COST RECOVERY REPORT AND FINAL REGULATIONS

Each year the Council receives a report from National Marine Fisheries Service (NMFS) on cost recovery for the trawl catch share program (Agenda Item F.5.a, NMFS Report 1). The report covers costs and fee collections from the previous year along with fee rates for the current year. This agenda provides the Council an opportunity to review the cost recovery levels established by NMFS.

This year, the Council is also scheduled to take final action on a NMFS-proposed minor regulatory amendment to bring cost recovery regulations in line with practices (Agenda Item F.5.a, NMFS Report 2). The original Council recommendation on cost recover for the at-sea whiting fishery specified that the cost recovery rate should be applied to the value of all groundfish species in a delivery. While the current regulations are in line with the Council recommendation, due to an insufficiency in the data needed to estimate value for non-whiting species, the fees have only been applied with respect to the value of whiting. NMFS presented this recommended change to the Council at its November 2020 meeting in <u>NMFS Report 1 for Agenda Item G.2.a</u>. At that meeting, the Council indicated its preliminary support for the change and scheduled a final recommendation for this meeting. These changes would not affect the total costs targeted for recovery from each of the at-sea sectors.

Background

As authorized under Magnuson-Stevens Fishery Conservation and Management Act (MSA) Sections 303A(e) and 304(d)(2), Amendment 20 included a Council recommendation that fees be charged for cost recovery. This was followed, in September 2011, with a Council recommendation on the methodology for identifying and assessing "management, data collection and analysis, and enforcement programs that are directly related to and in support of the program" (MSA303A(e)(1)). The Council's final recommendation on cost recovery is available on the <u>cost recovery webpage</u> and includes an ongoing, periodic review role for the Council. Cost recovery fees were first charged starting in 2014, and National Marine Fisheries Service (NMFS) provided its first report on cost recovery at the April 2014 Council meeting.

At its March 2021 meeting the Council considered prioritizing reactivating its Cost Recovery Committee but decided it was not ready to make such a prioritization, so further action on that issue was not noticed for this Council meeting.

Council Action:

- 1. Provide Comments on the Report.
- 2. Adopt Final Regulatory Changes.

Reference Materials:

- 1. Agenda Item F.5.a, NMFS Report 1: Pacific Coast Groundfish Trawl Rationalization Program Cost Recovery Annual Report Fee Calculation for 2021 and Fishing Year 2020 Payments.
- 2. Agenda Item F.5.a, NMFS Report 2: National Marine Fisheries Service Report on Cost Recovery Calculations for the Mothership and Catcher-Processor Sectors.
- 3. If Received, Public Comments are Electronic Only (see e-portal).

Agenda Order:

- F.5Cost Recovery Report and Final RegulationsJim Segera.National Marine Fisheries Service ReportKeeley Kentb.Reports and Comments of Management Entities and Advisory Bodies
 - c. Public Comment
 - d. **Council Action:** Provide Comments on the Report and Adopt Final Regulatory Changes

PFMC 03/22/21