NORTH PACIFIC FISHERY MANAGEMENT COUNCIL



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Partial Coverage Fishery Monitoring Advisory Committee

REPORT

September 16, 2024: 8:30am-4:00pm AKDT

Committee members present: Nicole Kimball (Chair), Luke Szymanski, Kathy Hansen, Stacey Hansen, Julie Kavanaugh, Chelsae Radell, Abigail Turner Franke, Todd Hoppe

Agency Staff: Sara Cleaver (NPFMC), Jennifer Ferdinand (NMFS AFSC), Gwynne Schnaittacher (NMFS AFSC), Jennifer Mondragon (NMFS AKR), Geoff Mayhew (NMFS AFSC), Andy Kingham (NMFS AFSC), Jason Jannot (NMFS AFSC), Craig Faunce (NMFS AFSC), Chris Oliver (PSMFC), Karla Bush (ADF&G), Lisa Thompson (NMFS AFSC), Mike Vechter (NMFS AFSC), Josh Keaton (NMFS AKR), Pearl Rojas (NMFS AFSC)

Other Attendees: Chris Anderson, Haley Anderson, Loretta Brown, Jeffery Groenke, Michael Lake, Heather Mann

Introduction

The chair of the Partial Coverage Fishery Monitoring Advisory Committee (PCFMAC) opened the meeting and gave an overview of the agenda, and attendees introduced themselves. This was a hybrid meeting; it was hosted and available to join remotely and there were also in-person options at the Alaska Fisheries Science Center (AFSC) in Seattle and the Council office in Anchorage. The main purpose of this meeting was for the committee to review the Draft 2025 Annual Deployment Plan (ADP) and a discussion paper on trip cancellations in the Observer Declare and Deploy System (ODDS). The Council will review the Draft 2025 ADP at its October 2024 meeting. Opportunities for public input were provided throughout the meeting though no formal comments were given.

The Final 2025 ADP with the final budget and resulting coverage rates will be provided to the Council under B reports in December 2024 as usual. An updated version of NMFS' Analytical Timeline & Major Milestones is attached to the PCFMAC eAgenda.

NMFS Updates

The committee congratulated Ms. Ferdinand on her new position as the Deputy Science and Research Director of the AFSC. Lisa Thompson is currently the acting FMA Director until that position is filled.

Loper Bright Enterprises v. Raimondo Updates

Ms. Jennifer Ferdinand spoke to the letter attached to the eAgenda regarding the status of North Pacific fishery monitoring programs considering the recent U.S. Supreme Court decision in *Loper Bright Enterprises v. Raimondo*. The *Loper Bright* decision was remanded back to the lower court and is still in litigation. NMFS maintains that the Magnuson-Stevens Fishery Conservation and Management Act (MSA) explicitly authorizes the agency to require fishing vessels in the North Pacific to pay for the costs of carrying observers on board their vessels. Therefore, members of the industry can expect the agency to continue to collect monitoring fees as it has in the past, as well as require full coverage via regulation. Any additional updates will be provided to the committee and Council as appropriate.

Proposed / Final Rule on Confidentiality Requirements

In May, the FMAC discussed NMFS' proposed rule to update the confidentiality requirements of the MSA (89 FR 17358, March 11, 2024) and the Council's letter to the Agency on the proposed rule. The FMAC and the Council's letter highlighted the importance of this issue as it relates to the continued use of the eLandings system and NMFS' ability to share data with ADF&G and IPHC. Ms. Ferdinand indicated that the agency is currently in the process of responding to comments and the final rule is expected to be published in early October. The final rule will have summarized comments and NMFS' responses, which were intended to address all the comments received nationally on this issue, including those from and regarding the data sharing agreements in the North Pacific.

