## NMFS Response to the September 2020, Supplemental GAP Report on cost recovery.

The Groundfish Advisory Subpanel (GAP) submitted a supplemental report (<u>September GAP</u> report) at the September Pacific Fishery Management Council (Council) meeting, responding to the September National Marine Fisheries Service (NMFS) Report - <u>Response to GAP Questions</u> on <u>Cost Recovery Annual Report</u>. The GAP reiterated their request to better understand the designation of incremental costs being included in the cost recovery (CR) fees as well as having a greater role in CR policy decisions.

To this end, the GAP suggested that the Council convene an ad hoc CR Committee or host a series of CR Workshops<sup>1</sup> using the policy guidelines specified in the final Council motion on  $CR^2$  as a guide. The GAP envisions that a CR Group would establish a baseline of pre-catch shares costs, determine which current or upcoming costs are recoverable, and provide input into the CR fee calculations.

NMFS has provided both written and verbal presentations on the CR program as well as participated in meetings with industry on multiple occasions to discuss CR. We support continued dialogue with the Council and industry and agree that a Council led process may be the most productive. With everyone's time at a premium, the expectations of both NMFS and the GAP as well as the Council as to what would be produced by a CR Group as well as the commitment level (e.g., number of meetings per year) required of a CR Group would have to be clear. NMFS suggests that, in addition to the standard April Council meeting, we are able to participate in two additional focused meetings in 2021.

NMFS is responsible for determining the incremental tasks and associated costs of the management, data collection and analysis, and enforcement of the Trawl Rationalization Program consistent with the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1854(d)(2)). We have already committed to providing preliminary incremental task determinations during scoping of a Council action. This would allow industry to hear the preliminary determinations and provide input at the action scoping phase. This process would cover determinations that impact all three of the regional offices that generate recoverable costs: the West Coast Regional Office (WCR), the Northwest Fishery Science Center (NWFSC), and Office of Law Enforcement (OLE). There are incremental tasks that do not fall as easily under the scoping process and tend to be identified during implementation and enforcement. We will aim to provide updates on these determinations in a timely manner.

If the Council proceeds with the creation of a CR Group, led by Council staff, NMFS recommends the meetings be focused on individual issues with clear objectives for the meeting outcome. A narrow agenda would limit the number of NMFS staff involved to those who are most

<sup>&</sup>lt;sup>1</sup> These groups/committees and or Council lead workshops are referred to here as a "CR Group."

<sup>&</sup>lt;sup>2</sup> Agenda Item G.6.b, Cost Recovery Committee Report, September 2011.

knowledgeable and would be the most efficient approach. NMFS is concerned about the high workload anticipated with the formation of a CR group, which includes not only an individual's time spent at the meetings but also the time spent preparing materials for the meetings. The Council should also specify where the CR group falls among the Council's groundfish priorities under workload planning for 2021. If the Council recommends the formation of a CR group, NMFS will determine whether staff time associated with the CR group would be recoverable.