

North Pacific Fishery Management Council

David Benton, Chairman
Chris Oliver, Acting Executive Director

Telephone: (907) 271-2809



605 West 4th Avenue, Suite 306
Anchorage, AK 99501-2252

Fax: (907) 271-2817

Certified _____
David Benton, Chairman

Date _____

MINUTES

144th Plenary Session NORTH PACIFIC FISHERY MANAGEMENT COUNCIL June 7-12, 2000 Portland, Oregon

The North Pacific Fishery Management Council met June 7-12, 2000 at the Doubletree-Downtown in Portland, Oregon. The Scientific and Statistical Committee met June 5-6, and the Advisory Panel met June 5-8, at the same location. The following members of the Council, staff, SSC and AP attended the meetings.

Council

Richard Lauber, Chairman
Dennis Austin for Jeff Koenings
CAPT Vince O'Shea for RADM T. Barrett
Linda Behnken
Dave Benton for Frank Rue
David Fluharty
John Bundy

Bob Mace for J. Greer
Dave Hanson
Joe Kyle
Kevin O'Leary
Jim Balsiger
H. Robin Samuelsen, Jr.

NPFMC Staff

Clarence Pautzke, Executive Director
Darrell Brannan
Cathy Coon
Jane DiCosimo
Elaine Dinneford
Chuck Hamel

Chris Oliver, Deputy Director
Nicole Kimball
David Witherell
Helen Allen
Gail Bendixen
Maria Shawback

**MINUTES
NPFMC
JUNE 2000**

Support Staff

Lisa Lindeman, NOAA-GCAK
Sue Salvesson, NMFS-AKR
Earl Krygier, ADFG
Jay Ginter, NMFS-AKR
Kent Lind, NMFS-AKR
Rich Ferrero, NMFS-NMML
Lowell Fritz, NMFS-NMML

Michael Payne, NMFS-AKR
Tim Ragen, NMFS-AKR
Jeff Bush, ADCED
Wayne Donaldson, ADFG
Bridget Mansfield, NMFS-AKR
Jill Stevenson, NMFS-AKR

Scientific and Statistical Committee

Jack Tagart, Vice Chair
Keith Criddle
Doug Eggers
Steve Hare
Jeff Hartman

Dan Kimura
Doug Larson
Seth Macinko

Advisory Panel

John Bruce, Chair
Ragnar Alstrom
Dave Benson
Dave Boisseau
Al Burch
Craig Cross
Dan Falvey

Stephanie Madsen, Vice Chair
Kris Fanning
Dave Fraser
Arne Fuglvog
Spike Jones
Melody Jordan
Teresa Kandianis

Hazel Nelson
Michele Ridgway
Jeff Steele
Jeff Stephan
Robert Ward
Lyle Yeck

Other Attendees

The following people signed the attendance register:

Arni Thomson
Joe Childers
Simeon Swetzof, Jr.
John Crowley
Jack Crowley
Will Brown
John Iani
Ed Glotfelty
F. Gregory Baker
Tuck Donnelly
Marcus Hartley

Ken Tippett
Rick Mezich
Heather McCarty
Garry Loncon
Craig Cross
Joe Plesha
Donna Parker
Terry Leitzell
Glenn Reed
Steve Hughes
Paul Clarke

Rusty Sinnott
Matt Doherty
Gordon Blue
Marcus Alden
Thorn Smith
Sinclair Wilt
Brent Paine
Stephen Taufen
Beth Stewart
Glenn Merrill
John Henderschedt

A list of those who gave public comment during the meeting is found in Appendix I to these minutes.

A. CALL TO ORDER/APPROVAL OF AGENDA/MINUTES OF PREVIOUS MEETING(S)

Chairman Lauber called the meeting to order at approximately 8:05 a.m., Wednesday, June 7, 2000.

Agenda. The agenda was approved as drafted.

Minutes. No comments were offered on the February and April 2000 meeting minutes which will stand approved as submitted.

B. REPORTS

The Executive Director's report (B-1), the State Fisheries report (B-2), status of fisheries and various regulatory and plan amendments by NMFS (B-3), and enforcement reports from NMFS and the Coast Guard (B-4) were submitted in written form. Deputy Commissioner Jeff Bush of the Alaska Dept. of Community and Economic Development Division provided the Council with proposed changes to the Community Development Quota Program. NPFMC staff member Dave Witherell gave the Council a brief report on the current work within U.S. Fish and Wildlife with regard to Steller's and spectacled eiders.

Discussions Resulting From Reports

Executive Director's Report. Regarding a letter from the Center for Marine Conservation expressing concern that the Council has not tasked staff to work on its 1999 overfishing proposal, Council members discussed the concerns of the SSC with the current requirements and the fact that work is being done at the Center and within the SSC to resolve several concerns with overfishing definitions. Council member Fluharty suggested that the letter from CMC be provided to the groundfish plan teams for further consideration.

With regard to eiders, the Council asked that staff provide comments to the U.S. Fish and Wildlife Service indicating Council concern over impacts of fishery closures on coastal communities and asking that the Council be kept informed regarding any future actions the Service may consider that may impact fisheries.

Changes to CDQ Regulations. Council expressed concern that NOAA General Counsel has not be able to provide a legal opinion as to whether . . .

NMFS Management Report: Jim Balsiger, Regional Administrator, submitted a letter to the Council requesting that Amendments 52 to the GOA and BSAI groundfish fishery management plans be withdrawn. The amendments would have implemented an advance registration requirement for vessels participating in certain fisheries at risk of TAC overages. Dr. Balsiger indicated that implementation of sideboard measures under the AFA alleviates the need for this measure. Council members agreed, but because this issue was not in the advance notice of the meeting, no action was taken. It will be discussed under staff tasking at a future meeting. However, no further staff work will be undertaken on these amendments at this time.

Enforcement Reports: The Council approved a motion to send a letter to the Secretary of Transportation with copies to the Alaska, Washington and Oregon congressional delegations urging special attention to the Coast Guard's budget needs, particularly unfunded mandates and unanticipated costs such as the recent dramatic increase in fuel prices.

**MINUTES
NPFMC
JUNE 2000**

FORMAT FOR COUNCIL MEETING MINUTES:

Each agenda item requiring Council action will begin with a copy of the original “**Action Memo**” from the Council meeting notebook. This will provide a “historical” background leading up to the current action. This section will be set in a different type than the actual minutes. Any attachments referred to in the Action Memo (e.g., C-1(a), etc.) will not be attached to the minutes, but will be part of the meeting record and available from the Council office on request. Following the Action Memo will be the **reports** of the Scientific and Statistical Committee, Advisory Panel, and any other relevant committee or workgroup on the subject. And, last will be a section describing Council **Discussion and Action**, if any.

C. NEW OR CONTINUING BUSINESS

C-1 Halibut Management

ACTION REQUIRED

- (a) Review Gulf Coastal Communities Coalition halibut IFQ discussion papers.
- (b) Final action to extend halibut donation program.

BACKGROUND

(a) Gulf Coastal Communities Coalition halibut IFQ discussion papers

In February, the Council approved development of a discussion paper by Gulf Coastal Communities Coalition (GOAC³) of an IFQ proposal to allow a community-based, non-profit entity to hold commercial quota share. This proposal was not recommended for development by the IFQ Implementation Committee, which convened in October 1999 to review IFQ proposals. It failed on a tie vote (4:4). The committee was split on whether or not to involve the Council in designing a program that would provide access to GOA communities as a QS holding entity that would then compete with fishermen currently eligible to be QS holders.

In April, the Council approved development of a discussion paper of a proposal offered in public testimony by GOAC³ to include certain coastal communities in Areas 2C and 3A as initial quota share issues (for charter IFQs), despite their lack of past participation in the charter IFQ fishery in the proposed qualifying years. Duncan Fields will present the two discussion papers, which are included in your supplemental meeting materials.

(b) Halibut Donation Program

Amendments 50/50 to the BSAI and GOA Groundfish FMPs authorized the retention and processing of halibut taken as bycatch up to a limit of 50,000 pounds, for donation to economically disadvantaged individuals. Known as the Halibut Donation Program (HDP), Federal regulations allow a NMFS-authorized distributor to receive and distribute halibut bycatch. Two of the three processors in Dutch Harbor, Unisea and Alyeska, have participated in the HDP. Together, they donated 21,196 pounds of halibut in 1998 and 4,476 pounds in 1999. The program was implemented for 1998-2000, and will sunset at the end of this year.

Final action is required to extend the program. An EA/RIR/IRFA will be provided by NMFS staff.

Report of the Scientific and Statistical Committee

The SSC did not address the discussion papers provided by the Gulf Coastal Communities Coalition, but reviewed a preliminary analytical design for the halibut charter IFQ analysis. The SSC provided staff with comments on the draft.

Report of the Advisory Panel

(a) Review Gulf Coastal Communities Coalition (GCCC) Halibut IFQ discussion papers

The AP recommended the elements and options included in the GCCC paper and the revised elements and options below to be distributed for additional public comment. Comments would be reviewed at the Council's October meeting in Sitka. We further request the GCCC discussion paper be made available as an attachment. Recommended additions follow:

Community IFQ Purchase - elements and options:

Element 2. Ownership Entity - Clarify that there can only be one entity/community and include GOA communities only.

Element 4. Purchase, sale and use restrictions:

a. Add a definition for residency requiring a physical presence in the community of

1. 180 days/year

2. 270 days/year

Element 7. Add an option creating a drop through system with use privileges subject to voluntary change in year 5 and mandated change in year 10

Suboption: Accompany mandated change in year 10 with

1. 10% loss of QS

2. 15% loss of QS

3. 20% loss of QS

The AP recommended the Council include the elements and options identified in the Community 'set aside' of halibut charter IFQ GCCC discussion paper with the addition of a new alternative that would allow qualified communities to buy charter QS. The AP noted they were aware of Council staff time constraints and that it may be necessary to complete this work through a contract.

