

North Pacific Fishery Management Council

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

Telephone: (907) 271-2809



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

Fax: (907) 271-2817

Certified Richard B. Lauber
Richard B. Lauber, Chairman

Date 10/12/98

MINUTES

**132nd Plenary Session
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
April 22-27, 1998
Hilton Hotel
Anchorage, Alaska**

The North Pacific Fishery Management Council met April 22-27, 1998, at the Hilton Hotel in Anchorage, Alaska. The Scientific and Statistical Committee met April 20-22, and the Advisory Panel met April 20-25, at the same location. The following members of the Council, staff, SSC and AP attended the meetings.

Council

Richard Lauber, Chairman
Dennis Austin for Bern Shanks
RADM Cross/CAPT Vince O'Shea
Linda Behnken
David Fluharty
Dave Hanson
Joe Kyle

Walter Pereyra, Vice Chair
Bob Mace for J. Greer
Kevin O'Leary
Steve Pennoyer
H. Robin Samuelsen, Jr.
Dave Benton for Frank Rue

NPFMC Staff

Clarence Pautzke, Executive Director
Jane DiCosimo
David Witherell
Darrell Brannan

Chris Oliver, Deputy Director
Helen Allen
Gail Bendixen
Linda Roberts

**MINUTES
NPFMC
APRIL 1998**

Support Staff

Lisa Lindeman, NOAA-GCAK
Earl Krygier, ADFG
Sue Salvesson, NMFS-AKR
Jay Ginter, NMFS-AKR
John Lepore, NMFS-AKR
Lowell Fritz, NMFS-AFSC
Sarah Gaichas, NMFS-AFSC
Sally Bibb, NMFS-AKR

Steve Meyer, NMFS Enforcement
Phil Smith, NMFS-RAM Division
Kent Lind, NMFS-AKR
Cindy Hartmann, NMFS-AKR
Lauren Smoker, NOAA-GCAK
Galen Tromble, NMFS-AKR
Tim Ragen, NMFS-AKR
Rich Ferrero, NMFS-NMML

Scientific and Statistical Committee

Richard Marasco, Chair
Milo Adkison for Al Tyler
Keith Criddle
Phil Rigby for Doug Eggers
Sue Hills
Dan Kimura for Jim Balsiger

Doug Larson
Seth Macinko
Jack Tagart, Vice Chair
Terry Quinn
Hal Weeks

Advisory Panel

John Bruce, Chair
Ragnar Alstrom
Dave Benson
Tim Blott
Al Burch
Craig Cross
Dan Falvey
Kris Fanning

Stephanie Madsen, Vice Chair
Dave Fraser
Arne Fuglvog
Steve Ganey
Justine Gundersen
John Henderschedt
Spike Jones
John Lewis

Hazel Nelson
Dean Paddock
Jeff Stephan
Teresa Turk
Robert Ward
Lyle Yeck
Grant Yutzenka

Other Attendees

The following people signed the attendance register:

Edward Curle
Doug Schneider
Brian Bigler
Lennie Gorsuch
Cheryl Graves
Kris Norosz
Arni Thomson
Stephan Taufen
Jacob Stepetin
Jack Hill
Bill Jacobson
Anthony Philemonoff
Pete Hendrickson
Dan Blackmore

Sinclair Wilt
Denise Fredette
Joe Plesha
Shirley Marquardt
Ed Glotfelty
Mike Szymanski
Linda Kozak
Phillip Lestenkof
Thorn Smith
Shari Gross
Gerry Merigan
Debby Swenson
Chris Blackburn
John Iani

Terry Leitzell
Tammy Fowler Pound
Rebecca Baldwin
David Dickson
Glenn Reed
Dave Allison
Sue Aspelund
Jim McManus
Jeffrey L. Thompson
Bill Lock
Charles Bronson
Julie Anderson
Bill Aberce
Steve Grabacki

Tom Rueter
Stephen Street
Michael Lake
Robert Czeisler
Bruce Cotton
Charles Soxie
Steve Hughes

Jeff Hodley
Gordon Blue
Lou Fleming
Phil Jacobson
Margaret Bauman
Gerald Leape
Peggy Honnings

Brent Paine
Loh-lee Low
Brad Faulkner
Donald Westlund
Denby Lloyd
Gale Vick
Tim Evers

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 Rick Lauber called the meeting to order at 8:10 a.m. on Wednesday, April 22, 1998.

Agenda and Minutes. The agenda was approved as written. The minutes of the December 1997 and February 1998 meetings were available for approval. The Chair advised Council members that the minutes would be approved as submitted after a two-week interval for comments.

Advisory Panel Officers. The Council confirmed the re-election of John Bruce and Stephanie Madsen as Chair and Vice Chair, respectively, of the Advisory Panel.

B. REPORTS

The Executive Director's Report (Agenda item B-1) was provided in written form. Fishery progress reports were provided by the Alaska Department of Fish and Game and National Marine Fisheries Service (NMFS) (Agenda items B-2, B-3), and enforcement reports were provided by the Coast Guard and NMFS Enforcement (Agenda item B-4).

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. Next will be a section for **discussion** and **motions** on the subject. Finally, there will be a brief **summary** of actions taken, unless there is only one action and it is self-explanatory.

MINUTES
NPFMC
APRIL 1998

C. NEW OR CONTINUING BUSINESS

C-1 Inshore-Offshore 3

ACTION REQUIRED

Review analysis to release for public review.

BACKGROUND

In February the Council reviewed much of the baseline information that is used in the inshore/offshore 3 analysis. The completed draft document was mailed to you in early April and is scheduled for initial review at this meeting, a public review period, then final action at the June meeting. In addition to the Council staff presentation, we will have Impact Assessment, Inc. report on their analysis of social/community issues (Appendix II to the main document), and representatives from McDowell Group will report on their analysis of CDQ program impacts (Appendix III to the main document).

Since February we have filled in most of the gaps in information which existed at that time. Two sections which remained incomplete as of early April were the employment section (pending information compiled from At-sea Processor's Association), and an assessment of marine mammal impacts, primarily associated with the CVOA alternatives. These are expected to be available at this time and will be incorporated in the document prior to public review.

Item C-1(a) is the Executive Summary from the Council staff analysis, which includes the Problem Statement and a listing of the alternatives under consideration. Item C-1(b) lists some corrections to the McDowell Group report. Item C-1(c) is a memo to the Council regarding review of the price and employment data submitted by At-sea Processors Association. Item C-1(d) contains correspondence received on this issue, including information on 'true mothership' operations submitted by Premier Pacific Seafoods.

Report of the Scientific and Statistical Committee

The SSC recommended that the main body of the EA/RIR and Appendix I be sent out for public review after some minor adjustments. However, they recommended more specific adjustments and additions be made to Appendix II (Impact Assessment report) and Appendix III (McDowell report) before releasing them to public review. Please see the SSC Minutes (Appendix II to these minutes) for recommendations specific to each report.

Report of the Advisory Panel

The AP recommended the Council send the EA/RIR for Inshore/Offshore 3 out for public review with the following changes incorporated as time permits:

1. With respect to the McDowell report;
 - a. Ask the authors to substantiate their speculations and conclusions concerning the effects of different allocation alternatives on partner profitability and its effect on CDQ royalties;
 - b. Quantitatively and qualitatively reflect the CDQ groups' responses to the questionnaire; and
 - c. Provide a more thorough analysis, including a quantitative estimate of employment and earnings by sector and the most likely effects of the various allocation alternatives on CDQ resident employment and earnings.

