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D . 1		Exec. Dir.	3
Petersburg	V essel	Owners Association	
P. O. Box 232		Phone 7.72-4.793	
	Petersburg,		
	3,000,000,000	1847.2823	
		December 21, 1981	
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Gentlemen:

Recently, the North Pacific Fishery Management Council Chairman, Clem Tillion, was quoted as saying, "It is now very clear that the N.P.F.M.C. would have to make some hard choices on halibut limited entry, that doing nothing was equivalent to making a conscious decision to let halibut become an incidental fishery".

Limited entry schemes to date have not been acceptable. A workshop held in May determined that some type of a program would benefit the fishery. The system that appeared to be acceptable to the workshop participants was a share system. Individual fisherman would be assigned shares based on their past landings during a certain period.

Dr. Donald McCaughran was recently in Petersburg and met with the Petersburg Vessel Owners. He indicated that if we do nothing it would be virtually impossible to manage in a few years. Dr. McCaughran also informed us that Canada will be implementing a new plan based on a share system for the 1982 season. A major benefit is that the season can be lengthened enabling a larger proportion of the quota going to the fresh fish markets thereby increasing prices considerably. One of the problems we are faced with is that our catch is landed within the space of a few days and is for the most part frozen. If the Canadians are permitted to have an expanded fishing season it places the United States fishermen at a distinct economic disadvantage.

The Petersburg Vessel Owners have discussed the "share system" and feel that we can and will support such a system. We also feel that there should be safeguards written into the program, limits should be set, and that it is enforceable.

If such a system is acceptable and if it can be implemented for the 1982 season we must act quickly. We urge your organization to support us in our attempts to find a solution to what many feel is an unacceptable situation.

Sincerely,

PETERSBURG WESSEL OWNERS ASSOCIATION

Sig I Withm

Sig R. Mathisen

President

Table 5-1 Summary of licenses for commercial fisheries

क्रीतालक्ष्म च अपन	number			
licensed 1884	issued in 1980	licensed factor	factors restricted	license fee
salmon ;	; .			
ordinary A	4165	vessel	vessel length	\$200 to \$800°
Indian AI	378	vessel	and tonnage	\$20
temporary B	286	vessel	•	\$20
roe-herring H	-		•	420
gillnet	911	person	area fished	\$200
seine "	187	person	area fished	\$2000
' Indian HI			•	
g gillnet	399	person	area fished	\$10
seine	61	person	area fished	\$10
food and bait herringb	• .	person	landings per trip	0. 0
halibut			anomgo per trip	•
ordinary L	440	vessel	vessel length	\$10
🔭 special Indian 🐪 🗀	· 10	person	vessel length	\$10
groundfish trawl, T	146	vesscl	vessel length	\$10
shrimp trawl S	244	vessel	vessel length	\$10
sablefish K	45°	vessel	vessel length	\$10
abalone E	26	person	catch	\$200
geoduck G	45°	vessel	vessel length	\$10
spawn-on-kelp J	28	person	catch	none ⁴
selected species C	1054	vessel	vessel length	\$10

Source: Department of Fisheries and Oceans

As already noted, the various restrictive licensing systems have been introduced over the last decade in response to particular problems facing individual fisheries and they have been designed in light of accumulating experience. As a result, the various systems differ in fundamental respects with no apparent rationale. The terms and conditions of licenses and the way they are administered has not been well documented, so it has proven difficult to sort out some of their complexities.

Fishery Registration and Licensing Regulations.³ Some of the regulations are common to all the various license forms: all licenses are valid for one year and are renewable; they must be renewed each year by May thirty-first (except for roe-herring and sablefish licenses, which must be renewed by January fifth and November fifth respectively); all vessels (except roe-herring gillnet punts) are subject to some form of replacement restrictions; and when a vessel with licenses to fish in two or more restricted fisheries is replaced, all of its licenses must be transferred to the new vessel. All of the restricted entry license privileges are transferable between persons by one method or another.

These regulations also provide the Minister with the discretionary power to grant a license to an applicant who would not otherwise qualify, but this prerogative is limited to cases where failure to meet the normal qualifications was due to factors beyond the applicant's control. The Minister

may also suspend a license, or refuse to issue one, if to owner of the vessel is convicted of a violation of the Fisheries Act or Regulations.

In the remainder of this Chapter, I recommend changes the licensing arrangements for the halibut, food-herring ar abalone fisheries, and examine certain other problems well. These three licensing systems are under heavy stra and my investigations have convinced me that they shou be revised without delay in order to facilitate manageme and to promote rationalization. The more complex prolems of the two largest fisheries, salmon and roe-herring, a left to the following chapter. Rationalization of these fishe ies will be a considerably longer and more involved process:

For each fishery, I begin with a sketch of the present licensing system and the problems surrounding it. This followed with specific proposals for reform. My recommendations are designed in recognition of the Commission terms of reference and the analysis of regulatory problem and objectives in the preceding chapter.

THE HALIBUT FISHERY

During the last few years the organization of the halib fishery has deteriorated seriously. The new licensing syste applied to this long-established fishery has been extreme troublesome and badly managed. In spite of restrictive po cies intended to prevent it, the licensed fishing capacity h expanded alarmingly. At the same time, both the availab catch and prices have fallen sharply. Submissions made the public hearings reveal that the administration of fishir licenses has been objectionable to those engaged in the fishery as well as to those excluded.

Background

The halibut fishery is one of the oldest on this coast, and the stocks among the most valuable. It has a long history of regulation. By the early 1920's, it had become obvious that the major stocks off northern British Columbia and Alask were being severely depleted by over fishing. In response this, and because of the transboundary nature of the stock Canada and the United States jointly signed the Conventio for the Preservation of the Halibut Fishery in 1923.

Under this Convention, the International Fisheries Conmission was created. (It was renamed the International Pacific Halibut Commission in 1953.) The Commission was made responsible for recommending to both government regulations for improving the biological management of the halibut fishery. Under the Convention, Canada and the United States signed a declaration of intent to comply with the regulations recommended by the Commission, which itself had no powers of enforcement.

