Pacific Fishery Management Council



7700 NE Ambassador Place, Suite 101 Portland, OR 97220-1384 Phone 503-820-2280 | Toll free 866-806-7204 | Fax 503-820-2299 | www.pcouncil.org Philip Anderson, Chair | Charles A. Tracy, Executive Director

August 23, 2019

Mr. Barry Thom Regional Administrator, West Coast Region National Marine Fisheries Service 1201 NE Lloyd Blvd., Suite 1100 Portland, OR 97232-1274

Re: Council Recommendations for Trawl Catch Share Review Trailing Action Rule and Amendment 21-4 to the Groundfish Fishery Management Plan

Dear Mr. Thom:

At its November 2018 meeting, the Pacific Fishery Management Council (Council) adopted final recommendations as trailing actions to its recently completed review of the trawl catch share program, including Amendment 21-4. These recommendations included the following:

- 1. Under the at-sea whiting co-op program, for widow rockfish and canary rockfish, use set-aside management instead of bycatch caps and amend the Fishery Management Plan (FMP) to remove the at-sea fishery allocation formulas for darkblotched rockfish, Pacific ocean perch, and widow rockfish (but use those allocations as regulatory defaults in the absence of a Council recommendation for a different allocation);
- 2. allow vessels to cover any end-of-year quota pound (QP) account deficits through post-season trading with those who have surpluses (prior to the determination of surplus and deficit carryovers); after the season is over do not apply the annual vessel QP use limits to vessel accounts with deficits needing coverage; eliminate the September 1 deadline for transferring QP to vessel accounts;
- 3. adopt a five-permit accumulation limit for catcher-processor limits, but apply that limit only in the event that a catch-processor co-op fails to form;
- 4. every year collect detailed ownership information on catcher-processors; and
- 5. collect information on quota share ownership.

The first action listed includes removal of certain allocation formulas from the West Coast Groundfish FMP (Amendment 21-4). The FMP language recommended by the Council to achieve this change, along with some other housekeeping updates to keep the plan current, are provided in the section of the enclosed Council decision document, in the section on the at-sea whiting fishery bycatch need alternatives.

The Council expects the move from hard caps to set-aside management for selected species to benefit the at-sea whiting fishery by reducing the risk of inseason closure and providing greater operational flexibility for the fleet. In addition to economic benefits, vessels with a lesser need to avoid rockfish bycatch can be more responsive to the need to reduce salmon bycatch rates. With this change, closures of the at-sea whiting fishery would only occur if there is a conservation risk such as exceeding an ACL or other important harvest specifications, or if there is an unforeseen impact to other fisheries. Council members noted that if there are significant increases in the rate of bycatch over the coming years their intent would be to review whether set-asides are working as intended or whether a different approach would be appropriate, such as a return to hard caps or other management measures. By removing the rockfish allocation formulas from the FMP but preserving them as defaults to be used in the absence of other action, the Council expects to gain flexibility to respond to changing stock abundances and projected attainments in nonwhiting fisheries, while at the same time preserving an element of predictability by maintaining the existing formulas as defaults.

The Council expects that its recommendations on post-season trading, vessel QP limits, and the QP transfer deadline will increase attainment of the trawl allocation by allowing the use of previous years' quota to cover previous years' catch; providing vessels with deficits with post-season relief from the constraint of annual vessel QP limits while at the same time maintaining accountability by requiring vessels to acquire QP to cover deficits; and eliminating the loss of QP that expire if left in quota share account after the September 1 transfer deadline.

In line with Magnuson-Stevens Act mandates for the limitation of quota accumulation in limited access privilege programs, the Council is recommending a catcher-processor permit accumulation limit. However, since the current catcher-processor co-op program is working well, these new accumulation limits would become operational only if there is a co-op failure (defined in regulation as participants' failure to establish a catcher-processor permit co-op agreement that includes the owners of all catcher-processor permits). Under such circumstances, each catcher-processor permit would receive an equal allocation of quota shares. Thus the limit on the number of permits owned would effectuate a limit on the total quota owned.

The Council recommendations also include two expansions in the data collection system that will enhance the Council's ability to monitor program performance and conduct periodic program reviews: the annual collection of ownership information for catcher-processor permits and QS owner information. The Council left it to NMFS to look for the most efficient way to carry out the data collection while minimizing burdens on participants.

This letter transmits the proposed regulations to implement Council-recommended FMP amendment and related recommendations. These regulations represent substantial progress in improving the function of the West Coast trawl catch share fishery, on the one hand creating more flexibility and on the other hand furthering the MSA mandate to restrict excessive accumulation and recommending the collection of information needed to monitor performance of the program over the long-term.

Council staff has worked closely with your staff in developing the proposed regulations such that the language is consistent with final action taken at the November 2018 Council meeting. By this letter, I deem the attached regulations as necessary or appropriate to implement the Council final action taken at that time.

Please let me know if our staff can be of any further assistance on this important matter.

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Sincerely,

Charles A. Tracy Executive Director

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Enclosures: Follow-on Action Regulation Text Necessary to Implement the Council's

Recommendation

Amendment 20 Catch Share Review Follow-On Actions—Alternatives and Impact Analysis (Including Amendment 21-4 to the Groundfish FMP)

Council Decision Analysis Document

Cc: Mr. Chris Oliver Council Members Groundfish Advisory Subpanel Groundfish Management Team

Mr. Colin Sayre Dr. Jim Seger