With respect to the EA/RIR document:

2. Request staff utilize data already present in the document to draft a separate section that explicitly examines the potential spill-over effects on other fisheries resulting from a major reallocation of pollock. This section should include management measures that the Council could take to mitigate these effects.
3. Request staff include a discussion and examination of management measures which would limit any proportional increase in the catch from the CVOA under the various allocation alternatives.
4. Request staff include a discussion of transfer pricing and market control on wholesale prices and raw fish values.
5. Include two additional options for defining "true motherships" and operation restrictions for them:
 - Option 1: Vessels must declare whether they will operate in the inshore, true mothership, or offshore sector either:
 - a. annually
 - b. for the effective period of inshore/offshore 3.

A "true mothership" would be defined as any mothership or floating processor not included in the inshore sector and may not act as a harvester in the target pollock fishery while declared as a true mothership.
 - Option 2: A true mothership would be defined as a mobile fish processor which has never caught their own fish in the U.S. EEZ.
6. Add to CVOA Issues under Option (b) an exclusion of catcher vessels over 125 ft.
7. Establish a new Alternative 4 which would provide a set-aside for catcher vessels less than 125 ft. The new set-aside would be based upon a combination of:
 - 40-65% of the inshore quota, plus
 - 9-15% of the offshore quota, plus
 - 100% of the true mothership sector.

The catcher vessel set-aside may be delivered to any sector.

Further, the AP stressed that the impact on CDQ employment and wages is a very important part of the analysis and, to the extent practical, Council staff should monitor the revision of the McDowell study to ensure that as much of this information as possible be available for the public and Council review.

DISCUSSION/ACTION

The Council received extensive reports from the various authors of the analysis. The major concern during discussion of the document and incorporating recommendations of the SSC and AP was the time available for revisions before releasing the document in time for a 30-day public review period. Council members stressed that the following additions to the analysis should be completed only if possible within the time available before the

**MINUTES
NPFMC
APRIL 1998**

release date. The Council's discussion on this agenda item has been transcribed and is included as Appendix III to these minutes.

Bob Mace moved that the Inshore/Offshore EA/RIR for Amendments 51/51 be sent out for public review with the provision that modifications recommended by the SSC and AP be incorporated subject to the ability of staff to complete such modifications within the timeframe required to meet the June meeting deadline for final action. The motion was seconded, and amended with the following friendly amendments (using the AP's recommendations as a guide):

- Add to CVOA Issues under option (b) an exclusion of catcher vessels over 125 ft., and an exclusion of vessels over 155 ft.
- Delete the AP recommendation that Council staff monitor the revisions of the McDowell report.
- Delete Option 2 under recommendation #5 in the AP report, "A true mothership would be defined as a mobile fish processor which has never caught their own fish in the U.S. EEZ."

The Council also agreed with the AP recommendation to submit a letter requesting increased funding toward Steller sea lion research for NMFS, ADF&G and the North Pacific Marine Science Foundation. However, rather than send the request directly to Congress, the letter will be sent to the Secretary of Commerce with copies to the Congressional delegations for Alaska, Washington and Oregon. Steve Pennoyer advised that he must abstain from voting on this portion of the motion because it involves requesting funds from his agency.

With that abstention, the motion carried without objection.

Dave Benton asked Lisa Lindeman to comment on the issue of excessive shares as defined in National Standard 4. Ms. Lindeman responded that the Council is not allocating directly to a single entity, but to a sector of the industry.

SUMMARY

The Council released the analysis of options for inshore-offshore allocations to public review pending revisions and additions recommended by the AP, SSC and Council members.

C-2 Essential Fish Habitat

ACTION REQUIRED

- (a) **Initial review of essential fish habitat amendments.**
- (b) **Initial review of Cape Edgecumbe Pinnacle closure option.**

BACKGROUND

(a) Essential Fish Habitat Amendments

The Magnuson-Stevens Act amendments emphasized the importance of habitat protection to healthy fisheries and strengthening the ability of the National Marine Fisheries Service (NMFS) and the Councils to protect and conserve habitat of finfish, mollusks, and crustaceans. This habitat is termed essential fish habitat (EFH), and is broadly defined to include "those waters and substrate necessary to fish for

spawning, breeding, feeding, or growth to maturity". The Councils are required to amend their fishery management plans by October 1998 to:

- identify and describe EFH for species managed under a fishery management plan;
- describe adverse impacts to that habitat from fishing activities;
- describe adverse impacts to that habitat from non-fishing activities; and
- recommend conservation and enhancement measures necessary to help minimize impacts, protect, and restore that habitat.

Once the FMPs are amended with this EFH information, NMFS and the Councils can be more proactive in protecting habitat areas by alerting other federal and state agencies about areas of concern. Federal agencies engaging in activities that may adversely affect EFH must consult with NMFS regarding those activities. NMFS and the Council may make suggestions on how to mitigate any potential habitat damage. The Council will be required to comment on any project that may affect salmon habitat or habitat of any other anadromous fish (smelt, steelhead, etc.). However, the interim final rule encourages coordination between NMFS and the Councils, and may allow for the Council to delegate the consultation process to NMFS.

At this meeting, the Council will make an initial review of the analysis to amend all fishery management plans (groundfish, scallops, crab, and salmon) to include definitions of EFH. Final review of the EFH amendments is scheduled for June, 1998. The alternatives proposed to be analyzed in the EA/RIR for these amendments are the following:

Alternative 1: Status quo.

Alternative 2: (*Preliminary NMFS Recommendation*) EFH is defined as all habitat within a general distribution for a species life stage, for all information levels. This area is a subset of a species range.

Alternative 3: EFH is defined as a subset of all habitat within a general distribution [e.g., areas of known concentration] in the case of level 2 information or greater for a species life stage. For level 0 and 1 information, EFH is defined as all habitat within a general distribution for a species life stage.

An executive summary of the analysis is attached at Item C-2(a).

Item C-2(b) contains NMFS's recommendations for identification and description of EFH for the Council's FMP species. NMFS is requesting comments through April 27, 1998.

(b) Cape Edgecumbe Pinnacle Closure

Included in the draft analysis is an option to implement a no fishing closure to address potential impacts of fishing gear on habitat. A 4 square mile pinnacle area off Sitka has been proposed as a no fishing area to protect habitat important for juvenile rockfish and lingcod. Tory O'Connell (ADF&G) will be on hand to show an underwater video of the pinnacle area, and discuss the need for this action.

Report of the Scientific and Statistical Committee

The SSC commended the authors of the analysis noting that the work done on EFH for species under the North Pacific Council's management has served to guide the development of the NMFS EFH guidelines on a national level. The SSC recommended several technical adjustments (see SSC Minutes, Appendix II to these minutes) to the document before releasing it to public review.

**MINUTES
NPFMC
APRIL 1998**

Report of the Advisory Panel

The AP recommended the Council send the EA/RIR for Essential Fish Habitat out for public review with the following revisions.

1. Expand the section (2.1.6), "Consequences of Alternatives" to provide more information on the effects of Alternatives 2 versus 3.
2. Delete reference to the paper written by Auster and Langton, "The Indirect Effects of Fishing" (page 285, Section 11.1).
3. Separate the Cape Edgecumbe Pinnacle closure and develop a separate amendment.

The AP also requested that the Council direct the Core Team to prepare, for the June meeting, a discussion paper or additional technical information about where Habitat Areas of Particular Concern (HAPC) exist and any gaps in protection of these areas.

DISCUSSION/ACTION

Linda Behnken moved to send the EA/RIR out for public review after incorporating changes recommended by the SSC. In addition, that the Council request the core team to prepare a discussion paper or additional information for the June meeting regarding where habitat areas of particular concern exist and pointing out any gaps in protection of those areas. With regard to the Cape Edgecumbe Pinnacle closure, include an alternative to allow salmon trolling in the closed area. The motion was seconded by Earl Krygier.

By friendly amendment, the AP recommendation to expand the section, "Consequences of Alternatives," to provide more information on the effects of Alternatives 2 and 3 was added to the motion.

