of your program, be made whole by designating those permits that landed fixed-gear sablefish be allowed to continue gear switching. We support the gear switching privilege being applied to the permit and not to a particular vessel.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert D. Alverson", with a long horizontal flourish extending to the right.

Robert D. Alverson  
Manager

RDA:cb

1. To Pacific fishery Management Council

My name is John Pennisi, I'm a third generation trawl fisherman from Monterey Ca. I started running one of my dad's trawlers when I was 16, along with two of my brothers. I am now 54 years old. This trawl fishery has been my family's way of life for over 100 years, starting in San Francisco. My grandfather moved to Monterey where my father continued trawling along with two more of his own boats. He had a Marine Store to supply the local fishing fleet with their needs. He owned and operated "Royal Seafood", one of about 7 fishmarkets in the area processing groundfish. There were 8 to 10 trawlers between Monterey and Moss Landing, fishing year round, and about the same fishing traps for Blackcod. After the Groundfish fishery was declared a disaster, and the buy backs were over, the IFQ's were finally attached to the permits that were still left in 2011. Monterey and Morro Bay area's found there were no more fish processing markets,

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Marine Stores, and no more ice available on the docks. and Just 3 independently owned boats with trawl permits were left.

These family owned boats with permit and IFQ that can still have opportunity and with local Community Support. It will take time to rebuild our fishery in these areas, after such a loss of infrastructure.

Today I see the community in Monterey and Morro Bay working hard together with their resources and money, to restore and bring back this fishery before it is completely gone. The 5 year review of this matter does not give enough time for the southern fishing sector to rebuild its fishing communities.

The opportunity is needed for the future. If you eliminate the 36° line and make Blackcod coast wide, more of the Blackcod harvest will be taken in the North where the larger catch capacity is and stronger fishing communities are. This action will take away the opportunity and availability

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from this area for a future worth doing and encouraging, if there is going to be a next generation.

In conclusion, once structure is back the fish will be caught, which will create jobs for the towns where fishing started. We have lost so much for the few independent trawl fishermen that are left in these areas, this would not be good. It would also directly hurt the future of these two historical fishing towns that their counties share, — The 36° Line for fishing Black cod.

thank you sincerely

the Pennisi family

Giovanni John Pennisi  
F/V Irene's Way

Elaine Pennisi  
F/V San Giovanni & owner of Royal Seafood

Giuseppe Joe Pennisi  
F/V Diana

1. To Pacific fishery Management Council

Gear switching, this would not be good management to consider not allowing it to be an option needed for Trawlers to harvest highly marketable + valuable Black Cod. For those of us in California that don't have a Dover market, there would be a huge bycatch that would have to go overboard. I believe millions of pounds of Dover, Long spine, Rex Sole and other Species will have to go overboard until we can establish Dover markets again. This is not limiting those who took advantage of the fishery, with the intent to only harvest one Species of the trawl complex. Gear switching was supported as a good management option needed for trawlers to get their Black cod with a zero rate of by catch. We need to continue this option to fish responsibly until markets are rebuilt for our other deep water complex Species. For those who bought a trawl permit with the intent to take advantage of an option that the trawl fleet needs to sustain itself until full recovery. This was the wrong reason for gear switching. The permits that did not make landings

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under gear switching does not reflect the need for those who really need this option in the future, to survive as a trawl operation, until our markets are re-established. Putting a control date of September of 2017 or by giving an endorsement on those permits, only favors in those for the wrong reasons. Those who took advantage of an option needed by trawlers without Dover markets, who needed this to harvest their most valuable species on their portfolio in a responsible way. We are asking for Statu Quo, until our markets are rebuilt for all deep-water species.

Thank you Sincerely

The Pennisi Family  
Giovanni John Pennisi  
F/V Irene's way

Elaine Pennisi  
F/V San Giovanni & owner of Royal Seafood

Giuseppe Joe Pennisi  
F/V Pioneer

# Catch Monitoring in the West Coast Groundfish Fishery

A Review of Current Conditions and Opportunities for Improved Access to  
Monitoring

October 30, 2017

Authored by: Lisa Damrosch for the California Groundfish Collective Electronic Monitoring Exempted Fishing  
Permit Project

## INTRODUCTION

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In 2011 the West Coast groundfish fishery transitioned to an individual fishing quota (IFQ) program that requires 100% monitoring for compliance at-sea, and 100% monitoring of offloads on-shore to ensure full individual accounting of retained and discarded IFQ species.<sup>1</sup> Fishermen using EM are required to use logbooks to report all fish retained and discarded during each fishing event on every trip. Human observers verify and quantify discards at-sea and Catch Monitors (CMs) verify and quantify retained catch during offloads. Vessels are required to contract with approved service provider companies to secure at-sea observers, and licensed first receivers are required to contract with approved service provider companies to provide CMs for offloads.

