

**TESTIMONY OF  
Patrick Keliher  
Commissioner**

**The Department of Marine Resources (DMR) is testifying  
In Support of**

**L.D. 1227 An Act To Provide for Improved Reporting of Marine Resources Landings  
Representative Kruger**

**Date of Hearing: April 29, 2015**

Senator Baker, Representative Kumiega, and members of the Joint Standing Committee on Marine Resources, my name is Patrick Keliher, Commissioner for the Department of Marine Resources, and I am testifying on behalf of the Department in favor of LD 1227. We appreciate Representative Kruger's willingness to bring forward this legislation on our behalf.

In 2013, the Department successfully implemented a "swipe card" system in Maine's elver fishery. This technology was instrumental in solving a number of problems unique to that fishery. Specifically, it allowed us to monitor and enforce the individual quota system which was necessary in order to meet the quota set by the Atlantic States Marine Fisheries Commission (ASMFC). It also drastically reduced the number of violations for unlicensed fishing (since only those individuals who had a swipe card were eligible to sell elvers to a dealer), from 219 violations in 2012, to 15 violations in 2013.

In addition to those successes, we were also pleasantly surprised by the success we experienced with the technology itself. Although this is a new application of an existing technology, you would all be familiar with the equipment, which is essentially a "credit card" for the harvester, and an electronic reader for the dealer. Each time a harvester sells their product, they swipe their card, and the dealer enters the sales information, including pounds and price, and then prints two receipts, one for the harvester and one for their own records. At least once every 24 hours, the dealer uploads their records to the Department, allowing staff to monitor in real time the removals from the resource, and to monitor the quota both at the individual and fishery-wide level. In this way, the swipe card system replaces the reports that the dealer would otherwise provide on a monthly basis. It does not replace harvester reporting, as the harvesters provide more detailed information about their effort, harvest locations, etc. than the swipe card system currently captures.

Since becoming Commissioner, I have made strengthening the Landings Program a priority for the Department, because I believe that this particular information is crucial to the successful management of Maine's fisheries. Without an accurate understanding of what we are harvesting, our ability to manage effectively is impaired. And when we feel like we are managing with bad, or outdated, information, it forces us to be more precautionary in our approach, in order to avoid making a mistake and causing harm to the resource. Conversely,

with good information, we can afford to allow more harvesting opportunity, because we can be more confident that we are not impacting the resource beyond its ability to recover.

With these benefits in mind, we have been exploring the use of the swipe card system in other fisheries, beginning with scallops and urchins. While existing law (12 MRS 6173) already allows the Commissioner to collect statistics on Maine's fisheries, there are some additional law changes that would facilitate the transition into using swipe cards in these fisheries. These include:

- Requiring dealers to purchase the swipe card reader, rather than having the Department provide it.

With the pilot program for elvers, the Department purchased the swipe card readers, and lent them to the dealers for the duration of the season. This worked in the short-term, because the population of dealers is relatively small. However, we did have problems in several cases recovering the equipment at the end of the season. As we expand into other fisheries and a larger numbers of dealers, the onus of obtaining the equipment will need to fall on them as a cost associated with their business. In addition, in those instances where a dealer fails to return equipment that the Department has provided, the Department would like to be able to deny renewal of a license until the dealer has provided the equipment, or compensation for the equipment at cost. The readers that were used in the elver fishery were \$370, but the Landings Program is currently looking into a more basic model that would be available for \$100.

- Eliminating the authority for tenders to sell scallops and urchins on behalf of divers.

Under existing law, a tender (the individual who assists a commercial diver on board their vessel while they are diving) is authorized to sell the harvesters catch on their behalf. As we transition into the swipe card system, this will be problematic, as only one swipe card can be associated with a harvester, and that individual must be present when it is used in order to prevent its fraudulent use.

Sales by tenders are more likely to occur in the urchin fishery, but it is still extremely limited because most urchins are currently sold in an auction type environment, and most harvesters would not trust another individual to sell their product and get the best price. We have talked to the Sea Urchin Zone Council about this issue and they do not think it is unduly problematic to eliminate sales by tenders in order to be able to implement a swipe card system.

- Creating a scallop permit on the wholesale dealer license.

Finally, while there is currently an endorsement on the wholesale seafood dealer license for urchins, there is no endorsement or permit for scallops. This is necessary in order to identify the population of dealers who are buying scallops from harvesters so that we can require them to use the swipe card reader. This is proposed as a free endorsement on a license the dealer is already required to possess. It is important to understand that the sales that the Department

is seeking to capture are those between a harvester and a dealer. A significant amount of scallops are sold by harvesters directly to consumers or restaurants (peddled) and we are not seeking to capture those sales with this system at this time so as not to unduly impact existing practices. Further legislation would be needed at a later date in order to include those sales.

In addition to improved accuracy and timeliness of landings information, the expansion of the use of the swipe card system also carries the potential for many other benefits, including the safety of the fleet. For the urchin fishery, if we can get this working successfully, it is very likely that in future years we could move away from the need to set specific fishing days for the season, and instead let the fishermen choose the days that they fish. This would solve a long-standing concern about safety that has been present in this winter fishery with only a limited number of days (15 days in Zone 1 and 38 days in Zone 2).

For scallops, the use of the swipe card would enhance the Department's ability to manage this fishery with targeted closures that ensure we are providing maximum fishing opportunity, while also leaving behind sufficient resource for future fishing seasons. Right now, daily removal rates are calculated by counting the number of vessels fishing on a given day with information provided by Marine Patrol, or by individual conversations with fishermen and the Department's resource management coordinator. Actual landings information is currently provided to the Department on a monthly basis by dealers, so there is significant lag time (45 days) before we get any preliminary information about activity in any given month. Use of the swipe card would vastly improve this situation, provide us with more accurate information on which to make closure decisions, and allow us to continue to build upon the successes already achieved.

Thank you for your time here today. I would be happy to answer any questions you may have.