The motion carried without objection.

With regard to the request to have the core team prepare a discussion paper or additional information on habitat areas of particular concern for review at the June meeting, NMFS staff indicated that although this information will need to be developed and provided to the Council in the future, there won't be much information regarding specific areas, but staff will probably be able to provide an overview of the process to be used in identifying habitat areas of particular concern.

The Council also received a report from Lauren Smoker, NOAA General Counsel (GC), regarding the issue of non-FMP species being included in EFH reports. Ms. Smoker advised the Council that NOAA GC's earlier opinion held that EFH must be described and identified only for those species managed under an FMP and that habitat for non-FMP species may be identified in an FMP but not be designated EFH. In February the Council had also requested that NOAA GC comment on the ability to include a species within an FMP solely for the purpose of describing EFH. Ms. Smoker advised that FMPs are developed and/or amended to provide for conservation and management of a species or species group in need of conservation and management to prevent overfishing and rebuild overfished stocks, and therefore the Council can not develop or amend an FMP to include a non-FMP species solely for the purpose of EFH designation. However, this does not preclude the Council from instituting management measures to protect non-FMP managed species and their habitats from adverse effects of fishing for FMP-managed species.

SUMMARY

The Council approved for public review the analysis of alternatives for designating essential fish habitat for the species under Council management, including a proposal to close an pinnacle area off Sitka to protect habitat important for juvenile rockfish and lingcod. Preferred alternatives will be determined at the Council's June 1998 meeting.

C-3 Moratorium

ACTION REQUIRED

Review analysis to release for public review.

BACKGROUND

At the last meeting the Council formally initiated development of a plan amendment, for both the GOA and the BSAI, to extend the vessel moratorium beyond its current expiration date of December 31, 1998. This action is necessary because the license limitation program (LLP) approved by the Council and the Secretary of Commerce will not be implemented in time for the 1999 fisheries. Alternatives considered include No Action (allowing the moratorium to expire); extending the moratorium for either one or two years, or extending the moratorium until replaced by the LLP.

NMFS staff prepared the EA/RIR included in your notebooks under Item C-3(a). The EA/RIR is scheduled for initial review at this meeting with final action this June.

The SSC did not address this agenda item.

Report of the Advisory Panel

The AP recommended the Council send the EA/RIR to extend the moratorium out for public review. They reiterated earlier concerns over the large number of potential moratorium permits that may still be applied for and to address this concern recommended the following option be added for Alternatives 2, 3, and 4 of the analysis:

1. A limited application period which is as short as possible, and
2. Extended moratorium permits would be issued only to current holders of moratorium permits.

In addition, the AP recommended another option be included under Alternative 4 which would explicitly define 'superseded' as the date fishing under the License Limitation Program can begin.

DISCUSSION/ACTION

Dave Benton moved that the Council release the document for public review after eliminating Alternatives 3 (extend moratorium until 12/31/2000) and 4 (extend moratorium until superseded by LLP). The motion was seconded Joe Kyle.

Mr. O'Leary suggested that the motion include a suboption that would roll over only permits that currently exist and/or are in the adjudication process. This was accepted as a friendly amendment to the motion.

Ms. Salveson stressed that although the plan is to have the LLP in place by January 1, 2000, if anything should happen to delay that, then the Council will again need to consider another extension.

**MINUTES
NPFMC
APRIL 1998**

Sue Salveson moved to amend the motion to include Alternative 3, revised to state that the moratorium will expire 12/31/2000 unless superseded by the implementation of the LLP prior to that date. The motion to amend was seconded and failed 7 to 4, with Austin, Fluharty, Salveson and Lauber voting in favor.

The main motion carried unanimously.

The following day, **Dennis Austin moved to reconsider his vote on the moratorium analysis. The motion carried without objection.**

Dennis Austin moved to amend the motion to include an alternative that would limit extended moratorium permits to the specific gear as their original permit. The motion was seconded and failed, 7 to 4, with Austin, Fluharty, Pereyra, and Lauber voting in favor.

Linda Behnken suggested that it is not necessary to take this step when the same thing is being accomplished under the LLP program.

John Lepore, NMFS staff, said it would be difficult to add this restriction within the timeframe available to get the document out for review. Current permits were issued based on past participation.

The main motion carried without objection.

Dave Benton asked NMFS to provide detailed cost and personnel data for implementing the license limitation program. Sue Salveson responded that pending approval from Steve Pennoyer the information would be provided.

The Council also received a brief update on the crab buyback program. Jay Ginter advised that NMFS has requested that the buyback group clarify or expand some aspects of the plan. NMFS is continuing to work on a general proposed rule for buyback plans. Gordon Blue of the CRAB group reported that they are in the process of responding to the NMFS request and will keep the Council informed of their progress. The issue will be put on the agenda for the October meeting in Seattle.

C-4 Community Development Quotas

ACTION REQUIRED

- (a) **Status of implementation.**
- (b) **CDQ Implementation Committee Report.**
- (c) **Initial review of BSAI Amendment 45 - continuation of BSAI Pollock CDQ Program.**

BACKGROUND

- (a) **Status of Implementation**

Sally Bibb, NMFS CDQ Coordinator, will present a report on the status of the multi-species CDQ program.

Numerous changes have been made to the final rule in response to 87 comments received on the proposed rule. The draft final rule was sent to NMFS HQ for review on March 16. The target date for publication is the week of the April Council meeting, but NMFS review may take longer. Community

Development Plans (CDPs) would be due by July 1 and NMFS would make a decision on approval of CDPs by mid-September. The earliest target date for MS-CDQ fishing would be October 1.

(b) CDQ Implementation Committee Report

At the February 1998 meeting, the Council formed a CDQ Implementation Committee, comprised of agency and CDQ representatives. The committee identified its goal of reviewing implementation issues that may need to be addressed in future amendments to the program. The committee minutes are attached as Item C-4(b). A second meeting is scheduled for May 1 in Juneau.

(c) Initial review of amendment to continue BSAI pollock CDQ program

BSAI Plan Amendment 45 would recommend that the Secretary extend the pollock CDQ program at the existing level of 7.5 percent of the pollock TAC, without a sunset date. BSAI pollock are included in the multi-species CDQ program scheduled for implementation later this year.

The MSFCMA limits the amount of TAC that may be allocated to a pollock CDQ reserve to not more than 7.5 percent of the TAC through October 1, 2001. In September 1997, the Council decided to limit the alternatives in the reauthorization of the pollock CDQ program to the "no action" alternative and continuation of the pollock CDQ program, without a sunset date, at 7.5 percent. The analysis was mailed on April 13, 1998. The alternatives include:

Alternative 1: No action.

Alternative 2: Permanently extend the BSAI pollock CDQ program at 7.5 percent of the total allowable catch.

Report of the Scientific and Statistical Committee

The SSC recommended the analysis for an amendment to extend the current CDQ program for pollock in the Bering Sea/Aleutian Islands be released for public review. The SSC noted that the document does not contain a thorough social and economic assessment but that they understand the Council is moving toward a program to gather such data for future analyses.

Report of the Advisory Panel

The AP recommended the Council send the EA/RIR out for public review and asked the Council to initiate an analysis to allow the CDQ trawl fisheries to begin January 1 with the understanding that this regulation may not be in place by January 1, 1999.

Report of the CDQ Implementation Committee

The committee discussed several implementation issues raised by CDQ groups. High priority issues included:

- (a) halibut small-boat fleet composition and enforcement issues related to possibly moving the program out of the RAM Division;
- (b) flexibility in accounting for CDQ bycatch species and the Magnuson Act bycatch requirements;
- (c) data issues related to splitting hauls/sets and catching IFQ/CDQ together; and
- (d) how halibut mortality rate assumptions will be applied in the CDQ fisheries.

