

# LIMITED ENTRY FIXED GEAR ACTIONS: GEAR ENDORSEMENTS, COST RECOVERY, AND OTHER ADMINISTRATIVE ACTIONS

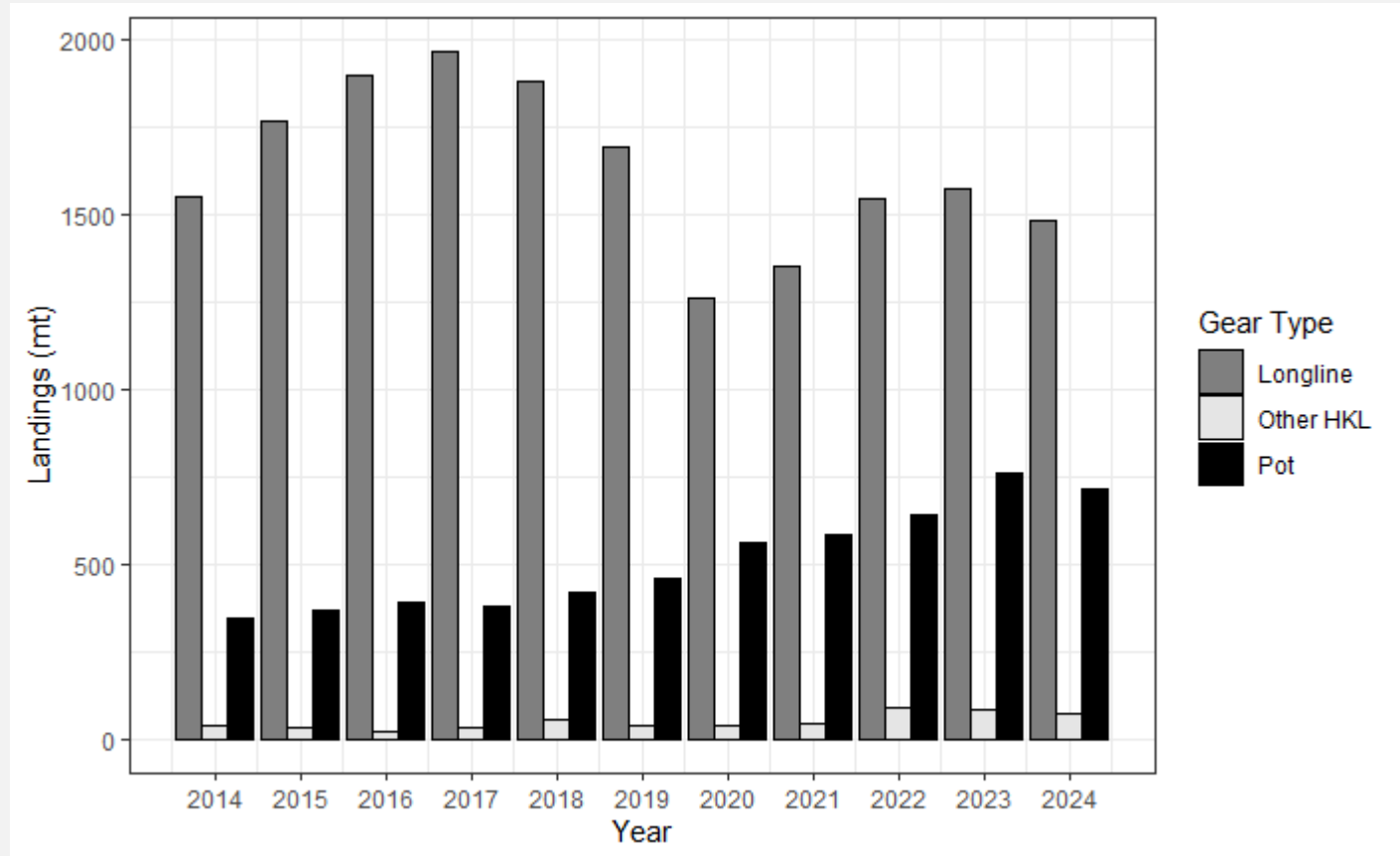
## LEFG SECTOR OVERVIEW

- Vessels must be registered to a fixed gear endorsed permit-longline or pot
- Two sectors within LEFG: trip limit and sablefish tier
- Only allowed to fish with gear on registered permit (or would need to declare into OA unless fishing with non-bottom contact gear)

Gear Endorsement	Sablefish Endorsement	No Sablefish Endorsement	Total
<b>Longline</b>	132	59	191
<b>Pot</b>	28	0	28
<b>Longline and Pot</b>	4	0	4
<b>Total</b>	<b>164</b>	<b>59</b>	<b>223</b>