The initial conservation measure imposed under the auspices of the Commission was a three-month closed season. This proved to be inadequate, and in 1930 the Commission was granted greater powers which enabled it to se catch quotas by area, to regulate gear and to close nurser

^{*}See text White the land a season.

^b The food and bait herring fishery is not regulated by licenses (as are the others in this table), but by a system of Ministerial permits, as explained in the text.

¹⁹⁸¹ statistics

d \$2,000 license fee effective 1982.

areas. Since then, the Commission has set a total allowable catch for each of three administrative areas in the north Pacific. However, because the Commission itself had no authority to regulate participation in the fishery,⁶ the fleet expanded under unrestricted entry. Thus the fishing season had to be progressively shortened to a few weeks per year.⁷ Nevertheless, for some years the Commission's policies appeared to be succeeding in restoring the stocks.

The evolution of the halibut fleet is a vivid example of how an open-access fishery operating on valuable stocks will tend to attract excess capacity. The first result was stock depletion, which is the problem that the Commission was set up to deal with, and did so with some success. But events illustrate that stock management will not alleviate the excess capacity problem as long as access to the fishery is unregulated. As the stocks were rebuilt and the value of halibut increased, the fleet expanded. Progressive shortening of the season meant that the fleet was idle most of the year. Shore facilities had to cope with the whole catch in a short period, leading to increased capacity, higher costs and instability of operations. Nearly all the catch had to be frozen; the fresh market; which brings higher prices, could be served only briefly. And, of course, with all this excess capacity and cost, . returns from these highly valued resources remained low.

Recently, two events put new pressures on the industry. During the late 1960's and early 1970's catches declined dramatically as did the apparent size of the stocks, due partly to environmental changes but mainly to incidental catches of halibut by foreign high seas trawl fleets. Because of the longevity and late maturation of halibut, the stocks cannot recover quickly, and they remain in a depressed condition today. The stocks off northern British Columbia, which depend on young fish migrating from the north, have been recovering particularly slowly, and there is growing anxiety about their apparent displacement by large populations of dogfish.

The other event was the declaration of 200-mile fishing limits by Canada and the United States toward the end of the 1970's. Initially, reciprocal privileges for fishermen who had been operating in the other country's waters were provided for, but disagreements and conflicting pressures led to termination of these arrangements. As a result, U.S. fishermen were excluded from fishing within Canadian waters in 1979, and Canadian fishermen were phased out of the Alaskan fishery by 1980.

The impact on U.S. fishermen was relatively light, but because two-thirds of the Canadian halibut catch had been taken in U.S. waters off Alaska, the impact on Canadian fishermen was substantial. The Canadian fleet is now restricted to that part of Area 2 that lies off British Columbia (Area 2b). An agreement between the two countries provides that 60 percent of the allowable catch in this area be allocated to Canadian fishermen and 40 percent to the U.S. fleet.

Restrictive Licensing

As long as Canada and the United States had no ag ment on how the catch was to be shared, neither could benefit from controlling the expansion of its fleet: any limitation would simply result in the other country taking more of the catch. But in 1979, when the division of the catch of the remaining international stocks was specified, this obstacle to controlling the fleet was removed. Moreover, with the catch available to Canadians now greatly reduced, the need to control and reduce the fleet size had become acute.

The Canadian government therefore imposed restrictive licensing in the halibut fishery in 1979. New halibut ("L") licenses were issued to vessels that had reported halibut landings of at least 3,000 pounds (dressed, head off) in either. of the preceding two years. Initially, the landings qualification had to be met with halibut caught on gear other than troll; the traditional halibut fishery uses mainly longline gear, and this rule was intended to exclude salmon trollers who caught halibut incidentally. This eligibility criterion was met by 281 vessels, and another 50 or so were found to be eligible after errors in sales slip information were uncovered. About 400 fishermen who had fished halibut did not meet the license requirements and were excluded from the fishery. These were mostly part-time halibut fishermen who operated small boats and in total they accounted for less than 20 percent of the catch.8

The government took several steps to minimize the dislocation caused by these new arrangements. Longline vesselowners who failed to meet the entry qualifications were offered compensation for their longline gear. Those who had fished mainly in Alaskan waters and had licenses to fish in other fisheries were encouraged to retire their halibut licenses by the offer of compensation for their gear and a "vessel-share" grant. Alternatively, these fishermen could relinquish their halibut licenses in return for a vessel and gear conversion grant to enable them to enter the sablefish fishery. Of the 54 vessels excluded from Alaska and eligible for these grants, 16 surrendered their halibut privileges under the scheme; the remainder received halibut licenses.

However, shortly after the new restrictions were introduced they were relaxed, and generous grounds for appeal were provided. Because of the difficulty in determining how the halibut had been caught, the exclusion of troll-caught landings from the qualifying catch was lifted. The Minister announced also that appeals would be considered from those who could not meet the landings qualification but could demonstrate "substantial financial dependency" on halibut fishing and could not turn to other fisheries. Alsoconsideration was to be given to vesselowners who could show a "significant financial commitment" to the fishery, including some who had introduced boats just prior to the new restrictions and therefore did not meet the landings qualification. The Appeal Board was faced with a flood of appeals, and some 100 additional licenses were approved.

The result of the low landings qualification and generous appeal provisions was that, by 1981, the licensed halibut fleet had expanded to 422 vessels. In addition, 10 special Indian halibut licenses are issued on an annual basis to individuals who depend on halibut for a significant proportion of their income, but do not own the vessels which they operate. This compares with less than 100 mainly halibut vessels which operated prior to the introduction of restricted entry, in spite of the fact that the fleet now has access to only a fraction of the stocks previously accessible.