The Committee will discuss these issues further and develop recommendations after the final rule is published. Sally Bibb, NMFS-Alaska Region, agreed to provide the Committee with a discussion paper on the above-listed high priority issues.

**MINUTES
NPFMC
APRIL 1998**

DISCUSSION/ACTION

Sally Bibb, NMFS-Alaska Region, gave a status report on the final rule for the multispecies CDQ program. The final rule was sent to NMFS headquarters for review on March 16 with a target date for publication the week of April 20, although Ms. Bibb indicated the review may take longer. The target date for fishing under the program is October 1, 1998.

Dave Benton moved that the Council release the EA/RIR for Amendment 45, to extend the pollock CDQ program, for public review. The motion was seconded by Linda Behnken and carried without objection.

The Council received a request from the State of Alaska to approve their recommendations for prohibited species quota for *opilio* crab in the CDQ fisheries. Amendment 40 to the Bering Sea/Aleutian Islands FMP establishes the species as a prohibited species for trawl gear. The percentages recommended by the State were:

APICDA: 26%; BBEDC: 23%; CBSFA: 9%; CVRF: 8%; NSEDC: 8%; and YDFDA: 26%.

Steve Pennoyer moved to approve the State's recommendations for distribution of *opilio* crab PSC among CDQ groups. The motion was seconded by Dave Benton and carried without objection.

SUMMARY

The Council released BSAI Amendment 45, to extend the pollock CDQ program, for public review. A final decision on the amendment will be made at the Council's meeting in June. The Council also approved prohibited species quotas for *opilio* crab in the CDQ trawl fisheries.

C-5 Fishing Vessel Registration and Fisheries Information Management System

This agenda item was deferred to a future meeting.

C-6 Social and Economic Data Collection

ACTION REQUIRED

- (a) NMFS initiative on cost data: status report.**
- (b) Socioeconomic data committee report.**
- (c) Proposed plan amendment for data collection: discussion and direction.**

BACKGROUND

Last June the Council passed a motion to establish a committee to identify socioeconomic data needs and propose a process to gather and report it routinely. In September a motion was passed to send a letter to the Assistant Administrator for Fisheries, Rollie Schmitt, urging support for the Alaska Fisheries Science Center's initiative to collect cost data from industry. Then in February, the Council passed a motion to initiate an amendment calling for collection of socioeconomic data such as cost and price information. The goal of these efforts is to build a database that we can draw on to perform more quantitative cost-benefit analyses, rather than always coming up short on data when we need to analyze very contentious allocational issues such as I/O3.

At this meeting NMFS will report on their cost data initiative. Then we will have a report from the first meeting of the Socioeconomic Data Committee, which will hold its first organizational meeting this

week. Finally, we will attempt to lay out a game plan for developing an amendment on data collection, though work on it likely will not commence until inshore-offshore 3 is completed.

More materials will be available on this issue at the Council meeting. An excerpt from our research priorities list from February 1998 is under item C-6(a). It lays out in detail the types of economic and social data sought by the SSC.

DISCUSSION/ACTION

The Council received a report from Council member Dennis Austin (Chairman of the committee) on the results of the first meeting. Mr. Austin announced that it is still too early in the process to begin development of a plan amendment which would mandate the collection of social and economic data. Members of the committee felt that more progress is needed on the development of models, and the data that those models would require, before decisions could be made regarding how to best collect the necessary information. As a first step, the Alaska Fisheries Science Center will develop specific indexes of fleet performance and present them at the next committee meeting.

C-7 Halibut Charterboat Management

ACTION REQUIRED

Receive report from the Halibut GHL Committee.

BACKGROUND

At the December 1997 Council meeting, NMFS notified the Council that implementation of the GHL without accompanying regulations was problematic and could not be submitted to the Secretary at that time. NMFS published the Council's intent of managing the halibut charter fishery under a GHL as a notice of inquiry in the Federal Register on March 10, 1998 (Item C-7(a)). NMFS recommended that the Council develop possible management alternatives for analysis that would be triggered by the GHL. The Council announced the formation of a GHL Committee to recommend possible management measures that would keep the halibut charter fleet under the GHL. The committee met on February 25-26, 1998 and its minutes are attached as Item C-7(b).

The SSC did not address this agenda item.

Report of the Advisory Panel

The AP recommended the Council task staff to develop an analysis of the following alternatives identified by the Halibut GHL Committee: (1) drop the GHL; (2) GHL allocation and quota banking measures; (3) other management measures, including line limits, boat limits, annual limits, and trip limits, and (4) a description of the rod permit program used in Oregon. The AP also recommended that the Committee continue to develop moratorium elements, exclusive registration, and other long-term measures.

DISCUSSION/ACTION

Doug Vincent-Lang, ADF&G, reported that the logbooks are now in use in the halibut charterboat fishery; however, the earliest any data may be available will be late fall or early winter.

Linda Behnken moved to approve the AP recommendations (which include the recommendations of the Halibut GHL Committee) for development of an EA/RIR and to request the Halibut GHL Committee

**MINUTES
NPFMC
APRIL 1998**

to provide the Council at their October meeting with elements and options for a moratorium. Also at the October meeting, Council staff would provide a status report on development of the EA/RIR. The motion was seconded by Bob Mace.

By friendly amendment, a control date of April 27, 1998 for participation in the halibut charterboat fleet for a possible moratorium on new entry into the fleet, was added to the motion.

The motion carried without objection.

It was stressed that staff will not be able to do much work on an analysis until inshore-offshore is completed but will report back in October on the project. An initial review document probably will not be available until February 1999. It was also recommended that the control date be published in the Council newsletter as well as in the Federal Register.

SUMMARY

The Council approved development of an analysis of alternatives for management of the halibut charter industry, including an alternative to drop the previously approved guideline harvest limit, and set a control date of April 27, 1998 for participation in the halibut charterboat fleet for a possible moratorium on new entry into the fleet.

C-8 Halibut and Sablefish IFQs

ACTION REQUIRED

- (a) Initial review of IFQ amendments.
- (b) Discussion of Secretarial disapproval of recommendations on transfer to heirs amendment.
- (c) Status report on IFQ fee and loan programs.
- (d) Review of weighmaster proposal. (Postponed)
- (e) Discussion of GOA communities' request for "excess" halibut.

BACKGROUND

- (a) Initial review of IFQ amendments

In December 1997, the Council approved development of four IFQ proposals recommended for analysis by the IFQ Industry Implementation Team from the 1997 call for IFQ proposals. The four proposals for Plan Amendments 54/54 (Item C-8(a)) are:

- (1) Renew IFQ leasing provision.

This proposal would allow B, C, or D category QS holders to lease ten percent of their IFQ holdings across all areas. For the first three years of the IFQ Program, regulations allowed leasing of ten percent of a QS holder's IFQ by area and species. That leasing provision was temporary and sunsetted on January 2, 1998. No leasing of IFQ derived from B, C, or D category QS is currently allowed. This document analyzes a proposal to reinstate a ten percent leasing provision, liberalized to allow a QS holder to lease ten percent of his or her total IFQ holdings across all areas.

Alternative 1: Status quo: allow no leasing of IFQ.

Alternative 2: Allow leasing of up to 10% of a QS holder's total IFQ.

Option A: Renew leasing provision for all areas.

Option B: Renew leasing for the Bering Sea area only.