(b) Halibut Donation Program

The AP recommended the Council adopt Alternative 2 with the understanding that the Council, in consultation with IPHC and NMFS, will commit to a periodic review every three years.

DISCUSSION/ACTION

Gulf Coastal Communities Coalition Halibut IFQ Discussion Papers

Duncan Fields presented two discussion papers for Council consideration: "Community Purchase of Halibut and Sablefish Individual Fishing Quota Shares," and "Community Set Aside of Halibut Charter IFQ Quota Shares." These concepts had been submitted by GCCC for Council consideration at previous meetings and GCCC was asked by the Council to develop discussion papers.

Linda Behnken moved to approve the recommendations of the Advisory Panel to send the GCCC discussion paper on community purchase of halibut and sablefish IFQ shares, incorporating the additional elements and options recommended by the AP, out for public comment. Additionally, the

**MINUTES
NPFMC
JUNE 2000**

same range of purchase and sale alternatives that are currently being analyzed in the halibut charter IFQ program should be included in the discussion paper, i.e. restrictions on where communities can buy and sell relative to vessel size categories. The motion was seconded by Robin Samuelsen and carried without objection.

The Council made it clear that at this time this issue would not be tasked for staff analysis because of the current workload. It was suggested that the discussion paper be edited to clarify that the Halibut Act would be the controlling legislation with regard to halibut regulations, rather than National Standard 8 under the Magnuson Act.

With regard to the problem statement, Ms. Behnken recommended that the additional language be inserted to clarify that while the Council may not be bound by the Magnuson Act relative to their actions on halibut, they are taking into consideration and are concerned by the impacts of their actions on coastal communities.

The Council further directed staff to send the revised discussion paper out with a cover letter noting that the Council has not taken a position on this issue but wishes to solicit comments before deciding in October whether or not to task staff to develop an EA/RIR.

With regard to the second discussion paper on a community set aside of halibut charter IFQ quota shares, Council members pointed out that it should be discussed under the "Staff Tasking" agenda item.

(b) Halibut Donation Program

Linda Behnken moved to approve the recommendation of the Advisory Panel to permanently extend existing regulations establishing a voluntary halibut donation program. Halibut taken as bycatch in the groundfish trawl fishery would be distributed to economically disadvantaged individuals. The program would be evaluated by the Council, in consultation with NMFS and the IPHC, every three years. The motion was seconded by Robin Samuelsen and carried without objection.

C-2 Observer Program

ACTION REQUIRED

Final action on regulatory amendment package

BACKGROUND

In April you reviewed a draft regulatory amendment package and recommended additional analysis prior to release for public comment and final action at this meeting. The revised document was sent out on May 25, and a copy of the Executive Summary is under Item C-2(a). The five issues addressed in the package are: (1) shoreside plant observer periods; (2) shoreside plant observer logistics; (3) assignment of observers to multiple shoreside plants; (4) groundfish pot fishery observer requirements; and, (5) confidentiality of observer personal information. NMFS staff will present the alternatives and findings of the analysis at this time.

Originally scheduled for this meeting was a report on the independent study of the North Pacific groundfish observer program by Marine Resource Assessment Group (MRAG), and a report from your Observer Committee. The release of the MRAG report has been delayed until mid-June, and therefore no report is available at this meeting. The Observer Committee was scheduled to meet in late May to review the MRAG report and continue its work at developing long-term solutions to the observer program delivery model and funding mechanisms. Due to the delay in the MRAG report,

and the likelihood that the report would provide valuable guidance to the Committee, that meeting was canceled and is tentatively being re-scheduled for mid-July.

The **Scientific and Statistical Committee** did not address this agenda item.

Report of the Advisory Panel

The AP recommends the Council adopt the following:

Proposed Action 1 - Alternative D with the modification allowing an increase in observer coverage when processor wishes to exceed the 250 mt capacity/week.

Proposed Action 2 - Alternative A - status quo

Proposed Action 3 - Alternative A - status quo

Proposed Action 4 - Alternative A - status quo

Proposed Action 5 - Alternative B excluding observer evaluations and deployment ratings.

DISCUSSION/ACTION

Bob Mace moved to approve the recommendations of the Advisory Panel. The motion was seconded by Kevin O'Leary.

The full text of the alternatives recommended by the AP follows:

Proposed Action 1: Weekly, rather than monthly, projections to trigger observer coverage for the week at specified thresholds.

AP Recommendation: Alternative D: Maintain monthly observer coverage periods at shoreside processors based on monthly landing projections, but allow a reduction of observer coverage from 100% to 30% coverage in plants for the remainder of a month when pollock or Pacific cod fisheries close. Conditions of the reduction require the plant to maintain 30% observer coverage for the rest of the month and landings received by the plant may not exceed 250 mt/week for the remainder of that month. The reduced observer coverage period for a given plant will begin on the fourth calendar day following the day that a pollock or cod fishery closes, allowing for fish received prior to the closure to be processed, and will end on the last day of the month. The CDQ and AFA program observer requirements would continue to supercede general observer coverage requirements, requiring that every deliver received by shoreside processors be monitored. [Added by Advisory Panel: Allow an increase in observer coverage when processor wishes to exceed the 250 mt capacity in a week.]

Proposed Action 2: Shoreside Plan Observer Logistics

AP Recommendation: Alternative A: Status quo. No changes to existing regulations.

Proposed Action 3: Assignment of Observers to Multiple Shoreside Plants

AP Recommendation: Alternative A: Status quo. No changes to existing regulations.

Proposed Action 4: Groundfish Pot Fishery Observer Coverage Requirements

AP Recommendation: Alternative A: Status quo. No changes to existing regulations.

**MINUTES
NPFMC
JUNE 2000**

Proposed Action 5: Confidentiality of Observer Personal Information

AP Recommendation: Alternative B: Amend regulations to prohibit observer contractors from distributing personal information, such as observers' resumes, observer evaluations and deployment rates, home addresses and phone numbers to industry. [AP recommended excluding observer evaluations and deployment ratings from this alternative.]

Linda Behnken moved to amend to adopt Alternative B, Option 1, under Proposed Action 4. The motion was seconded by Joe Kyle, and carried, 10 to 1, with Mace voting against. Alternative B, Option 1, reads as follows:

Amend observer coverage requirements for a vessel equal to or greater than 60 ft LOA fishing with pot gear that participates more than 3 days in a directed fishery for groundfish in a calendar quarter so that such a vessel must have an observer aboard during at least 30 percent of the total pot retrievals by that vessel in that calendar quarter, rather than for 30 percent of its fishing days in that calendar quarter. Groundfish would be required to be retained each day the observer is on board and gear is retrieved for observer coverage to be valid.

Sue Salvesson moved to amend to approve Alternative B under Proposed Action 2:

To require observer contractor to provide clean, dry, quiet housing; reliable communication equipment such as a phone at the observer's accommodations, VHF radio or pager for notification of upcoming deliveries, or other necessary communication, and safe, reliable, motorized transportation to the plan if the observer's accommodations are greater than 1 mile away from the processing facility.

The motion was seconded by Linda Behnken, and carried, 6 to 5, with Krygier, Kyle, Mace, O'Leary and Lauber voting against.

During discussion Council members expressed concern with regulations that may be so specific that observer contractors would have difficulty complying in outlying areas. It was suggested that perhaps the regulations could be designed to indicate that observer contractors would be required to comply with similar regulations already in State law. Sue Salvesson acknowledged Council concerns and indicated that any resulting regulations would take those comments into consideration.

Sue Salvesson moved to amend to adopt Alternative B under Proposed Action 3. The motion was seconded by Linda Behnken and failed, 6 to 5, with Austin, Salvesson, Behnken, Bundy and Fluharty voting in favor.

Council members expressed concern that the proposed action would cause undue hardship on processors.

The main motion, as amended, carried unanimously.

C-3 American Fisheries Act

ACTION REQUIRED

- (a) Final action on inshore co-op structure, definition of qualified catcher vessel, and allocation of pollock to open access/co-ops.
- (b) Initial review of analysis of groundfish processing sideboards and pollock processing excessive share caps.
- (c) Review of crab processing caps.
- (d) Review methods for calculating P. cod sideboards and crab harvest vessel exemption.
- (e) Status report on AFA EIS.

BACKGROUND

The Council is scheduled to address seven AFA issues at this meeting. Five issues are scheduled for final action. Final action issues include (1) inshore co-op structure (the Dooley-Hall proposal); (2) the definition of a qualified catcher vessel; (3) treatment of pollock catch history made by vessels that are not eligible to join cooperatives in the inshore sector; (4) calculation of catcher vessel Pacific cod sideboards; and, (5) a proposed exemption to crab harvesting sideboards. Scheduled for initial review at this meeting are groundfish processing sideboards and the pollock processing excessive share cap. We have separated these issues into three groups to allow similar issues to be commented on and deliberated at the same time, while keeping the number of issues on the table at one time to a manageable number. First will be the three items related to inshore co-op structure (we will also get a report from Dr. Scott Matulich on his latest research for related AFA issues). Second are the processing sideboard issues, both groundfish and crab, and the pollock processing excessive share caps. Third are the proposed harvest sideboard adjustments and a report on the EIS progress.

