

North Pacific Fishery Management Council

Richard B. Lauber, Chairman
Clarence G. Pautzke, Executive Director

605 West 4th Avenue
Anchorage, AK 99501



Mailing Address: P.O. Box 103136
Anchorage, AK 99510

Telephone: (907) 271-2809
Fax: (907) 271-2817

Certified

Richard B. Lauber

Date

Oct 11, 1994

MINUTES

**112th Plenary Session
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
April 19-24, 1994
Hilton Hotel
Anchorage, Alaska**

The North Pacific Fishery Management Council met April 19-24, 1994 at the Hilton Hotel in Anchorage, Alaska. The Advisory Panel and Scientific and Statistical Committee began their meetings on Monday, April 18. The following members of the Council, staff, SSC and AP attended the meetings.

Council

Richard Lauber, Chairman
Judith Freeman/Jack Tagart for Robt. Turner
RADM Rufe/CAPT Bill Anderson
Linda Behnken
Oscar Dyson
Bob Mace for Randy Fisher
Dave Hanson

Robert Alverson, Vice Chair
Ron Hegge
Steve Pennoyer
Wally Pereyra
Steve Rideout for W. Steiglitz
Robin Samuelson
Carl Rosier

NPFMC Staff

Clarence Pautzke, Executive Director
Darrell Brannan
Marcus Hartley
David Witherell
Jon McCracken

Chris Oliver, Deputy Director
Judy Willoughby
Helen Allen
Gail Bendixen
Linda Roberts

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Support Staff

Ron Berg, NMFS-AKR
Earl Krygier, ADFG
Steve Meyer, NMFS Enforcement
Lisa Lindeman, NOAA-GC
Galen Tromble, NMFS-AKR
Jay Ginter, NMFS-AKR
Jeff Passer, NMFS-Enforcement

Ken Griffin, ADFG
Seth Macinko, ADFG
Phil Smith, NMFS-AKR
Sally Bibb, NMFS-AKR
Doug Vincent-Lang, ADFG

Scientific and Statistical Committee

Terrance Quinn, Chair
Bill Aron
Doug Eggers
Susan Hills
Dan Huppert
Richard Marasco

Keith Criddle, Vice Chair
Marc Miller
Phil Rigby
Jack Tagart
Albert Tyler
Harold Weeks

Advisory Panel

John Bruce, Chairman
Dave Benson
Al Burch
Bruce Cotton
Dan Falvey
Michael Jones
Dave Little

Stephanie Madsen
Pete Maloney
Hazel Nelson
Doug Ogden
Dean Paddock
Penny Pagels
Bryon Pfundt

John Roos
John Sevier
Harold Sparck
Michael Stevens
Beth Stewart
Robert Wurm
Steve Drage
Kevin Kaldestad

General Public

Over 150 people attended the meeting. The following members of the public signed the attendance register:

David Allison
Ragnar Alstrom
Nels Anderson
Trefon Angason
Bill Arterburn
Sven Asp
D. Barr
Ernest Beile
Fran Bennis
John Bernitz
Brian Bigler
Barbara Bingham
Jim Black

Chris Blackburn
Jim Blades
Gordon Blue
Joe Blum
Dick Bower
Pamela Brodie
John Bryson
Frank L. Charles
Walt Christensen
Norman Cohen
Deming Cowles
Vicki Credle
Blair Culter

Vince Curry
M. Daniel
Steve Davis
Lu Dochterman
Tuck Donnelly
John Doody
Jerald D. Eidem
Balika Finley-Jacobs
Steven Fogg
Malcom Ford
Dave Galloway
Jim Glaze
John Goodhand

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Sarah Gottschall
Steve Grabacki
Shari Gross
Andrew Grossman
John Gruver
Mako Haggerty
Margaret Hall
Gary Haugen
Paul Headlee
John Henderschedt
Jeff Hendricks
Larry Hendricks
Johnathan Hillstrand
David Hillstrand
Tom Hogan
Andrew Horner
Steve Hughes
Scott Hulse
Max Hulse
Peder Hvatum
Michael Ireland
Bill Jacobson
John Jemewouk
Gunnar Johannesson
Joe Johnson
S. Jonsson
Mark Kandianis

Teressa Kandianis
Kenneth Kirkman
Nick Kittleson
Tony Knowles
Bill Kopplin
Linda Kozak
Agafon Krukoff
Joe Kyle
Michael Lake
Patrick Lavin
John Lewis
Paul MacGregor
Mike Macy
Pat McBride
Greg McIntosh
Bob Mikol
Shirley Minio
Bill Myhre
Art Nelson
Jerry Nelson
Don Nielsen
Kris Norosz
Kevin O'Leary
Karl Ohls
Dave Olney
Brent Paine
Ron Pedersen

Luba Pentkovski
Greg Petrich
Joe Plesha
Perfenia Pletnikoff
Martin Richard
Ann Rothe
Karen Samuelson
Patti Saunders
Paul Seaton
Thorn Smith
Jeff Stephan
Ben Stevens
Sharon Sturges
Joe Sullivan
William Sullivan
Philip Sullivan
Tom Suryan
Jim Sykes
Arni Thomson
Joan Travestino
Bob Trumble
Marily Twitchell
Peter Van Tuyn
Lynn Walton
Bill Wells
Ed Wolfe
Fred Yeck

Note: A list of those testifying on Council agenda items is found in Appendix I to these minutes.

**A. CALL TO ORDER, AGENDA, AND APPROVAL OF MINUTES
OF PREVIOUS MEETING(S)**

Chairman Lauber called the meeting to order at 8:11 a.m. on Tuesday, April 19, 1994.

Agenda. The agenda was approved with the addition of a discussion of a change in the starting date of the "A" season, requested by Wally Pereyra, and discussion of action relative to the 1994 salmon season.

Minutes of the December 1993 and January 1994 Council meetings. Council members were asked to submit any requested changes to the minutes of the December 1993 and January 1994 meetings to the Council office within two weeks after the current meeting.

Mid-summer Meeting. Council members decided that a mid-summer meeting would not be necessary. The main reason for such a meeting would be to review comprehensive rationalization analyses which will not be completed until in the fall.

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B. REPORTS

B-1 Executive Director's Report

AP Officers

The Council confirmed the re-election of John Bruce and Beth Stewart to serve as chair and vice-chair, respectively, for the Advisory Panel for the next year.

Chairmen's Meeting

The Executive Director reported on plans for a Regional Council Chairmen's meeting in Washington, DC, May 14-16, to discuss Magnuson Act amendments and administrative matters.

SSC Report

At the request of the SSC, the Executive Director suggested that the full SSC report could be given to the Council at the end of the SSC meeting, allowing the SSC representative to return to his normal duties. Council members indicated they would prefer to have a representative available throughout the meeting to answer any questions regarding the SSC's recommendations.

Council Meeting Schedules

The Council did not have adequate time to address Council meeting dates and locations for 1996. They were advised that the June 1995 meeting site still must be addressed. Steve Pennoyer pointed out that the time between this year's April and June meetings is too short for completion of the necessary analyses and other documents for Council consideration in June. He suggested that either the April meeting be held earlier or the June meeting be held later in the month as has been the normal schedule. During other discussions, it was suggested that a tentative mid-summer meeting be routinely scheduled so that plans can be made around the meeting if one is necessary.

Observer Oversight Committee

It was suggested that the Observer Oversight Committee become active again now that the Research Plan has been submitted for Secretarial review. Council members were advised of changes in the membership resulting from retirements and other situations. Council members had no objection to the changes proposed.

Research Priorities. The Council did not have time to discuss research priorities at this meeting; however recommendations from the Plan Teams and the SSC will be forwarded to NMFS.

B-2 ADF&G Report

The Council received a written report from the Alaska Department of Fish & Game on crab, salmon and demersal rockfish.

Bering Sea King and Tanner Crab. The *C. opilio* Tanner crab fishery in the Bering Sea closed at the upper harvest guideline on March 1, 1994 with a preliminary harvest of 142.2 million pounds. The Adak red king crab fishery closed on February 15, 1994 with a preliminary harvest of 689,000 pounds harvested. To date, only 490,000 pounds have been harvested in the Adak brown king crab fishery but additional effort is expected for the remainder of the season. The Dutch Harbor brown king crab fishery also closed on March 1, 1994, with a preliminary harvest of 915,000 pounds taken by four vessels. This is the lowest effort and harvest ever recorded in this fishery.