Monitoring costs have been identified as a key challenge within the West Coast groundfish IFQ fishery. In general, availability for human monitors (at-sea and CMs) can be limited, particularly for smaller ports, many of which are located in California. The low volume of trips and distance between port communities can create costly logistical challenges and may tend to prevent observer providers from stationing at-sea observers and/or CMs in all ports.

Between 2015-2017, more than 20 groundfish vessels have operated under an Exempted Fishing Permit (EFP) that are managed by the National Marine Fisheries Service (NMFS) and allow the use of electronic monitoring (EM) in lieu of human at-sea observers. The purpose of the EFPs were to test the implementation of EM and inform the development of new regulations allowing EM as a monitoring option. In April 2017, the Pacific Fishery Management Council (PFMC) approved regulations which would allow the use of EM in the West Coast groundfish IFQ fishery. The regulations are expected to be implemented in 2018.

Through the EFPs and other pilots, EM has been demonstrated to be a potentially more cost-effective alternative to human observers for at-sea compliance. However, vessels using EM that do not have a human observer on board the vessel when arriving back to port to offload are encountering a new set of challenges related to securing CMs. While it is the responsibility of the first receiver to ensure there is a CM available for offloads, it has proven difficult in some ports for first receivers or vessels to secure CMs that are not otherwise serving in at-sea observing roles and who are trained and available for offloads.

Exploring and addressing the challenges presented to vessels operating using EM, particularly in smaller remote ports, is critical to the successful use of EM and to maintain diverse participation of fishing businesses along the West Coast.

This report reviews the current challenges and presents opportunities for improving the availability of CMs for the West Coast groundfish fishery. At the end of the report an Appendix compiles regulatory language and requirements and includes a definition sheet describing the various jobs that are often referred to as “observers” within the fishery.

## SITUATIONAL ANALYSIS

### Catch Monitor Availability

The West Coast groundfish IFQ fishery currently has three approved service provider companies that contract with fishing businesses and first receivers to provide CMs and at-sea observers. In 2017, the three approved service provider companies projected the following availability of CMs and at-sea observers:

2017	CM ONLY South of 40° 10	CM ONLY North of 40° 10	At Sea Compliance AND CM South of 40° 10	At Sea Compliance AND CM North of 40° 10
Tenera	5	0	0	0
Alaska Observers	0	0	0	25-30
Saltwater	1	2	2	2
<b>TOTALS</b>	<b>6</b>	<b>2</b>	<b>2</b>	<b>32</b>

\*Information obtained from calling service providers

Tenera Environmental projects that five to six individuals, certified annually as CMs, would be sufficient based on 2017 fishing activity south of the 40°-10 management line (40°-10). Geographical assignments for the CM still require some travel and have resulted in concessions from provider companies and first receivers to cover those costs.

### Training

One of the regulatory requirements for CMs (see Appendix) is to complete a training and receive a final certificate. Currently the Pacific States Marine Fisheries Commission (PSMFC) manages the CM training program. Trainings are held annually in Portland, Oregon and consist of four days of training followed by one day of testing.

#### CM Trainings Completed

In 2015 when EFPs to use EM were first issued, Archipelago became an approved service provider of CMs and contracted with Tenera Environmental to provide CMs throughout California. Using grant funding secured by industry members, six new CMs completed the full training program and became certified CMs based in the ports of Fort Bragg, Morro Bay, Moss Landing/Monterey and one in the SF Bay area. In 2016, due to personnel changes and some CMs not meeting requirements to conduct at least one offload in a 12 month period to maintain certification, three people attended the training program to be certified, and two individuals were re-certified. In 2017, Tenera Environmental became a certified provider company and three additional individuals attended the training program to become certified CMs, and one individual was re-certified.