C-3(a): Inshore cooperative structure, definition of qualified catcher vessel, and calculation of the open access/co-op pollock allocations

Inshore co-op structure: A revised analysis of the “Inshore Sector Catcher Vessel Cooperatives in the Bering Sea/Aleutian Islands Pollock Fisheries” was submitted by Drs. Halvorsen, Khalil, and Lawarree. Their report was mailed to the Council on March 9, 2000. The executive summary from the report is included as **Item C-3(a)(1)**. The report is often referred to as the analysis for the proposed Dooley-Hall amendment. Based on information provided in that report, and other available information, the Council is scheduled to make a final decision regarding whether catcher vessels should be required to deliver to the same processor that they delivered the majority of their catch to the previous year. Implementing the Dooley-Hall proposal would remove that restriction and allow catcher vessels to negotiate contracts with the AFA processor of their choice each year. Essentially, the Dooley-Hall proposal would give catcher vessels more freedom to determine where they want to deliver the pollock they harvest. If approved, that proposal or other options identified by the Council could be included in the current AFA amendment package and would be scheduled for implementation in 2001. Dr. Halvorsen will provide an overview of his analysis.

Definition of a Qualified Catcher Vessel: The Council is also scheduled to consider the issue of defining a qualified catcher vessel. Kent Lind developed a discussion paper on this issue that was distributed at the February meeting. That discussion paper is provided again here as **Item C-3(a)(2)**. In general, the issue revolves around the treatment of vessels that do not deliver pollock in a year.

**MINUTES
NPFMC
JUNE 2000**

Currently if a vessel does not deliver pollock in a year, it is not eligible to join a cooperative the following year. This means each vessel must make at least one BSAI pollock delivery during a year to remain eligible to participate in an inshore cooperative, or for its catch history to remain with the co-op (i.e., there is no ability to permanently retire that capacity). The discussion paper outlines several options for the Council to change this aspect of the AFA. If approved, this change would be expected to be in effect for the 2001 fishing seasons.

Open Access Quota Share Pool: BSAI pollock, in the directed inshore AFA pollock fishery, are either assigned to cooperatives or the open access pool. Pollock assigned to the open access pool is currently either from vessels that opted not to join a cooperative, or was the catch of vessels that are not eligible to harvest pollock allocated to the inshore sector. The portion of the open access pool that resulted from the catch of vessels that are not eligible to participate in the inshore pollock fishery are the focus of this discussion. Item C-3(a)(3) shows that in 2000 a total of 29,921 mt was allocated to the open access pool. If the catch history of the vessels not eligible to participate in the inshore pollock fishery is excluded, the open access pool would drop to 10,852 mt, a decrease of 19,069 mt, from the status quo. The calculation to reassign the catch history of vessels not eligible to participate in the inshore fishery, distributed the previously unassigned catch history to all vessels in the inshore sector. Therefore, some of the catch would be assigned to vessels in cooperatives and some vessels in the open access pool, based on their percentage of pollock catch during the qualification period.

Distributing the catch that is currently automatically assigned to the open access pool may have significant impacts on vessels that choose to spend a year in the open access fishery in order to switch cooperatives. During the 2000 fishery, the argument was made that the "cost" of spending a year in the open access fishery was not substantial. However in future years, if this amendment is passed, the cost of spending a year in open access will increase and may be quite large. Given the current conditions, about two-thirds of the pollock would be removed from the open access portion of the fishery if this proposal is approved, and reallocated to the various co-ops. Written comments received on these issues are provided under Item C-3(a)(4).

C-3(b,c): Groundfish Processing Sideboards and Pollock Processing Excessive Share Caps

Groundfish Processing Sideboards and Excessive Share Caps: The Council is scheduled for initial review of the groundfish processing sideboard and pollock processing excessive share analysis at this meeting. The amendment package on these issues was mailed to the Council family on May 25 after additional analyses which were requested at the April meeting. Regarding excessive share caps, the Council requested that the analysis examine alternatives which ranged between 10 and 30 percent of the BSAI pollock TAC. This cap may or may not include processing of CDQ pollock, depending on the alternative selected by the Council. A copy of the executive summary, which includes the alternatives under consideration and the primary decision points that the Council will need to address, are included as Item C-3(b,c)(1). However, the only decision required by the Council at this meeting is whether the document is adequate to release for public review. If the document is released for public review, the Council will be scheduled to make a final decision on this issue at the October meeting in Sitka, or perhaps an additional meeting that may be scheduled for September. Should the Council move forward on this schedule, those amendments would be expected to be implemented in 2002. Staff will present the revised analysis at this time, followed by a review of information relative to the crab processing caps.

Review of Crab Processing Caps for the 2000 Opilio Crab Fishery: Following the Council's request in April to review the crab processing caps, the State of Alaska has developed a discussion paper outlining the impacts that processing sideboards had on the 2000 opilio crab fishery. That discussion paper is included here as Item C-3(b,c)(2). A summary of processing by AFA and non-AFA firms is provided in the supplemental folder. The information includes the 2000 fishery, when AFA was in place, and years prior to the implementation of the AFA.

Removing or altering the crab processing sideboards regulations will require the Council to revisit their previous action on this issue, which was based on the specific language in the AFA. Section 213 of the AFA allows the Council to supercede specific provisions of the AFA, if they can demonstrate adverse impacts. In order for any changes to these caps to be in place in time for the 2000 BBRKC fishery, action would be required at this meeting, which would have to be implemented via an emergency rule. Alternatively, the Council may wish to schedule this issue for October in conjunction with final action on the groundfish processing sideboards. An emergency action would then be required to have an amended crab processing sideboard package in place for the start of the 2001 opilio fishery.

Written comments received on these issues are provided under Item C-3(b,c)(3).

C-3(d,e): Harvesting Sideboards and EIS Status Report

Pacific Cod Harvesting Sideboards: Currently the years 1995-97 are used to calculate sideboard harvesting caps for almost all species in the BSAI. Pacific cod is one of the species where a different time period was used to estimate harvest sideboards. For Pacific cod, only the year 1997 was used. This time period was selected because it was the first year that the trawl Pacific cod TAC in the BSAI was divided between catcher vessels and catcher processors. The table below shows how changing the years used to estimate the caps would change the amount that is available under the caps. The information indicates that the cap would be largest using only 1997. If the years 1995-97 were used the total amount of the cap would decrease by 2,877mt. Members of industry are aware that using years other than 1997 would decrease the amount of the cap. However, they are considering other years, because of the difficulties they are having dividing the Pacific cod among cooperatives. This is because vessels that fished in 1995-96 may not have fished Pacific cod during 1997, or their harvest amounts may have changed significantly over those years. Therefore, some vessels feel that they have been placed at a disadvantage in the internal cooperative negotiations, and are unable to harvest an amount of cod that they feel represents their historic level of participation.

MINUTES
NPFMC
JUNE 2000

1995-1997 BSAI Pacific cod harvests by non-exempt AFA catcher vessels and resulting catcher vessel sideboard amount using 1995, 1996, 1997, and all three years, respectively.

<i>year</i>	<i>non-exempt AFA BSAI P.cod landings in mt.</i>	<i>Final BSAI trawl allocation in mt.</i>	<i>BSAI catcher vessel trawl allocation in mt¹</i>	<i>Sideboard ratio</i>	<i>2000 sideboard amount in mt.</i>
1995	36,607	127,200	63,600	0.576	24,148
1996	49,118	130,800	65,400	0.751	31,508
1997	50,259	n/a	65,450	0.768	32,216
1995-1997	135,984		194,450	0.699	29,339

¹The BSAI trawl allocation was not divided between catcher/processors and catcher vessels prior to 1997. For the purpose of generating catcher vessel sideboard amounts for 1995 and 1996 a 50 percent catcher vessel trawl allocation is assumed for all three years even though such allocation did not exist until 1997.

Crab Harvest Sideboard Exemption: The President of Mezich Allegiance, Inc. has provided a written proposal requesting that vessels which participated in all opilio, bairdi, and Bristol Bay red king crab fisheries from 1991-97 and have AFA qualifying pollock catch histories of less than 5,000mt (based on the best 2 of 3 year average) be exempt from AFA crab harvest sideboards. Because of the structure of AFA crab sideboards, this proposal would currently only impact the BBRKC fishery, and would appear to exempt only the one vessel represented by Mezich Allegiance, Inc. If adopted by the Council, this amendment could be in place for the 2001 fishing season.

Status Report on EIS: NMFS will provide an update on the status of the AFA EIS at this meeting. The EIS is scheduled to be completed by October 2000.

The public comments received on these issues are provided under Item C-3(d,e)(1).

Report of the Scientific and Statistical Committee

Inshore Co-op Structure: The SSC pointed out that there is little apparent agreement among industry about some of the key assumptions in the discussion paper by Halvorsen, et al. and that because data are unavailable, the correctness of their assumptions cannot be verified. The SSC noted that this is important because assumptions usually have a strong influence on the conclusions. In evaluating the conclusions of the paper, they stressed that there is little quantitative evidence to either support or refute the assumptions and there is considerable disagreement among knowledgeable people in the industry about the validity of the assumptions. More detailed comments are found in the SSC Minutes (Appendix II to these minutes).

Definition of Qualified Catcher Vessel: The SSC noted that the rules for determining how a vessel qualifies for a co-op are one factor that influence how costly it is to maintain membership in the co-op, and that the present interpretation of provisions of the AFA serves as a disincentive to the retirement of excess harvesting capacity.

Open Access Quota Share Pool: The SSC pointed out that to the extent that the open access pool is large and attractive to catcher vessels, the size of the open access pool may deter the development and continuation of co-ops.

Groundfish Processing Sideboards/Pollock Excessive Share Caps: The SSC recommended that the draft EA/RIR/IRFA be released for public review after several issues have been addressed (see SSC Minutes for details).

Socioeconomic (Cost/Earnings) Data Collection: The SSC received a report from Drs. Dan Holland and Todd Lee (NMFS-AFSC) on the cost/earnings survey they are undertaking. The SSC recommended that the Council's Socioeconomic Data Committee be asked to meet this summer to review progress and industry concerns.