Salmon Troll Fishery. The season closed at midnight on April 14 with an expected catch of 55,000 chinook salmon. Although Board of Fisheries action established a cap of 45,000 fish for the winter troll fishery, the regulation was not in effect for this year. However, the fishery was monitored closely to ensure that the last two years' catches were not exceeded.

Southeast Alaska Demersal Shelf Rockfish Fishery. The DSR fishery in the East Yakutat section was closed on February 8, 1994, but may be reopened for 24 hours in June to allow full retention of DSR during the halibut opening. The three remaining Southeast Outside section DSR fisheries have also been closed and will remain closed to directed fishing until July 1, 1994, with a possible opening to directed fishing in June to coincide with the halibut opening.

Several new regulations will be in effect for the 1994 fall Chatham Strait sablefish fishery, including harvest quotas divided among eligible permit holders and a 30-day season to allow fishers to harvest their share anytime within that time period. The new regulations will be reviewed after the 1996 season.

B-3 NMFS Management Report

Ron Berg provided the Council with a report on catch and bycatch information on the fisheries off Alaska and an update on various regulatory actions. Final Rules for observer requirements, the CDQ total weight amendment, and Research Plan are currently being reviewed in Washington, DC. Proposed Rules for standard PRRs, moratorium, 1994 recordkeeping and reporting requirements, IFQ CDQ reserves and the IFQ block proposal, as well as the Final Rule for appeals and determinations under the IFQ program are currently being prepared in the Region Office. Public hearings on the Research Plan have been scheduled for Anchorage (June 7), Seattle (June 15) and Portland (June 16).

B-4 Enforcement Report

Coast Guard. Coast Guard activity since the last report (December 1, 1993 - March 31, 1994) included increased endurance cutter patrol effort (368 days) in addition to five patrol boats patrolling for 76 days, and aircraft surveillance flights totalling approximately 1,015 hours. Six foreign vessels were sighted, one boarded, and no violations encountered. Over 3,150 domestic vessels were sighted and 293 boarded; 16 fishery violations and 104 safety violations were issued. The Coast Guard reported that safety continues to improve; only one vessel during the reporting period had its voyage terminated due to major safety violations. The Coast Guard is finding that the majority of vessels boarded have the required major survival equipment on board and is now stressing drills and training to ensure operators and crews know how to use the equipment.

The Coast Guard is also initiating a fisheries training program for boarding teams and aircraft crews patrolling the Alaska region. The program, one of five being established across the U.S., will be headquartered in Kodiak. It is anticipated that the first field unit training will begin in January 1995.

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NMFS Enforcement. During the period November 1, 1993 through March 31, 1994, NMFS initiated 65 investigations. Further actions were taken on 195 pending cases: 42 investigations were closed as unfounded, 18 were closed due to lack of enforcement resources; 19 were handled with written warnings, and 21 were settled through voluntary abandonment of property valued at \$10,762; 44 cases were referred to NOAA General Counsel who issued 14 Notices of Violation, assessing a total of \$70,466 in penalties. An additional 28 Notices of Violation were settled by General Counsel with penalties totalling \$192,233.

NMFS also announced that Dave Flannagan, Special Agent in Charge for the Alaska Enforcement Division, has moved to a new position and Mr. Stephen Meyer will serve as Acting Special Agent in Charge until the position is filled.

D. Jeffery Passer has been selected to supervise enforcement of the IFQ program. Nineteen Fishery Enforcement Officers will be hired to work in ten ports in Alaska and Washington. Mr. Passer will work on a comprehensive IFQ enforcement plan which will focus on cooperative work with the various user groups, an education program, and coordinated operational aspects with Federal, State, local and international enforcement entities. Four Special Agent fraud investigators will be assigned to the IFQ program.

NMFS Enforcement also announced the conclusion of a major fraud investigation involving Emerald Resources Management, Inc., some of the employees, and the F/V Saga Sea. Emerald Resources has been fined \$350,000. Corporate Vice President, Per Pevik, was sentenced to 90 days in a community confinement facility, 2 years probation, and 200 hours of community service, and assessed a \$7,500 fine. The Master and Mate of the Saga Sea have pled guilty to submitting false statements and will be sentenced on April 20.

C. NEW AND CONTINUING BUSINESS

C-1 Sablefish/Halibut IFQ Program

The Council received a report on the progress of implementation of the IFQ program and on plan and regulatory amendments the Council initiated at previous meetings. As requested at the last Council meeting, staff provided a discussion paper on CDQ compensation for Council review.

The Scientific and Statistical Committee did not discuss this issue.

Report of the Advisory Panel

The Advisory Panel made the following recommendations:

Freezing non-IFQ species. The AP recommended that changes be made to allow catcher vessel halibut and sablefish IFQs to be used on freezer vessels, but not allow use of freezer halibut and catcher vessel halibut or sablefish on the same trip. Having fresh halibut and frozen sablefish on the same trip would be allowed.

Underage Program. The AP recommended that the Council incorporate IPHC's suggested underage program for halibut for analysis in the Council's normal regulatory cycle.

Hail Weights for Vessels Leaving Alaska. The AP recommended the Council establish a hail weight system to assist the IPHC for the first year of the IFQ program, subject to later adjustment. They also recommended the

Council ask staff to develop a range of options to deal with hail weights for vessels leaving the state and to establish accuracy parameters.

IPHC Biologists. The AP recommended the Council add IPHC biologists to the list of persons eligible to collect data on IFQ landings.

Landing Weights. The AP recommended the Council request NMFS to draft regulations requiring all IFQ species to be weighed at landing and that total weight landed and weight sold be entered on the fish ticket.

Fishing Beyond the EEZ. The AP requested that NMFS prepare a discussion paper on methods to control fishing for sablefish (and other species) beyond the 200-mile limit.

Registry for Titles and Liens. The AP recommended that the Council ask NMFS to develop a comprehensive registry to record titles and liens against Quota Shares.

Ownership Entities. The AP recommended the Council clarify that the entity that existed in 1991 be used for the purpose of determining the nature of the business entity receiving an initial allocation of QS (i.e., individual, partnership, or corporation) in Area 2C, or Southeast Outside.

Halibut Longline PSC Cap. The AP recommended the Council initiate an analysis; of a proposed suspension of the hook & line halibut PSC cap in the GOA upon implementation of the halibut IFQ program.

Block Proposal. Because of some confusion over the "block amendments" to the IFQ program, the AP asked that the proposed rule be made available for public comment and that the Council schedule, for the June meeting, a discussion of the rule and comments received.

The AP also recommended that the Council ask the IFQ Implementation Group and IPHC to address (1) hail-in requirements; (2) hail-out requirements, (3) including registration area and vessel identification on card, and (4) restricting IFQ holders to fish one regulatory area per trip with possible provisions for a small amount of crossover.

COUNCIL DISCUSSION/ACTION

Lost Vessels

Ron Hegge moved that any person who owned a vessel that was lost at sea and deemed unsalvageable during the period July 1 to December 31 of 1987, and otherwise would have qualified to use sablefish and/or halibut IFQs had they made a landing in the period 1988-90, shall be awarded IFQs for their historical catch. The motion was seconded.

The motion was made in response to public testimony bringing the problem to the Council's attention.

Linda Behnken moved to amend to require that the person had to have remained active in the fishery, for example as crew, each year during the qualifying years of 1988-90. The amendment was considered a friendly amendment and added to the main motion. The motion carried, 8 to 3, with Dyson, Mace, and Pereyra voting no.

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NMFS will look at the issue and report back to the Council in June for further discussion.

Partnerships

Council member Ron Hegge asked for clarification of the current "partnership" definition. There have been questions raised as to exactly what would constitute a partnership with regard to the IFQ program. One particular question raised had to do with whether a person supplying gear for an operation could be considered a "partner."

Lisa Lindeman, NOAA-GC, said that they are looking into the legal definitions of partnership within the State of Alaska. The Council was clear in their intent that a partnership refers to a partnership in the vessel, not a particular fishing trip or operation. The Region and NOAA-GC will continue to look into this issue.

