

Trawl Catch Share Program Review Workshop Summary

March 3-4, 2025 • Vancouver, WA

Trawl program participants are facing a true make-or-break moment, where the costs of fishing and processing have never been higher, and revenue has not kept pace. Fifteen years into the trawl catch share program, the Council's goals of increased net economic benefits, individual economic stability, and full utilization of the trawl sector allocation have not been realized, while benefits to the environment and individual accountability have been achieved at great cost to trawl program participants.

More than ever we need the upcoming trawl catch share program review and follow-on actions to provide meaningful help. With that goal in mind, several trawl industry participants held a two-day workshop to brainstorm ideas to improve performance of the fishery, with the intention to get these ideas out early in the process so they can be built upon and spur other creative solutions. Participants included Brad Pettinger, Phil Anderson, Bob Dooley, Andrew Bornstein, Brian Blake, Heather Mann, Jeff Lackey, Kevin Dunn, Lisa Damrosch, Lori Steele, Sarah Nayani, and Travis Hunter. Maggie Sommer attended virtually as an observer.

We are submitting this informational report to the Council as a high level overview of the workshop outcomes, and plan to provide a more in-depth report at a future Council meeting. Our ideas to improve trawl program performance fell into three categories:

- **Trawl Program Review Topics:** items appropriate for Council consideration under the trawl catch share program review and follow-on actions agenda items
- **Broader Council Topics:** items appropriate for Council consideration, but not as part of the trawl catch share program review
- **Non-Council Topics:** items that are related to or affected by Council decisions, but fall largely outside of the Council's direct purview

We covered each category in this report, since they overlap and impact each other, and to demonstrate to the Council how engaged and committed trawl participants are to working on solutions to support our fisheries - inside and outside the Council process.

Trawl Program Review Topics

This section covers challenges and solutions for consideration by the Council through the trawl catch share program review and follow-on actions.

Monitoring

We recommend the Council analyze alternatives for trawl program observers, electronic monitoring (EM), and dockside catch monitoring. Monitoring costs are one of the largest trawl program expenses, and a reduction in those costs would be one of the most impactful changes the Council could make. Daily rates for observers have steadily risen, and with many vessels choosing EM, fewer observer

providers are participating in fewer ports, making it more difficult and costly for vessels who still use observers. The EM program was originally intended to be an audit of the logbook to ensure it was reasonably correct, but the sorting requirements and extensive EM review has now overshoot the accountability needs of that intent, and is therefore not feasible for many bottom-trawl vessels who most need an alternative to costly observers. Shoreside processors have also experienced higher costs and logistical issues for scheduling dockside catch monitors, especially now that many vessels carry EM and the observer is no longer stepping off the boat onto the dock to serve as the catch monitor.

Workshop participants would like the Council to explore the following solutions:

1. **Use EM as Logbook Validation for Trawl Program Catcher Vessels Discards:** Use logbooks as the source document for discards, with periodic EM review (less than 100%) to audit.
2. **Review Catch Handling Requirements:** Onerous sorting and catch handling of non-IFQ species and IFQ allowable discard species with less than 10% attainment reduces safety and efficiency keeping EM from being a viable option for many bottom trawl vessels. Vessel Monitoring Plans (VMP) can be revised as needed. The following changes could be reflected in Vessel Monitoring Plans to reduce operational complexity
 - a. **Sort Certain Discard Species to Categories:** In order to make EM more feasible, particularly for bottom trawl vessels, allow sorting of certain discard species to the category-level (i.e. flatfish) instead of species-level - where estimated species rates would be applied in the vessel account.
 - b. **Allow extrapolation using EM:** Allow vessels to sample and extrapolate in front of the cameras to replicate deck operations when an observer is present.
3. **Use Dockside Catch Monitors or Cameras as Fish Ticket Validation:** Similar to #1, use IFQ fish tickets as the source document for landings, with periodic dockside catch monitoring or camera review (less than 100%) to audit, rather than comparing every fish ticket and catch monitor value pound for pound in IFQ accounts. Shoreside processors could take photos of species of extra concern (i.e. salmon, canary, etc. - with species of concern being defined annually), or hold species aside for port samplers.
4. **Reduce Training Certification Requirements for Dockside Catch Monitors:** Instead of requiring catch monitors to be employed by a catch monitor provider, allow anyone to take the catch monitor training and seek certification, including processor employees. This could reduce costs and provide local jobs in ports where catch monitor coverage is currently difficult to access.