Report of the Advisory Panel

Pursuant to Section 213 of the AFA, the AP recommends that regulations implementing Section 210b of the AFA be modified to allow inshore catcher vessels to change cooperatives without going through an open access year based on the following language:

1. Accepted catcher vessel: In addition to the rights of those catcher vessels defined as Qualified Catcher Vessels, all 208(a) inshore catcher vessels, (whether such vessels harvested pollock in the directed pollock fishery in the previous year or not, and if the vessel did harvest pollock in the previous year, regardless of to whom it delivered) shall be eligible to join any existing AFA onshore cooperative provided:

- a. The processor purchasing pollock from the inshore cooperative which the vessel wishes to join has agreed to purchase the pollock caught by the vessel; and
- b. Prior to the calendar year in which the vessel participates in the inshore cooperative, which shall not be before the year 2001, the owner of the vessel becomes a party to the contract which implemented the inshore cooperative under the same terms and conditions as were accepted by the owners of "qualified catcher vessels which are members of that inshore cooperative."

2. 80% rule: In the case of inshore cooperatives which have a term of more than one year, the requirement that the contract implementing the cooperative be signed by the owners of 80% or more of the qualified catcher vessels that delivered pollock for processing by a shoreside processor in the directed pollock fishing in the year prior to the year in which the fishing cooperative will be in effect will only apply in the first calendar year of the term and in the first calendar year of any renewal term.

3. Inactive Vessel Issue: A qualified vessel shall not be required to make a delivery in each calendar year so as to continue to be qualified in the following year. While on inactive status, that vessel cannot fish more than 2 seasons annually in the GOA directed pollock fishery.

4. LLP Issue: Prohibit any transfers of LLP licenses from inactive AFA vessels to non-AFA catcher vessels except to designated replacement vessels. (Under this option, all transfers of LLP licenses from AFA vessels would be prohibited unless the transfer was to a replacement vessel designated under subsection 208 (g) of the AFA. This would effectively prevent vessels from retiring AFA vessels and then transferring the LLP license to a new vessel for re-entry into Alaska fisheries free of sideboard restrictions and would affect all sectors of the AFA fleet.)

The AP recommends the Council revise the BSAI pollock quota issued to each inshore co-op and the open access fishery to be equal to the aggregate official catch history (1995 -1997 best 2 out 3 years plus offshore compensation for vessels with more than 500 mt of offshore landings) of the member vessels in each co-op

**MINUTES
NPFMC
JUNE 2000**

or open access sector divided by the aggregate official catch histories of all inshore-qualified AFA catcher vessels.

Pollock excessive share caps and groundfish processing sideboards

The AP recommends the Council bifurcate the document and release the Excessive Share portion for public review.

Crab processing caps

The AP recommends that the Council exercise its authority under Section 213 of the AFA to lift the crab processing caps contained in Section 211 of the AFA. The AP understands this would be by emergency action in order to be in place for the Bristol Bay Red King Crab season.

Methods for calculating P.cod sideboards

The AP recommends the Council encourage the inter co-op group to work with the affected P.cod catcher vessels to develop appropriate alternatives/solutions and report back to the Council at the September meeting. Additionally, due to the success of the inter-co-op efforts with the P.cod sideboard sub-allocations, the AP recommends no further Council action is necessary.

Crab harvest vessel exemption

The AP recommends the Council exempt AFA crossover vessels from crab sideboards that can demonstrate participation in all opilio, bairdi, and BBRKC fisheries during 1991 through 1997 and that have AFA qualifying pollock catch histories of less than 5000mt (as calculated on the 1995-1997 best of 2 year average.)

DISCUSSION/ACTION

Inshore Co-op Structure/Qualified Catcher Vessel/Open Access/Co-op Pollock Allocations

Bob Mace moved to the approve the AP recommendations for catcher vessel qualifications and the “80% rule”, as follows:

Pursuant to Section 213 of the AFA, the AP recommends that regulations implementing Section 210b of the AFA be modified to allow inshore catcher vessels to change cooperatives without going through an open access year based on the following language:

1. Accepted catcher vessel: In addition to the rights of those catcher vessels defined as Qualified Catcher Vessels, all 208(a) inshore catcher vessels, (whether such vessels harvested pollock in the directed pollock fishery in the previous year or not, and if the vessel did harvest pollock in the previous year, regardless of to whom it delivered) shall be eligible to join any existing AFA onshore cooperative provided:

a. The processor purchasing pollock from the inshore cooperative which the vessel wishes to join has agreed to purchase the pollock caught by the vessel; and

b. Prior to the calendar year in which the vessel participates in the inshore cooperative, which shall not be before the year 2001, the owner of the vessel becomes a party to the contract which implemented the inshore cooperative under the same terms and conditions as were accepted by the owners of “qualified catcher vessels which are members of that inshore cooperative.”

2. 80% rule: In the case of inshore cooperatives which have a term of more than one year, the requirement that the contract implementing the cooperative be signed by the owners of 80% or more of the qualified catcher vessels that delivered pollock for processing by a shoreside processor in the directed pollock fishing in the year prior to the year in which the fishing cooperative will be in effect will only apply in the first calendar year of the term and in the first calendar year of any renewal term.

The motion was seconded by Linda Behnken.

Council members asked NOAA General Counsel to review Council authority to amend Section 213 of the American Fisheries Act. The Council was advised that the Act grants the Council that authority but any change must be supported by the record and show that changes are necessary to mitigate any adverse impacts of the Act. Any action must also comply with the provisions of the Magnuson Act. Ms. Behnken stated that through public comments, the report by Dr. Halvorsen, and other documentation provided during public comments, she feels there is evidence of adverse impacts. However, Robin Samuelsen disagreed and suggested that the Council wait for at least a year to allow the fisheries to adjust to the new system before considering changes.

Robin Samuelsen moved to postpone action on this motion until adverse effects can be demonstrated, as shown in Section 213 of the American Fisheries Act. The motion was seconded by Dave Benton and carried, 7 to 4, with Balsiger, Behnken, Fluharty and Mace voting against.

Linda Behnken moved that a qualified vessel shall not be required to make a delivery in each calendar year so as to continue to be qualified in the following year. No AFA catcher vessel may participate in more than 2 Gulf of Alaska directed pollock fisheries annually. An inactive vessel returning to the fishery would be required to either go back to the co-op or processor of last delivery before inactive status, or go into the open access fishery. The motion was seconded by Joe Kyle and carried without objection. In addition, later in the meeting it was clarified that this **would not apply to vessels less than or equal to 125' LOA fishing east of 157°W.**

Linda Behnken moved that as of June 9, 2000, any LLP license earned in whole or in part on an AFA-qualified vessel may only be transferred to another LLP-qualified vessel (this applies to all vessels referenced in Section 208(g) of the American Fisheries Act). The motion was seconded by Dave Benton and carried without objection. It was clarified that this restriction would only apply during the term of the American Fisheries Act.

Bob Mace moved to approve the AP recommendation with regard to revision of the BSAI pollock quota, as follows:

Revise the BSAI pollock quota issued to each inshore co-op and the open access fishery to be equal to the aggregate official catch history (1995 -1997 best 2 out 3 years plus offshore compensation for vessels with more than 500 mt of offshore landings) of the

**MINUTES
NPFMC
JUNE 2000**

member vessels in each co-op or open access sector divided by the aggregate official catch histories of all inshore-qualified AFA catcher vessels.

The motion was seconded by Linda Behnken and carried unanimously.

Council discussion indicated that this action is supported by public comment by both catcher vessel and processor sectors and that the measure will all address conservation, management, and safety issues by encouraging vessels to participate in co-ops.

Crab Caps

With regard to crab processing caps under AFA, **Linda Behnken moved to allow a 20% overage per AFA processor without penalty.** The motion was seconded by Kevin O'Leary. Council intent would be to move ahead as an emergency rule for the red king crab season to avoid further adverse impacts, and then work on a permanent amendment.

Kent Lind, NMFS, explained that there is already an emergency rule in effect to implement provisions of the AFA for the remainder of the season. This action would require a new emergency rule supported by an EA/RIR, and it is unlikely it could be accomplished without jeopardizing work on the existing AFA rules, the SEIS, and other high priority tasks.

Lisa Lindeman also pointed out that enforcement may have a problem with an "overage margin" put into permanent regulations and suggested the Council look at other options to alleviate the current situation. As a result, Dave Benton recommended that a discussion document be prepared outlining this management proposal, including the 20% margin, for consideration at the next Council meeting, and that the document be released for comment before that meeting so that any modification could be implemented as soon as possible. Alternatives to be considered would include percentages (i.e., a range of 10 to 20 percent), and total elimination of the cap. These suggestions were considered as friendly amendments to the motion.

The motion carried without objection with the addition of Mr. Benton's suggestions.

Mr. Benton said ADF&G staff would be available to assist in development of the discussion paper.

Later in the meeting, **Kevin O'Leary moved to request staff include in the discussion paper the issue of latent processing capacity and to add an additional alternative that would include 1998 as one of the years that would be averaged (i.e., 1995, 1996, 1997, 1998) to determine the crab caps.** The motion was seconded by Dave Fluharty and carried without objection.

Mr. O'Leary pointed out that the Council received public comment that indicates that some capacity has left the industry in the last few years and that capacity could return and negatively affect the processors, whether AFA or non-AFA.

Dave Benton moved that the sense of the Council is that as part of the overall management regime to implement AFA sideboard caps in the red king crab fishery for 2000, NMFS should coordinate with ADF&G, to the extent possible, using the method used by ADF&G for determining the CDQ catch. The motion was seconded by Linda Behnken and carried without objection.

Groundfish Processing Sideboards/Pollock Excess Share Caps

Linda Behnken moved to release the Excessive Share Cap analysis for public review, after incorporating the relevant recommendations of the SSC and AP. The motion was seconded by Robin Samuelsen.