Definition of Freezer Boat

Linda Behnken suggested the Council change the definition of freezer vessel back to that in the final rule. At the December meeting the Council had revised the definition to allow use of sablefish catcher vessel QS/IFQ on freezer vessels (but not halibut catcher vessel QS/IFQ), as long as no processed IFQ product is on board during that trip to allow for the retention and freezing of other species such as rockfish and Pacific cod. However, Ms. Behnken expressed concern that the definition is confusing and unworkable and could pose an enforcement problem.

Linda Behnken moved to strike the definition that currently defines freezer boat on an annual or historic basis, and instead define freezer boat or catcher boat on a trip-by-trip basis, and use the definition of freezer boat which is currently in the regulations, which states that a freezer boat is any vessel that has frozen or processed harvested product on board during a fishing trip.

The motion was seconded and failed, 6 to 4, with Behnken, Rosier, Samuelsen, Lauber voting in favor; Hegge abstained. (The effect of this is that the Council's December 1993 action would be retained.)

CDQ Compensation Formula

Bob Alverson moved adoption of a base year period of 1988 to 1994 for the CDQ compensation formula. The motion was seconded and carried without objection.

Mr. Alverson said the change would provide a more equitable base for compensating fishermen who will have reduced QS in the Bering Sea and Aleutians because of the CDQ program.

Hail Weights for Vessels leaving Alaska

In December the Council discussed the issue of tracking IFQ product landed in ports outside Alaska. One suggestion was to require any vessel leaving the state with IFQ product to report the estimated product on board. Lisa Lindeman, NOAA-GC voiced concern over imposing different standards on vessels leaving the state than for those landing within Alaska. Ms. Lindeman suggested that NMFS, Enforcement, and NOAA General Counsel discuss the issue and determine whether this situation can be handled through enforcement policy rather than by regulation. They will report back to the Council in June.

Ownership/Use Caps in the BSAI

The Council received a request from three industry organizations (Deep Sea Fishermen's Union, Fishing Vessel Owners Assn, and Kodiak Longline Vessel Owners' Assn.) to consider relaxing a halibut ownership and use restriction in the Bering Sea. They are concerned that current regulations restrict second generation ownership to one-half of one percent of the Bering Sea TAC (26,500 pounds based on the 1994 TACs), and also restricts the amount of fish that can be harvested in the Bering Sea district to 1 percent per vessel of the Bering Sea TAC, even for initial allocants. They suggested that now that actual estimates of QS are being distributed, it is becoming obvious that a person or entity who receives greater than 53,000 pounds (1 percent of the BSAI TAC) would not be able to fish the poundage on their own vessel. Also the restriction on new QS owners would restrict the amount to less than would be economically efficient to harvest.

Bob Alverson moved that the proposal of the Kodiak Longliners and Deep Sea Fishermen's Union (letter of 3/31/94) be developed as a plan amendment to the IFQ blackcod and halibut program. The motion was seconded and carried without objection.

It was clarified that the motion refers to analysis of points 1 and 3 from the letter, and applies only to halibut in the BSAI.

Suggestions 1 and 3 from the industry letter were:

1. Drop the ownership and use restrictions in the Bering Sea and allow the existing ownership cap of 1/2 percent use and ownership restrictions, which currently applies to all IPHC areas collectively, to be the restraining regulation for all areas combined. This would limit the halibut ownership and poundage that can be landed by any single vessel to 1/2 percent of the total halibut TACs for all IPHC areas in Alaska. The additional burden in the Bering Sea would be dropped.
3. Increase the limitation on ownership in the Bering Sea to 3 percent of the Bering Sea combined TACs, but not to exceed the existing 1 percent restriction that affects all areas.

Steve Pennoyer later suggested that staff prepare an issues paper because there's confusion as to the necessity of such a regulation. This was accepted as a substitute motion and carried without objection. Staff will prepare an issues paper for the June Council meeting.

Title/Lien Registry for QS/IFQ

In response to Council and industry questions over tracking liens against quota shares, NOAA General Counsel has determined that filings under the Uniform Commercial Code should be adequate to protect the interests of those who are accepting quota share as collateral for loans. However, some Council members and industry participants feel the UCC does not provide the necessary protection.

Wally Pereyra moved that the Council request NMFS to look into the possibility of establishing a comprehensive registry to record titles and liens against quota shares and to report back to the Council on their findings. The motion was seconded by Bob Alverson and carried without objection. Mr. Pereyra asked for a report as soon as possible, but Mr. Pennoyer said it may be early fall before they can gather the necessary information.

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Linda Behnken asked the Council to clarify an earlier provision relating to use of catcher vessel QS/IFQ by solely-owned corporations in Southeast Alaska (Area 2C for halibut). The Council has previously stated its intent that these entities would be subject to the same provisions as for individuals. There has been some confusion over whether owners could circumvent the "owner-on-board" requirements in this regulatory area by incorporating.

Linda Behnken moved that a partnership or corporation formed subsequent to 9/26/91, which is the index year for vessel size classes, that received an initial allocation in Area 2C shall comply with the use provisions for an individual receiving initial allocations (i.e., people who were partnerships or corporations as of 1991 will get their quota share issued to them as partnerships or corporations and will be able to utilize hired skippers in 2C; people who formed corporations subsequent to 1991 will have their quota share allocated to them as partnerships or corporations but will not be able to utilize the hired skipper). The motion was seconded and carried without objection.

Ms. Behnken stressed that special exceptions were originally made in Area 2C to maintain the historic nature of the fishery for individuals to continue to operate as individuals, consistent with the original intent of the Council.

IPHC Biologists

The Council received a request from the International Pacific Halibut Commission that their biologists be added to the list of persons authorized to inspect and collect data on IFQ landings.

Bob Mace moved to add IPHC biologists as persons authorized to inspect and collect data on IFQ landings. The motion was seconded by Bob Alverson and carried without objection.

Length and Weight Measurement

Linda Behnken moved to approve the IPHC recommendation to institute a program to get total weight measurement on personal use fish, and to also consider total weight or length measurement as part of a logbook program for sport-caught fish. The motion was seconded by Robin Samuelson.

Ms. Behnken pointed out that personal use catch constitutes about 600,000 lbs of halibut each year and guided sport is about 3 million lbs, with the total sport catch about 7 million lbs.

Steve Pennoyer said that sport-caught halibut is not included in the current IFQ program and therefore the Council wouldn't have authority to require data collection for sport-caught fish.

The motion was divided for the vote.

The motion to approve the IPHC recommendation to institute a program to get total weight measurement of personal use halibut under the IFQ program carried with no objection.

Steve Pennoyer moved to amend the remaining portion of the motion to request that it be put on the normal regulatory amendment cycle for halibut for analysis. The motion was seconded by Robin Samuelson, and carried without objection.

NMFS, IPHC, and ADF&G staff will provide the Council with a recommendation during the regular amendment cycle.

Bob Alverson requested that the IFQ Industry Workgroup address the remaining IPHC requests as well as the request to review the block proposal once more, during the Secretarial review period. There was no objection to this request.

Bob Alverson asked for a legal opinion on whether the IPHC can continue to make preferential allocations to the sports industry that are then deducted from the commercial harvest. In Area 2A there is a specific quota for the sport harvest which is not deducted from the commercial catch. Mr. Pennoyer stressed that the IPHC does not make allocative decisions unless the Council asks it to do so. If the Council wishes to handle the sport catch differently in the Bering Sea, they should make those wishes known to the IPHC.

Ron Hegge moved to direct the Regional Director to prepare an amendment to allow the Aleutian Islands sablefish IFQ fishery to begin in January, as is currently done. The motion was seconded.

Linda Behnken moved a substitute motion to convey Council intent to the Regional Director and ask that he report back at the June meeting on ways this can be accomplished. The substitute motion was seconded and carried without objection.

C-2 Comprehensive Rationalization Planning

The Council was scheduled to receive a progress report on the Moratorium, review the license limitation analysis and IFQ elements and options, review progress on harvest priority/full utilization, and provide further direction to staff.

Report of the Scientific and Statistical Committee

The SSC had extensive comments relating to this agenda item (see Appendix II to these minutes). Summarized comments follow.

The SSC believes that CRP represents the Council's most significant management initiative to date and the significance of Council actions dictates that they receive more careful analysis and review than the SSC could provide at this meeting for the many new proposals from staff and public.