- (2) **Revise plan language to authorize indirect vessel ownership for hired skipper provisions.**

This proposal would revise the FMP language to allow a QS holder's corporate association to a vessel owner to substitute for a QS holder's vessel ownership for purposes of hiring a skipper to fish the QS holder's IFQ. The language of the FMPs and IFQ implementing regulations currently requires that a QS holder (whether an individual or a corporation or partnership) who wishes to hire a skipper must own the vessel on which the QS holder's IFQ are harvested. In cases where the QS holder is an individual who is a shareholder or partner in a corporation or partnership which owns a vessel, NMFS has allowed the individual QS holder to hire a skipper to fish his or her IFQ on the vessel owned by the corporation or partnership. Likewise, a corporation or partnership holding QS has been allowed to hire a skipper to fish the collectively held QS on a vessel owned by an individual shareholder or partner in the collective entity holding the QS. Interpreted literally, the FMP language requires the person holding the QS to be the documented owner of the vessel. This document analyzes a proposal to revise the current FMP language and pertinent regulations to authorize a QS holder's corporate association with a vessel owner as a substitute for the QS holder's own vessel ownership *per se* for purposes of the IFQ Program's hired skipper provisions.

Alternative 1: Status quo: require that the QS holder wishing to hire a skipper be the named owner of the vessel on USCG vessel documentation.

Alternative 2: Revise FMP language to allow QS holders wishing to hire skippers to establish indirect vessel ownership through corporate ties.

- (3) **Include "dissolution of the corporation or partnership" in the definition of "a change in the corporation or partnership."**

This proposal would revise FMP definition of "a change in the corporation or partnership" to include a dissolution of the corporation. The FMP and IFQ implementing regulations require that upon any change in a corporation or partnership that holds QS, the collectively held QS should transfer to a qualified individual. A "change" in a corporation or partnership is defined as the addition of a shareholder to the corporation or partnership. Nothing in the plan language or regulations explicitly defines a dissolution of the corporation or partnership as a change. As a result, corporations which lose their status as legitimate corporations under applicable laws of incorporation may, unless NMFS is notified that such change has occurred, be erroneously issued annual IFQ deriving from the corporate QS. This analysis reviews a proposal to include "dissolution" as a change in the corporation or partnership.

Alternative 1: Status quo: "a change in the corporation or partnership" will continue to be defined as the addition of a shareholder or partner.

Alternative 2: Redefine "a change in the corporation or partnership" to include "a dissolution of the corporation or partnership."

- (4) **Proposal to express sablefish use limits as a specific number of QS units.**

This proposal would change sablefish use limits from percentage of the total number of QS units to a specific number of QS units. In June 1996, the Council approved a regulatory amendment to increase the Bering Sea (Area 4) halibut use caps from ½ percent to the QS equivalents of 1½ percent based on 1996 QS pool. This amendment also revised the halibut use limits to be expressed as a certain number of QS units rather than as a percentage, in order to provide QS holders with a more stable reference for measuring their holdings against area

MINUTES
NPFMC
APRIL 1998

use caps. This FMP amendment would effect that revision to calculate the sablefish in QS units based on the 1996 QS pool to standardize the application of use caps for both halibut and sablefish fisheries.

Alternative 1. Status quo: sablefish use limits will remain expressed as a percentage of the QS pool.

Alternative 2. Revise the methodology of calculating use caps for fixed gear sablefish from percent to QS units based on 1996 QS units.

(b) Discussion of disapproved regulatory amendment to transfer IFQ privileges to surviving heirs

At its June 1997 meeting, the Council recommended a regulatory amendment to extend the survivorship privileges to heirs of deceased QS holders (Item C-8(b)(1)). On January 28, 1998 NMFS notified the Council that it was withdrawing the proposed amendment because it conflicted with aspects of the emergency transfer provisions to spouses in the BSAI and GOA FMPs (Item C-8(b)(2)). The Council's recommended action appears to nullify the current provisions to transfer IFQs to a surviving spouse on an emergency basis for a period of up to three years. This transfer provision occurs automatically, notwithstanding the legal determination of the legitimate heir.

NMFS staff suggested that if the Council's intent is to give other members of a deceased QS holder's family the same privileges currently afforded to a spouse, an alternative measure might be to recommend allowing a QS holder to designate an individual to whom NMFS might grant emergency transfer privileges in the event of the QS holder's death and in the absence of a spouse. This designation could be filed with RAM.

(c) Status report on IFQ fee and loan programs

On March 26, 1998, NMFS informed the Council that it had approved the North Pacific Loan Program, as submitted by the Council (Item C-8(c)(1)). The IFQ fee collection program, which is the source of funding for the loan program, will not be implemented until 1999 according to NMFS. However, Congress directed \$100,000 to the loan fund for 1998 and loans have been committed from these funds. An update on the loan program status is attached as (Item C-8(c)(2)).

The Magnuson-Stevens Act requires the Secretary to implement a program to recover the management and enforcement costs of the Alaska IFQ and CDQ programs. A NMFS discussion paper that presents a proposal for an IFQ/CDQ cost recovery program will be provided at the meeting. The discussion paper consists of an outline of the elements of the program, and is followed by a full description and brief qualitative analysis of the proposed elements. Some of the key elements include: (1) program objectives, (2) process to establish annual fees, (3) deposits to and disbursements from the Limited Access System Administration Fund, (4) deductions for additional CDQ observer and monitoring costs, and (5) cost recovery program implementation date.

(d) Review of weighmaster implementation plan

This agenda item will be rescheduled for a subsequent meeting.

(e) Discussion of Gulf of Alaska Fisheries Dependent Coastal Communities request for halibut allocation

In February 1998, representatives of the Gulf of Alaska Fisheries Dependent Coastal Communities petitioned the Council to allow them to provide testimony at this meeting on their request for a halibut allocation because of the apparent abundance of halibut stocks. Item C-8(e)(1) provides public response to the proposal for a direct allocation to these communities. An IPHC comment on the issue

of "excess halibut" is attached as Item C-8(e)(2). IPHC staff will also be available to address the Council.

The SSC did not address this agenda item.

Report of the Advisory Panel

The AP recommended the Council send out the analysis for Amendments 54/54 for public review. They did not take up any of the other issues under this agenda item.

DISCUSSION/ACTION

(a) Amendments for Initial Review

Linda Behnken moved to send out for public review the amendment package, with the exception of the leasing option, with final review in October. The motion was seconded by Joe Kyle.

Ms. Behnken pointed out that the leasing option is not a reasonable alternative because it is contrary to the original goal of the IFQ program.

Bob Mace moved to include the leasing option for the public review package. The motion was seconded by Kevin O'Leary and failed, 8 to 2, with Mace and Lauber voting in favor; Mr. Samuelsen was not present for the vote.

Mr. Mace stressed that the public should have the option to comment on all alternatives. Ms. Salveson pointed out that the RAM Division could not handle a leasing provision at this time.

The main motion carried without objection.

(b) Transfer to Heirs

The Council was informed that to accomplish their intent to grant emergency transfer privileges in the event of a quota share holder's death and in the absence of a spouse, a simple beneficiary-type form filed with the RAM Division would suffice; however, a regulatory amendment would be required to change the current regulations. Phil Smith, RAM Division, indicated that a designation form could be included with next year's mailing to IFQ holders.

Linda Behnken moved to initiate analysis of a regulatory amendment to allow each quota share holder to designate an individual to whom NMFS might grant emergency transfer privileges in the event of the quota share holder's death and in the absence of the spouse, such designation to be filed with the RAM Division. The motion was seconded by Joe Kyle and carried without objection. (Mr. Samuelsen was absent for the vote.)

(c) IFQ Fee and Loan Programs

Kim Rivera and Jay Ginter, NMFS-Alaska Region, updated the Council on the status of the fee collection program and the loan program. Collection of data for the fee program is anticipated to begin January 1, 1999, with fee collection anticipated to begin January 1, 2000, although Congress has appropriated \$100,000 for the loan program for 1998.

MINUTES
NPFMC
APRIL 1998

Responding to industry concerns with the elements of the cost recovery (fee) program, Council member O'Leary suggested an informal ad-hoc industry group meet with NMFS to discuss the options. Mr. O'Leary offered to chair the committee.