John Bundy moved to amend, as follows:

Send the groundfish processing sideboard portion of the document out for public review with the following changes:

- 1. Include a table comparing non-AFA catcher processor cod and flatfish processing amounts as a percentage of catch before and after AFA.**
- 2. Ask staff to make recommendations on how to close loopholes that might permit activation of latent LLPs for use in BSAI groundfish trawl fisheries.**
- 3. Include option to allocate to non-AFA catcher processors their historic percentages of TACs and PSCs in underutilized species.**
- 4. Add an option that, like harvesting sideboards, would impose processor limits whether or not an AFA processor participates in a cooperative.**
- 5. Identify owners of the non-AFA groundfish processing vessels/plants in the BSAI and GOA.**

The motion was seconded by Dave Benton. A vote on the motion was tabled until the issue could be taken up during staff tasking. At that time, the Council directed staff to include additional issues raised by the AP. Regarding Mr. Bundy's suggestions for public comment, indicating that the Council may consider options other than those previously analyzed. Staff will not include the additional issues in the analysis at this time. The groundfish processing sideboards and excessive share cap issues will remain linked in the same analysis document. The Council will consider further action in October.

Pacific Cod Harvesting Sideboards

Bob Mace moved to encourage industry to continue to work toward alternative solutions and report back to the Council at the next meeting. The Council will consider further action based on the results of that report. The motion was seconded by Joe Kyle.

Dave Benton moved to amend to indicate that absent an industry agreement the Council will consider an analysis that would explore two options: (1) AFA vessels permitted to fish Pacific cod will not be allowed to begin a directed fishery on Pacific cod until mid-March, unless the AFA-qualified vessel had a history of entering the directed Pacific cod fishery prior to that date; and (2) develop a Pacific cod quota that is specific to those vessels that are not AFA-qualified. The motion was seconded by Robin Samuelsen.

Linda Behnken moved to table action on the amendment submitted by Mr. Benton. The motion to table was seconded and carried without objection.

**MINUTES
NPFMC
JUNE 2000**

The original motion by Mr. Mace carried without objection.

Crab Harvest Vessel Exemption

Dave Benton moved to approve the AP recommendation on crab harvest vessel exemptions: Exempt AFA crossover vessels from crab sideboards that can demonstrate participation in all opilio, bairdi, and BBRKC fisheries during 1991 through 1997 and that have AFA qualifying pollock catch histories of less than 5000mt (as calculated on the 1995-1997 best of 2 year average.) The motion was seconded by Linda Behnken and carried without objection. Staff indicated that the records indicate this will affect only one vessel.

C-4 Steller Sea Lion Protection

ACTION REQUIRED

- (a) **Status report on Pacific cod fisheries and Steller sea lion concerns.**
- (b) **Status report on Russian sea lion research and management.**

BACKGROUND

(a) Pacific Cod Interactions

The 1999 biological opinion on TAC specifications for Alaskan groundfish fisheries suggested areas of concern about potential competition between cod fisheries and Steller sea lions. At the April meeting, NMFS staff provided the Council with notice that it was preparing an analyses to further evaluate the issue. At this meeting, NMFS staff will present their findings. If the analysis indicates that these cod fisheries may be competing for Steller sea lion prey, the Council may be requested to recommend appropriate measures to alleviate those concerns prior to the 2001 fisheries. A special September meeting may be required to review analyses of measures, if necessary.

(b) U.S.-Russia Sea Lion Research

In April the Council received a status report on Russian sea lion research. The Council requested NMFS to provide additional details on Russian sea lion research, management, information on herring stocks, and sea lion-fisheries interactions in the Russian EEZ.

Report of the Scientific and Statistical Committee

The SSC did not receive the discussion paper on potential interactions between Steller sea lions in the Bering Sea/Aleutian Islands and Gulf of Alaska Pacific cod fisheries in time to review and comment on it.

Report of the Advisory Panel

The Advisory Panel received the discussion paper and a staff report on the potential interactions between Steller sea lions and Pacific cod in the BSAI and GOA and provided several specific recommendations for additions and clarifications in the report. Please see the AP Minutes, Appendix III to these minutes, for the entire set of comments.

DISCUSSION/ACTION

In addition to the staff reports on the discussion paper provided by NMFS, the Council received a presentation on the status of the Steller sea lion in Russian waters provided by Tom Loughlin, NMFS-Marine Mammal Laboratory, and Vladimir Burkano of the Alaska SeaLife Center.

Regarding Steller sea lion/Pacific cod interaction in the Bering Sea/Aleutian Islands and the Gulf of Alaska, NMFS suggested that the Council may need to schedule a meeting between now and the October meeting to review a preliminary analysis so public comment can be solicited before the Council considers action at the October Council meeting.

Linda Behnken moved to approve the recommendations of the Advisory Panel for revisions to the discussion paper. In addition, NMFS staff was asked to include discussion of the cumulative impact of Council management actions on the fisheries and how that may have changed the distribution and concentrations of the fisheries (with regard to Steller sea lion protective measures in the pollock fisheries and whether that has changed food availability for sea lions). Also, staff was asked to separate bycatch from directed fisheries in the fisheries to determine which fisheries are taking cod and where. The motion was seconded by Dave Benton and carried without objection.

C-5 Staff Tasking

ACTION REQUIRED

- (a) Review current tasking and 1999 proposals.
- (b) Identify next steps in GOA Pacific cod rationalization.
- (c) Provide direction on GOA co-op development.
- (d) Task next steps in EFH stakeholder process, and necessary revisions to crab FMP and halibut regulations to protect corals and sponges

BACKGROUND

(a) Current Tasking

The Council last reviewed staff tasking in February, including proposals from the 1999 groundfish and IFQ cycle. It was apparent then, that current projects would fully occupy available staff through at least the June meeting. The Council reviewed tasking priorities recommended by the Advisory Panel and directed staff to work on those marked as required tasks or high priority. Those tasks (along with groundfish overfishing revisions tasked earlier) are shown in the accompanying table under "Existing Projects." They reflect only analytical tasks, not processing and rulemaking by NMFS of those and previous actions.

There will be considerable additional work needed on the groundfish SEIS and FMP updates, the AFA EIS, and the AFA performance report to Congress. Regarding the report to Congress, portions of that project will be contracted, but a majority of that effort is expected to be done by Council staff, with assistance from NMFS. Our expectation is to have a draft by the October deadline, and then a much more complete report by March 2001 which will allow us to compile relevant information from the 2000 fisheries, the first full year of AFA implementation.

NMFS is also now compiling a comprehensive biological opinion on the 2001 groundfish fisheries relevant to Steller sea lion issues, which will require some assistance from Council staff. Another major project between now and October is the IFQ program for the halibut charter fleet initiated by the Council in conjunction with the GHL decision in April. And, the second phase of the EFH/HAPC

MINUTES
NPFMC
JUNE 2000

amendment package is still pending (see further discussion under C-5(d)). Those projects will keep the majority of our staff largely subscribed between now and October.

The second section of the tasking table shows projects previously tasked and their status. Many were on the AP's list in February, but had no star or dot. The Council indicated then that those projects would become priority items when staff time becomes available.

Other major potential projects recently discussed by the Council are shown in the table under "Potential New Tasking." A summary of proposals received in last year's groundfish cycle, and a list of sablefish/halibut IFQ program proposals, are included under Item C-5(a), along with the report from the IFQ Implementation Team.

Depending on projects initiated by the Council at this meeting, we may want to reconsider whether to solicit additional proposals in this summer's annual groundfish cycle (next IFQ proposal cycle is 2001 already). I also believe it will be necessary for the Council to prioritize the items listed above, as well as any new projects initiated at this meeting.

(b) Next steps in GOA P. cod rationalization

In April the Council noticed that they would be considering rationalization options for the GOA cod fisheries at this meeting, and noticed that landings after April 16, 2000 may not count in any such program. While broad co-op type programs are being discussed by industry and the Council for the GOA (see further discussion under C-5(c)), it is likely that such a program would take considerable time to develop and implement. It may be that the Council wishes to initiate more near-term rationalization options for the cod fisheries specifically. Staff was able to compile some information on the GOA cod fisheries for consideration by the Council at this time. This is included under Item C-5(b). It is unlikely that anything will be in place for 2001, unless we slip some other projects from the existing list. Even so, it would likely be December before final action could occur, making implementation before mid-2001 unlikely. We also have to recognize that NMFS is trying to move several previous Council amendments through the rulemaking process, and will have several more, including AFA adjustments and the long-term AFA rulemaking, from the next few Council meetings.

(c) Gulf cooperatives

During final action on AFA sideboard measures in December 1998, the Council added a framework proposal submitted by Alaska Groundfish Databank for pollock co-ops in the Gulf of Alaska to staff tasking, noting that this task would not be started by staff until the Committee formed to study this issue has completed its work. The Council announced its intent to disband the Western and Central GOA committee and reform it as the GOA Sideboard Committee.

A ten member Gulf of Alaska Co-op Committee convened in April, June, and October, 1999 and April 2000. A comprehensive amendment proposal was prepared in June 1999. A problem statement was approved in October 1999. A new draft proposal for cooperatives in Regulatory Areas 620-640 was discussed in April 2000 and a revised draft was posted on the Council website in May with a call for counter-proposals and comments. The minutes from these meetings and the March 16 and May 9 draft proposals and public comments are attached as Items C-5(c)(1) and (2). The committee is scheduled to convene on June 8 to provide recommendations to the Council on the draft proposal and comments. Those minutes will be provided to you during the Council meeting.

(d) EFH/HAPC process

In February 2000, the Council reviewed an initial draft of a proposed amendment that would consider identifying additional HAPC, and two management measures to protect HAPC from fishing effects.