Moratorium. The moratorium should not be regarded as a stand-alone solution to the problem of overcapitalization. The SSC believes that at best the moratorium will only preserve the status quo. Because of the possibility for vessels to crossover from the halibut and sablefish fisheries, the number of vessels fishing groundfish and crab could be expected to increase, particularly if the Council moves forward with license limitation or quota share management systems and extends the qualifying period.

License Limitation Analysis. Because of the complexity of the analysis and the importance of the fisheries that will be affected, it is imperative that the EA/RIR be subjected to a rigorous technical review prior to public release. Like the moratorium, license limitation is a particular means of capping the number of participants, not the level of effort or capitalization. The SSC concurs with NMFS Regional Director Pennoyer's recommendation

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that the license limitation options considered by the Council be directed toward resolution of specific problems identified in the problem statement.

Harvest Priority/Full Utilization. The SSC wished to point out that there are actually two separate issues involved: (1) avoidance of unwanted species, and (2) processing and marketing all fish caught. There may be little direct connection between license limitation and bycatch reduction. However, an IFQ system could deal with some bycatch problems, for example, by including individual quotas for prohibited species. Regarding the harvest priority proposal, the SSC noted that the program would require intensive monitoring onboard participating vessels by NMFS, including increased observer coverage, and that an inadvertent consequence of the program is that it would impose disproportionate costs on smaller vessels.

ADF&G's Groundfish License System (GLS) as a Transition to IFQs. The SSC did not evaluate the proposal from ADF&G. However, it noted that the progressive nature of the State's proposal, dependent on options selected, will affect the behavior of the groundfish fleet as it reacts to the plan and could affect initial allocations of QS under the eventual ITQ program. Any analysis of the proposal will have to take these distributional effects into consideration.

Additional Suggestions. The SSC noted that another issue to be considered under CRP is the technical feasibility and cost of information needs associated with management options. They recommend that the Council and/or staff compare the approaches to understand the key differences in problems solved and implementation viability.

Report of the Advisory Panel

The AP recommended the Council move forward with analysis of:

1. License limitation, including current Council staff analysis which includes crab, and the State of Alaska's current proposal, to produce one overall license limitation option.
2. IFQs, including the results of the AP's review of the IFQ proposal from the January Council meeting, and the proposal submitted by an industry coalition (UCB, IFQ3, AFTA) to produce one overall IFQ option.
3. Analyze the proposal from Skippers for Equitable Access.
4. Analyze the harvest priority as a stand-alone option, with a discussion of its applicability to all fisheries under FMPs, and how it relates to other rationalization proposals.

COUNCIL DISCUSSION/ACTION

Carl Rosier moved that the Council:

- (1) direct staff to send a letter to the Secretary of Commerce urging speedy adoption of the moratorium in full to secure the control date;
- (2) adopt the State of Alaska Integrated Fisheries Rationalization proposal as the working document (Appendix III) for the Comprehensive Rationalization Planning process, with the following changes:

(a) those changes specified on the sheet provided to the Council by ADF&G staff (included in Appendix III); and

(b) the elements and options for groundfish IFQs which are in the Council's existing CRP document, but which are not in the IFQ portion of the state's proposal; and

(3) direct staff to initiate analysis on this modified CRP document such that the Groundfish License analysis provided to us be modified to incorporate an analysis of the license portion of the state's proposal and be released as soon as possible and that analysis begin immediately thereafter on the IFQ portion of the CRP document. The motion was seconded by Oscar Dyson.

Steve Pennoyer offered the following substitute motion:

PROPOSED INTERIM SOLUTION

1. The Council reaffirms its intent to have its proposed moratorium proceed through the Secretarial review process as soon as possible.

2. The Council will reserve any comment it has on the proposed moratorium for the Secretarial public comment process.

3. Council staff will send out the draft EA/RIR for license limitation, discussion paper on harvest priority/full utilization, State of Alaska proposal for license limitation and ITQ, and the harvest priority proposal submitted by the Alaska Marine Conservation Council. This will enable the public to assess the various proposed alternatives as they relate to a long-term CRP. In addition, this will allow government managers, enforcement agencies, and NOAA-GC to assess the implementation costs and problems of such alternatives. This will constitute a public scoping of the issues.

PROPOSED LONG-TERM SOLUTION

4. The Council recognizes that it will not be able to take final action on a CRP preferred alternative at its June 1994, meeting due to the number and complexity of the issues involved. Therefore, the Council announces its intent to adopt CRP preferred options for further analysis no later than the October 1994, meeting. The analysis will be completed in time for Council review at its April 1995, meeting, and adoption of a CRP amendment at its June 1995, meeting. In taking this course, the Council recognizes that:

A. Any meaningful assessment of all the pertinent issues (eg. justification, analysis, legality, implementation costs of monitoring and enforcement) will require substantial time and consideration regardless of whether harvest priority, license limitation, ITQ or some other system is selected. There is no quick solution to all these problems.

B. It is necessary to proceed in a deliberate manner. However, the Council intends to firmly adhere to its CRP schedule. Different components of the approved CRP amendment may be implemented in phases, if necessary, to prevent delay in addressing waste and bycatch concerns but as a component of an overall CRP amendment. The time schedule for addressing these concerns will be specified in the final CRP amendment. This schedule cannot be met without cooperation from industry participants in helping the Council to reach appropriate decisions.

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5. The ultimate CRP will not be in effect in the short term (before 1996). Therefore, the Council is concerned that there would be a lapse in the existing pollock CDQ and inshore-offshore programs. To address this concern, the Council will:

A. Direct staff to initiate appropriate analyses for possible extension of the pollock CDQ and inshore-offshore programs to bridge the period until the final CRP is in effect. Consideration of this interim amendment would be coordinated with the development of the longer term CRP amendment, such that approval of the two would be in the same time frame.

B. Initially consider such analyses at its April 1995, meeting for possible adoption at its June 1995 meeting.

The motion was seconded by Judith Freeman.

The Council discussed the timing of Mr. Pennoyer's proposal and that of Mr. Rosier's proposal. Some Council members felt that Rosier's proposal would allow for earlier decision points and, ultimately, approval of a license limitation system followed by an IFQ program.

In a letter dated April 13, 1994, Regional Director Steve Pennoyer advised the Council that the moratorium may need to be strengthened in order to be effective while a limited access program is being developed. In his opinion, a license limitation would not address the major concerns of the Council and industry regarding overcapitalization. Mr. Pennoyer also advised the Council that it may be necessary to consider extending the pollock inshore-offshore and CDQ programs past their expiration in December of 1995 since it is highly unlikely that any limited access program can be implemented by that time.

Judith Freeman moved to amend to delete the bankruptcy provisions from the State's Integrated Fisheries Rationalization Program. The motion was seconded and carried without objection. Mr. Pereyra abstained from the vote.

Mr. Pennoyer's amended motion failed, 7 to 4, with Alverson, Freeman, Pennoyer, and Pereyra voting in favor.

Mr. Pennoyer asked for clarification of the timing of Mr. Rosier's motion. Mr. Rosier replied that he feels that license limitation analytical packages could be released by July with a final decision in October. The harvest priority and full utilization issues would be handled separately and probably would not be available until October with a final decision in December. For possible continuation of the inshore-offshore/CDQ programs, a final decision probably could not occur before April 1995. For IFQ proposals, assuming all possible proposals are now on the table, a decision could take place by January 1995, if they are not linked with the license limitation proposal; if they are, then the Council may be able to make a final decision in April 1995.

Mr. Pereyra noted that any decisions made for a license limitation program will affect future IFQ distribution and the license limitation analysis should look at those possible impacts.

The following motions were made on Mr. Rosier's motion (State's Integrated Fisheries Rationalization Program):

Judith Freeman moved to amend to delete the bankruptcy provisions. The motion was seconded and carried without objection. Mr. Pereyra abstained from the vote.

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Under "Criteria for Eligibility" in the Groundfish License System (GLS), it was clarified that the "three years" refer to the years 1990, 1991, and 1992. Mr. Rosier pointed out that 1990 was the year of full Americanization of the groundfish fisheries off Alaska.

Linda Behnken moved to include the weighting mechanisms proposed by industry (AFTA, UCB, and IF³Q). The motion was seconded and carried without objection.