Adaptive Management Program

We recommend the Council analyze alternatives to the Adaptive Management Program (AMP), which still has never been developed, and continues to be “passed through” to quota share (QS) permit owners. The pass through was initially intended to be temporary until the Council developed a system for issuance to align with AMP goals (stabilizing fishing communities, stabilizing fish processors, facilitating new entrants, addressing conservation concerns, or responding to other unintended outcomes of the individual fishing quota program). Workshop participants expressed that it’s time to

either do something meaningful that supports active participants who have invested in the fishery, or end the AMP program permanently.

The structure of the trawl program puts the entirety of the program's cost recovery burden onto active vessels, who also bear monitoring costs and massive operating expenses. The investments made by active trawl program vessels support coastal infrastructure and provide jobs, revenue, and benefits to the broader West Coast fishing industry and to coastal communities. On the other hand, QS permit owners who no longer have an active trawl vessel do not pay any cost recovery, but incur program costs (permits, accounting system, EDC, etc.) that the active vessels pay for. Workshop participants discussed this inequity and considered whether there might be a simple way to distribute AMP to active vessels only, rather than to all QS permit owners. This would accomplish at least four of the AMP program goals, by (1) supporting active vessels and the communities and fishing infrastructure they invest in, (2) supporting the processors they deliver to (or processors that operate active vessels), (3) supporting new entrants who do not yet own QS - by issuing them an annual boost of QP for all species, that they could either catch or trade with for species they do target, and (4) addressing an unintended consequence of the program that the entirety of trawl program costs are paid for by the active vessels.

On the other hand, a simple method to handle AMP, and something many trawl program participants have been supportive of for some time, would be to end the AMP program altogether, permanently distributing AMP to QS permit owners. Since AMP has been passed through for 15 years, QS permit owners have become accustomed to receiving those QPs, which are valuable for their active vessels, or for trading or leasing. Having the QS shown on QS permits (rather than annual QP) could also provide benefit as an asset for those seeking financing or loans for vessel upgrades, fisheries investments, etc.

Workshop participants would like the Council to explore the following solutions:

1. **Allocate to Active Participants:** Annually allocate an equal share of AMP quota pounds (QP) to IFQ vessel accounts associated with vessels that actively fished during the prior fishing year and met some minimum threshold (i.e. number of pounds or number of deliveries).
2. **End AMP:** Permanently allocate AMP QS to current IFQ QS permit owners' QS permits/accounts, in proportion to their QS holdings.

Accumulation Limits

Workshop participants recommend the Council explore the following solution:

1. **Consider IFQ vessel limits during the biennial harvest specifications and management measures (specs and MM) process:** Since the Annual Catch Limit (ACL) and trawl allocation process directly determines vessel limits, which are set as percentages of the IFQ allocation, it would make sense to move this to the specs and MM process. While it is unlikely that participants would request changes to the IFQ vessel limits, Council consideration every two

years instead of every seven could provide flexibility and prevent workload when an emergency issue (like the cowcod vessel limit, which the Council took up in 2019-2020) crops up.

Carryover

The carryover provision in the IFQ sector allows for up to 10% of uncaught QP in a vessel account to be carried over from one year to the next. While carryover was issued this way for the first few years the program, and provided substantive benefit to trawl program participants, a subsequent NOAA Fisheries interpretation of MSA provisions and *Conservation Law Foundation v. Pritzker* case law no longer allows IFQ carryover to be issued for species where the ACL=ABC. Therefore IFQ carryover is now issued for fewer species and provides less benefit and flexibility to vessel account holders. This makes the “Big C” Carryover and similar harvest specifications flexibility items (see below) even more important.

Economic Data Collection

Similar to other elements of the trawl catch share program that have overachieved the individual accountability goal, the Economic Data Collection (EDC) program has collected 15 years (2009-2023) of some of the most extensive economic data for any fishery worldwide. EDC implementation costs are counted toward cost recovery, and on top of cost recovery fees, trawl program participants spend significant time and money on completing the mandatory reports. One criteria for the approval of trawl program permit renewals is that EDCs must be completed, and failure to complete a report could result in non-renewal status and permanent loss of trawl limited entry permits (including mothership and catcher processor), QS, vessel accounts, mothership catch history assignments, and/or first receiver site licenses (see [50 CFR 660.114\(b\)](#)).