# LEFG SECTOR OVERVIEW

- Table I-3 shows LEFG vessels by gear type used
- Majority of vessels utilize bottom longline gear (decreasing over time)
- Vessels using other types of HKL gear increasing
- Pot gear vessels variable



# HISTORY OF ACTION



## COUNCIL ACTION

- Adopt final preferred alternative
- Adopt FMP language

# MATERIALS

- Attachment 1: EA/RIR/RFA/MSA Analysis
- Supplemental Attachment 2: Proposed FMP Changes
- Supplemental Attachment 3: Errata
- NMFS Report 1: Proposed Cost Recovery Program
- Supplemental AB Reports and Public Comment

## PURPOSE AND NEED

Based on the most recent limited entry fixed gear (LEFG) primary sablefish program review, the program is working effectively. However, with changing and unpredictable ocean and market conditions, and an aging fleet, there is a continued need to increase the **flexibility to all LEFG participants to utilize their quota in the most efficient way possible and encourage new participation**. ....This action is **needed to provide increased flexibility to LEFG participants while reducing administrative burdens**.

Additionally, the NMFS has determined that elements of the LEFG sablefish primary fishery (i.e., tier program) are considered cost recoverable. The purpose of this action is to also **develop a cost recovery program**. The action is **needed to meet the Magnuson-Stevens Act requirements for limited access privilege programs (LAPP)** (16 U.S.C. §§ 1853a(e) and 1854(d)(2)).

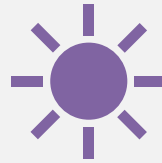
## ACTION ITEMS



Gear  
Endorsements



Base Permit  
Designation



Season Start  
Time



Permit Price  
Reporting



Cost Recovery  
Program

# GEAR ENDORSEMENTS

## NO ACTION

Vessels registered to a LEFG permit(s) would only be able to harvest their limits/quotas with the gear endorsed on a permit, unless using non-bottom contact groundfish gear to harvest up to their LEFG limits.

## ACTION ALTERNATIVES

- Alternative 1: Vessels registered to bottom longline-endorsed permits would be permitted to also use slinky pots to harvest their quotas.
- Alternative 2: Create a single LEFG endorsed permit (i.e., remove the specific pot and bottom longline endorsements). Vessels registered to a LEFG endorsed permit could utilize either bottom longline or pot gear to harvest their quota.
- **Alternative 3 (PPA): Create a single LE non-trawl endorsed permit. Vessels registered to a permit with this endorsement would be permitted to use any legal non-trawl groundfish gear to harvest their quota.**
  - Suboption a: Exclude entangling nets from the gear permitted