This year, the quota available to Canadian fishermen was 5.4 million pounds (compared to a catch of more than 30 million 15 years ago), and because of low stocks, the catch rates have been very low. Furthermore, the landed price this year has declined to less than \$1.00 per pound, less than half the price of two years ago. Thus the circumstances of the fishery have deteriorated sharply and are now critical.

Halibut licenses are applied to vessels and are transferable (except for the special Indian licenses). They authorize fishing for halibut by hook and line gear, and by troll gear during the open season, at a fee of \$10 dollars per year. If replaced, the replacement vessel must not exceed 110 percent of the length of the vessel replaced.

Incidental Troll Catch

A particularly aggravating issue relates to the treatment of halibut caught incidentally by salmon trollers. Trollers for chinook salmon cannot avoid hooking halibut occasionally in certain waters, even if they do not "target" on this species. But in order to provide a larger catch to halibut long-line fishermen who were displaced from Alaskan waters, the Department has prohibited retention of troll caught halibut since 1979.

Many trollers now feel aggrieved at having lost the privilege to retain incidentally caught halibut. Their discontent was aggravated when those trollers who could show landings of 3,000 pounds (at a time when the pressure on the stocks was already excessive) were made eligible for halibut licenses. Worse, they were made eligible not just to continue to catch halibut incidentally during the open season (as they had been doing) but also to add longline gear specifically for halibut fishing, thus increasing their halibut capacity and adding to the excess capacity of the fleet.

The non-retention rule applied to salmon trollers presents a vexing problem. In principle, the release of marketable fish makes little sense economically, and inevitably results in some mortality and waste. The present arrangements aggravate losses because the mortality of released fish depends upon the care taken in handling them, and having been denied the right to participate in the halibut fishery, salmon trollers have little incentive to release them with care. I find it difficult to disagree with the principle that fish caught should be landed (unless there is a sound biological reason against this; here, it is only a question of who catches them). But if trollers were allowed to retain halibut, a great deal more fishing capacity could be brought to bear in an already

overcrowded fishery. Some advocate a return to a specifilimit on retentions, but this is difficult to administer and i any event would not discourage targeting on halibut up t the prescribed limits. So none of these solutions is very satisfactory.

Proposed Changes

In spite of good intentions, the licensing of the halibitishery has been badly regulated over the last few years, an the result is a grossly overexpanded capacity in the license fleet and much reduced stocks. What is urgently neede now is firm action to rationalize the fleet to the availab catch. In view of the current pressures on the fishery this wibe difficult, but the longer it is postponed the more dislocation it will cause.

Fortunately, the characteristics of this fishery lend it we to a simple fishermen's quota system. The allowable cate does not fluctuate widely and can be (and is) predicted i advance of each season. A quota system is the onl approach, as far as I can see, that offers any real promise i dealing with the alarming excess capacity in this fishery, an if it is carefully designed, it appears to offer a more equitable solution than any other.

I therefore recommend the following changes:

- 1. The present halibut vessel licenses should be replace by a simple license issued to a person. To accomplis this, the owners of licensed halibut vessels should desig nate a person (or his company) to be the succeedin licensees.
- 2. Each of these licensees should be given an initial cate quota, denominated in 200 pound units. (In application this will probably become 100 kilogram units; I prefe to use the more familiar units of measurement here.) Trintroduce these quotas, the total allowable catch (less reserve, described below) should be divided among the licensees in proportion to their shares of the total Canadian catch averaged over the two years 1980 and 1981. In subsequent years, quota holdings should be adjusted in proportion to necessary changes in the total allow able catch.
- 3. The quotas should be freely transferable in 100 pound units, so long as the total possessed by any licensee doe not exceed the limits proposed later in this chapter. There should be a requirement that all transfers b reported to the Department within 15 days.
- 4. A significant fee, in the form of an advance royalty should be introduced immediately and related directly to the catch authorized and registered under each license. I suggest an initial annual fee of \$20 per 200 pound unit (i.e. ten cents per pound) of quota, payably upon license renewal. It should be an announced intention to revise this rate periodically. The license itself should continue to be issued at a nominal charge, but suggest it be increased to \$50.

- 5. Licensees should be free to take their quota on any hook-and-line gear. The longstanding prohibition on trawls should be maintained because they are undiscriminating and destructive to immature fish.
- With the total catch predetermined and limited through the authorized quotas, the fishing season should be expanded to the maximium period that biological constraints permit.
- 7. Captains of vessels landing halibut should be required to declare the number of the license under which they land halibut, and licensees should be liable to strict penalties for any landings in excess of the quota authorized under that license, as proposed later in this chapter.
- 8. A reserve of 10 percent of the initial quota should be withheld in making the initial allocations to the halibut licensees to provide a reserve for allocations upon the recommendations of a "special" temporary appeal committee consisting of representatives of salmon trollers associations and halibut licensees. (Such committees are described later in this chapter.) Appeals within a shortdeadline should be invited from "outside" salmon trollers who can demonstrate that the restrictive licensing of the halibut fishery adversely affected their incomes, and from halibut licensees who can demonstrate that the initial allocation of quotas would treat them inequitably. Allocations through this appeal process should be subject to payment of the advance royalty and license fee. Any portion of the reserve remaining after appeals have been considered should be added. pro rata, to the quotas available to halibut licensees.
- 9. The government should reserve the right to adjust quotas proportionately in response to changes in the catch available to Canadian fishermen.
- 10. A committee of halibut license holders should be appointed to advise the Department on the mechanics of implementing these changes and to design clear guidelines for dealing with appeals.

These measures imply substantial change from the traditional method of regulating this troubled fishery. The main difficulties lie in achieving an equitable transition from the present unsatisfactory arrangements. Once in place, they should go a long way toward improved economic returns, fleet rationalization and simpler management and administration.

The proposed "grandfathering in" of licensees' quotas according to their recent catch shares appears to be the most rquitable way of recognizing the difference between those who comprise the main halibut fleet and those who qualify for licenses by way of incidental catches. The proposals are intended to secure the position of each, and transfers of quotas will provide an avenue for voluntary withdrawal from the fishery without loss or arbitrary intervention.