### CM Training Costs

Costs for PSMFC training, fish-testing, are paid by NMFS through the IFQ program Cost Recovery. Approved service provider companies contracting CMs for EM vessels operating south of the 40° - 10 management line have requested and received grant subsidies from The Nature Conservancy and The Environmental Defense Fund to cover business costs of sending employees to PSMFC training during the EM EFP process.

Expense	Re-Certification	Full Certification
per diem	\$ 180.00	\$ 900.00
flight	\$ 500.00	\$ 500.00
1.5 days travel	\$ 480.00	\$ 480.00
1 day testing	\$ 320.00	\$ 320.00
4 days class	n/a	\$ 1,280.00
<b>TOTALS</b>	<b>\$ 1,480.00</b>	<b>\$ 3,480.00</b>

\*costs provided by service provider-does not include PSMFC costs

In 2017, cost per trainee was \$3,480 for a full certification process for a new employee of the provider company, or a previously trained CM that did not complete an offload in the previous 12 months. All CMs must be recertified each year at an estimated cost of \$1,480 per person using cost table for 2017.

## CHALLENGES

Commercial fishing vessels using at-sea observers instead of EM tend to encounter relatively few, if any, challenges related to CMs because at-sea observers can fulfill dockside catch monitoring requirements for first receivers once a fishing trip has ended. However, vessels that use EM, or those that are located in remote ports, are experiencing challenges securing CMs for offloads and may experience limited fishing opportunity as a result.

Vessels using EM for at-sea monitoring must work with their first receiver to ensure that a certified CM will be available when the vessel is ready to offload. This may create additional costs in situations where the first receiver asks the vessel to help with logistics, or to contribute to costs. In California, the biggest challenge is ensuring there is an available pool of trained and certified CMs in any port when the vessels are ready to offload.

## First Receiver Challenges

### **Cost Challenges:**

If CMs are not readily available locally for offloads, an offload could potentially be delayed. The cost of a delayed offload can be difficult to quantify but can be significant. If the CM needs to travel from another location to service an offload it can create delays. In some cases it could cost up to \$75 per hour to cover CM travel time plus hotel costs, meals and mileage fees.

### **Logistical Challenges:**

Depending on the first receiver and vessel operations, coordinating an offload can be a complex process required at any time of the day or night and could be dependent on weather, availability of trucking, offloading crew, processing crew, ice, etc. Uncertainty around CM availability can create inefficiencies for the buyer/first receiver operation. In some instances, to avoid this uncertainty buyers/first receivers will require vessels to carry observers rather than use EM for compliance or pass logistical and/or cost responsibilities of CM coordination onto vessels rather than add to the complexity of the first receiver's operation.

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## Vessel Challenges

### **Cost Challenges:**

If CM costs are passed onto vessels by first receivers, the cost of the CM could offset or supersede any savings the vessel achieved by using EM rather than human at-sea observers. A delay in offload can result in significant cost to the vessel including missed fishing opportunities and/or additional ice.

### **Logistical Challenges:**

First receivers may require some vessels to coordinate their own CMs which can create additional transaction costs before leaving on a trip. Vessels using EM may also risk being limited in offload opportunities. For example, in one California port, vessels have been held in from fishing because the first receiver could not guarantee a CM for offload.

## Provider Company Challenges

### **Cost Challenges:**

The current CM provider company model is to place personnel in each port, or ask CMs to travel from larger ports to more remote ports. This model is not always aligned with the level of fishing activity or geography that can equate to multiple hours (e.g. >10) of travel time. The low volume of trips in smaller ports in California has proven difficult for provider companies and vessels alike. Provider companies have reported that they have a difficult time recouping training and administrative costs. Past CM trainings have been subsidized with grant dollars associated with EM implementation and is not a sustainable model. Provider companies report that it is difficult to allocate resources training and providing CMs given the continued uncertainty associated with vessels transitioning into EM and the low volume of trips in some ports.

### **Logistical Challenges:**

Offloads are unpredictable and the potential work hours for a CM are not sufficient to be viewed as a full time, or part-time “job”. CM provider companies typically require a minimum of 3 hours per CM deployment and offloads can take between 3 and 12 hours and can be conducted at any time of the day or night. Activity varies based on the port, the time of year and the weather. CMs in some ports will monitor multiple offloads per week, in other ports there may be 1 or 2 offloads per month. Job postings for 2017 positions by Tenera resulted in no applicants that met the job requirements, and lived in the port community. Potential applicants were not willing to participate in 5 days of training to work under unpredictable circumstances with limited earning potential (in 2017 service providers reported CM wage at approximately \$20/hour).