# IMPACTS



MARINE  
MAMMALS



SEA TURTLES



SEABIRDS



HABITAT



ECONOMIC  
IMPACTS

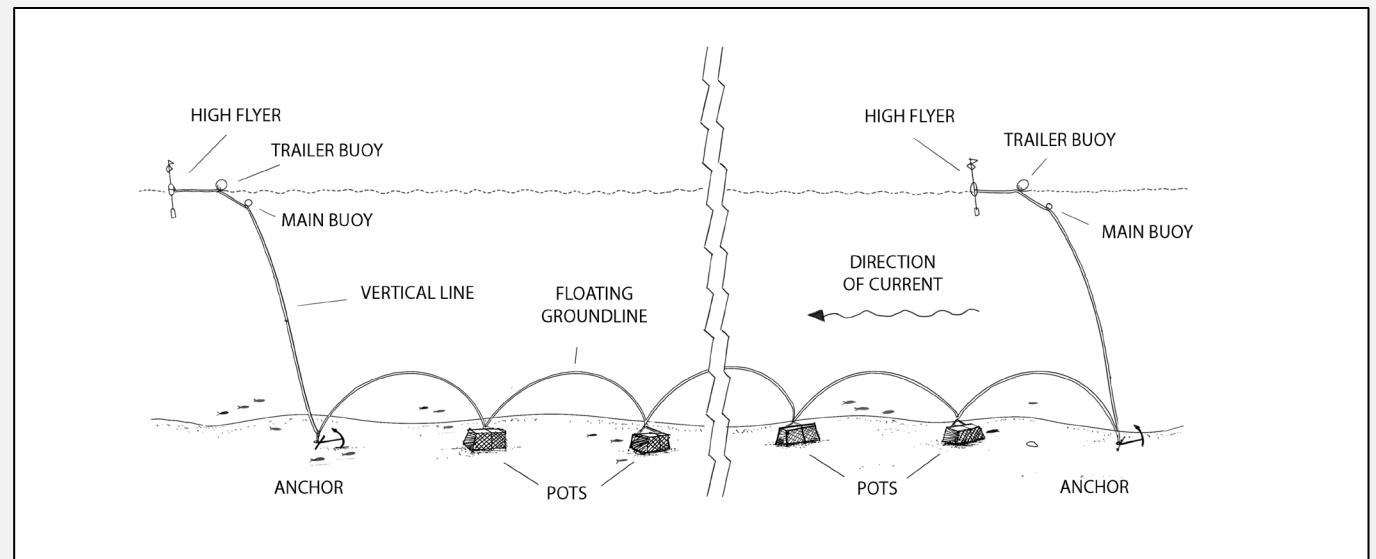
# SCENARIOS

- Scenario 1: No shift in activity
  - Same as No Action; Could occur under Alternative 1-3
- Scenario 2: All bottom longline vessels shift to slinky pots
  - Could occur under Alternatives 1-3
- Scenario 3: Bottom longline vessels shift to mix of “traditional” and slinky pots based on size (>50 ft LOA)
  - Could occur under Alternatives 2 and 3
- None of the scenarios look at shift from pot to longline as able to do that now
- Also, Alt 3 could also seen increase in other hook-and-line gears- not analyzed explicitly.
- ***Likely to see combination of the three under any alternative***

Scenario	LGL	Slinky Pot	Pot
1	119-191		30-32
2	0	119-191	30-32
3	0	92-97	57-94

# METHOD OF ASSESSING ENTANGLEMENT RISK

- Vertical lines=primary source of entanglement risk
- Change in risk=change in vertical line hours
- On a per vessel basis, vertical line hours could be affected by
  - Number of vertical lines per set
  - Total sets per Trip
  - Total trips per year
  - CPUE
  - Total Harvest
  - Plus other factors, like market conditions, etc.
- Total change in hours=vessel level change in vertical line hours x number of vessels that change gear
- Not possible to quantitatively assess across alternatives/scenarios- but use a qualitative discussion



## ASSUMPTIONS/KEY ANALYTICS

- Operating under the Fixed Gear Marking and Entanglement Risk Reduction Measures package
  - Focus on voluntary allowance of single vertical line- likely utilized by pot vessels
- Monitoring through logbooks, observers, fish tickets
- GF SPEX Process- Consider any changes to effort and biennial estimates of entanglements
- Impacts will only be as long as any gear switching occurs
- Effort
  - 2-5 sets/trip for LGL, 14 trips a year
  - 7-14 sets/trip for Pot, 6 trips a year
- Soak Time
  - 69% of LGL sets < 12 hours
  - 64%+ of Pot sets > a day
- CPUE for pot > CPUE of longline (sablefish)
- Avg landings of sablefish
  - Longline=31,161 lbs
  - Pot= 90,280 lbs

# MARINE MAMMALS

## MARINE MAMMALS

- Focus on two distinct population segments (DPS) of humpback whales- Mexico and Central American
  - Hawai'i DPS is not ESA listed
- 3 observed takes in non-trawl fishery since 2002 (LE sabl pot in 2014, OA pot in 2016, PHLB LGL/sabl slinky pot 2023)
- 2024 BiOp uses a predicted species distribution model and co-occurrence of fishing effort

## SCENARIO 1 (APPLIES TO NO ACTION AND ALTS 1-3)

- No change in gear use
- No Action- effort constrained by gear endorsements
- Action alternatives- no regulatory constraint, but potentially other factors prevent switching gears from longline to pot gear

## RANGE OF AVERAGE VERTICAL LINE HOURS

Gear Type	Vertical Lines	Sets	Vertical Line Hours Per Trip		Trips	Total Hours/Season		Total Catch	Line Hour per Lb of Sablefish Catch	
Soak Time (hours)			6	12		6	12		6	12
Longline	2	2	24	48	14	336	672	31161	0.011	0.022
		5	60	120		840	1680		0.027	0.054
Soak Time (hours)			24	36		24	36		24	36
Pot	2	7	336	504	6	2016	3024	90280	0.022	0.033
		14	672	1008		4032	6048		0.045	0.067
	1	7	168	252		1008	1512		0.011	0.017
		14	336	504		2016	3024		0.022	0.033