These arrangements will also alleviate the nagging problem of halibut caught incidentally by salmon trollers. The new personal halibut licenses need not be restricted in number (they will simply identify quota holders and designate quota entitlements) and trollers will be free to acquire quunits as they see fit.

A major benefit of the proposed arrangements will be that the fishing season can be lengthened. This will enable higher prices for the catch because a higher proportion will be available for fresh fish markets, which bring prices about half again as high as the frozen market. Especially if the Alaskan fleet continues to be constrained by its present closed season, Canadian fishermen can be expected to take their catches at other times when most could be sold in the lucrative fresh market.

The proposed royalty, applied to a total allowable catch equal to this year's, would yield \$540 thousand. This is, incidentally, roughly the amount of Canada's contribution to the International Pacific Halibut Commission.

Upon introduction of these arrangements, numerous appeals can be expected, so it will be important to specify rigorously the grounds upon which appeals will be considered. The proposed appeal committee will have access to the landings records of the Department and, in addition, to the landings files kept by the International Pacific Halibut Commission. (For many years the Commission has required compulsory filing of logbooks by halibut fishermen. The information about where the catch was taken must be keen confidential, but that is not needed for these purposes.)

Experience elsewhere suggests that fishermen do not always take their full quota for one reason or another. Canada should therefore seek arrangements through the International Pacific Halibut Commission to provide that any Canadian quota not harvested would be added to the Canadian quota for the following year.

Finally, special attention must be paid to enforcement of regulations, especially the one requiring accurate recording of landings. Fortunately, the International Commission already has in place an excellent system for collecting detailed information on all halibut landings in British Columbia and U.S. Pacific ports. The penalties proposed later in this chapter will assist in this matter as will the obligation of fish buyers to provide accurate landings statistics, proposed in Chapter 6.

THE FOOD AND BAIT HERRING FISHERY

The significant food-herring fishery that developed during the mid-1970's has since levelled off. Hopes of penetrating the high-value European market have not been realized for a variety of reasons, one of which has been the difficulty encountered by B.C. producers in matching the price and quality of product available from elsewhere, such as Atlantic provinces. Recently, the main market has been Japan, where dried herring are sold as migaki.

Nevertheless, this fishery offers considerable opportunity. Herring are in their best condition for food in the late fall;

STATE	OF	ALA	SKA	DEC JAYS HAM	Januar MENT GOVERNOR
DEPAR			ND GA-ME	P.O. BOX. 3- JUNEAU, A PHONE:	2000 LASKA 99802
December 16, 1981			copy to	Clim 12-	2

FOREIGN PROCESSING WORKGROUP:

Please find enclosed Commissioner Skoog's suggested version of the bill addressing the controlled use of supplemental foreign processing activities within the internal waters of Alaska.

This version is only for Alaska; continues to address all species of fish; exemplifies preferential market access as one form of adverse impact on the United States fish industry; and incorporates the requirement that the foreign vessel request a permit from the Governor.

Shortly, I will forward to you a document of intent that would accompany the bill.

The Commissioner has tentatively identified Friday, January 8 in Juneau as the next meeting. I will contact you by phone to establish a firm schedule.

I look forward to seeing you at the next meeting.

Sincerely,

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Guy Thornburgh, Program Manager Extended Jurisdiction Section (907) 465-4215

Enclosure

cc: Tillion
Branson
Rosier
Phillips
Rod Moore
Iani

Rubinstein

A BILL

To provide for the exclusion of foreign fishing vessels from the internal waters of Alaska

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. PROHIBITION

No vessel, other than a vessel of the United States, may engage in transporting unprocessed fish or processing fish in internal waters of Alaska unless the vessel is eligible under Section 4 and the owner or operator of such vessel applies for and obtains from the Governor of Alaska a permit to engage in such activities.

Section 2. PERMIT ISSUANCE

- (a). The Governor of Alaska shall issue a permit to a foreign fishing vessel to engage in transporting unprocessed fish or processing fish in internal waters of Alaska if, after investigation and opportunity for public comment, he finds that all of the following conditions exist:
 - (i) the volume of fish expected to be taken under current regulations in specified times and areas of a fishery exceeds the existing and anticipated processing and transporting capability of facilities or vessels operated by United States fish processors; and
 - (ii) there is no practical opportunity for United States fish processors to make arrangements to process and transport excess volume of fish; and
 - (iii) there is a likelihood of substantial economic loss or wastage of fish if foreign processing or transporting activities are not utilized; and
 - (iv) if a permit is issued, there is no significant likelihood of clandestine foreign operations and of adverse impact on the United States fish industry such as, but not limited to, those occurring from foreign participants having preferential access to markets due to tariffs, duties or quotas.
- (b). The Governor of Alaska shall transmit to the Alaska Regional Director of the National Marine Fisheries Service copies of any such permit issued.

Section 3. PERMIT SPECIFICATIONS

Any permit issued under Section 2.(a) shall specify:

- (1) The name and official number or other identification of the foreign fishing vessel;
- (2) (a) the species of fish available for processing or transporting and(b) the time and location where the foreign vessel may engage in such activities.
- (3) that the Governor of Alaska shall terminate the permit when, after investigation, he determines that United States fish processors can adequately process or transport the harvest;
- (4) that the foreign fishing vessel shall comply with all applicable Federal and State of Alaska laws and regulations; and
- (5) any other pertinent information and stipulations which the Governor of Alaska may require.

Section 4. ELIGIBILITY OF FOREIGN VESSELS

The Secretary of State, in consultation with the Secretary of Commerce, shall determine and maintain a list of foreign vessels that are eligible to participate in processing fish or transporting unprocessed fish in the internal waters of Alaska. Such determinations shall be made on the basis of:

- (1) such vessels coming from Canada or from nations having entered into a Governing International Fisheries Agreement; and
- (2) whether and to what extent such vessels and nations contribute to (a) the conservation, management, and enforcement of United States fisheries programs and (b) to development and enhancement of the United States fish industry; and
- . (3) other such matters as the Secretary of State deems appropriate.