Economic data collection programs for other fisheries are far less extensive, for example the Alaska American Fisheries Act (AFA) Pollock Economic Data Report (EDR) requests fuel consumption rates and basic information on transfers.

Workshop participants would like the Council to analyze alternatives to the status quo EDC program, including:

- **Eliminate the mandatory EDC program (including the quota share owners survey)**
- **Drastically reduce the amount of information collected:** for example, pared down to one page or 5-10 of the Council’s most pressing questions, like the Alaska Pollock EDR
- **Reduce the frequency of reporting:** for example, once every 5-7 years, to coincide with trawl program reviews
- **Consider whether the quota share owners survey (part of renewals) has provided accurate and useful information**

Cost Recovery

Implementation of the trawl cost recovery program has continually arisen as a point of contention for trawl program participants and the Groundfish Advisory Subpanel (GAP), and was the subject of the *Glacier v. Pritzker* lawsuit in 2015-2016. While trawl representatives plan to work on solutions outside of

the Council process, workshop participants also think it could be worthwhile to **pursue cost recovery solutions within the trawl program review**. While we did not discuss specific within-Council ideas at the workshop, and are not making any formal recommendations at this point, subsequent post-workshop discussions spurred a few ideas that could merit consideration. For example, could the cost recovery fee calculation be reexamined in order to prevent an increased fee when fishery value drops, as happened with the 2025 mothership fee? Could a portion of cost recovery be applied to QS owners, who incur program costs, so that active vessels would not bear the full cost of program implementation? Are there other refinements the Council could make to improve implementation of the cost recovery program?

Broader Council Topics

This section covers challenges and solutions for consideration by the Council outside of the trawl catch share program review.

Surveys & Data Collection

- **Expansion of the Hook and Line Survey North and into Nearshore Waters, and the Trawl Survey into Shallower Waters:** The West Coast fishing industry has long advocated for expanded surveys into areas with rocky bottom (expanded the hook and line survey) and into shallower waters (expanded trawl survey), in order to capture information where there are currently critical data gaps informing stock assessments.
- **Pathway for Local and Traditional Knowledge:** Formalize a meaningful pathway to incorporate local and traditional knowledge and groundtruthing into survey designs and data collection that feed into stock assessments
- **Fishermen-Collected Data:** With likely declines in survey and stock assessment funding that is so vital to our fisheries, legitimize and build partnerships and pathways for fishermen who are already on the grounds to collect and provide useful data
- **Citizen Science:** Similarly to fishermen-collected data, legitimize and build partnerships and pathways for the general public to collect and provide useful data

Stock Assessments

- **Review of Stock Assessment Process:** Workshop participants support the Council's Request for Proposals – Evaluation of the PFMC Stock Assessment Review Process
- **Continue supporting opportunities for two-way learning between stock assessors and industry:** Such as the Marine Resources Education Program (MREP) and the "Jason Cope call"

Harvest Specifications Flexibility ("Spex Flex")

Explore pathways that could provide flexibility and/or incremental or phased-in impacts, instead of hitting all at once. Workshop participants discussed the following ideas, some of which have been considered by the Council in the past, and some were recently brought forward at the March meeting under the H.8 Workload and New Management Measures Priorities agenda item. We support the

Council looking into these or any other mechanisms to provide greater flexibility under the harvest specifications framework.

