

CALIFORNIA OCEAN PROTECTION COUNCIL

Staff Recommendation
March 17, 2009

**Dungeness Crab Task Force Facilitation and Mediation Services
and Supporting Studies**

File No.: 08-173
Project Manager: Rachelle Fisher

RECOMMENDED ACTION: Authorize the disbursement of an amount not to exceed \$275,000 to support the work of a Dungeness crab task force, pursuant to Senate Bill 1690 (Chapter 727, Statutes of 2008), including hiring a consultant to facilitate task force meetings, providing administrative support and travel costs, and funding scientific and economic studies, as necessary.

LOCATION: Statewide, within the range of the commercial Dungeness crab fishery

STRATEGIC PLAN OBJECTIVE: Governance and Ocean and Coastal Ecosystems

AGENCY OR ENTITY RECOMMENDING THE PROJECT: Ocean Protection Council

EXHIBITS

Exhibit 1: [Senate Bill No. 1690](#)

RESOLUTION AND FINDINGS:

Staff recommends that the Ocean Protection Council adopt the following resolution pursuant to Sections 35500 *et seq.* of the Public Resources Code:

“The Ocean Protection Council hereby approves the disbursement of up to \$275,000 to support the work of a Dungeness crab task force, pursuant to Senate Bill 1690 (Chapter 727, Statutes of 2008), including hiring a consultant to facilitate task force meetings, providing administrative support and travel costs, and funding scientific and economic studies, as necessary.”

Staff further recommends that the Council adopt the following findings:

“Based on the accompanying staff report and attached exhibits, the Council hereby finds that:

1. The proposed project is consistent with the purposes of Division 26.5 of the Public Resources Code, the Ocean Protection Act.
2. The proposed project is consistent with the Ocean Protection Council's grant program funding guidelines.”

PROJECT SUMMARY:

Senate Bill 1690 (SB 1690), was signed into law by Governor Schwarzenegger in 2008 (Exhibit 1) and requires the California Ocean Protection Council (OPC) to provide funds to develop a Dungeness crab task force (task force). The law requires the task force comprise the following stakeholders: commercial and recreational fishermen, crab processors, commercial passenger fishing vessels, non-governmental organizations (NGOs), as well as representatives from California Sea Grant and the California Department of Fish and Game (DFG).

The task force is directed to review and evaluate Dungeness crab fishery management with the objective of making recommendations related to the fishery's management to the Joint Committee on Fisheries and Aquaculture, DFG, and the Fish and Game Commission (FGC) by January 15, 2010. Pursuant to the directives of SB 1690, staff has been working to convene the task force and is recommending that the Council authorize funds to support activities related to the task force, including hiring a consultant to facilitate task force meetings and give informational presentations to the task force, reimbursing task force members for their travel costs, and funding additional studies, if needed, to inform task force recommendations.

PROJECT DESCRIPTION:

Dungeness Crab Task Force Background:

Dungeness crab is a valuable California commercial fishery that produces a catch valued at between \$15 and \$20 million a year. Over the last sixty years, landings have exhibited a cyclical pattern alternating between decades of high and low landings. Fisheries managers believe that these cycles are not caused by flaws in the current management system, but rather by changes in ocean conditions that affect egg production as well as larval survival and distribution.

The California Dungeness crab fishery is currently managed pursuant to Fish and Game Code Section 8275 *et seq.*, which requires that the fishery be managed by a 3-S (sex, size, and season) principle. The 3-S principle asserts that commercial fishermen may only harvest male crabs, greater than 6.25 inches, from mid-November or the beginning of December until July. While it is estimated that 90 percent of all legal male crabs are harvested each season, it is assumed that the fishery is stable even though there are no current stock assessments to substantiate this assumption.

While there is no evidence to suggest an immediate threat of fisheries collapse, there is, however, a growing desire to improve how the fishery is currently being managed. The fishery currently experiences a "derby" dynamic whereby 80 percent of the season's catch is landed within the first six weeks of the season opening. This dynamic encourages fishermen to fish in dangerous weather conditions to catch an adequate share of each season's landings. It also decreases the value of the product since fresh crab is worth more than crab that has been frozen. In addition to the derby dynamic, fishermen are also concerned about the potential for increased competition between fishermen. There are currently 400 active and 200 unused Dungeness crab commercial fishing permits in California. This large latent capacity raises questions about the economic and biological sustainability of the fishery into the future.

Dungeness crab management in Washington, Oregon, and California

In an effort to distribute fishing throughout the entire Dungeness crab commercial fishing season, the Washington Department of Fish and Wildlife (WDFW) established a tiered Dungeness crab trap limit system beginning in the 1999-2001 Dungeness crab commercial fishing season. In the 2006-2007 season, the Oregon Department of Fish and Wildlife (ODFW) followed suit by establishing a similar trap limit system. Each of these efforts has been met with mixed reviews by the Dungeness crab industry.