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## OPPORTUNITIES FOR IMPROVEMENT

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### Increase number of people available to perform CM duties:

Smaller ports may be more suited to a seasonal, or temporary staffing model where a larger pool of personnel is available “on –call” and willing to supplement other income by performing offloads, rather than by a dedicated CM stationed in the area by a provider company.

### **Explore using fishing industry professionals that are already working in port communities:**

PSMFC reports that a service provider worked with CDFW to train California Recreational Fisheries Survey Samplers in 2016. That practice does not seem to have continued in 2017. Two other options were briefly explored for tapping into fishing industry professionals that are already working in the ports as port samplers and scientific observers. These options would require further study and potential regulatory changes in order to implement.

#### **Port Samplers**

Port Samplers are highly qualified personnel that are employed by PSMFC and stationed along the coast to be available for a percentage of commercial and recreational offload sampling in all ports. However, job requirements of a Port Sampler and that of a CM are not possible to be done

simultaneously, and the complexity of Port Sampler scheduling and potential for conflict of interest create significant challenges to using Port Samplers as CMs.

### Scientific Observers

Scientific Observers are highly qualified and trained individuals that are deployed on commercial fishing trips and are stationed along the entire West Coast (see observer definition sheet). In 2017 there are 13 scientific observers based in California south of 40°-10. Scientific observers are contracted by NMFS and managed by PSMFC and therefore cannot be contracted by industry to perform CM duties under the current conflict of interest policy. The West Coast Groundfish Observer Program reports that Scientific observers are not trained as CM currently.

### Service Providers hire additional part time CM:

The current system of industry working directly with provider companies to increase availability of CMs in small ports has proven successful to date, although difficulty finding CM that live in port communities still results in some travel costs. Industry in small ports work with approved service provider companies to advertise CM job opportunities through local channels and connect potential local applicants with approved service providers. There are no regulatory or contractual obstacles to this mechanism for increasing the amount of trained CMs. To date, this model has been subsidized with grant funding to pay for training and travel fees. This is unsustainable and it remains unclear if the provider companies will continue to cover training and travel costs associated with creating a pool of trained and certified CM without continued subsidy.

### Allow Community Quota Funds or Other Community-based Non-Profits to Provide CM Services:

In California, four 501c3 organizations, known as “community quota funds” or “fisheries trusts” have recently been established to maintain access to fishing opportunities, ensure community benefits, and support local stewardship. These organizations could potentially serve as CM provider companies, helping to recruit local residents, pay for training fees, and contract with first receivers or vessels that need CM services. Given their nonprofit status and business models, these organizations could provide a low-cost option for CM service provision. Unfortunately because these organizations own fishing quota they are therefore barred from becoming CM provider companies due to conflict of interest policies established in regulation § 660.18 (c)(3) (see appendix). Revisions to the conflict of interest policy could allow for these types of community based organizations to become certified provider companies for CMs.

## Review Job Requirements and CM Conflict of Interest Policy to Increase Potential for Local CMs:

Increasing the pool of candidates to become trained and certified CMs would lessen the logistical difficulties for vessels in the groundfish fishery. Various local residents in port communities could serve as part time CMs. Port employees, college students, employees of processing plants, seafood restaurants, and other port businesses are all potential candidates that could ‘moonlight’ as CMs. Attracting additional candidates can prove difficult because of two main considerations:

- 1) Many of these employees do not meet current educational job requirements for becoming a CM. The current regulations governing educational requirements (see appendix §660.17(f)(1)) could be revised so that the successful completion of CM training and exhibiting the ability to perform all CM duties would be sufficient qualification.
- 2) The primary employers of these potential candidates could be conducting other business with vessels or first receivers. Although the individuals performing the CM duties may not directly be involved, this may still disqualify the individuals under the conflict of interest policy. Review and revisions would be required in order to increase the pool of potential CM candidates from local port businesses.