Wally Pereyra moved to include crab in the groundfish license program. The motion was seconded and failed, 7 to 4, with Alverson, Freeman, Pennoyer and Pereyra voting in favor.

Mr. Rosier clarified that the intent is to move ahead with crab license limitation at the same time as IFQs, and to discuss that program following resolution of this motion.

Wally Pereyra moved to amend to include demersal shelf rockfish in the GLS. The motion was seconded by Judith Freeman and failed, 8 to 3, with Alverson, Freeman and Pereyra voting in favor.

Linda Behnken said that demersal shelf rockfish is a unique fishery which may be dealt with more comfortably within the sablefish and halibut IFQ plan if necessary.

Wally Pereyra moved to include under the full utilization/harvest priority analysis, a discussion of inclusion of shoreplants. The motion was seconded and failed, 9 to 2, with Alverson and Pereyra voting in favor.

Mr. Pereyra felt that it is important to look at this issue because of the implications of inshore impacts imposed by any regulations on the offshore fleet. It is not his intent to regulate onshore operations. One issue is observer coverage.

Robin Samuelsen moved to direct staff to begin analysis for the possible extension of the pollock CDQ program and the inshore-offshore programs and that the Council consider such analysis at the April 1995 meeting for possible adoption at the June 1995 meeting. The motion was seconded and carried without objection.

The main motion, as amended, carried, 7 to 4, with Alverson, Freeman, Pennoyer and Pereyra voting against.

It was clarified that the intent of the introductory remarks of the motion is that the current (approved in January 1994) IFQ and CRP alternatives would be amended to include the State's proposal; the State's proposal is not intended to replace the original alternatives in their entirety.

Earl Krygier moved adoption of the State's proposed alternatives for a crab license limitation program, including changes provided in writing to Council members. The motion was seconded.

Wally Pereyra moved to amend the "General Provisions" section to state that there would be no further superexclusive areas, other than the current Norton Sound superexclusive area. The motion was seconded and carried without objection.

The main motion (Crab license alternatives) carried, 10 to 1, with Pereyra voting against.

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Linda Behnken moved to request that staff quantify, to the best of their ability, the number of skippers who would qualify under criteria submitted by the Skippers for Equitable Access group. The motion was seconded and carried without objection.

Earl Krygier moved to amend the Council's original ownership provisions to reflect the additional alternative of 75% U.S. ownership(to be consistent with the groundfish alternatives already approved). The motion was seconded.

Bob Alverson moved to amend to add that initial applicants with greater than 75% U.S. ownership would receive a license, but any subsequent transfer would have to comply with the 75% standard. The motion was seconded.

Steve Pennoyer moved that this would apply only to groundfish. The amendment was seconded and carried without objection.

Mr. Alverson's motion, as amended, carried without objection.

The main motion, as amended, carried, 7 to 3, with Alverson, Pennoyer, and Tagart voting no and Pereyra abstaining.

Wally Pereyra moved that the crab license plan and the IFQ plan for crab be analyzed in parallel fashion. The motion was seconded and failed, 7 to 4, with Alverson, Pennoyer, Pereyra and Tagart voting in favor.

Earl Krygier moved to add ownership caps to mirror those in the GLS plan. The motion was seconded and carried without objection. (Use range of 5, 10, 15 and "unlimited".)

Earl Krygier moved that the crab CRP proposals, which include a license program and an IFQ program be scheduled such that the license system be fast tracked for full analysis and that further development of the elements and options of the crab IFQ program to be developed at the June meeting by a committee of industry representatives and agency personnel. The motion was seconded and carried, 7 to 3, with Alverson, Pennoyer, and Tagart voting no; Pereyra was out of the room during the vote.

Linda Behnken moved to continue analysis of harvest priority, undertaking a quantitative analysis of the economic implications that have been identified in the issue paper provided by the Alaska Marine Conservation Council. The motion was seconded and carried, 7 to 4, with Mace, Tagart, Pennoyer and Pereyra voting no.

Ms. Behnken said her intent would be to flesh out the issues and alternatives and then decide where it fits within the CRP plan. This would not be limited to the alternatives in the harvest priority proposal submitted by the Marine Conservation Council; any other means of dealing with the waste, discard, and non-utilization issues should be considered. Clarence Pautzke pointed out the eight alternatives mentioned in the staff memo on this issue. It was the consensus that this would be appropriate.

Mr. Pennoyer indicated that he felt this may not be a doable project and that with current staff tasking with license limitation, IFQs, and other unrelated amendments, it may be very difficult to accomplish any major analysis of this issue at this time.

C-3 Scallop Management

The Council was scheduled to review for final approval the Scallop Fishery Management Plan and a moratorium for the scallop fisheries.

Report of the Scientific and Statistical Committee

The SSC believes that harvest capacity, habitat and bycatch issues associated with the scallop fishery warrant implementation of a Fishery Management Plan. They also feel that serious consideration of a moratorium is warranted based on what is currently known about the abundance of the scallop resource and harvest potential of the fleet. More detailed comments are found in the SSC minutes (Appendix II).

Report of the Advisory Panel

The AP recommended approval of a separate scallop FMP, with shared authority between federal and state agencies. With regard to management measures delegated to the State and those under Council purview, the AP recommended only that "Bycatch" be placed in Category 1 (Council purview) and that "Closed waters" be placed in both Category 1 and Category 2 (State delegation). The AP also recommended the Council adopt a moratorium, using Alternative 2 as proposed, changing the cut-off date to December 31, 1993 in order to recognize long-term investment of some participants in the fishery. The AP also made several other recommendations on the elements and options of the moratorium (see the AP minutes, Appendix IV).

COUNCIL DISCUSSION/ACTION

Based on staff reports, the analysis, SSC and AP reports, and public comment, the Council concluded that a fishery management plan for scallops is warranted because of the status of the resource, increasing participation, and the opportunity for harvesters to avoid state regulations by fishing outside state waters.

Oscar Dyson moved to adopt a scallop fishery management plan and a moratorium, with the options presented in public comment by Teresa Kandianis. The motion was seconded by Robin Samuelson.

Ron Hegge moved to split the two issues and discuss the FMP and moratorium separately. The motion was seconded and carried without objection.

Ron Hegge moved to use Table 1 from the FMP analysis as a basis for motions on management categories. The motion was seconded and carried with no objection.

Subsequently, it was decided that the Council first needed to approve an FMP before making further decisions on the provisions under an FMP. All other motions were removed from the floor.

Steve Pennoyer moved to adopt a federal FMP which contains provisions for a federal permit. The motion was seconded and carried without objection.

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In addition to previously stated reasons for a federal FMP, it was pointed out that in order to assign observers or institute a future limited access system, the fishery must be covered by a fishery management plan.

Bob Alverson moved to adopt Table 1 from the FMP for proposed management measures by category, under Alternative 3, option 2 of the analysis. The motion was seconded by Steve Pennoyer.

Jack Tagart moved to amend to place Guideline Harvest Levels (GHLs) and bycatch limits under Category 1. The motion was seconded.

Carl Rosier moved to amend to retain GHLs in Category 2 with a State commitment to review GHLs annually with the SSC. The motion was seconded and carried, 7 to 4, with Alverson, Mace, Tagart and Pereyra voting no.

Carl Rosier moved to amend to retain bycatch provisions in Category 2, with the same commitment to consult with the SSC. The motion was seconded.

By friendly amendment, the motion was amended to move Bering Sea bycatch measures to Category 1. (Clarified: Bering Sea only, not Aleutians)

The amended motion carried, 7 to 4, with Alverson, Mace, Tagart and Pereyra voting no.

Linda Behnken moved that "Closed waters" be placed in both categories. The motion was seconded and carried without objection.

Jack Tagart moved that the Council adopt the SSC recommendations with regard to OY: set the upper end of the range equal to the catch of record, 1.8 million pounds. The motion was seconded and carried without objection.

After more discussion of the OY, it was pointed out that if no action was taken, the OY would revert to that specified in the FMP at this time, which would be 0 to 2.7 million pounds. This would allow for development of fisheries on scallops other than Weathervane.

Bob Alverson moved to reconsider the previous motion. The motion to reconsider was seconded and carried, 6 to 5, with Behnken, Mace, Tagart, Pereyra and Samuelsen voting no.

The reconsidered motion carried, 10 to 1, with Hegge voting against.