The first measure considered was to prohibit directed fishing for certain HAPC biota (corals, sponges, kelp, rockweed, and mussels). The second measure was to establish several marine protected areas where Gorgonian corals are found in abundance. Gorgonian corals have been shown to be important shelter for rockfish and other fish species, are very long lived, easily damaged by fishing gear, and slow to recover from damage. The amendment and associated analysis were divided into two parts: prohibiting a commercial fishery for HAPC biota (part 1, for which final action was taken in April under Amendments 65/65), and protection of Gorgonian corals (part 2).

To get the ball rolling on part 2, staff prepared a discussion paper for review by the Ecosystem Committee. The discussion paper fleshes out additional information on the stakeholder process and provides a proposed framework for future identification and evaluation of HAPC types and areas. Once this framework is adopted, the stakeholder process would be initiated to better define high density Gorgonian coral areas and develop appropriate management alternatives. Staff will provide a summary of the Ecosystem Committee's review and recommendations regarding the HAPC framework initiative.

During adoption of Amendments 65/65 the Council was interested in examining other FMPs and halibut regulations to see if further changes were needed to prevent commercial harvesting of sponges and corals. Initial discussions with agency staff suggest that gear used in these fisheries would not be able to capture corals and sponges in commercial quantities, so regulations may not be needed at this time. However, there may be enforcement concerns (e.g., retention of bycaught corals for commercial purposes allowed onboard during the halibut fishery but not the sablefish fishery), so the enforcement committee may want to discuss this issue.

The Scientific and Statistical Committee did not address this issue.

Report of the Advisory Panel

With regard to C-5(b), "Next steps for GOA Pacific cod rationalization," the AP recommended the Council begin an initiative to implement further LLP endorsements for the GOA Pacific cod and BSAI trawl Pacific cod fisheries. The AP stressed that it felt that the GOA is a clear priority and in need of immediate attention. The AP provided detailed recommendations for elements and options to be considered (see AP Minutes, Appendix III to these minutes).

DISCUSSION/ACTION

Staff provided the Council with a matrix of existing and previously tasked projects as well as potential new tasking along with estimates of staff time required for each (see Appendix IV to these minutes).

Dave Benton moved to ask staff to attempt to contract out the analysis of three previously tasked projects, as funds become available: (1) the three separate sideboard pools; (2) Bering Sea Pacific cod split; and (3) two Pacific cod regulatory. In addition, place the shark/skate, demersal shelf rockfish, and the Cook Inlet trawl ban amendments on the tasks to be completed by October. Under potential new tasking, high priority would be given to crab processor sideboards and the groundfish processor sideboard analysis (as identified by the AP). The motion was seconded by Linda Behnken. Mr. Benton clarified that his motion dealt with projects that could be done between now and the October Council meeting.

**MINUTES
NPFMC
JUNE 2000**

Through discussion, suggestions, and friendly amendments tasking was amended as follows:

- With regard to the groundfish processor sideboard analysis, Mr. Benton clarified that he did not intend for staff to undertake major additional analysis at this time, but that the public should be notified that the Council may consider other measures in addition or in place of the current measures being considered (i.e., Advisory Panel recommendations and proposals made during public comment).
- The shark/skate analysis would be removed from current tasking to alleviate the workload of staff who will be working on the halibut charter IFQ analysis.
- The Council would accept the offer of the North Pacific Longline Association to do preliminary work on the issue of bycatch of albatross and fishery starting dates.
- With regard to the analysis of the three separate sideboard pools (one of the projects to be contracted), Sue Salvesson pointed out that the interco-op groups have dealt with many of the concerns and suggested that before attempting to contract the project at this time, that industry be contacted to determine whether further measures are required. Council members agreed with this suggestion.
- With regard to observer issues, Council members instructed staff to continue to work with the Observer Committee to review the MRAG report.
- With regard to the Industry Crab Co-op Committee, staff was instructed to continue to provide support, including generation of data.
- Responding to a recommendation from the SSC, staff was asked to work with Dennis Austin to set up a meeting of the Socioeconomic Data Committee to help facilitate discussions between industry and NMFS economists regarding the recent costs survey developed by NMFS. Mr. Austin offered to take the minutes of the meeting; staff would only need to help set it up and notify appropriate parties.

The motion, as amended and clarified carried without objection.

There was discussion regarding the annual call for groundfish proposals considering the current tasking load. The proposals submitted for the current cycle will still have to be dealt with, probably at the October meeting. The consensus was that there would be no call for new proposals because of the numerous issues already before the Council.

Robin Samuelsen moved to request that NMFS proceed with development of a regulatory amendment for changes to the CDQ program as recommended by the State of Alaska. The Council also requests that NMFS clarify in this regulatory amendment that CDQ projects include investments. The motion was seconded by Joe Kyle and carried without objection, with Mr. Bundy abstaining from the vote.

Sue Salvesson pointed out that NMFS needs an opinion from NOAA General Counsel with regard to what constitutes a “project” under the CDQ program before they can proceed with an amendment. The amendment would be considered a priority, but NMFS may not be able to address it by the October meeting.

For the purpose of rationalization of the Gulf of Alaska groundfish fisheries, Linda Behnken moved to approve the following draft problem statement for public comment:

**DRAFT GULF RATIONALIZATION
DRAFT PROBLEM STATEMENT**

The Gulf of Alaska ecosystem is complex and productive, supporting diverse communities of fish, seabirds, marine mammals and fisherman. The Magnuson-Stevens Act (MSA) charges the Council with minimizing bycatch, protecting habitat, preventing overfishing, promoting safety of life at sea and enhancing, opportunities for fishery dependent communities.

Increasing participation of Gulf of Alaska fisheries as well as increasing catch capacity and efficiency have intensifies the race for fish with the attendant problems of high bycatch, decreased safety, and reduced product value. In addition there are concerns about sea lion recovery, consequences of Bering Sea crab reductions, spillover effects from the American Fisheries Act, and habitat conservation requirements. All of these factors have made achieving MSA goals difficult and force re-evaluation of the status quo.

Some additional problems which have been identified include:

- *The trawl, hook-and-line and pot fisheries in the Gulf of Alaska federal fisheries are fully utilized. Competition for this resource has increased for a variety of reasons, including additional recent fishing effort due to declines in non-groundfish fisheries and increased effort by traditional, long-term fishermen.*
- *Fishermen who have made significant long-term investments and have long catch histories in the Gulf fisheries need protection from others who have little or limited history and wish to increase their participation in the fisheries. At the same time, the economic and social interests of communities must be addressed, and provisions need to be included to provide opportunities for new entrants and small-boat fishermen.*
- *The race for fish has negative impacts on:*
 - *Efficient utilization*
 - *The ability of the fleet to make spatial and temporal adjustments necessary to comply with the sea lion RPAs*
 - *Bycatch*
 - *Safety*
 - *The ability of the fleet to avoid further over-capitalization, or to find a way to de-capitalize.*
- *With the advent of the AFA and the subsequent formation of a co-op management structure in the Bering Sea pollock fishery, the potential exists for increase in effort into the Gulf fisheries. AFA sideboards address this problem to some extent. However, sideboard restrictions placed on AFA qualified vessels:*
 - *Do not deal with the race for fish amongst non-AFA vessels,*
 - *Can become more punitive rather than restrictive, and possibly do not provide adequate protection for all participants in Gulf fisheries.*

**MINUTES
NPFMC
JUNE 2000**

- *Can have allocative impacts within the AFA fleet that negatively impact GOA dependent AFA vessels.*

Consequently, a new strategy for fisheries management in the Gulf is needed to address these problems and ensure the MSA goals are achieved. This strategy must be developed in an open and generally accessible public process.

The objective of Gulf rationalization must be to ensure fisheries, ecosystem, and community sustainability by achieving MSA requirements and promoting stewardship of marine resources. Specific objectives for rationalization include:

- *Meeting MSA conservation requirements (bycatch avoidance, habitat conservation, prevention of overfishing)*
- *Improved ability for industry to adjust to ecosystem measures such as spatial and temporal management for sea lion protection*
- *Promotion of safety of life at sea*
- *Increased utilization and improved product quality*
- *Community stability*
- *Preservation of the independent harvester fleet*
- *Fostering of a healthy, competitive processing environment*
- *Recognize historic and recent participation*
- *Accountability through performance reviews*

With regard to the draft problem statement, Ms. Behnken said the intent would be to circulate it to solicit comments and suggestions in order to get the process of rationalization started although staff will not be working on this issue between now and October. She also pointed out that comments and suggestions would be helpful for the Gulf Co-op Committee.

The motion was seconded by Kevin O'Leary and carried without objection.

The Council did not take action on the second discussion paper of the Gulf of Alaska Coalition regarding a community set-aside of halibut charter IFQs, however staff was asked to ensure that the subject of possible concentration of quota share in larger communities be addressed in the halibut charter IFQ analysis as the Council will review the analysis with that in mind.

Dave Benton moved to request that the GCCC include in their revised discussion paper, under use provisions, the potential for using quota share purchased by a community from a commercial operator to be used in a charterboat operation. The motion was seconded by Robin Samuelsen and carried without objection.

Linda Behnken brought up the draft analytical design for the halibut charter IFQ analysis that staff provided to the SSC for comments earlier in the week. Ms. Behnken felt that there was some misunderstanding regarding what the Council had intended to be analyzed under allocation of initial quota share.

Dave Benton moved to instruct staff that the analysis should be more reflective of the GHL expressed as a ratio and should maintain the ratio between charter and commercial sectors as developed under the GHL allocation scheme. The motion was seconded by Joe Kyle and carried without objection.