- **Undertake a National Review of how Councils Interpret Risk and Provide Flexibility:** Understanding how other Councils implement risk tolerance and provide flexibility in the harvest specifications process under changing stock conditions would be helpful information to gather.
- **Big “C” Carryover:** National Standard 1 of the Magnuson-Stevens Act (MSA) states: “Councils can develop ABC control rules that allow for changes in catch limits to be phased-in over time or to account for the carryover of some of the unused portion of the ACL from one year to the next.” Given that the harvest specifications process already assumes 100% mortality of each Annual Catch Limit (ACL) in a given year, and that actual mortality typically is far below the ACL, workshop participants want to explore a method at the groundfish fishery level to add the uncaught allocation amount from the prior year as carryover that would be available for catch in the current year.
- **Multi-Year Average Catch Policy:** MSA National Standard 1 also allows for a multi-year plan that could potentially be used to accommodate the “Big C” Carryover idea above, for example comparing catch to a 2-year rolling ACL (uncaught from year 1 rolls into year 2, and year 2 is measured against that updated ACL).
- **Phased-In Approach:** Rather than taking immediate drastic cuts in catch limits when new scientific information about the status of a stock becomes available, MSA National Standard 1 provides for a “phased-in” approach whereby Council may choose to develop a control rule that phases-in changes to an Acceptable Biological Catch (ABC) over a period of time, not to exceed 3 years, as long as the OFL is not exceeded.
- **Develop an Off-Ramp Process:** Create a mechanism whereby a stock assessment could be delayed in order to take a deeper look at its results, especially when incongruent with catch levels - instead of rushing an assessment through that has far-reaching impacts on the fishery.
- **Develop a Green-Light Process:** Create a mechanism whereby ACLs could increase in a cycle if a stock assessment provides indications that the stock is healthier than expected.
- **Reconsider and Analyze the Impacts of Time-Varying Sigma:** Sigma is the characterization of scientific uncertainty, which is set by the Scientific and Statistical Committee (SSC). Since the 2021-2022 harvest specifications cycle, the SSC has used a time-varying approach that increases sigma over time, depending on how much time has elapsed since the most recent assessment. This method results in a “staleness penalty” in the form of greater deductions from the overfishing limit (OFL) to the ABC. It also results in a “race for assessments” which may become more limited with potential funding gaps. It is our understanding that this is the only Council that applies time-varying sigma, and given the other levels precaution applied (for example, artificially setting the maximum P* value at 0.45), workshop participants encourage the Council to analyze and reconsider the impacts of time-varying sigma.
- **P*:** P* is the risk of overfishing, which is set by the Council. P* must be below 0.5, but the Groundfish FMP currently sets an artificial upper limit P* value of 0.45. We recommend the

Council consider revising the upper limit P* value to 0.4999, in order to provide the Council with more flexibility in the management process where uncertainty is already accounted for.

The ways that the Council considers risk in the management process results in compounded reductions in harvest specifications that have real impacts on fisheries. We need greater flexibility and more tools in our tool belt to address changes with fewer drastic impacts to our businesses and communities.

Trawl Gear EFP to Regulations

The trawl gear exempted fishing permit (EFP) was implemented in 2017, and has over six years of data to support analysis for the salmon biological opinion and to move to regulation. We recommend timely implementation of the trawl gear EFP to regulation so that trawl program users can have more certainty and fewer EFP requirements.

Non-Council Topics

This section covers challenges and solutions that are related to or affected by Council decisions, but fall largely outside of the Council's direct purview.

Buyback

As of December 2024, trawl program participants have paid over \$54 million on a \$28 million loan, and still have almost \$8 million left to pay. Our buyback loan has the highest interest rate of any buyback program in the country at 6.97%. Buyback fees are paid for by active catcher vessels making deliveries in the shorebased IFQ and mothership sectors. In recent years the buyback fee rate has been 3.5%, but in January 2025 NMFS dropped the rate to 2.25% without consulting industry. While a lower fee rate saves money on individual payments in the short term, the change from 3.5% to 2.25% extends the expected payoff date of the loan by 4.5 years (from October 2029 to March 2034) and increases total nominal payments by \$1.4 million (from \$9.25 million to \$10.64 million). Trawl industry representatives are examining several options, including requesting relief on the interest rate of the buyback loan - potentially with a back-calculation at the lower interest rate. In addition, industry was polled and overwhelmingly supported returning the fee to 3.5%, in order to pay off the loan faster and with less overall interest. However, when we made the request to NOAA Fisheries headquarters to return the fee rate to 3.5%, they said it would likely require a statutory (or at a minimum, regulatory) change, since paying off the loan faster would not return the full amount they expected to collect.

Cost Recovery

Trawl representatives are exploring national pathways to cost recovery relief, including a reexamination of the cost recovery clause in the Magnuson-Stevens Act. Trawl program participants provide healthy, sustainable food for the nation and world, yet compete in a global marketplace with producers whose governments do not charge them for program implementation - but actually support them with low-interest loans, financial incentives for vessel recapitalization, marketing, and more.

Retaining Coastal Infrastructure

This is a complex topic with no single solution, but actions that support a vibrant trawl program and trawl industry will help support coastal fishing infrastructure that benefits all fisheries/sectors.