## SCENARIO 2 (APPLIES TO ALTS 1-3)

- All longline vessels shift to slinky pots
- Limited information on risk of entanglement with slinky pot compared to bottom longline/traditional pot gear
  - 2023 known entanglement
- Vertical Lines
  - Depending on vessel- may use 1 or 2
- Soak Time
  - Likely similar to LGL, but possibly longer
- CPUE and Harvest Level
  - Limited studies- but similar catch rates of sablefish
  - CPUE same as LGL, then need to increase sets/trips to increase harvest level
  - CPUE greater than longline, then may have similar sets/trips
- Vertical Line Hours (VLH)
  - Higher CPUE/maintain catch levels= decrease VLH
  - Same CPUE/maintain catch levels= same/inc VLH
  - Increase catch levels= same/inc VLH

## SCENARIO 2 (APPLIES TO ALTS 1-3)

- Entanglement Risk Impact
  - Impacts could range from same as No Action/Scenario 1 to minor to moderate adverse impacts
  - Depends on several factors: change in effort, CPUE, sablefish landings, soak time, number of vertical lines, location
  - Impact would only occur for duration of switch
- Potential minor adverse impacts to prey availability- but not certain
  - Several studies from AK on depredation on HKL gears→ NPFMC implemented allowances for slinky pots in sablefish and turbot fisheries to reduce occurrences
  - Worked well for few seasons, but now whales have figured out how to shred pots
  - Makah tribal vessels have successfully used slinky pots in recent years to prevent orca depredation

## SCENARIO 3 (APPLIES TO ALTS 2 AND 3)

- All longline vessels shift to slinky/traditional pots
- Vessels shifting to slinky pots- impacts similar to Scenario 2
- Vessels shifting to “traditional” pots- impacts similar to current vessels fishing pot gear under No Action
  - Vertical Lines- Likely shift to 1
  - Soak time- Longer than longline
- CPUE and Harvest Levels
  - Likely to have higher CPUE and increase harvest levels
- Vertical Line Hours (VLH)
  - Maintain 2 vertical lines/catch levels= inc.VLH
  - Single vertical line/maintain catch=dec/same VLH
  - Inc catch levels= same/inc VLH

## SCENARIO 3 (APPLIES TO ALTS 2 AND 3)

- Entanglement Risk Impacts
  - Impacts could range from same as No Action/Scenario 1 to minor to moderate adverse impacts
  - Dependent on factors described for Scenario 2
  - Impacts would be dependent on duration of switch
- Potential minor to moderate adverse impacts related to prey availability with pot gear having lower rates of depredation

## IMPACTS UNDER SCENARIOS/ALTERNATIVES

- Risk of impacts depends on degree of shift from LGL to pot gear, type of pot gear, and fishing time and area
- Scenarios look at the extreme situations- highly unlikely given investments required
  - Alt 1 likely between Scenario 1 and 2
  - Alts 2 and 3 likely to have similar impacts given limited interaction with other hook-and-line gears permitted under Alt 3- between Scenarios 1, 2, and 3
- Overall, no significant impact anticipated from any of the action alternatives

# SEA TURTLES

## BIOP ANALYSIS

- Two populations in Pacific Ocean- focus on West Pacific nesting population
- Total nesting population declining by 6%, although some newer data shows some increases in population
- 2024 BiOp used predicted habitat suitability for May, August, and November
- Unlike whales, not much annual variability for seasonal or temporal distribution
- Difficult to determine whether fishing effort/habitat suitability driving co-occurrence

## IMPACTS UNDER SCENARIOS/ALTERNATIVES

- Similar to marine mammals, risk to turtles is primarily entanglements
- Depending on alternative and scenario(s), potential for increase in number of vertical line hours
- Risk of effort shifting northward and potential risk of entanglement given high habitat suitability for turtles in PNW
  - Limited observations in CCE (specifically in PNW) therefore decreasing risk
- No significant impacts anticipated

# ECONOMIC IMPACTS

## ECONOMIC IMPACTS

Gear  
Flexibility

Non-Trawl  
Attainment

Profitability

New  
Entrants

Permit Prices

Fishing  
Communities

## PPA IMPACTS OF ALTERNATIVE 3

- Provides the most gear flexibility across alternatives
- Likely to generate greatest increases in overall non-trawl attainment
- Encourage new entrants in the form of existing OA fishery participants, who might invest in the LEFG fishery in order to harvest higher limits by utilizing OA gear types
- PPA anticipated to have same impacts with and without suboption a (no entangling nets)