Linda Behnken moved to send a letter to NMFS stating that the Council would appreciate its assistance with the effort to obtain funding for contracting help on the halibut charter IFQ analysis,

indicating that assistance is needed quickly in order to keep to the schedule for getting a program in place. The motion was seconded by Robin Samuelsen and carried without objection (Sue Salvesson abstained from the vote).

The Council was provided a tasking list for CDQ amendments and priorities by NMFS staff. Council concurred with the priorities established by NMFS.

Staff was directed to continue to work on materials in preparation for stakeholder meetings to exchange information on Gorgonian corals. The workshops will most likely be held in the fall in several Alaska locations.

C-6 Magnuson-Stevens Act Reauthorization Issues

ACTION REQUIRED

Status report on reauthorization.

BACKGROUND

In April I gave you a marked up version of the Magnuson-Stevens Act that incorporated Congressman Gilchrist's bill, HR 4046, which would add many new provisions proposed by the environmental community. No additional legislative proposals have been submitted, though apparently House and Senate staffs are preparing separate versions of reauthorization bills to be submitted in the next few weeks. It is not anticipated that Congress will be able to process those proposals until next year, though there may be short term action to extend the moratorium on IFQs, which otherwise would lapse on October 1, 2000.

There have been eight hearings beginning last July:

July 22, 1999	Washington, D.C.	House Subcommittee
July 29, 1999	Washington, D.C.	Senate Subcommittee
September 25, 1999	Portland, ME	Senate Subcommittee
December 14, 1999	New Orleans, LA	Senate Subcommittee
January 18, 2000	Anchorage, AK	Senate Subcommittee
January 19, 2000	Seattle, WA	Senate Subcommittee
March 9, 2000	Washington, D.C.	House Subcommittee (mainly EFH focus)
April 10, 2000	Boston, MA	Senate Subcommittee

I have reviewed most written testimony provided at the hearings and developed the list of issues shown in item C-6(a). Inserted in that list are recommendations from the Regional Council Chairmen's 1999 meeting and issues raised by NMFS in testimony before the subcommittees. A more complete listing of the chairmen's recommendations from last year is under item C-6(b). The most recent proposals offered by NMFS at our chairmen's meeting this May are under item C-6(c). NMFS's only new proposal since the last hearing is the addition of seabirds to the definition of bycatch.

The regional council chairmen emphasized the following seven points at their recent meeting in Charleston on May 22-24:

1. More funds are needed to carry out current mandates already added to the Act by the SFA in 1996.

**MINUTES
NPFMC
JUNE 2000**

2. **Sweeping changes should not be made to the Act now, though minor technical changes to improve the process would be acceptable.**
3. **Most of the new provisions proposed by HR 4046 are opposed by the chairmen. The provisions far outrun our current available information on and understanding of ecosystems, and will just open NMFS up for more litigation.**
4. **Concerning EFH, the Council chairmen maintained their previous position that either the definition should be modified, or guidance should be more specific on how to use different types of data to identify and describe EFH.**
5. **The basis for closed meetings needs to be expanded to include evaluation of research proposals.**
6. **If Congress adds any new members to any of the Councils, then additional funding needs to be granted also.**
7. **Concerning the collection of social and economic data, labor data need to be collected routinely. Current databases do not cover people that harvest fish for a living because they are considered self-employed and are not counted in current surveys.**

The Alaska Marine Conservation Council has submitted a written comment on reauthorization (item C-6(d)). Changes proposed by the National Fisheries Institute are under item C-6(e).

Neither the SSC nor the AP addressed this agenda subject.

DISCUSSION/ACTION

The Executive Director briefly reviewed the issues noted in the Action Memo. There was no Council discussion or action on this agenda subject.

D. FISHERY MANAGEMENT PLANS

D-1 Groundfish Management

ACTION REQUIRED

Initial review to amend the TAC specification process.

BACKGROUND

In May 1998, the Council submitted the analyses for Amendments 48/48 to the groundfish fishery management plans for Secretarial review. The intent of these amendments was to streamline the Council's annual groundfish harvest specification process by: (1) rolling over final harvest specifications established for one year into the following year to serve as preliminary specifications and eliminate the need to publish interim specifications; and (2) issuing annual specifications through a single Federal Register document which would be published after the December Council meeting. NMFS subsequently identified legal and technical problems with amendments 48/48. These problems stemmed largely from compliance issues with National Environmental Policy Act (NEPA), the Administrative Procedure Act (APA), Regulatory Flexibility Act, and Endangered Species Act associated with "rolling over" TAC amounts from one year to the next, as well as the recent development of more rigorous agency guidelines for compliance with these statutes. As a result, the original concept for amendments 48/48 was tabled in mid-1999.

NMFS again is attempting to develop options for revising the existing TAC specification process to respond more effectively to the following objectives:

1. Manage fisheries based on the best available information;
2. Respond to new information or conservation concerns;
3. Comply with NEPA, ESA, and RFA provisions while minimizing unnecessary disruption to fisheries;
4. Provide adequate opportunity for public review and comment; and
5. Promote administrative efficiency, while minimizing public confusion.

NMFS staff will present an analysis for revising the annual TAC setting process for initial review. The EA/RIR/IRFA was mailed last week to you by NMFS. Final action is scheduled for the October meeting. The executive summary, containing the proposed alternatives, is attached as Item D-1(a).

Report of the Scientific and Statistical Committee

The SSC stated that the current TAC specification process is grossly inefficient and changes need to be made. They had extensive comments to the analysts for revisions to the document before releasing it for public comment. Please see the SSC Minutes (Appendix II to these minutes) for specific recommendations.

MINUTES
NPFMC
JUNE 2000

Report of the Advisory Panel

The AP recommended sending the analysis out for public comment.

DISCUSSION/ACTION

Because of the extensive comments of the SSC, Sue Salvesson suggested that the analysis should be referred to the plan teams for comments on the impacts of the alternatives and the document revised before further Council consideration.

Linda Behnken moved to refer the analysis to the groundfish plan teams for review and comment before a revised analysis is submitted to the Council for initial review in October. The motion was seconded by Joe Kyle and carried without objection.

D-2 Crab Management

ACTION REQUIRED

- (a) Final review of rebuilding plans for opilio and St. Matthew blue king crab.
- (b) Receive status report on crab co-ops and permit buyback program.

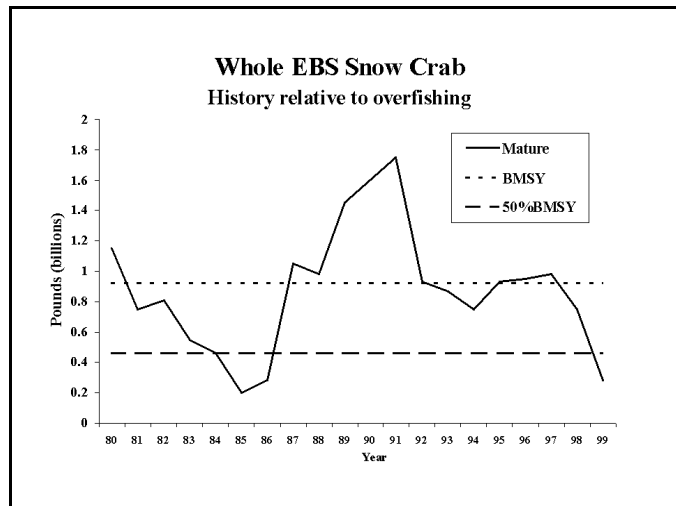
BACKGROUND

(a) Crab Rebuilding Plans

Opilio Rebuilding Plan - Proposed Amendment 14

Amendment 7 to the BSAI King and Tanner Crab FMP redefined overfishing, OY, and MSY, and updated the FMP with new information. The amendment established MSY point estimates, along with minimum stock size thresholds (MSST) for individual crab stocks based on prevailing environmental conditions (1983-1997 period). Overfishing is now defined as a fishing mortality rate in excess of natural mortality ($M=0.2$ for king crabs, $M=0.3$ for Tanner and snow crabs) and overfished is defined as a biomass that falls below MSST.

The 1999 NMFS Bering Sea survey indicated that the snow crab stock was below the minimum stock size threshold (MSST) established for this stock. Abundance of snow crab (*C. opilio*) declined sharply this year, resulting in a spawning biomass value (283.3 million pounds) below the MSST (460.8 million pounds), which precipitated a severe curtailment of the fishery in the 2000 season. On September 24, 1999, NMFS informed the Council that this stock was declared "overfished" pursuant to the Magnuson Act guidelines, which require a rebuilding plan to be developed within one year.

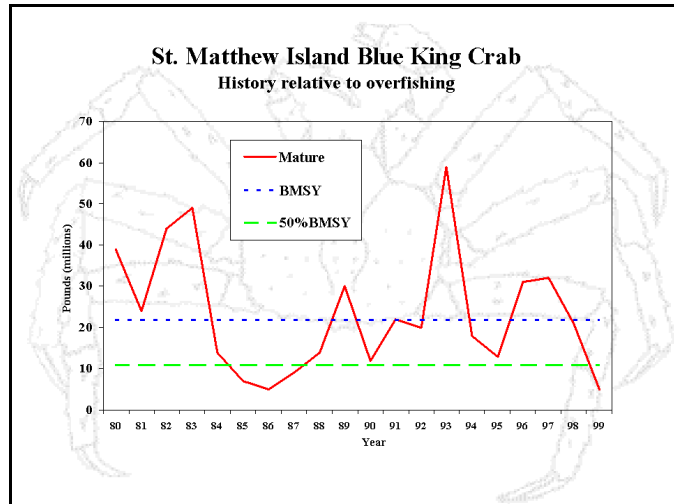


A draft rebuilding plan for this stock was mailed to the public on May 5, 2000. An executive summary of the plan is attached as Agenda Item D-2(a)(1). Staff will provide additional details of their analysis. The BSAI Crab Plan Team recommendations are contained in their minutes, attached as Agenda Item D-2(a)(2). At this meeting, the Council is scheduled to take final action on the rebuilding plan.