For clarification purposes, Linda Behnken moved to state Council intent that all Category 1 issues are under the purview of the Council, or their oversight; Category 2 issues are within the State's authority to regulate. All Category 2 items will apply to all vessels fishing scallops in the federal waters off Alaska. The motion was seconded and carried without objection.

Scallop Moratorium Elements

Qualifying Criteria:

Steve Pennoyer moved to adopt the Advisory Panel's recommendations for qualifying criteria (Alternative 2, with the ending date changed from July 31, 1993 to December 31, 1993). The motion was seconded by Linda Behnken.

Linda Behnken moved to amend to add:

- Must have fished between 1991-93, or participated a minimum of 4 years in the fishery between January 1, 1980 and January 20, 1993.
- Moratorium rights go to owner at time vessel qualified. If two owners qualify for a single vessel, the most recent owner qualifies. Each vessel only generates one license.
- Split out Cook Inlet boats; they would be given moratorium rights for that area only, unless qualified for both areas, (same qualifying criteria - Fished between 1991-93 or participated 4 years in fishery between January 1, 1980 and January 20, 1993).

The motion was seconded and carried with Samuelsen objecting.

Steve Pennoyer moved that the moratorium would apply to all scallop fisheries off Alaska. The motion was seconded by Linda Behnken and carried without objection.

Length of Moratorium:

Linda Behnken moved to approve the AP recommendation - three years. The intent is to work as quickly as possible toward a license or IFQ program. If the Council is close to implementing such a program at the end of the three years, the moratorium could be extended another two years in order to implement the program. The motion was seconded and carried without objection.

The three years would commence on implementation of the moratorium.

Crossovers:

Linda Behnken moved to approve the AP recommendation - no crossovers. The motion was seconded and carried without objection.

Any vessel already qualified under the groundfish and crab moratorium will be able to fish groundfish and crab and scallops, if qualified.

Replacement:

Linda Behnken moved to approve the AP recommendation for replacement of vessels during the moratorium:

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Qualifying vessels can be replaced with non-qualifying vessels as often as desired so long as the replaced vessel leaves the fishery or bumps another qualifying vessel out in the case of multiple transactions. Vessel size would be restricted to a 20% maximum increase in original qualifying vessel length. For vessels lost or destroyed before or during the moratorium, qualifying vessels can be replaced with non-qualifying vessels subject to a 20% maximum increase in vessel length. Replaced vessels cannot be salvaged and come back into the fishery.

This is consistent with the groundfish moratorium. The motion was seconded and carried without objection.

Reconstruction:

Linda Behnken moved to approve the following:

Vessels may be reconstructed during the moratorium if physical reconstruction started on or after January 20, 1993, with the new size restricted to a 20% increase in vessel length; no additional upgrades would be allowed.

The motion was seconded and carried without objection.

Linda Behnken moved to approve an appeals procedure consistent with that used for the sablefish and halibut IFQ plan: a two-tiered process allowing appeal of an initial administrative determination to the appellate officer, with further appeal to the NMFS Regional Director. The motion was seconded and carried without objection.

Linda Behnken moved to approve the remaining AP recommendations:

- (1) That NMFS and ADF&G improve the data needed for stock assessment of the scallop fisheries.**
- (2) The current scallop observer program be expanded and the following data collected:**
 - (a) Total catch data, including size, weight and age information.**
 - (b) Bycatch information on other species caught in the fishery.**
 - (c) Depth of fishing and water temperature.**
- (3) Information needed on habitat alteration over time.**
- (4) Information needed on the impact of the scallop fishery on other fisheries.**
- (5) Request that a scientific biological survey be conducted on the scallop populations throughout the duration of the moratorium.**

The motion was seconded and carried without objection. It was noted that these are guidance recommendations and staff should take note and act appropriately.

Linda Behnken moved that in the Gulf of Alaska, vessels 26 feet or less would be exempted from the moratorium. In the Bering Sea/Aleutian Islands, vessels 32 feet or less are exempted from the moratorium; any vessel in these classes which trawl or dredge would not be exempted. The motion was seconded and carried with Tagart objecting.

Bob Alverson moved that the Council forward with the moratorium package an announcement of a control date of April 24, 1994 for future accrual of IFQ rights or licenses in the scallop fisheries off Alaska. The motion was seconded.

Linda Behnken moved to amend that vessels which qualified under this moratorium after the January 20, 1993 control date would receive non-transferable licenses should the Council go with a license program instead of IFQs. The motion was seconded and failed, 7 to 3, with Behnken, Dyson, and Rosier voting in favor. Mr. Samuelsen was not present for the vote.

The main motion carried, 9 to 1, with Lauber voting no. Mr. Samuelsen was not present for the vote.

It was clarified that the control date of April 24, 1994 would not apply to the Cook Inlet fishery.

C-4 Halibut Charter Issues

This agenda item was deferred to the December 1994 Council meeting.

C-5 Experimental Permit Review

Terra Marine Research and Education submitted a revised application for an experimental fishing permit to assess whether sufficient quantities of salmon taken as bycatch in the pollock fisheries can be voluntarily processed and donated to food banks. The application has been evaluated by the Alaska Fisheries Science Center and the NMFS Alaska Regional Office has requested comments from the Council.

NMFS has also received and reviewed an application from the Coastal Villages Fishing Corporation for an experimental fishing permit to determine the feasibility of commercial groundfish fisheries near Kuskokwim Bay and Etolin Strait. The application was evaluated at the Alaska Fisheries Science Center and the NMFS Regional office has requested comments from the Council.

The Advisory Panel did not address this agenda item.

Report of the Scientific and Statistical Committee

Terra Marine Permit. The SSC commented on the proposal from the standpoint of statistical validity and achievement of goals. They recommended that the permit be considered only after the applicant revises it to more fully describe the analytical intentions of the project.

COUNCIL DISCUSSION/ACTION

Terra Marine

Council members were concerned that the bycatch reduction portion of the original 1993 experiment has been dropped, but recognized that there is public support for the use of fish that would otherwise be wasted. Steve Pennoyer said that if the Council wishes to continue this type of operation after 1994 they should begin regulatory action.

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Wally Pereyra moved to give the Regional Director the discretion to proceed with the permit if he finds it appropriate. The motion was seconded by Oscar Dyson and carried, 8 to 2, with Behnken and Hegge opposed; Mr. Samuelsen was not present for the vote.

Coastal Villages Corporation

Steve Pennoyer moved approval of the Coastal Villages Corporation experimental permit. The motion was seconded and carried with Mace objecting. Mr. Samuelsen was not present for the vote.

The Council received a letter indicating concern that persons donating bycatch species under these permits may be eligible for tax breaks. The Council asked NMFS to look into the tax implications of donating bycaught species and report back to the Council in June.

C-6 Pacific Pelagics FMP

This agenda item was deferred, possibly to the September/October meeting.

D. FISHERY MANAGEMENT PLANS

D-1 Salmon Management

Gavin Frost of the Office of the Solicitor, U.S. Dept. of Interior, and Cheri Jacobus of the State of Alaska's Attorney General's Office briefed the Council on two recent major legal decisions on salmon concerning subsistence fisheries and NMFS' five-year plan to revive Snake River salmon. Both decisions will more than likely be appealed, so it may be some time before the Council will know what effects they may have on management of the offshore fisheries.

Annually, at the April meeting, the State and NMFS provide for Council review and approval a proposed management plan for the 1994 Southeast Alaska chinook fishery. However, the proposed management regime and associated biological assessment and opinion were not completed in time for the meeting. Steve Pennoyer requested the Council delegate authority to the Regional Director to determine whether the State's plan, when finalized, will satisfy the objectives of the Salmon FMP, Magnuson Act and other applicable law and the Federal obligation under the Pacific Salmon Treaty in the absence of a chinook annex, and the requirements of the Endangered Species Act.

Steve Pennoyer moved that the Council authorize the Regional Director, NMFS, to review the State of Alaska's proposed 1994 Southeast Alaska chinook management regime and to make findings in its behalf. The Regional Director shall determine whether the State's proposed 1994 chinook management regime satisfies the Council's requirements for continued deferral under the provisions of the Salmon Fishery Management Plan. Verification that these conditions have been met should be certified by the Regional Director in a letter to the Council prior to the start of the fishery. If the Regional Director is unable to make such certification he shall notify the Council and propose emergency rules to satisfy federal obligations under the Pacific Salmon Treaty, the objectives of the Salmon FMP, the Magnuson Act and other applicable law. The motion was seconded and carried without objection. (Mr. Samuelsen was not present for the vote)

Linda Behnken was concerned that the public hasn't had a chance to comment yet and expressed the hope that there would be some effort to get input from Southeast Alaska fishermen. Carl Rosier said they would be conferring with the States of Washington and Oregon and with the Southeast Alaska fleet.