(d) Strawman Weighmaster Proposal

This agenda item was deferred to a future meeting.

(e) Local GOA Communities' Request for "Excess" Halibut

This issue was postponed until the October 1998 meeting at the request of the proposers.

SUMMARY

The Council released to public review an amendment package which includes alternatives for changes to the halibut and sablefish IFQ program. Three issues will be addressed: indirect vessel ownership for hired skippers; amended language in the definition of a change in the corporation or partnership; and to express sablefish use limits as a specific number of QS units. The Council dropped a fourth proposal to renew the IFQ leasing provision. The Council further requested the development of an analysis, if necessary, for QS holders without a spouse to be allowed to designate a beneficiary with the RAM Division.

D. FISHERY MANAGEMENT PLANS

D-1 Groundfish Amendments with Action Required

(a) *Revise the Annual Specification Process*

ACTION REQUIRED

(a) Final review of Plan Amendments 48/48 to revise the annual specification process.

BACKGROUND

In December 1996, the Council approved development of a plan amendment proposed by NMFS. The objective of this amendment is to streamline the Council's current groundfish quota specification process. ABCs and TACs and PSC amounts would remain unchanged from year to year until revised in a final rule. The proposed change would eliminate several steps, thereby increasing overall efficiency and clarity, without sacrificing public access to information and the opportunity for public participation in the development of the specifications. First, publication of proposed and interim specifications in the *Federal Register* would be eliminated. Second, obsolete references to foreign and joint venture fishery management measures would be omitted from the FMPs. Neither foreign nor Joint Venture (JV) fishing vessels have operated in Alaska waters since 1991, and any discussion of foreign and JV allocations is unnecessary. As a result, the annual specification process would become more succinct and easier to understand. Third, NMFS would be given increased authority to adjust harvest levels on an inseason basis, based on scientific or socioeconomic concerns.

The analysis was made available to the public on March 16, 1998 and mailed to the Council on April 6, 1998. The management alternatives are:

Alternative 1. Status quo.

Alternative 2. Publication of proposed and interim specifications for BSAI and GOA groundfish fisheries would be eliminated. The previous year's specifications are effective until superseded. References to foreign and joint venture fisheries would be deleted from the FMP. Revise in-season closure authority.

Report of the Scientific and Statistical Committee

The SSC expressed support for Alternative 2, to streamline the annual TAC setting process. They noted that this will reduce the workload of NMFS regional staff and stock assessment scientists who prepare the annual preliminary SAFEs and interim TACs. The SSC noted that an essential element of the amendment will be flexibility in the TAC setting process by inseason management authority in those instances where the Council's adopted final TACs vary substantively from the prior year's TAC.

Report of the Advisory Panel

The AP voted unanimously to recommend adoption of Alternative 2.

DISCUSSION/ACTION

Wally Pereyra moved to approve Alternative 2, to streamline the TAC-setting process. The motion was seconded by Dave Benton and carried without objection.

Mr. Benton pointed out that he has some concern regarding the ability of the Regional Administrator to alter PSC and TAC specifications based on socioeconomic considerations. Sue Salveson, as alternate for the Administrator, advised the Council that they have been working on some adjustments in the analysis that would allow some flexibility to deal with the same types of considerations the Council would have, i.e., conservation, overfishing, PSC allocations to maximize the TAC, and to give the Administrator authority to change PSC limits when required. She stressed that these types of adjustments would be made only when necessary, but the flexibility is critical to the new process.

(b-c) BSAI Chinook PSC Revisions; BSAI Pollock Bottom Trawl Ban

ACTION REQUIRED

- (b) Initial review of amendment to minimize BSAI chinook salmon bycatch.**
- (c) Initial review of amendment to prohibit bottom trawls for BSAI pollock fisheries.**

BACKGROUND

The Magnuson-Stevens Act amendments emphasized the importance of bycatch effects on achieving sustainable fisheries. National Standard 9 mandates that conservation and management measures shall, to the extent practicable: (1) minimize bycatch; and (2) to the extent bycatch cannot be avoided, minimize the mortality of such bycatch. In addition, Section 303 of the Act was amended to add bycatch reduction incentives as a discretionary provision of FMPs. This provision reads that any FMP may "include, consistent with the other provisions of this Act, conservation and management measures that provide harvest incentives for participants within each gear group to employ fishing practices that result in lower levels of bycatch or in lower levels of the mortality of bycatch."

To comply with these provisions of the Act, the Council highlighted the need for additional bycatch management measures during the 1997 call for proposals. At the September meeting, the Council

MINUTES
NPFMC
APRIL 1998

initiated development of several of the proposals received. Analyses of two proposals have been completed for initial review at this meeting.

(b) Chinook Salmon Bycatch

One of the proposals approved for analysis was a proposal to lower the chinook salmon bycatch limits that triggers a closure of the Chinook Salmon Savings Areas in the Bering Sea. This proposal, submitted by the Yukon River Drainage Fisheries Association, identified that the current bycatch trigger of 48,000 chinook salmon is inadequate and does not reduce chinook salmon bycatch. Additionally, bycatch of chinook salmon after April 15 does not apply towards the PSC limit that triggers a closure. Three alternatives and two options were examined, and they are the following:

Alternative 1: No Action. Trawling is prohibited in the Chinook Salmon Savings Areas through April 15 upon attainment of a bycatch limit of 48,000 chinook salmon in the BSAI.

Alternative 2: Include salmon taken after April 15 towards the bycatch limit of 48,000 chinook salmon. The Chinook Salmon Savings Areas would close upon attainment of the bycatch limit, whenever this would occur. Hence these areas could close, or remained closed, during the pollock 'B' season.

Alternative 3: Reduce the trigger level to 36,000 chinook salmon in the BSAI. Trawling would be prohibited in the Chinook Salmon Savings Areas through April 15 upon attainment of a bycatch limit of 36,000 chinook salmon in the BSAI.

Option 1 (applicable to Alternatives 2 and 3): Seasonally allocate the PSC limit, such that there are separate triggers for the pollock 'A' and 'B' season.

Option 2 (applicable to Alternatives 2 and 3): Begin accounting towards the PSC limit at the start of the 'B' season (currently September 1), with the amount carried over to the next pollock 'A' season.

An executive summary of the analysis is attached as Item D-1(b)(1).

(c) Pollock Bottom Trawl Prohibition

Another proposal approved for analysis was to eliminate non-pelagic trawling for pollock in the BSAI to reduce halibut bycatch, and examine measures for reducing bycatch in the GOA pollock fishery. This proposal was submitted by the Alaska Marine Conservation Council. Although this action could be taken annually as part of the BSAI TAC specification process, this proposed plan amendment is to make this prohibition a permanent regulation. Two alternatives, with two options, were examined.

Alternative 1: No Action. Allocation of BSAI pollock quota among pelagic and non-pelagic trawl gear types can be established for the next fishing year during the annual specification process.

Alternative 2: Prohibit the use on non-pelagic trawls in the BSAI pollock fishery. Only pelagic trawl gear as defined in regulations could be used by vessels when engaged in a directed pollock fishery. Total bycatch limits for Prohibited Species (including 7.5% CDQ apportionment) would be reduced to reflect this gear prohibition. A regulatory change would be required to split out pollock from the pollock, Atka mackerel/other species category, for purposes of allocating PSC to the pelagic only trawl pollock fishery.

Option 1: Reduce PSC limit for halibut only (50 mt).

Option 2: Reduce PSC limit for halibut (50 mt), red king crab (1,000), C. bairdi crab (10,000), and C. opilio crab (27,000).

An executive summary of the analysis is attached as Item D-1(c)(1).

Report of the Scientific and Statistical Committee

The SSC recommended the analysis to prohibit the use of bottom trawls in the BSAI directed pollock fisheries be released for public review after addressing several specific issues, which are outlined in the SSC Minutes (Appendix II to these minutes). The SSC did not comment on the salmon PSC analysis.