# PROFITABILITY

- Sablefish is main driver of LEFG fishery
  - Larger vessels (regardless of gear type) have higher avg trip revenue from sablefish
  - Pot vessels higher revenue from sablefish than LGL vessels
    - Price differential increasing since 2018, with pot \$/lb dropped below LGL \$/lb
- Analyzed a variety of sample vessels from the line fleet to calculate simplified estimate of net rev if vessel participated in each gear type
  - Only includes ex-vessel rev, fuel costs, and bait costs
  - Other trip costs (labor, ice) and equipment investment costs not included
  - Overestimate of true variable cost net revenue b/c captures all revenue, but not all costs
- Tables are updated from March 2025 document

# PROFITABILITY

- Profitability of action alternatives determined by the specific operations of the vessel, including aspects such as vessel configuration and the investment needed to change gears.
- Slinky pot investments < traditional pots investments
- Some shift from bottom longline to slinky pot gear is expected but uncertain.
- Alts 2 and 3 may allow for increased profitability for larger vessels if the catch rate of sablefish is able to compensate for the loss in non-sablefish revenue.
- Overall, it is anticipated that there would be a limited shift in vessels using longline gear to standard pot gear due to the lack of increased profitability under Alts 2 or 3.
- The margins of difference between the gear types are small enough that a change in prices can change the profitability calculations.
- Decision to switch gears will be based on expectation of future conditions and understanding of profitability dynamics

# ADMINISTRATIVE ITEMS

## BASE PERMIT DESIGNATION

- Originally intended to assist in the administration of gear restrictions and length restrictions then under consideration (most not adopted in A14)
- Vessels must be registered to a LE permit with a sablefish endorsement that is within five feet of the vessel length
- Information on the base permit is incomplete
- Length requirement already covered by another regulation
- **Alternative 1 (PPA) would remove the base permit requirement from regulation**
  - Unnecessary admin burden → positive impacts
  - Meets NS7 to reduce unnecessary duplication

## REMOVAL OF START/END TIMES

- Regulations currently say that the tier fishery starts on noon on April 1 and ends noon on December 31
- Time reference no longer needed to enforce due to e-tix and longer seasons
- **Alternative 1 (PPA) would remove “noon” from regulations (note updated alternative language for clarity)**
- No impacts

## PERMIT PRICE REPORTING

- No Action: No permit price information is collected when LEFG permits are sold.
- **Alternative 1 (PPA): Owners of all LEFG permits (sablefish and non-sablefish endorsed) would be required to disclose the permit price upon sale to a new owner.**
  - Recommendation from both 2014 and 2022 Program Reviews
  - GAP noted could be added to permit transfer application when sold

## IMPACTS OF PERMIT PRICE REPORTING

- No Action- Continue to have limited to no information on assessing permit values
- Alternative I (PPA)
  - Negligible impacts to industry
  - One time cost to NMFS to change form, ongoing collection of data- but likely minimal
  - Able to assess impacts to permit prices in future
  - However, should consider utility of data
    - Permits usually a bundled asset
    - Limited return on investment depending on how many permit sold per year

# COST RECOVERY

## ALTERNATIVES

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No Action: No program developed (not consistent with MSA requirements for LAPPs).

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**Alternative 1: Develop cost recovery program**

**Suboption a (PPA): Vessel owners pay fee**

Suboption b: Permit owners pay fee

# COST RECOVERY PROGRAM IMPACTS

## NO ACTION

- Positive impacts to industry- no cost recovery fees
- NMFS determined out of compliance with MSA for LAPPs

## ALTERNATIVE I

- No estimates for direct program costs (DPCs) available outside of preliminary cost for e-tix
- Preliminary examination of range of costs to vessel owners (Fig 4-2)
- About 60% of vessel owners are thought to own permits
- Net benefit to Nation- shifts responsibility of management of LAPP from general taxpayer to the industry

# FMP PROPOSED CHANGES

## OVERVIEW

- Supplemental Attachment 2
- Types of Edits:
  - Administrative/Nomenclature (ex. Removed “daily” from “daily trip limit)
  - Specific FPA actions (ex. Changing LEFG to “limited entry non trawl” or LENT)
  - Updates to FMP (mainly chapters 6 and 11)
    - Updated language that the Council has implemented a permit stacking program
    - Removed outdated references to protected species interactions

## OVERVIEW

- Amendment 6 edits
  - Removed all language regarding “open access” gear and basis for allocation
  - Replaced language from A6 referring to LE/OA allocations with more general statements
  - Removed initial issuance criteria from LE permits (move to SAFE or other document)
  - Removed references to permit endorsements that are no longer applicable (“B” endorsements, provisional “A” endorsements)

# COUNCIL ACTION

Adopt Final Preferred Alternative including a Fishery  
Management Plan Amendment