## Reduce CM Training Costs:

Reducing annual training costs for personnel that only conduct CM duties could create the best opportunity for provider companies and industry to work together to find a sustainable solution that does not require regulatory action. Potential methods for reducing training costs could include:

### Change Training Method:

Consider conducting CM training via webinar or an online course that could be followed by an in-person testing and certification. This could reduce training and travel costs as well as the opportunity costs to CM candidates that may hold other positions and are unable to travel for five days of on-site training. Changes to the CM training requirements would require administrative approval.

### Move Training Location:

In 2016, PSMFC worked with the California Department of Fish and Wildlife to conduct observer and CM training in Santa Rosa, California rather than Portland, Oregon. This added location increased PSMFC’s costs and did not result in reducing the need for an industry-funded subsidy that year. However, revisiting this option with PSMFC and provider companies could potentially reduce training costs by nearly 25% for full training and 50% for recertification by reducing airfare and travel time under the current five-day training model. Changes to CM training locations do not require regulatory action.

### Eliminate Full Retrains

Under 2017 conditions, it cost an additional \$2,000 to train a CM that did not perform at least one offload in the previous 12 months. To mitigate this cost, provider companies could ensure that trained CMs are assigned and complete at least one offload each year so they do not need to undergo retraining and incur additional costs.

## Increase Collaboration

A comprehensive cost analysis comparing the use of EM for at-sea compliance monitoring to at-sea human observers could provide helpful information. If savings between EM and human observers are determined to be significant it could incentivize more collaboration between vessels and first receivers to share and reduce CM costs over time.

## CONCLUSION

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This report explored options to increase availability of CMs and reduce associated costs that may be hindering fishing vessels participating in the West Coast groundfish IFQ fishery. Exploring options for using existing personnel already working in ports in other capacities, or expanding options for locally based approved service providers could possibly result in an increase in the number of CM available to perform CM duties. A review of training methods and training locations could potentially reduce training costs. As EM technology improves and becomes more commonplace, there may be opportunities to apply EM technologies for catch monitoring purposes on shore, as well as for total catch accounting on board vessels, thereby eliminating the need for CMs on shore.

# Observer Definitions

## Scientific Observers

**Scientific Observers**, also sometimes referred to as “non-Catch Share Observers” are managed by the West Coast Groundfish Observer Program (WCGOP) which is a collaborative program between the Pacific States Marine Fisheries Commission (PSMFC) and the National Marine Fisheries Service (NMFS). Scientific observers are funded by NMFS and deployed on vessels participating in non-catch share fisheries such as the Limited Entry Sablefish Endorsed Fixed Gear Fishery, Limited Entry Non-Sablefish Endorsed Fixed Gear fishery, Open Access Fisheries for Fixed Gear and Nearshore Fixed Gear, Open Access California Halibut Trawl and Open Access Pink Shrimp Trawl. Coverage rates are determined by fishery and vary widely. These rates are dynamic and modified in response to the needs of the PFMC. Scientific Observers are also deployed on 30% of trips conducted by vessels in the Catch Share program that are using EM performing science duties only

## Catch Monitors

**Catch Monitors (CM)** are also sometimes referred to as “shoreside monitors”. The purpose of the Catch Monitor Program is to, among other related matters, confirm that the IFQ landings are accurately sorted, weighed and reported on electronic fish tickets. §660.17(b). A CM is required be present at each IFQ first receiver whenever an IFQ landing is received, unless the first receiver has been granted a written waiver from the catch monitor requirements by NMFS. Owners or managers of each IFQ first receiver must arrange for CM services from an approved CM provider prior to accepting IFQ landings. §660.140(i)(1)(2) CM are contracted and paid for by the first receiver, but in some instances cost and logistical planning is passed on to vessels.

## At-sea Compliance Monitors

**At-sea Compliance Monitors**, sometimes referred to as “Catch Share observers” are trained to follow regulations governing the tracking of quotas and retention of fish. Any vessel participating in the Shorebased IFQ Program must carry a certified observer on any fishing trip from the time the vessel leaves port and until the completion of landing. At-sea Compliance Monitors are paid for by industry. Vessels must contract with a NMFS approved service provider and arrange for the At-sea Compliance Monitor Coverage prior to fishing.

Scientific Monitors can not act as at Sea Compliance Monitors or as Catch Monitors

At Sea Compliance Monitors can perform Scientific Observer duties if they have the proper training and are approved to do so through WCGOP.

