GROUNDFISH MANAGEMENT TEAM REPORT ON FIVE-YEAR CATCH SHARE FOLLOW ON ACTION FMP AND REGULATORY AMENDMENTS – FINAL ACTION

The Groundfish Management Team (GMT) was briefed by Dr. Jim Seger, Pacific Fishery Management Council (Council) staff, and offers the following recommendations and comments.

At-Sea Whiting Fishery Bycatch Needs and Set-Aside Management

The GMT recommends the Council select Alternative 4 as their Final Preferred Alternative (FPA). Alternative 4 would manage all four species (canary rockfish, widow rockfish, darkblotched rockfish, and Pacific ocean perch [POP]) as sector-specific set-asides, with amounts set during the biennial specifications process. As we discussed in September (<u>Agenda Item I.7.a, Supplemental REVISED GMT Report 1, September 2018</u>), Alternative 4 would provide flexibility in mitigating the impacts of bycatch in the at-sea whiting fisheries, helping to meet the "needs" of the at-sea sector. In addition, it would provide the Council with the opportunity to establish set-asides at appropriate levels each biennium based on the best available data that would not unnecessarily "strand" allocation that could be used by the Individual Fishing Quota (IFQ) sector.

The Groundfish Advisory Subpanel (GAP) notes concerns in their report about how Alternative 4 does not provide the same stability of Alternative 3, which would retain the Amendment 21 formula for darkblotched rockfish, widow rockfish, and POP. The GMT does not see an issue with the proposal to use the Amendment 21 formulas in the next biennium as a starting point in setting set-asides that could then be adjusted based on recent bycatch information.

Fishery Management Plan Proposed Language

The GMT reviewed the proposed fishery management plan (FMP) language for each of the alternatives in <u>Agenda Item G.3</u>, <u>Attachment 1</u>, <u>November 2018</u> and recommends the Council adopt the proposed changes.

Shorebased IFQ Sector Harvest Complex Needs

As discussed in our September report, the GMT recommends that the Council adopt Alternative 2 and the sub-option and Alternative 3 as FPAs. Alternative 2 would allow vessels to obtain the current year's quota pounds (QPs) to cover any overage, and the sub-option would allow vessels to acquire QPs in excess of the vessel limits to cover those overages. The GMT believes that the rebuilding of many stocks in past years will result in fewer, smaller overages compared to the past; additionally, the requirement to still obtain QPs to cover the overage will disincentivize risky fishing behaviors. However, we do see merit in the GAP's suggestion to assess whether or not to allow for exemptions to vessel limits during post-season trading through the biennial process. This would allow the Council to assess changes in the fishery (e.g., if several vessels are exceeding vessel caps) and adjust accordingly. Alternative 3 would eliminate the September 1 expiration date for those QPs not transferred from quota share (QS) accounts into vessel accounts. The GMT believes this will provide more flexibility for QS owners and reduce the workload for National Marine Fisheries Service.

Catcher Processor Sector Accumulation Limits

In the September 2018 report, the GMT provided a thorough analysis of the pros and cons associated with implementing accumulation limits in the catcher processor (CP) sector. Ultimately, the GMT believes that, if the Council wishes to install some limits in the sector to maintain multiple entities in the co-op, then permit ownership caps would be the preferable method. Therefore, **the GMT continues to recommend No Action on the processing limit.** As it is a matter of policy, we do not have a specific recommendation on the permit limit.

New Data Collections for Catcher Processor and Quota Share Owners As discussed in our March 2018 and September 2018 reports, the GMT recommends including a collection of both the CP ownership interest information (Alternative 2) and the QS owner economic data (Alternative 4) as a part of the five-year follow on rulemaking package.

Recommendations

The GMT recommends the Council:

- select Alternative 4 as the FPA for whiting set-aside management
- adopt the proposed changes to the FMP language as shown in in <u>Agenda Item G.3</u>, <u>Attachment 1, November 2018</u>
- adopt Alternative 2 and the sub-option and Alternative 3 as FPAs for the shorebased sector harvest complex needs
- adopt No Action on the processing limit
- include a collection of both the CP ownership interest information (Alternative 2) and the QS owner economic data (Alternative 4) as a part of the five-year follow on rulemaking package

PFMC 11/05/18