Delayed NOAA Funds

In July 2024, the Council sent NOAA Fisheries a letter about delayed observer funds in part because of NOAA's transition to a new financial system. The Council's letter and the response from NOAA Fisheries are attached in the eAgenda. The AFSC has received some funding for enacting the trawl electronic monitoring (EM) program, however those funds did not arrive in time to be applied against the PSMFC grant. If needed, NMFS may be able to do an off-cycle award to PSMFC in the next fiscal year, but there is currently enough funding to maintain EM systems through PSMFC. NMFS has received the funds associated with the observer fee from landings in 2023. The AFSC is also continuing to track sequestered funds, but as of the PCFMAC meeting, those had not been received. At the time of the meeting, the award for the partial coverage observer contract had not been finalized but was expected to be announced very soon.

Government Accountability Office (GAO) Engagement on Bycatch Reduction

The GAO recently conducted an <u>engagement on fisheries bycatch reduction</u> actions across the entire country, which focused heavily on observer programs. While the headline of the report reads "Efforts to Reduce and Monitor Unintentional Catch and Harm Need Better Tracking," the report highlighted differences in coverage levels across regions and some of the major improvements needed in other regions do not reflect the status of the North Pacific region when it comes to monitoring and tracking of bycatch. The coverage levels and extent of monitoring in the North Pacific far exceeded other regions.

The GAO is making four recommendations at the national level, including that NMFS identify and communicate resource needs from across the regions to support fisheries observers; update its bycatch reduction implementation plan with measurable performance goals for reducing and monitoring bycatch, and a process for tracking progress; and develop a plan for reporting on bycatch estimates from its enhanced database.

The AFSC plans to engage to the greatest extent in the first recommendation; to make sure additional resources needed to support fisheries observers are communicated to Congress and other relevant stakeholders. Ms. Ferdinand described how federal funding for monitoring is used differently in the North Pacific than in other regions (e.g., in Alaska, monitoring sea day costs are paid by industry and federal funds are used for infrastructure and support services). This difference can make it challenging to compete against other regions for these funds, but FMA will be working to make sure the North Pacific's needs are being communicated effectively to the national program.

Draft 2025 ADP

Dr. Jason Jannot introduced the ADP presentation, describing both the NMFS approach and the priorities set by the Council when the program was restructured in 2013. One committee member noted that they would add affordability of and funding for the monitoring program, the need for sufficient biological data for stock assessments, and how enforcement is handled, to the Council priorities. The committee chair indicated that it may be useful to redistribute the original objectives from the Council at a future committee meeting.

Approximately 90% of Alaska's federal fisheries (by tonnage) are within the full coverage program. The draft ADP allocates monitoring resources amongst the remaining 10% (by tonnage) of partial coverage fisheries. Preliminary selection rates for Alaska's federal fisheries in 2025 are shown on p7-8 of the Draft 2025 ADP.

For reference, the 2024 target coverage rates for vessels remaining in partial coverage are:

- At-sea observer:
 - Fixed gear, BSAI: 44%Fixed gear, GOA: 13%
 - o Trawl, GOA: 21%
- EM:
 - Fixed gear, BSAI: 74%Fixed gear, GOA: 24%
 - o Trawl EM GOA: 100% EM coverage at-sea and shoreside salmon and halibut accounting, plus 33% shoreside sampling for biological data

The Draft 2025 ADP retains the same sampling unit (trip or delivery), stratification (8 partial coverage strata based on monitoring method, gear type, and FMP) and allocation method ('proximity', except for pelagic trawl EM) as the Final 2024 ADP. The committee supported the Draft 2025 ADP, with the recommendations included in the following sections.

Budget Update & Cost Estimates

Ms. Jennifer Ferdinand provided a preliminary budget update. Total funds available for observer and EM days in any given year are comprised of the prior year's fee revenue, carryover revenue from ex-vessel fees from earlier years, and federal funding. The preliminary budget through August 2025 estimates \$4.4million for partial coverage monitoring, but this will be updated in the final ADP.