St. Matthew Blue King Crab - Proposed Amendment 15

The 1999 NMFS Bering Sea survey indicated that the St. Matthew blue king crab stock was below the minimum stock size threshold (MSST) established for this stock. Abundance declined sharply this year, resulting in a spawning biomass value (4.8 million pounds) below the MSST (11.0 million pounds). On September 24, 1999, NMFS informed the Council that this stock was declared "overfished" pursuant to the Magnuson Act guidelines, which require a rebuilding plan to be developed within one year.

A draft rebuilding plan for this stock was mailed out to the public on May 5, 2000. The revised analysis addressed as many of the issues identified by the Advisory Panel in April as possible. An executive summary of the plan is attached as Agenda Item D-2(a)(3). Staff will provide additional details of their analysis. At this meeting, the Council is scheduled to take final action on the rebuilding plan.



Comments received on the rebuilding analyses are under Item D-2(a)(4).

(b) Crab Co-ops and Permit Buyback Program

The industry buyback/co-op committees met on April 26, May 18 (co-op subcommittee only), and again earlier this week in Portland. The minutes from the April and May meetings are included in your notebook under Item D-2(b)(1), and a report from this week's meeting will be distributed. Regarding the buyback initiative, it appears there is support for some type of congressional assistance, though a big issue remains: the amount of an appropriation vs the amount that would be funded through a loan to industry. On May 18, NMFS published an interim final rule with guidelines for development and submission of buyback plans (Item D-2(b)(2)). A congressional fix may result in a different, more expedited process for the BSAI crab fisheries specifically. Regardless of how a crab license buyback is implemented, it will be sometime next year before the final LLP actions of the Council are implemented, including the application and appeals process to reflect the recency requirements approved by the Council in the fall of 1998 (assuming Secretarial approval of that amendment). That process must be completed before any buyback plan could be effected. More information on the buyback process may be available at meeting time. In a related action, on May 16 the Secretary of Commerce approved a declaration of commercial fisheries failure relative to the opilio fisheries, which will open the door for congressional appropriations to assist in (unspecified) relief.

Regarding the development of crab co-ops, progress has been made by the co-op subcommittee, most notably in the establishment of catch history alternatives to determine individual percentages relative to co-op (or IFQ) allocations. The subcommittee came to initial agreement for harvest sector alternatives for BBRKC and opilio, as shown in the May 18 minutes, and will be addressing alternatives for other crab fisheries at this meeting. They also continued to review and discuss options for processor inclusion (including two-pie co-op or IFQ options), community consideration, and treatment of hired skippers, though no resolution of those issues was attained. Some proposals would require legislative change, possibly through the Magnuson-Stevens reauthorization process. Note that written proposals submitted to the committee are attached to the meeting minutes, along with the full set of initial alternatives and options from March.

The committee also discussed the need for at least some initial analysis of catch history options, to allow industry members to better assess the relative impacts of the various options. While such analysis could be provided by staff, it should be recognized that individual data could not be released, and any numbers (even aggregations) would be very preliminary pending resolution of the aforementioned LLP qualification. The committee may have additional reports or recommendations from the meeting earlier this week. At some point, barring Congressional action, the Council will have to formally approve alternatives, options, and other aspects of an amendment analysis for the crab co-op initiative to proceed. This needs to be weighed against other

**MINUTES
NPFMC
JUNE 2000**

Council priorities, considering the Congressional moratorium, the overall timing relative to LLP resolution, and further committee work to resolve the major outstanding issues.

Additional comments received on this issue are under Item D-2(b)(3).

The **Scientific and Statistical Committee** did not address this agenda issue at this meeting (they commented on the rebuilding plans during the April 2000 meeting).

Report of the Advisory Panel

Opilio Rebuilding Plan

The AP recommended the Council adopt the Crab Plan Teams recommendations:

Alternative 2. Establish a comprehensive rebuilding plan for BS snow crab.

A. Harvest Strategy

Option 2: Adopt a new harvest strategy for Bering Sea snow crab. The strategy, as detailed in Section 1.6.1 includes lower harvest rates at low biomass levels, and incorporates a threshold biomass.

B. Bycatch Controls

Option 1. Status quo - no action. Maintain existing snow crab bycatch control measures in the BSAI groundfish fisheries. The snow crab PSC limit would be set at 0.1133% of total survey abundance (minus 150,000 crabs) with a maximum of 2.85 million crabs, and a minimum of 4,350,000 crabs.

Option 3. Request the Board of Fisheries and the Alaska Department of Fish and Game to consider additional measures (such as gear modifications and area closures) to reduce bycatch of snow crab in crab fisheries.

C. Habitat Protection

Option 2: Expand the EFH definition for snow crabs to include all habitats used by opilio crab, based on both historic and current data. The importance of snow crab EFH in maintaining stock productivity would be noted in consultations. To the extent feasible and practicable, this area should be protected from adverse impacts due to non-fishing activities.

St. Matthew Blue King Crab Rebuilding Plan

The AP recommended the Council adopt the Crab Plan Team's recommendation:

Alternative 2: Establish a rebuilding plan for St. Matthew Blue King Crab

A. Harvest Strategy

Option 2: Adopt the Alaska Board of Fisheries new harvest strategy for St. Matthew blue king crab. The strategy, as detailed in Section 5.1 includes lower harvest rates at low biomass levels, and incorporates a threshold biomass.

B. Bycatch Controls

Option 2: Adopt the Board of Fisheries gear modifications measures and area closure to reduce bycatch of blue king crabs in crab fisheries.

C. Habitat Protection

Option 2: For agency consultation purposes, highlight the importance of blue king crab EFH in maintaining stock productivity. To the extent feasible and practicable, this area should be protected from adverse impacts due to non-fishing activities.

Option 3: Adopt the Alaska Board of Fisheries State Waters Habitat Protection Areas for egg bearing female blue king crab around St. Matthew Island, Hall Island, and Pinnacles Island.

DISCUSSION/ACTION

Bering Sea/Aleutian Islands *C. Opilio* Rebuilding Plan

Earl Krygier moved to approve the recommendations of the Advisory Panel with regard to the rebuilding plan for *C. Opilio* crab. The motion was seconded by Linda Behnken.

Linda Behnken moved to amend the habitat portion of the plan to task the Crab Plan Team with providing an annual report on crab bycatch and survey data on maps of the same scale so that habitat areas needing additional protection can be more easily identified. This was considered a friendly amendment by the maker of the main motion.

Linda Behnken moved to amend to substitute Option 2 for Option 1 under Bycatch Controls. The motion was seconded and failed, 6 to 5, with Behnken, Kyle, O'Leary, Samuelsen and Lauber voting in favor.

Sue Salveson suggested editorial changes under Option 3, to remove reference to a request of the Alaska Board of Fisheries to adopt additional rebuilding measures since this has already been accomplished.

Mr. O'Leary pointed out that in Appendix I of the industry agreement on snow crab PSC limits (dated 1996) in the caveats and recommendations, specifically with regard to habitat protection, it states that if Area 517 bycatch exceeds 500,000 snow crab in any year the Council should consider moving the southern boundary of the snow crab bycatch limitation zone from 56'30" to 56'. Mr. O'Leary noted that the Council has already indicated that they will be revisiting that issue in the future.

The main motion carried, 9 to 2, with Kyle and Mace voting against. Both members voting no indicated they don't feel that the action does not go far enough and that data is scarce.

Dennis Austin moved to direct the Plan Team to provide AMCC the opportunity to make the same presentation as they did before the Council and to ask the Plan Team to critique AMCC's conclusions, and report back to the Council in order to determine whether additional measures should be implemented. Additionally, the Plan Team will be tasked with reviewing the issue brought up by Mr. O'Leary regarding the southern boundary for the snow crab bycatch limitation zone and to also give the Council its evaluation of the alternatives provided by AMCC. Appropriate upper bounds as well as the appropriate lower bounds should also be reviewed and commented on by the Plan Team. The motion was seconded by Earl Krygier and carried without objection.

St. Matthew Blue King Crab Rebuilding Plan

Linda Behnken moved to approve the recommendations of the Advisory Panel with regard to the St. Matthew blue King crab rebuilding plan. The motion was seconded by Earl Krygier and carried without objection.

Earl Krygier reviewed the complementary actions taken by the Alaska Board of Fisheries with regard to this fishery.

E. ADJOURNMENT

Chairman Lauber adjourned the meeting at approximately 10:51 a.m. on Monday, June 12, 2000.

TABLE OF CONTENTS

MINUTES

**144th Plenary Session
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
June 7-12, 2000**

A. CALL TO ORDER/APPROVAL OF AGENDA/MINUTES OF PREVIOUS MEETING(S) [3](#)
B. REPORTS [3](#)
C. **NEW OR CONTINUING BUSINESS** [4](#)
 C-1 Halibut Management [4](#)
 C-2 Observer Program [6](#)
 C-3 American Fisheries Act [9](#)
 C-4 Steller Sea Lion Protection [18](#)
 C-5 Staff Tasking [19](#)
 C-6 Magnuson-Stevens Act Reauthorization Issues [25](#)
D. FISHERY MANAGEMENT PLANS [27](#)
 D-1 Groundfish Management [27](#)
 D-2 Crab Management [28](#)
E. ADJOURNMENT [31](#)

APPENDICES (AVAILABLE FROM THE COUNCIL OFFICE UPON REQUEST)

- I Public Comments
- II Minutes of the Scientific and Statistical Committee
- III Minutes of the Advisory Panel
- IV Staff Tasking Matrix