Section 5. DEFINITIONS:

- (1) The term "fish" means any species of aquatic fish, invertebrates and amphibians, in any stage of their life cycle, found in or introduced into the State.
- (2) The term "foreign fishing vessel" means a vessel other than a vessel of the United States that engages in fishing, transporting of unprocessed fish, or processing fish.
- (3) The term "internal waters" means waters landward of the baseline from which the territorial sea is measured.
- (4) The term "processing" means preserving fish by completion of cooking, canning, smoking, salting, drying, or freezing in order to prevent deterioration to assure future use.

- (5) The term "United States fish processor" means an operator or owner of a United States facility or vessel used or equipped for the processing or transportation of fish for commercial use or consumption.
- (6) The term "vessel of the United States" means any vessel documented under the laws of the United States or registered under the laws of any State.

Section 6. PENALTIES:

Any foreign fishing vessel, and any owner or operator of any foreign fishing vessel, that engages in transporting unprocessed fish or processing fish while such foreign vessel is in the internal waters of Alaska without a permit issued by the Governor of Alaska shall be subject to the following:

- (1) A civil penalty, not to exceed \$25,000 for each violation; and
- (2) Forfeiture to the United States of any fishing vessel (including its fishing gear, furniture, appurtenances, stores, and cargo) used, and any fish taken or retained, in connection with such violations.

The procedures, presumptions, and jurisdictions specified in Sections 1858 and 1860 of Title 16, United States Code, shall apply to any civil penalties assessed or forfeitures carried out under this Act.

U.S. POLICY IN APPROVING JOINT VENTURE PROCESSING PROPOSALS

WHEREAS, the Magnuson Fishery Conservation and Management Act as amended in 1980 recognizes the importance of fostering the U.S. fish processing industry and gives U.S. processors first priority to U.S. caught fish; and

WHEREAS, U.S. fishermen are allowed under the MFCMA to deliver to foreign processing vessels seaward of 3 miles as a means of increasing the markets for U.S. caught fish and encouraging the development of U.S. fisheries; and

WHEREAS, these joint ventures are beneficial to some domestic fishermen over the short-term, however, the furtherance of the entire U.S. fishing industry over the long-term will require the development of increased domestic processing capacity; and

WHEREAS, U.S. processors are competing with foreign subsidized fisheries for world and domestic fish markets; and

WHEREAS, further development of the U.S. fishing and processing industry requires that U.S. processors move into markets now controlled by foreign processors;

THEREFORE BE IT RESOLVED, that the Pacific Marine Fisheries Commission urges the Administration to assure that joint venture processing agreements be approved only in those cases where the signatory countries agree to remove trade barriers which serve to inhibit the sale of U.S. processed fish in that country.

ROLE OF COASTAL STATES IN THE CONSERVATION AND MANAGEMENT OF FISHERY RESOURCES

WHEREAS, The Magnuson Fishery Conservation and Management Act does not provide sufficient definition to the role of coastal states in the conservation and management of fishery resources; and

WHEREAS, the coastal states have demonstrated and will continue to demonstrate a significant contribution to the management of resources throughout their range and these states should have as much authority and discretion as possible in managing fisheries operations in historic state waters and beyond; and

WHEREAS, state and federal agencies have limited funds for fisheries management and research, and enforcement occurs through a clear definition of state and federal agency roles by dividing responsibilities and thus avoiding unnecessary duplication;

THEREFORE BE IT RESOLVED, that the Pacific Marine Fisheries Commission request appropriate Congressional oversight committees to seek advice from the coastal states, the Regional Fishery Management Councils, and the National Marine Fisheries Service in considering amendments to the Magnuson Act as needed to clarify the intent of Congress toward the responsibilities, jurisdiction, and roles of coastal states in the conservation and management of fishery resources. Important issues to be considered include, but are not necessarily limited to the following:

- Authorization to the state to permit foreign fish processing activities within the boundaries of the state only where domestic capacity is insufficient;
- 2) Establishment of a baseline for the inner boundary of the territorial sea for fishery management purposes only, that would reflect the historic boundary used by states for fishery management;
- 3) Development of federal Fishery Management Plans only for those fisheries where conservation and management needs are not being handled adequately by a state regime;
- 4) Delegation of federal management responsibilities for domestic fisheries to states which have appropriate scientific, technical, and regulatory capabilities in order to achieve increased cost effectiveness and operational efficiency;
- 5) Authorization to the Secretary of Commerce to reimburse a state for services performed by a state in implementing a federal Fishery Management Plan;
- 6) Authorization to a state to control recreational fishing activities by foreign vessels within the boundaries of the state;
- 7) Regulation between 3 and 200 miles by a state, with concurrence of the Regional Fishery Management Council and the National Marine Fisheries Service shall be conducted within the parameters of the National Standards set forth in the Magnuson Fishery Conservation and Management Act.

JOINT MANAGEMENT OF ANCHOVIES

WHEREAS, National Standard 3 for fishery conservation and management provided in section 301 (a) of the MFCMA requires that "to the extent practicable, an individual stock of fish shall be managed as a unit throughout its range"...; and

WHEREAS, the harvesting of a transboundary resource may result in resource and conservation problems unless the total harvest is properly coordinated between the nationals on both sides of the boundary; and

WHEREAS, Section 301 (a) (1) of the MFCMA requires that "conservation and management measures shall prevent overfishing while achieving, on a continuing basis, the Optimum Yield from each fishery", and recognizing that this may not be possible with transboundary resources unless fishing is coordinated on both sides of a boundary; and

WHEREAS, the Anchovy resource off Mexico and Southern California is a transboundary resource, significantly harvested by nationals of Mexico and the United States; and

WHEREAS, Anchovy have been identified as an important forage resource for other species;

THEREFORE BE IT RESOLVED, that the Pacific Marine Fisheries Commission request the Secretaries of State and Commerce to initiate negotiations with the Government of Mexico in order to identify the geographical parameters and Optimum Yield of that portion of the Anchovy resource that is transboundary; and

BE IT FURTHER RESOLVED, that the governments of Mexico and the United States undertake the necessary procedures for joint management of that portion of the resource that is transboundary and to share equitably in the Optimum Yield.