The 2025 preliminary budget is more uncertain than in past years. This is due to a combination of the following: Fee revenue for 2024 is still being assessed; challenges with the integration of the cost of the trawl EM program into the annual budget; unknown costs of the new partial coverage observer contract, an unknown number of Western Gulf (WG) tenders; and the ongoing delays in receiving funding due to the transition to the NOAA'S new financial system. Additionally, the agency begins development of the draft ADP before the B season begins, and this draft ADP did not include partial coverage dockside monitoring at Sand Point and False Pass (as part of the GOA trawl EM program). The agency is aware that there are now some EM deliveries beginning at False Pass under the EFP, so there may be a larger difference between the preliminary and final budgets than there has been in the past.

The committee expressed concern that the draft ADP did not include observers for WGOA shoreside operators, which would be needed for those locations to be able to accept EM deliveries. The committee supports trawl EM participation in the WGOA in 2025 as intended in the newly regulated program and supports funding being set aside for dockside monitoring in those ports and for support to WG tenders.

The Agency emphasized communication between committee members and shoreside processors regarding their intent for partial coverage EM deliveries in 2025, and regarding the preparation needed in order to comply with regulatory requirements, including Catch Monitoring Control Plans. Ms. Ferdinand noted that the assumptions used in the Final ADP need to be finalized in October and November.

The committee also recommended that NMFS allocates funding for EM service/maintenance on tender vessels in the Final ADP.

Partial Coverage Sampling Design for 2025

Mr. Geoff Mayhew presented on the sampling design for the 2025 ADP, which is largely the same as the sampling plan in place for 2024. One significant change for 2025 will be a change to dockside sampling for GOA trawl EM pollock deliveries. Shoreside observers will collect salmon and halibut bycatch counts and salmon genetic samples on all EM offloads, and biological samples from non-salmon species will occur on a third of EM offloads.

When looking at the estimated costs of the GOA EM Trawl program, the estimated shoreside observer costs for 2025 include funding for five shoreside observers in Kodiak and makes the assumption that observers will move among plants in Kodiak, taking into account observer workload. Mr. Mayhew clarified that if an observer is not needed at a shoreside plant, NMFS does have the ability to move observers where they are most needed (e.g., to a vessel), however there needs to be communication with the industry to determine what their needs will be.

Trip Cancellations & Inheritances

Dr. Jannot presented information on the ODDS trip cancellation and inheritance discussion paper which is attached to the committee eAgenda. In June 2024, the Council recommended NMFS work with the PCFMAC to develop an ODDS trip cancellation policy for the 2025 ADP that will not significantly impede industry, affords the observer provider adequate time to deploy an observer, and reduces impacts to coverage rates and non-random monitoring.

Trip cancellation is a trip that is logged into ODDS but never taken. Up to 3 trips can be logged into ODDS at a time, and regulations require that a trip must be logged 72 hours prior to the trip being taken, so fishermen log multiple trips in advance to ensure observer availability and quick turnaround between trips. There are many reasons for canceling a fishing trip, but past annual reports have shown a disproportionate cancellation of trips between those that were selected for observer coverage and those that were not selected. When a vessel selected for monitoring with an observer cancels a trip, the next trip that gets logged into ODDS is automatically selected for coverage (inheriting coverage). This is not necessarily the next trip taken, since up to three trips can be logged into ODDS at a time. The Observer Annual Reports have been showing that trip cancellations and inheriting trips are a relatively high occurrence in the fixed gear sector which creates a temporal bias because monitoring then occurs in a way that is not random in time (i.e., more trips are observed later in the year than earlier). The agency stated that their goal is to reduce cancellations in the observer strata to 10% of selected trips, trying to get nearer to the cancellation rate in the EM strata.

The PCFMAC reviewed the three proposed solutions to improve the cancellation rates for observer strata. The solutions would be programmed within ODDS and ideally one or more of these solutions would be outlined in the final 2025 ADP and implemented in 2025. The options further detailed in the presentation and discussion paper are:

- Option 1: Limit the number of logged/pending trips to two. This is the NMFS preferred solution as it has the least impact on ODDS users and seems to be the most easily implementable and the change would be easily communicated.
- Option 2: Apply inheritance to the next pending trip (rather than the next newly logged trip) in the observer strata.
- Option 3: Prohibit cancellations by user. ODDS already allows fishermen to change trip details including dates, landing ports, stratum, etc., essentially eliminating the need for most trip cancellations. Inheritance is a by-product of canceling a monitored trip and thus this option would also eliminate the need for Option 2.