D-2 Crab Management

The Council received written reports from the Board of Fish/Council Consultation Group meeting and on recent activities of the Board of Fish. The Council did not take up this agenda item because of a lack of time.

D-3 Groundfish Management

(a) Pribilof Island Trawl Closures

A revised analysis for Amendment 21a was released for public review in December 1993. The analysis examines eleven alternatives to eliminate bottom trawl activities in to provide protection for blue king crab and Korean hair crab stocks. Dave Ackley, ADF&G, provided a review of each of the following alternatives for the Council.

- Alternative 1: Status quo - no area closures adjacent to the Pribilof Islands.
- Alternative 2: Close IPHC Area 4C to bottom trawling.
- Alternative 3: Close IPHC Area 4C to all trawling.
- Alternative 4: Close waters within a 25-mile zone around the islands to bottom trawling.
- Alternative 5: Close waters within a 25-mile zone around the islands to all trawling.
- Alternative 6: Close waters within IPHC Area 4C west of 169° W to bottom trawling.
- Alternative 7: Close waters within IPHC Area 4C west of 169° W to all trawling.
- Alternative 8: Close an area defined by crab habitat.
- Alternative 9: Close an area defined by crab habitat when cap of 1% of estimate blue king crab abundance is reached.
- Alternative 10: Close an area defined by crab habitat when cap of 20,000 king crab is reached.
- Alternative 11: Close an area defined by crab habitat when a cap is reached. Maintain a subarea permanently closed to trawling.

Report of the Scientific and Statistical Committee

The SSC noted that Alternative 8 would give the maximum chance for rebuilding the blue king crab stock. Flatfish trawlers would have to relocate to make up catch otherwise taken in the protected area, but the SSC does not expect foregone catch as a result of this relocation.

Report of the Advisory Panel

The AP recommended the Council adopt Alternative 8, and to apply it to all trawling.

COUNCIL DISCUSSION/ACTION

Carl Rosier moved to approve the AP's recommendation to adopt Alternative 8, applicable to all trawling. The motion was seconded by Linda Behnken.

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Bob Mace moved to amend to limit the closure to bottom trawl only. The motion was seconded by Oscar Dyson and failed, 6 to 4, with Dyson, Mace, Tagart (for Millikan), and Pereyra voting in favor.

The main motion carried, 8 to 2, with Mace and Pereyra voting against.

(b) Directed Fishing Standards

The Council was scheduled to consider final action to revise the directed fishing standards, however because of time constraints, the subject was deferred to the June 1994 meeting.

(c) Total Weight Measurement

The Council received a draft EA/RIR for a regulatory amendment to improve total catch weight estimates in the groundfish fisheries off Alaska. However, because of time constraints, the subject was deferred to the June 1994 meeting.

Report of the Scientific and Statistical Committee

The SSC continues to support investigation of techniques which will lead to more accurate methods for estimating total removals from the ocean ecosystem. Management at the vessel level, such as under individual vessel quotas, will require greatly improved accuracy and precision. The SSC recommended additional alternatives to be considered for analysis:

- I. Status quo.
- II. All catch must be weighed on a scale:
 - a. If weighed at sea, all catch must be taken with an observer on board the vessel,
 - b. otherwise, all vessels must retain all catch, including usual discards except for prohibited species, for subsequent weighing at an observed processor.
- III. Same as Alternative II, but weight may be determined within a specified range of accuracy by any approved procedure, e.g., using volumetric methods.

Report of the Advisory Panel

The Advisory Panel recommended the EA/RIR be sent out for public review with the addition of the SSC's recommended alternatives.

(d) VIP Standards for 2nd Half of 1994

The Council did not have sufficient time to address this item; however, Regional Director Steve Pennoyer indicated that the rates could be published without further discussion.

(e) Emergency Rule/Halibut PSC in GOA Trawl Fisheries

In September 1993 the Council initiated a regulatory amendment for the GOA to provide a mechanism to further apportion the trawl PSC cap by specific fishery, and in December recommended the amendment be implemented

by emergency rule in order to be in effect for the 1994 fisheries. The emergency rule will expire on May 12, 1994, most probably before the proposed rule for the amendment is published.

Neither the AP nor SSC addressed this agenda item.

COUNCIL DISCUSSION/ACTION

Bob Mace moved to recommend extension of the emergency rule for another 90 days. The motion was seconded and carried with Pennoyer objecting. (The Regional Director is required to vote no on emergency rules.)

(f) Halibut Bycatch Rates for Pelagic Trawls

In September 1993, at the request of industry to place pelagic trawl fisheries under the halibut PSC cap, the Council reviewed information regarding bycatch of halibut by pelagic trawl gear. They delayed discussion of the request until this meeting when more information would be available from the 1993 pollock season and possibly from the 1994 pollock "A" season. NMFS staff provided a summary of the 1993 halibut bycatch and bycatch mortality in the pollock, Atka mackerel, and "other species" fisheries. Data from the 1994 fisheries were not yet available. The Council did not have sufficient time to address this agenda item at this meeting.

(g) Rollover of Excess PSC

The Council received two requests to consider changing the way PSC is apportioned among quarters or trimesters. The IPHC Conference Board has recommended a regulatory amendment to allow free apportionment of BSAI fixed gear halibut PSC among trimesters. Pacific Associates recommended a regulatory amendment that would apply to all PSC in the GOA and BSAI. The change would allow leftover PSC from one quarter or trimester to be designated to other quarters or trimesters, rather than the current requirement that leftover PSC in one quarter or trimester must be rolled over into the following quarter or trimester. Proponents say such a change would allow PSC to be utilized in a manner which would maximize its contribution to the optimum yield.

The AP and SSC did not address this agenda item.

COUNCIL DISCUSSION/ACTION

Bob Alverson moved that staff be directed to prepare a regulatory amendment to give the Council authority to annually specify how unused halibut PSC in the BSAI non-trawl will be apportioned. The motion was seconded by Wally Pereyra and carried without objection.

(h) Salmon Bycatch

There were four issues under this agenda item: (1) final review of Area 517 and CVOA observer requirements; (2) initial review of hotspot closure authority; (3) initial review of alternatives for salmon retention and delivery to food banks; and (4) progress report from the Salmon Foundation.

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Area 517 and CVOA Observer Requirements/Hotspot Closure Authority

The Council received a draft EA/RIR/IRFA for a regulatory amendment to increase observer coverage and data collection by vessels fishing in Area 517 and the CVOA. The Council had requested the following alternatives be analyzed:

- (1) Two NMFS-certified observers would be required onboard all trawl vessels greater than 125' length overall (LOA) that harvest or process groundfish from the CVOA or statistical area 517; and
- (2) 100% observer coverage would be required for all trawl vessels less than 125' LOA that catch or process groundfish in statistical area 517.

NMFS developed a third alternative:

- (3) Two observers would be required on mothership vessels and shoreside processors that receive pollock harvested from statistical area 517 or the CVOA by vessels participating in the directed pollock fishery. Under this alternative, additional observer coverage would not be required on catcher processors or catcher vessels fishing in these areas.

The Council also received an extensive review of a discussion paper prepared by Dave Ackley, ADF&G, on alternatives for hotspot closures to reduce salmon bycatch in the Bering Sea trawl fisheries.

Report of the Scientific and Statistical Committee

Area 517/CVOA. The SSC noted that Alternative 2 would more than double observer requirements and associated costs relative to the status quo and that NMFS reported that this alternative would not be feasible to implement for the 1994 season because of the extensive lead time needed to train and deploy observers. The SSC recommended Alternative 3 which would provide more opportunity to directly monitor the "B" season catch from the affected areas and is more focused on the problem.

Hotspot Authority. The SSC reviewed the draft discussion document noting that the document provides substantial new information on distribution and timing of chum salmon bycatch as well as an update on the timing and distribution of chinook salmon bycatches.