Personnel trained as Catch Monitor only are only qualified to monitor offloads and not fishing activity.

At Sea Compliance Monitors are also trained to perform Catch Monitor Duties.

# APPENDIX: REGULATORY REQUIREMENTS FOR CM

## §660.17(D)

### CATCH MONITORS MUST:

1. be under the employment of a NMFS approved [Catch Monitor Service Provider](#)
2. meet the [Catch Monitor Job Requirements](#)
3. have completed necessary training to receive a [Catch Monitor Training Certificate](#)
4. participate in a [Catch Monitor Program annual briefing](#)
5. meet requirements to [maintain certification](#)

#### 1. [Catch Monitor Service Provider:](#)

Persons seeking to provide observer or catch monitor services must obtain a provider permit from NMFS before providing catch monitors or certified observers for the Shorebased IFQ Program. §660.18(a).

Included in the criteria for evaluating service provider permit applications. §660.18 (c)(2)(ii) is the review of any **conflict of interest** § 660.18 (c)(3) to meet these criteria:

- Providers must not have a direct financial interest, other than the provision of observer, catch monitor or other biological sampling services, in any federal or state managed fisheries
- Any ownership, mortgage holder, or other secured interest in a vessel, first receiver, shorebased or floating stationary processor facility involved in the catching, taking, harvesting or processing of fish;
- Any business involved with selling supplies or services to any vessel, first receiver, shorebased or floating stationary processing facility; or
- Any business involved with purchasing raw or processed products from any vessel, first receiver, shorebased or floating stationary processing facilities.

In 2017, there are 3 companies that have received permits from NMFS and are authorized to provide Catch Monitor Service Providers: Tenera Environmental, Alaska Observers Inc, and Saltwater Observers.

#### 2. [Catch Monitor Job Requirements](#)

To be qualified as a Catch Monitor candidate must: §660.17(f)(1)

- Be a U.S. citizen or have authorization to work in the United States;
- Be at least 18 years of age;
- Have a high school diploma and;
  - At least two years of study from an accredited college with a major study in natural resource management, natural sciences, earth sciences, natural resource anthropology, law enforcement/police science, criminal justice, public administration, behavioral sciences, environmental sociology, or other closely related subjects pertinent to the management and protection of natural resources, or;

- One year of specialized experience performing duties which involved communicating effectively and obtaining cooperation, identifying and reporting problems or apparent violations of regulations concerning the use of protected or public land areas, and carrying out policies and procedures within a recreational area or natural resource site.
- Computer skills that enable the candidate to work competently with standard database software and computer hardware.
- Have a current and valid driver's license.
- Have had a background investigation and been found to have had no criminal or civil convictions that would affect their performance or credibility
- Have had health and physical fitness exams and been found to be fit for the job duties and work conditions.

### **3. Catch Monitor Training Certificate:**

A training certification signifies the successful completion of the training course required to obtain catch monitor certification. Training standards are not outlined in regulations; the Catch Monitor Program Office, which NMFS has contracted to Pacific States Marine Fisheries Commission (PSMFC), creates CM training curriculum in consultation with NMFS. §660.17(d)(1)

There are two current options for training to be certified as a CM:

- 1) CM only which is a 5-day program offered annually in Portland OR. This training includes all aspects hands on fish identification test that must be passed with a score of 80% or better.
- 2) At-sea Compliance Monitor training is a more extensive 3-week training program. Participants in this program can add on a 2.5-day CM training session and be certified to perform both duties.

Training conducted by PSMFC is funded through the Cost Recovery program, however service providers incur additional costs such as travel and per diem stipends to send employees for training.

### **4. Catch Monitor Program annual briefing §660.17(d)(11)(i)(C)**

The Catch Monitor Program will notify the catch monitor provider which catch monitors require debriefing and the specific time period the catch monitor provider has to schedule a date, time, and location for debriefing.

### **5. Maintaining Certification**

Catch Monitor certification lasts a year. In order to maintain status, the CM must meet the performance standards of the job, and have been deployed as a catch monitor within the 12 months prior to any required briefing, unless otherwise authorized by the Catch Monitor Program. If the CM has met the requirements to maintain certification must undergo training annually to be “re-certified”. Re-certification includes participating in 1-2 days of training in Portland rather than 5, and a passing score on an annual fish test.