To date, California has had no success in establishing a trap limit system. While ODFW and WDFW are responsible for making regulatory changes to the Dungeness crab fishery in their respective states, in California, only the state Legislature can currently change fishery regulations. In 2004 and 2005, then Assemblyman Mark Leno (D-San Francisco) introduced bills (AB 2146 and AB 749) that would have limited the number of traps in the California Dungeness crab fishery. Both bills were passed by the Legislature but were vetoed by Governor Schwarzenegger due to the lack of biological and scientific evidence to support the proposed trap limits.

In response to these vetoes, SB 1690 was created to assemble a task force comprised of various stakeholders to evaluate and suggest changes to the current management approaches that may be more effective in regulating the Dungeness crab fishery. The bill directs the task force to discuss and possibly make recommendations about commercial and sport fishing management changes such as pot limit restrictions, season modifications, harvest allocations, the need for statutory changes, as well as the establishment of a marketing commission, the need for a permanent task force, and other issues related to short- and long-term objectives for the fishery. The task force created by SB 1690 is an interesting approach to the problems facing the fishery as it will allow informed discussions to take place among the various stakeholders before recommendations are made to the Legislature.

State of the Science for the Fishery

Little data exists about the biology or economics of the Dungeness crab fishery. Since a 1983 report, DFG has not produced any new assessments of Dungeness crab stock size or condition. However, studies exist that examine female mating success and larval settlement and production. Only one study, Dewees et al 2004, has attempted to estimate the number of Dungeness crab traps fished in California. Additionally, only a few studies have assessed the impact of the state's current fishery management on the social and economic state of the Dungeness crab fishery and the need for fishery reform. These studies suggest that there are many informational gaps in our current knowledge of the Dungeness crab fishery. The OPC may support studies to fill these gaps if required by the task force.

Project Details and Scope of Work

Dungeness Crab Task Force Facilitator

The proposed authorization will be used to hire a consultant who will be supervised by OPC staff. Facilitation and mediation services are necessary to the success of the project because fishermen and other stakeholders possess many different ideas about best management approaches. It is essential to have an unbiased consultant to help mediate and inform discussions between the differing parties. The consultant will be responsible for organizing and managing monthly task force committee meetings, including assessing the state-of-the-science and the amount of biological and economic information available on the Dungeness crab fishery. The

consultant will investigate and evaluate task force issues and objectives to determine how the deliberative process should be structured and managed, will mediate disputes within the task force, and will bring outside expertise into the process as necessary. The consultant will also help prepare the final report to convey the task force's recommendations to the Joint Committee on Fisheries and Aquaculture, DFG, and the FGC by January 15, 2010.

Administrative Costs

To encourage constructive discussions at task force meetings, staff recommends that the OPC also provide funds to cover other administrative costs associated with the task force, such as outside experts to present relevant information to the task force, advisors to the task force, and reimbursements for task force members' travel costs. The availability of some travel funds will help alleviate the financial burden associated with attending monthly meetings, encouraging the necessary participation of a wide range of stakeholders.

Supporting Studies

As the task force begins discussing specific management issues, further studies on particular issues may be required. The proposed authorization may also be used to fund scientific and economic studies on an as-needed basis to fill informational gaps if required by the task force to inform its recommendations. For example, economic studies on the fishery may be necessary to design Dungeness crab marketing strategies.

Project History

Pursuant to SB 1690, staff has begun the process of assembling the Dungeness crab task force. In December 2008, staff mailed out forms to all valid commercial Dungeness crab fishing permit holders to solicit task force nominations for that sector. After nominations were tabulated for each port and production tier, ballots were mailed out to all valid permit holders in early February 2009. Also in December 2008, staff sent out a request for nominations to fill the non-governmental, sport fishing, crab processing, and commercial passenger fishing vessel representative positions. All nominations for these positions were evaluated and recommendations for these individuals will be considered as a separate staff recommendation. OPC staff anticipates holding the first task force meeting in late March 2009.

PROJECT FINANCING

Ocean Protection Council	<u>\$275,000</u>
Total Project Costs	\$275,000

Staff recommends the OPC approve the use of up to \$275,000 of the Ocean Protection Council's tidelands oil funds, appropriated to the Secretary of Resources in the FY 04/05 budget for projects authorized pursuant to the Ocean Protection Act. The Resources Agency has entered into an interagency agreement with the State Coastal Conservancy to administer these funds on behalf of the Council and recommend projects for funding. The proposed project is consistent with this funding source because it will result in recommendations to improve the management of the Dungeness crab fishery. A portion of this authorization (\$200,000) will be used to hire the

consultant to facilitate task force meetings. The remaining funds (\$75,000) will be used, as needed, to pay for expert advisors, scientific studies, and administration and travel costs of the task force.