The committee discussed advantages and disadvantages of each option and members recommended either Option 2 or Option 3 for 2025. The committee agreed that any changes would need accompanying outreach and public participation to make sure industry understands the changes.

Most committee members were not supportive of Option 1, as the ability to log three trips remains important for some vessels. Committee members indicated that for some operations, there is an optimum number of days between trips, and considering unforeseen changes in weather or needed maintenance, it is important that vessel operators can log trips in such a way that they are not burdened by another delay (the 72-hour requirement to wait for an observer, if selected). Additionally, Option 1 does not fully address the problem.

Some committee members supported Option 2 because it does reduce temporal bias more so than Option 1 and the reasoning behind can be easily communicated. Other committee members supported this option because it does not impact the 72-hour window. Additionally, one member said this option would not impact trawl vessels, but instead addresses the specific issue of high cancellation rates in the fixed gear stratum.

Most of the committee acknowledged that Option 3 is the solution that fully captures the issue in that it is the only option that retains the original order of logged (and selected for monitoring) trips. Some committee members were hesitant about this option because it requires ODDS users/vessel operators to change their behavior and be more proactive about editing/tracking their trips before the trip start date. The committee noted that the verbiage of Option 3 ("prohibit canceling trips") should be revised to improve messaging. Members supported this option because in practice, ODDS users would simply be delaying a trip, which is how many vessels currently operate and have operated in the past.

The committee acknowledged that there is a learning curve for implementing some of these changes and that regardless of the recommended solution, outreach is essential. **Vessel operators / ODDS users need to be encouraged to modify their trips, rather than cancel them.** (Note that this is what is intended by Option 3, although NMFS would maintain the ability to cancel trips that do not get taken by the end of the year.)

Committee members reiterated that ODDS users are currently able to change gear types in ODDS; this flexibility to modify a trip effects strata now exists in ODDS. However, trips must be modified prior to the start date. This information should be disseminated to vessel operators/ODDS users.

Other Issues

Under-utilized EM and Zero-Selection Pool

There was some discussion regarding the ongoing costs of under-utilized EM systems. Funds must be set aside for EM system maintenance, and the estimates of these funds affect the overall uncertainty in the ADP budget. NMFS reiterated that if vessels have EM systems and do not plan to use them, there is no flexibility for that system to move around (i.e., it is on that vessel the entire year) and it is absorbing maintenance funds. The committee and agency reminded the fleet that if there are vessels that do not plan to fish next year and still have EM systems on board, those vessels should login to ODDS or call (855-747-6377) to opt out for 2025.

The PCFMAC recommended NMFS pursue changes to the zero-selection pool, including adding vessels with consistently very little quota/fishing or very few trips. Specifically, the committee recommended the agency pursue efforts to remove EM systems on vessels that have not used them for a certain number of (3-5?) years. While the agency indicated that this may require a change to regulations, NMFS may be able to make fishery participation a criterion for approving a VMP. While not addressed in the Draft 2025 ADP, this issue has been an ongoing priority for the committee. A member of the committee also noted that changes to the zero-selection pool should be explored in both directions; while some vessels may warrant being added to the pool, other vessels currently in zero-selection because they are under 40' may be harvesting substantial amounts of quota, and these vessels could be using EM in partial coverage.

Future Scheduling

The next fishery monitoring committee meeting is the upcoming FMAC meeting on September 25. At that meeting, the FMAC will be reviewing the observer availability discussion paper and NFWF EM proposals. Unless the Council identifies a need for the PCFMAC to meet earlier, the normal PCFMAC schedule is to meet in September 2025 to review the Draft 2026 Annual Deployment Plan.