Report of the Advisory Panel

Area 517/CVOA. The AP recommended the Council adopt Alternative 3 and implement by emergency rule for the 1994 season.

Hotspot Authority. The AP recommended the Council adopt a PSC hotspot threshold based on the 3-year running domestic mean average of 30,300 chum salmon in the CVOA/Area 517 as a trigger for closure of the CVOA under hotspot authority.

COUNCIL DISCUSSION AND ACTION

NMFS staff indicated that it may be difficult to implement any action in time for the start of the 1994 pollock "B" season, but that the issue may not qualify as an emergency. Bill Karp of the NMFS observer program, said that contractors probably could not comply with Alternatives 1 or 2 unless they were notified of additional requirements by the first of June. Under the third alternative, however, 30 days may be sufficient notice.

Wally Pereyra moved that the Council direct NMFS and ADF&G to focus attention to the country of origin issue with regard to chum salmon taken in the Bering Sea, and that NMFS move as rapidly as possible on an emergency rule to eliminate operations of motherships, factory trawlers taking catches over the side, and CDQ operations in the CVOA, leaving only the shoreside fleet operating in the CVOA. The motion was seconded by Oscar Dyson.

Steve Pennoyer said that bycatch reduction is a priority, but it would be difficult to disenfranchise a major portion of the fleet without the opportunity for comment and an analysis of the potential impacts on the fleet.

Ron Hegge moved a substitute motion to implement a closed area for the "B" season which would include a 4-block area in the CVOA (indicated in Figure 5 of the Salmon Bycatch Discussion Paper provided by Dave Ackley, ADF&G), to all fishing. The motion was seconded. (NOTE: Figure 5 encompasses a "5-block" area; however, Mr. Hegge suggested using only the 4-square block to facilitate enforcement.

It was suggested that the Council consider a regulation which would give NMFS the authority to close an area after the season started if bycatch reached a certain percentage of that caught last year.

Linda Behnken moved to amend that there would be a trigger during the "B" season that when bycatch equalled 42,000 other salmon in the CVOA, the 5-block area in Figure 5 would be closed down. (42,000 is 60% of the bycatch of chum salmon during the years 1991-93). The motion was seconded.

Steve Pennoyer said this would be achievable with observers and daily or semi-weekly reporting. Having a "trigger" might make an emergency rule easier to implement if it's a fair approach. If the bycatch isn't too high, nothing will happen; if it is, all portions of the fleet would be affected.

Carl Rosier expressed concern that if one small block is closed, the effort may just move to other high-bycatch areas.

The amendment carried, 7 to 3, with Hegge, Tagart, and Pereyra voting against. (Samuelsen was not present for the vote.)

The substitute motion, as amended, carried, 7 to 3, with Dyson, Pereyra, and Lauber voting against. (Samuelsen was not present for the vote.)

Ms. Behnken clarified that the 42,000 salmon bycatch refers to other salmon and is an average of the total bycatch within the CVOA. Also, NMFS should have the ability to prepare the amendment for either the 4-block area or 5-block area, depending on enforceability.

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Because of the short time between the April and June meetings, NMFS indicated that a final amendment may not be available for further public comment. They will at least have a progress report for the Council in June. The amendment will then be finalized and submitted directly to the Secretary.

Linda Behnken moved that staff be directed to complete the analysis of hotspot authority (by the October Council meeting) so the Council will have the necessary information available if they choose to pursue a more permanent regulatory amendment. The motion was seconded and carried without objection. (Samuelson was not present for the vote.)

Wally Pereyra moved to adopt Alternative 3 with respect to observer coverage. The motion was seconded and failed, 6 to 4, with Hegge, Pennoyer, Pereyra and Rosier voting in favor. (Samuelson was not present for the vote.)

Alternatives for Salmon Retention and Delivery to Food Banks

The Council received a draft EA/RIR for a proposal to authorize the retention and processing of salmon taken as trawl bycatch for donation to food banks (Amendment 26 to the BSAI FMP and Amendment 29 to the GOA FMP). Due to a lack of time, the Council did not discuss the analysis.

Progress Report of the Salmon Foundation

The Council received an extensive report on the activities of the Salmon Foundation. Joe Sullivan indicated that participants are reluctant to move from areas of reported high bycatch because reports and data are not available in a timely fashion. There needs to be better coordination between vessel and shoreplant observers, and methods of reporting must be simplified and training provided.

(i) **Opilio Bycatch**

The Council was scheduled to receive a status report on *opilio* bycatch. Written information was provided by NMFS and the observer program, however the Council did not have time to address this issue.

(j) **Electronic Communications**

The Council received a discussion paper prepared by NMFS staff on implementing electronic reporting and recordkeeping requirements, however the Council did not discuss this issue because of a lack of time. (See SSC Minutes, Appendix II for their comments)

(k) **Mesh Restrictions**

In December 1992, the Council was requested by industry to consider regulations to require a large mesh panel in codends during the pollock fishery. The Council reviewed a draft analysis in April 1993 and determined it was too premature to initiate analysis of mesh regulations before completion of a mesh selectivity study being conducted by the Alaska Fisheries Development Foundation. In June of 1993 the Council directed staff to begin study of a regulatory amendment that would require a minimum 8" mesh size for trawl vessels participating in the BSAI trawl cod fishery. Subsequently, Natural Resources Consultants submitted a proposal to regulate mesh size in both the pollock and Pacific cod trawl fisheries. The Council received staff reports and a discussion paper

in September 1993 and directed staff to move forward with analysis, subject to the Plan Teams and Plan Amendment Advisory Group's recommendations that categorized the proposal under continued research needs with a low priority for analysis.

At this meeting the Council received a written update on the AFDF project that reported that the project was suspended prematurely last fall because the Bering Sea had such a small population of undersized pollock in 1993. They will return to the Bering Sea before the 1994 pollock 'B' season.

Report of the Scientific and Statistical Committee

The SSC reviewed the information from AFDF and suggested that if the Council wishes to pursue consideration of mesh sizes, additional research will be required.

Report of the Advisory Panel

The AP recommended that the Council adopt for draft regulation the following minimum mesh sizes for the top quarter panel: Cod - 6-1/2" single mesh; Pollock - 3-1/4" knotless, or 4" knotted.

COUNCIL DISCUSSION/ACTION

Ron Hegge moved that the staff begin to accumulate information on the mesh sizes recommended by the Advisory Panel for either the June or summer meeting. The motion was seconded and carried with Dyson objecting. (Samuelson was not available for the vote.)

It was noted that the Council's June agenda is heavy and the meeting abbreviated because of space; this item would only be addressed if time permits.

Pollock 'A' Season Start Date

Council member Pereyra requested at the beginning of the meeting that the Council discuss changing the 'A' season starting date. There are industry concerns over the early start of the 'A' season in relation to the onset of roe maturity, and the increasingly shorter season.

Wally Pereyra moved to agenda the discussion for June. In the meantime, staff was asked to update the analysis prepared for a similar request last year, including Council discussion at meetings since that time. Additional options to be considered are:

- (1) Applicable only to the offshore fleet;**
- (2) CDQ fisheries would be exempt;**
- (3) Analysis of the effects of changing the opening of the "A" season on other trawl fisheries if the pollock fleet moved into other trawl fleet fisheries before the opening.**

The motion was seconded and carried without objection. An additional option of a February 1 start date, recommended by an AFTA representative, will also be considered. Staff pointed out that there won't be sufficient time between this meeting and the June meeting to complete an analysis, but they will review the initial analysis, begin updating it, and provide the Council with a status report in June.

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D-3 Staff Tasking

The Council was provided with an update of current amendments and projects tasked to staffs of the Council, NMFS, and ADF&G. Other than the directions given in the various actions taken at this meeting, there was no discussion of this subject.

E. FINANCIAL REPORT

There was no finance report at this meeting.

F. PUBLIC COMMENTS

With regard to a summer meeting, Paul MacGregor suggested that in the future the Council publish a tentative date so that all parties involved can better plan their schedules. As a response to this, Council members agreed that in the future a tentative midsummer meeting will be scheduled. By the June Council meeting each year it should be established whether there is a need for the meeting.

G. ADJOURNMENT

The meeting was adjourned at approximately 7:30 p.m. on Sunday, April 24, 1994.