CONSISTENCY WITH CALIFORNIA OCEAN PROTECTION ACT:

This project is consistent the Ocean Protection Act (COPA), Division 26.5 of the Public Resources Code (PRC), in the following respects:

This project will coordinate the collection, evaluation, and sharing of scientific data related to coastal and ocean resources among agencies as called for in PRC Section 35615. In addition, COPA authorizes the OPC to undertake projects, as described at PRC Section 35650(b)(2), that:

- (B) Improve the management of fisheries*
- (C) Foster sustainable fisheries*
- (G) Provide monitoring and scientific data to improve state efforts to protect and conserve ocean resources.*

The task force will provide recommendations to legislators and regulators that outline a strategy for the management of the fishery based on long-term sustainability, including potential statutory changes to the Fish and Game Code provisions regulating the Dungeness crab fishery. The proposed authorization may also fund studies that will be used to inform the task force's recommendations and will be available to other agencies as needed.

CONSISTENCY WITH OPC'S STRATEGIC PLAN:

The proposed project is consistent with the OPC's Strategic Plan adopted June 8, 2006, in the following respects:

Goal A (Governance) Objective 2b: “Work with all relevant state agencies to develop necessary legislation, regulations, or other tools to improve ocean governance.” The OPC will work with the task force participants—including DFG—to provide direction for future management. The recommendations of the task force will likely span the range of potential ideas, including suggestions for legislative changes.

Goal E (Ocean and Coastal Ecosystems) Objective 2: “Help to establish ecologically and economically sustainable fisheries.” The task force will review and evaluate all aspects of the fishery and may recommend regulatory changes that would enhance both ecological and economic sustainability of the Dungeness crab fishery.

Goal E (Ocean and Coastal Ecosystems) Objective 4b: “Investigate the feasibility of various sustainable fishery management approaches, such as vessel buybacks, different quota systems, and limited entry programs. Encourage the development of sustainable fishing gear.” SB1690 instructs the task force to discuss harvest allocations, pot limit restrictions, season modifications, the need for statutory changes, and other potential management options. The task force will allow fishermen and stakeholders to work cooperatively with the OPC and DFG to review

management options and apply market-based approaches to the fishery's management policies and regulations.

CONSISTENCY WITH OPC'S GRANT PROGRAM FUNDING GUIDELINES:

The proposed project is consistent with the OPC's Grant Program Funding Guidelines adopted November 20, 2008, in the following respects:

Required Criteria

1. **Directly relate to the ocean, coast, associated estuaries, or coastal-draining watersheds:** The task force will be reviewing Dungeness crab, a valuable California marine fishery.
2. **Support of the public:** The task force will be comprised of representatives nominated and elected by the public who represent state and local groups.
3. **Greater-than-local interest:** The task force is concerned with a fishery that greatly impacts many of California's coastal communities from San Luis Obispo to the California-Oregon border.

Additional Criteria

4. **Innovation:** The task force is a novel approach to dealing with fishery management issues that has never been tried in the state of California. Its success could dictate the establishment of similar task forces in the future as well as other cooperative approaches to fisheries management and reform.
5. **Improvements to management approaches or techniques:** The recommendations and ideas that result from this task force will be relayed to the California Legislature and regulators and could ultimately influence future management changes.
8. **Timeliness or Urgency:** As Exhibit 1 illustrates, the task force is required to make recommendations to regulators and the state Legislature no later than January 15, 2010.
9. **Coordination:** The task force will improve coordination between state agencies and the Dungeness crab fishing community since it will be comprised of various stakeholder groups (commercial and sport fishermen, NGOs, a commercial passenger vessel representative, and crab processing interests as well as representatives from California Sea Grant and DFG).

CONSISTENCY WITH OPC'S PROGRAM PRIORITIES FOR 2009 THROUGH 2010:

Sustainable Fisheries Management-Maintaining California's Fishing Heritage

The task force will examine various aspects of the Dungeness crab fishery to determine ways to maintain fishing efficiency as well as ways to make the fishery more ecologically and economically sustainable. The task force will identify Dungeness crab fishery issues and use community- and market-based approaches to "preserve California's marine resources and fishing heritage."

COMPLIANCE WITH CEQA:

The proposed project is categorically exempt from review under the California Environmental Quality Act (“CEQA”) pursuant to 14 Cal. Code of Regulations Section 15306 because the project involves only data collection, research and resource evaluation activities that will not result in a serious or major disturbance to an environmental resource. While the project may result in future action by a public agency, that action, if any, has not yet been approved, adopted or funded. Staff will file a Notice of Exemption upon approval by the Council.