Report of the Advisory Panel

BSAI Chinook Salmon PSC Revisions. The AP recommended incorporating two additional alternatives recommended by Dave Ackley, ADF&G, and that the analysis be revised and provided for additional Council review in June. (See AP Minutes, Appendix IV to these minutes, for specific recommendations for additions to the analysis.)

BSAI Pollock Bottom Trawl Ban. The AP recommend the analysis be released for public review after inclusion of several recommendations. (See AP Minutes, Appendix IV to these minutes, for specific recommendations.)

DISCUSSION/ACTION

Dave Benton moved to approve the AP recommendations with regard to the Salmon PSC analysis, with the following changes:

- **Initial review in October;**
- **Add a requirement for 100% observer coverage on vessels over 60 ft fishing in hot spot blocks;**
- **Analyze the accuracy of current chinook measurement programs, i.e., basket sampling, and provide recommendations for consistency with the MSFCMA, Sec. 313(h) which speaks to the development of measures to ensure total catch measurement in each fishery and ensure accurate enumerations of catch, bycatch, discards, and regulatory discards.**

The motion was seconded by Robin Samuelson.

Steve Pennoyer pointed out that the Council has already asked the SSC to look at the issue of accurate measurement and suggested that Mr. Ackley consult with the SSC subcommittee when preparing that part of the analysis. Mr. Pennoyer also stressed that the analysis should include enforcement issues, including the possible use of transponders.

The motion carried without objection.

With regard to the bottom trawl amendment, Linda Behnken moved to release the document for public review with the additions recommended by the AP and SSC. The motion was seconded by Dave Benton.

It was clarified that the motion did not include the last six items (numbered 1-6) in the AP recommendations.

Wally Pereyra moved to amend to include analysis of the last six recommendations of the AP (numbered 1-6), as time permits in order to release for public review period. The motion was seconded by Dave Fluharty and carried with Behnken objecting.

MINUTES
NPFMC
APRIL 1998

The amended motion, as amended, carried without objection.

(d) *Groundfish Overfishing Definitions*

ACTION REQUIRED

Initial review of amendment to modify the definitions of the overfishing level and acceptable biological catch.

BACKGROUND

National Standard 1 states that conservation and management measures shall prevent overfishing while achieving, on a continuing basis, the optimum yield from each fishery for the United States fishing industry. The Sustainable Fisheries Act (SFA), which amended the Magnuson-Stevens Act in 1996, contained several provisions that affected national standard 1, though the standard itself was not changed. The SFA added a definition of "overfishing" and "overfished," changed the definition of "optimum," required that each fishery management plan specify objective and measurable criteria for identifying when a fishery is overfished and added a section on identifying and rebuilding overfished fisheries.

Last August, NMFS published proposed national standard guidelines in the Federal Register to assist the Councils with amending FMPs to conform with new provisions of the Act. The comment period was reopened in December for further comment, and, as far as I know, the guidelines have not been finalized yet. Nonetheless, all councils are moving ahead with changing their overfishing definitions and establishing rebuilding plans as appropriate.

To bring our groundfish plans into compliance with the new provisions of the Act, Grant Thompson at the Alaska Fisheries Science Center, drafted the EA/RIR under D-1(d) that examines alternative definitions of the overfishing level and acceptable biological catch, in accordance with the proposed rule. This plan amendment proposal considers three alternatives:

Alternative 1: No change. MSY is treated as a target rather than a limit under certain circumstances, no minimum stock size threshold is identified, specification procedures can be inconsistent depending on information level, and uncertainty in projected and reference stock sizes is not addressed.

Alternative 2: Modest change. MSY is consistently treated as a limit rather than a target, a minimum stock size threshold is identified, uncertainty in projected and reference stock sizes is addressed, and specification procedures are consistent *given a sufficient* information level.

Alternative 3: Substantial change. MSY is consistently treated as a limit rather than a target, a minimum stock size threshold is identified, uncertainty in projected and reference stock sizes is addressed, and specification procedures are consistent *regardless of* information level.

Grant Thompson will be on hand to present the results of the analysis. We need to send the analysis out for public review and then schedule final action for June.

Report of the Scientific and Statistical Committee

The SSC recommended a substitute Alternative 2 and that Alternative 3 be dropped from the amendment package. The substitute alternative as well as extensive comments are found in the SSC Minutes (Appendix II to these minutes).

The Advisory Panel did not address this agenda item.

DISCUSSION/ACTION

Linda Behnken moved to send the document out for public view after modifications indicated by the author, Grant Thompson, and those suggested by the SSC are incorporated. The motion was seconded by Dave Benton and carried without objection.

Ms. Behnken clarified that her motion included all of the SSC's recommendations, including the suggestion that that work continue on Alternatives 2 and 3 for consideration in a later amendment package.

(e) *Seasonal/Area Apportionment of Atka Mackerel*

ACTION REQUIRED

Initial Review of an amendment to further apportion the Atka mackerel TAC in the Aleutian Islands.

BACKGROUND

In 1990, the Steller sea lion was designated as threatened under the ESA. Critical habitat was designated in 1993 and includes marine areas within 20 nm of all rookeries and major haulouts west of 144°W. In 1997, the species was split into two separate management populations on the basis of genetics information. The listing status of the western population (i.e., west of 144°W longitude) was changed to endangered while the status of the eastern population remained as threatened. The western population of Steller sea lions (i.e., west of Cape Suckling or 144°W longitude) has declined by 80% or more since the mid 1960s.

Since most of the recent fishery removals of Atka mackerel occur within Steller sea lion critical habitat, preliminary analyses have suggested that the fishery is capable of creating localized depletions of an important Steller sea lion prey where sea lions are likely to forage. The purposes of this proposed action are to reduce the probability of fishery-induced localized depletions of Atka mackerel and reduce the probability of adverse modification of Steller sea lion critical habitat as required by the ESA. Several alternatives were examined.

Alternative 1: No Action: no change in management of the fishery.

Alternative 2: Seasonal A:B split (50%:50%) in TAC.

Alternative 3: Seasonal A:B split (50%:50%) in TAC, plus additional split of TAC to subareas inside and outside of Steller sea lion critical habitat. Possible variations include:

Critical habitat split (e.g., 40% inside: 60% outside), in areas 542 and 543 during both seasons. Area 541 would not be split for critical habitat because of the 20-nm no-trawl zone during the A season.

Critical habitat split as described in option 1, but split achieved in incremental annual changes (e.g., 10-20% per year) from current split (about 80% inside: 20% outside) to target split.

Critical habitat split of 0% inside: 100% outside.

Alternative 4: Seasonal split in all three regulatory areas, if necessary, and critical habitat split in areas 542 and 543 only, plus setting of maximum TAC in any season-area based on estimates of initial biomass from Leslie regression analyses and application of a target harvest rate.

**MINUTES
NPFMC
APRIL 1998**

Alternative 5: Seasonal split and geographic rotation. Establish TAC for each regulatory area, begin with a time-limited season (e.g., 5 days) for 1/3 of TAC in regulatory area 541, then close area 541 and move to area 542 for a second time-limited season on 1/3 of TAC for that area, and then shift to area 543. When all three areas were fished, then return to area 541 and start the cycle again.

Alternative 6: Voluntary fleet distribution of effort throughout regulatory areas throughout year.

An executive summary of the analysis is attached as Item D-1(e)(1). Tim Ragen (NMFS-AKRO) will be on hand to discuss his results.