CALIFORNIA REPRESENTATION ON THE PACIFIC FISHERY MANAGEMENT COUNCIL

WHEREAS, California has over one-half of the coastline within the jurisdiction of the Pacific Fishery Management Council; and

WHEREAS, the Pacific Fishery Management Council presently has management authority over the northern anchovy fishery, the groundfish fishery, and the ocean salmon fishery; and

WHEREAS, the northern anchovy fishery is conducted exclusively offshore of California by vessels whose home ports are in California; and

WHEREAS, California groundfish landings over the last 10 years exceeded, on the average, those of other Pacific Coast states; and

WHEREAS, California salmon landings over the last 10 years, on the average, equal those of Oregon and Washington; and

WHEREAS, California is represented by 23% of the membership of the Pacific Fishery Management Council;

THEREFORE BE IT RESOLVED, that the U.S. Congress be memorialized to increase California representation on the Pacific Fishery Management Council to two obligatory appointive seats.

Adopted at Portland, Oregon November 10, 1981 by a 3-2 vote of the five compact States: Alaska, California, and Oregon voting for; Idaho and Washington voting against.

FEDERAL RESPONSIBILITY TO FUND FEDERALLY MANDATED PROGRAMS

WHEREAS, recent Federal Acts such as the Endangered Species Act, Marine Mammal Protection Act and the Magnuson Fishery Conservation and Management Act have established exacting standards for resource management; and

WHEREAS, these standards include requirements for extensive biological, social, and economic data upon which management decisions are based; and

WHEREAS, the states of Alaska, Washington, Oregon, Idaho, and California are providing most of the research and monitoring efforts to provide these data; and

WHEREAS, state fiscal problems coupled with pending reductions in federal grant-in-aid will decrease funds available to the states to support these programs; and

WHEREAS, the Departments of Commerce and Interior have not provided long-term base funding for the support of these programs; and

WHEREAS, the Pacific Marine Fisheries Commission unanimously approved Resolution No. 3 in 1980 calling for USFWS and NMFS to support coastwide anadromous fish tagging and recovery programs citing the needs for management under the MFCMA;

THEREFORE BE IT RESOLVED, that the U.S. Departments of Commerce and Interior be obligated to establish long-term, base budget funding to support Federally mandated fishery management programs, including but not necessarily limited to: Commercial Fisheries Research and Development Act, Anadromous Fisheries Conservation Act, Endangered Species Act, Marine Mammal Protection Act and Magnuson Fishery Conservation and Management Act; and

BE IT FURTHER RESOLVED, that the United States Congress be obligated to provide the federal share of financial support to carry out these programs in cooperation with the States.

FUNDING COLUMBIA RIVER HATCHERIES

WHEREAS, Federally constructed and operated dams on the Columbia River and its tributaries have caused major damage to the anadromous fish runs of that river system; and

WHEREAS, non-Federal private and public utility owned and operated dams must and will continue to provide mitigation for anadromous fish losses attributed to construction and operation of such facilities; and

WHEREAS, under P.L. 75-502 and P.L. 79-676 the Congress acknowledged drastic declines in Columbia River anadromous fish runs in the river; and

WHEREAS, anadromous fish produced in the Columbia River provide a substantial portion of the income of ocean salmon fishermen from Alaska to California, as well as treaty and non-treaty river fishermen in Washington, Oregon and Idaho; and

WHEREAS, the Administration in Washington, D.C. has proposed to either completely eliminate or phase out federal funding of Columbia River hatchery production; and

WHEREAS, this action would be contrary to the solemn commitment of Congress to the citizens of the Pacific Coast of the United States to compensate for losses to the Columbia River anadromous fish runs as a result of Federally authorized dams;

THEREFORE BE IT RESOLVED, that the Pacific Marine Fisheries Commission unanimously support and request continued full federal funding of anadromous Columbia River salmon and trout hatcheries; and

BE IT FURTHER RESOLVED, that state and federal agencies begin exploring other long-term funding sources, including water user fees, to assist but not replace present funding for these programs; and

BE IT LASTLY RESOLVED, that copies of this resolution be provided to the President, the Budget Director, the Secretary of Commerce, the Secretary of Interior, the Secretary of Defense, Chairman of the appropriate Senate and House Committees of Congress and the Governors and Congressional Delegations of the Pacific Marine Fisheries Commission member States.

REQUEST FINANCIAL SUPPORT FOR NAVIGATIONAL CHART DETAIL

WHEREAS, commercial fisheries for shellfish and groundfish have been developing in the offshore and inshore waters of the Alaska Peninsula; and

WHEREAS, the development of these fisheries is hindered by lack of navigational charts that sufficiently delineate bottom contours and depths; and

WHEREAS, the development of stock assessment programs by state and federal agencies are also being hindered by lack of these charts; and

WHEREAS, these needs are specifically acute in Gulf of Alaska waters between the longitude of Castle Cape and Kupreanof Point and waters surrounding the Simidi Islands; and

WHEREAS, commercial fisheries from Alaska and other PMFC member States and governmental resource management agencies would benefit from more detailed navigational charts in conducting commercial fishing operations, delineating habitat, and reducing gear loss;

THEREFORE BE IT RESOLVED, that Pacific Marine Fisheries Commission requests the United States Congress to provide the necessary financial support or directives to the National Ocean Survey to undertake this work.

FINANCIAL SUPPORT FOR THE UNITED STATES COAST GUARD

WHEREAS, The Magnuson Fishery Conservation Management Act recognized the need to protect the vital fisheries resources and waters adjacent to the United States by the establishment of sound management practices; and

WHEREAS, the United States Coast Guard is the principal law enforcement agency assigned to ensure compliance with regulations issued to facilitate management of these valuable resources; and

WHEREAS, numerous and blatant violations of these regulations continue to be detected by the United States Coast Guard; and

WHEREAS, the United States Coast Guard lacks the resources to detect and apprehend but a small percentage of suspected violators; and

WHEREAS, current and projected fiscal constraints will result in further reduction of the United States Coast Guard's capability to carry out effective law enforcement programs for protection of our valuable fisheries resources;

THEREFORE BE IT RESOLVED, that the Pacific Marine Fisheries Commission requests the Congress to provide at least the current level of funding appropriated to the United States Coast Guard for maritime law enforcement, but not to the detriment of search and rescue and navigational aid programs; and

BE IT FURTHER RESOLVED, if at all possible that the funding levels for maritime law enforcement be increased; and

BE IT LASTLY RESOLVED, that copies of this Resolution be provided to Pacific Marine Fisheries Commission member States' Congressional Delegations.

SUPPORT STATE/FEDERAL RECOMMENDATIONS IN DEVELOPING FISH & WILDLIFE PROGRAMS UNDER NORTHWEST ELECTRIC POWER PLANNING AND CONSERVATION ACT

WHEREAS, the passage of the Pacific Northwest Electric Power Planning and Conservation Act of 1980 (P.L. 96-501) presents a unique opportunity for the rehabilitation of the fish and wildlife resources of the Columbia Basin which have been severely impacted by the construction and operation of the Columbia River hydroelectric system; and

WHEREAS, the Act (P.L. 95-501) establishes the Pacific Northwest Electric Power and Conservation Planning Council (hereinafter called the Council) and charges it with the responsibility of developing and adopting a fish and wildlife program for the protection, mitigation, and enhancement of fish and wildlife resources--including related spawning grounds and habitat--of the Columbia River and its tributaries; and

WHEREAS, the Act requires that the state and federal fish and wildlife agences and Indian tribes of the Columbia Basin be consulted and be participants in the development of the fish and wildlife program; and

WHEREAS, the intent of the Act is to achieve a balance among competing uses of the river resource and specifically calls for measures which will provide for improved survival of the anadromous fisheries resource at hydroelectric facilities in the Columbia Basin and provide sufficient flow to improve production, migration, and survival of this resource; and

WHEREAS, the measures must be consistent with the legal rights of appropriate Indian tribes of the region; and

WHEREAS, the Pacific Marine Fisheries Commission supported passage of the Act through its 1979 Resolution No. 4 and 1980 Resolution No. 6;

THEREFORE BE IT RESOLVED, that the Pacific Marine Fisheries Commission reaffirms its unanimous action of 1980 and urges the Council to support the goals, objectives, and recommendations of the region's fish and wildlife agencies in the development of member state fish and wildlife programs within the intent of the Act;

BE IT LASTLY RESOLVED, that copies of this resolution be provided to the members of the Council, appropriate members of concerned Congressional oversight committees, and to Governors, and Congressional Delegations of PMFC member states.

CONGRESSIONAL REVIEW OF ACCELERATED OCS LEASE SALES SCHEDULE

WHEREAS, the United States has off its shores 20 percent of the world's known fishery resources yet because the United States does not fully utilize these resources, the United States is still heavily dependent upon foreign fishery imports which account for 10 percent of the United States' balance of trade deficit; and

WHEREAS, with a program of full utilization of its marine resources combined with sound management, habitat protection, and fishery restoration programs the United States could become a net exporter of fishery products; and

WHEREAS, offshore oil and gas exploration and development can be harmful to fisheries including, but not limited to, the impacts from large oil spills, chronic small oil spills and seepage in the marine environment, the disposal of toxic drilling muds in the marine environment, and the physical interference and disruption of fishing activities; and

WHEREAS, offshore leasing has already begun off Alaska and California and is scheduled to begin at a later date off Oregon and Washington; and

WHEREAS, many of the areas proposed for leasing are areas of low estimated potential for oil and gas but are in important areas for renewable resources and fishing; and

WHEREAS, weather conditions, depths and seismic activity on the ocean floor in many of the areas being proposed increase the likelihood of a serious oil spill or accident that could harm marine resources and the fisheries dependent upon those resources; and

WHEREAS, the Department of Interior has proposed an accelerated 5-year OCS Leasing schedule which would among other things, (1) eliminate consideration of non-oil and gas resources at the early phase of a sale, (2) permit preparation of an area-wide environmental statement rather than area specific statements that could easily overlook sensitive fishery habitats or fishing grounds, (3) eliminate geo-hazard studies during the pre-sale stage, and (4) not allow for publication of specific tracts until 30 days prior to sale; and

WHEREAS, a suspension has been placed on the hydrocarbon ban in marine sanctuaries, and thus could allow oil and gas exploration and development within the boundaries of the Point Reyes-Farallon Islands and Channel Islands National Marine Sanctuaries;

THEREFORE BE IT RESOLVED, that the Pacific Marine Fisheries Commission requests the Congress to conduct oversight hearings on the Department of Interior's accelerated 5-year leasing schedule; and

BE IT FURTHER RESOLVED, that the Pacific Marine Fisheries Commission requests the Departments of Interior and Commerce to provide area-specific environmental assessments so as to afford the maximum protection for renewable resources areas and fishing grounds from oil and gas exploration and development including banning such activities in critical fishery areas; and

BE IT LASTLY RESOLVED, that the Pacific Marine Fisheries Commission requests the Administration to reinstate the hydrocarbon ban in the Point Reyes-Farallon Islands, and Channel Islands National Marine Sanctuaries.

SUPPORT FOR THE FISH AND WILDLIFE CO-ORDINATION ACT

WHEREAS, the Fish and Wildlife Co-ordination Act (16 U.S.C. 661 et seq.) concerns the conservation of wildlife, including fisheries, in projects involving the control or modification of any stream or body of water; and

WHEREAS, the Fish and Wildlife Co-ordination Act accords such conservation equal consideration with other uses for water resources including ascertaining from state and federal fishery agencies those conditions necessary for mitigation or compensation resulting from project-occasioned losses of fish; and

WHEREAS, in the western States the Fish and Wildlife Co-ordination Act has been important in protecting and maintaining valuable anadromous and other fisheries; and

WHEREAS, there are current proposals to eliminate or weaken regulations promulgated pursuant to the Fish and Wildlife Co-ordination Act, rules that are necessary for the protection of West Coast anadromous and other fishery resources;

THEREFORE BE IT RESOLVED, that the Pacific Marine Fisheries Commission oppose any effort to repeal the Fish and Wildlife Co-ordination Act or to weaken or eliminate those regulations promulgated pursuant to said Act.

BE IT LASTLY RESOLVED, that copies of this Resolution be provided to the Governors and Congressional Delegations of PMFC's member States.

RETAIN FEDERAL LICENSING REQUIREMENTS FOR SMALL HYDROELECTRIC PROJECTS

WHEREAS, the development of small hydroelectric projects is now economically feasible as a result of recent federal legislation, including the National Energy Act of 1978 and the 1980 Crude Oil Windfall Profit Tax Act; and

WHEREAS, there has been a 100-fold increase in applications to the Federal Energy Regulatory Commission for small hydroelectric permits at existing hydraulic structures and at other potential sites; and

WHEREAS, projects of less than 5 megawatts are exempted from federal licensing requirements and therefore are not subject to the provisions of the Fish and Wildlife Co-ordination Act; and

WHEREAS, federal legislation has been proposed to exempt projects of less than 15 megawatts from federal licensing requirements; and

WHEREAS, many of these small hydro projects are being proposed for important anadromous fish spawning and nursery streams and rivers, and could adversely affect the fishery resources of these streams and rivers; and

WHEREAS, the significant increase in applications for projects subject to federal licensing is creating hardships for fishery agencies required to provide comment on and conditions to development of hydroelectric projects; and

WHEREAS, it is essential for the protection of West Coast anadromous fishery resources which support large and valuable commercial and recreational fisheries, that fishery agencies be able to provide comments and conditions on hydroelectric projects, including mitigation and compensation measures;

THEREFORE BE IT RESOLVED, that the Pacific Marine Fisheries Commission request that Congress reject any attempt to exempt hydroelectric projects in excess of 5 megawatts from federal licensing requirements; and

BE IT LASTLY RESOLVED, that the Pacific Marine Fisheries Commission requests that Congress appropriate supplemental funding for those State and Federal fishery agencies required to provide comment and conditions on the small hydroelectric project applications.

OUTER CONTINENTAL SHELF LANDS ACT FUNDS FOR FISHERIES PROGRAMS

WHEREAS, the national interest would be well-served by applying a portion of the revenues to be derived from exploitation of non-renewable natural resources to assure the continued protection, development, and wise use of renewable natural resources as a provident investment to benefit future generations; and

WHEREAS, Reagan Administration policy directs that new sources of funding be developed for national programs which more directly relate expenditures to benefits ("user pays" concept); and

WHEREAS, Reagan Administration policy also seeks to decentralize federal control of national programs in favor of regional authority, delegating increasing responsibility for direction and support to the States; and

WHEREAS, these programs must serve a combination of national, regional, and local needs and interests and therefore merit State-Federal sharing of costs as well as responsibilities; and

WHEREAS, Federal revenue-sharing in support of these programs can be accomplished most efficiently via a single consolidation of funds to each State;

THEREFORE BE IT RESOLVED, that the Pacific Marine Fisheries Commission strongly endorses the establishment of a fund derived from a small fraction of revenues generated pursuant to the Outer Continental Shelf Lands Act; that fund to be applied to Federal cost-sharing for coastal zone management programs, fishery programs, and related activities, in accordance with allocation formulas and procedures to be developed jointly with the States; and

BE IT FURTHER RESOLVED, that the mechanisms for disbursement of these Federal funds be consolidated into single grants to the States for these related purposes, in accordance with guidelines and procedures agreed upon with the States; those procedures designed to provide reasonable in-State flexibility for achieving State and regional objectives, yet at the same time restricting use of funds to long-range natural resource development and management goals; and

BE IT LASTLY RESOLVED, that copies of this Resolution be provided to members of the Congressional Delegations of Pacific Marine Fisheries Commission States, appropriate Congressional Committees, and concerned State and Federal agencies and offices.

Aserda Item C-3

Chairman Clem Tillion North Pacific Fishery Management Council P.O. Box 3136 DT Anchroage, Alaska 99510

Chairman Clem Tillion:

It has come to the attention of the below signed organizations that that portion of the ammendment #1 to the Bering Sea and Aleutian Island Groundfish Plan regarding domestic trawling and its effect on halibut in the Pot Sanctuary area was thrown out by the Commerce Department and the Council due to the complexity of writing the restirction. The pot sanctuary area is very important as a halibut nursery ground as well as an area of high abunance of tanner and king crab. The below signed organizations request that the following two proposals be sent out for council action as ammendments to the Bering Sea Groundfish Plan.

- 1. Trawling will he permited in the Pot Sanctuary with Pelagic gear only.
- 2. A pelagic gear restriction will be enforced in the Pot Sanctuary area if the incidental catch of halibut exceeds _____% or the incidental catch of crab exceeds

.8 % (tanner or king).

Fishing Vessel Owners Association

Petersburg Fishing Vessel Owners

Association

Alaska Longline Fishermens Association

Deep Sea Fishermens Union

of the Pacific