Report of the Scientific and Statistical Committee

The SSC advised it could not endorse releasing the analysis for public review at this time. SSC members felt the draft document is missing several sections and only preliminary analyses of the suggested alternatives. They suggested that a clear problem statement would facilitate the analysis and evaluation of alternatives. Recognizing that the Council may wish to have some management measure in place for the 1999 fishing season, the SSC recommended the Council consider an interim measure with a one-year sunset to address localized depletion concerns and allow time for a more thorough analysis of the proposed amendment.

Report of the Advisory Panel

In light of the SSC recommendation, the AP also recommended against sending the document out for public review at this time. They had several recommendations for changes to the analysis (see AP Minutes, Appendix IV to these minutes), and suggested the Council implement interim measures or take emergency action for 1999.

DISCUSSION/ACTION

Dave Benton moved the following:

Problem statement: There are concerns relating to the potential effects on Steller sea lions arising from removals of Atka mackerel from waters within Steller sea lion critical habit areas. The Council and NMFS may need additional management measures to address these concerns. Therefore, the Council seeks to institute management measures if warranted to address concerns regarding potential depletion of Atka mackerel in Steller sea lion critical habitat in BSAI management areas 541, 542, and 543.

In addition, release the EA/RIR for public review subject to the following:

- (1) Provide the information requested by the AP (items 1 and 2 of the AP minutes, page 6.)**
- (2) Provide BSAI-specific data on sea lion movements and foraging. Where data are from other regions, that should be noted.**
- (3) Limitations on data should also be noted and discussed and the issues raised by the SSC should also be addressed.**
- (4) Modify Alternative 4 to read:**

Seasonal split in all three regulatory areas, or in critical habitat in management areas 542, 543, or both, plus setting of maximum TAC in any season/area based on estimates of initial biomass and application of a target harvest rate.

The motion was seconded by Steve Pennoyer.

It was noted that the document would be released for public review but if in June the Council decides it is not yet complete, they can defer action at that time. There was discussion of two peer review documents provided to staff and Council; these will be appended to the analysis as appendices. In addition, Capt. O'Shea stressed the importance of analyzing enforcement issues, including possible use of VMS systems by vessels engaging in the fishery.

The motion carried, 8 to 2, with Mace and Pereyra voting against. Robin Samuelson was not present for the vote.

SUMMARY

The Council released for public review four analyses for changes to the groundfish fishery management plans: (1) a proposal to streamline the annual setting of total allowable catch; (2) a proposal to ban bottom trawling in the BSAI pollock fishery; (3) a proposal to review the overfishing definitions; and (4) a proposal for seasonal and/or area apportionment of Atka mackerel. A fifth analysis, alternatives for revisions to the BSAI chinook salmon prohibited species catch limits, was held for further revisions and will be reviewed in October.

D-2 Groundfish Issues for Discussion

ACTION REQUIRED

- (a) **Western/Central Gulf Management Committee report.**
- (b) **Pollock density specifications.**
- (c) **IR/U Committee report.**
- (d) **Draft groundfish SEIS status report.**

(a) Western/Central Gulf Management Committee report

As a result of Council action on the stand-down and vessel registration program in February 1998, the Council modified the mandate and membership of the Gulf Trip Committee. The new Western/Central Gulf Management Committee's charge is to address management of at-risk fisheries in the Western and Central Gulf, specifically pollock and Pacific cod. The Council has tasked the committee with identifying possible management solutions for analysis. The committee met on Wednesday, April 1, 1998. Chairman Al Burch will present the committee recommendations (Item D-2(a)).

(b) Pollock density specifications

At its February 1998 meeting, NMFS informed the Council that it had revised pollock density rates used by observers for the 1998 pollock fishery to 0.98 mt/m³ for bin volumes and 1.02 mt/m³ for codend volumes. The rate used in 1997 was 0.93 mt/m³, based on estimates from the 1992 fishery, now known to be inaccurate. This change affects only the offshore sector (since onshore is monitored through plant delivery weights).

If the 1998 density factor had been applied in 1997 the reported pollock harvest would have been 2% higher. NMFS informed the Council that it would delay implementation of the revised rate until the 1998 pollock B season due to concerns about public notification (Item D-2(b)(1)). NMFS Observer Program staff has responded formally to ADF&G and industry comments (Item D-2(b)(2)) and are available to discuss this issue further with the Council.

NMFS distributed two reports related to this issue at the February meeting: AFSC Processed Report 97-07, "Evaluation of haul weight estimation procedures used by at-sea observers in pollock fisheries off Alaska" (with a red cover) and "Determination of Catch Quantity and Composition in the Federal Fisheries off Alaska." Limited copies of these reports are available on request.

MINUTES
NPFMC
APRIL 1998

(c) IR/IU Committee report

The Improved Retention/Improved Utilization program was implemented with the 1998 groundfish fisheries. The IR/IU Implementation Committee met on March 12-13, 1998 to discuss a range of program implementation issues identified by NMFS staff and committee members. Implementation issues are described in a NMFS discussion paper attached to the minutes (Item D-2(c)(1)). NMFS clarified two implementation issues via information bulletins following the meeting (Item D-2(c)(2)). Chairman Joe Kyle will present the committee recommendations.

(d) Draft Groundfish SEIS status report

Tamra Faris, NMFS, will provide a status report on the draft Groundfish Supplemental Environmental Impact Statement. It was prepared so the federally managed groundfish fisheries are more fully in compliance with NEPA, given more than 50 amendments to each of the BSAI and GOA FMPs.

Report of the Scientific and Statistical Committee

The SSC only addressed the issue of pollock density factors. The SSC concurred with NMFS's finding that, after additional analysis of data from the research conducted on the F/V American Triumph, the new density factors are applicable to operational fisheries.

The Advisory Panel did not address any of these agenda issues due to a lack of time.

DISCUSSION/ACTION

(a) *Western/Central GOA Management Committee Report*

The Council received a full, written, committee report with their meeting materials. The Committee identified its goal as developing options for management of 'at risk' fisheries in the Western/Central Gulf of Alaska, and developed the following problem statement:

Western/Central Gulf Committee Problem Statement

In recent years, several BSAI and GOA fisheries have been at risk of exceeding their specified total allowable catch (TAC) or prohibited species catch (PSC) limits. The fisheries that are at risk are characterized as:

- (a) Fisheries that are short in duration, usually less than two weeks, with TACs that are small relative to the fishing effort.
- (b) Longer fisheries that are subject to sudden increase and unpredicted effort from other catcher fleets.
- (c) Fisheries in which some gear types get earlier start dates than others.

The effects of the pending License Limitation Program are expected to have a great impact, potentially doubling the fleet in these fisheries. Unknown, but perceived, negative effects are anticipated by adding additional effort in these fisheries.

The GOA fleets in local communities face huge competition in these short (24 hours to two weeks long) fisheries, and preemption by other fleets need to be addressed.

The harvesting effort must be contained in order to preserve the balance in these fisheries, and significant measures are justifiably required.

The Committee identified pollock and cod as the species of high priority to address, with the second trimester pollock season as the highest, and the Pacific cod fishery in Area 610 in January as the next highest in priority.

The Committee came to consensus on the following three recommendations: (1) review trimester allocations and reapportion pollock into 'A' and 'B' seasons, as occurs in the Bering Sea; (2) initiate a regulatory amendment for a January 20 opening in Area 610-640 for longline and trawl fisheries; (3) initiate an amendment to the stand-down program so that the stand-down would not be based on a calendar year.

Linda Behnken moved to initiate analysis of two regulatory amendments: to review trimester allocations and reapportion pollock into 'A' and 'B' seasons, and to examine a fair start opening on January 20 in Areas 610-640 in the Gulf of Alaska longline and trawl fisheries. The motion was seconded, and carried without objection.

During discussion, Sue Salvesson pointed out that NMFS has established a workgroup to address the issue of Steller sea lions and that the first issue, reapportioning pollock in 'A' and 'B' seasons, may not be necessary. She recommended, and the Council concurred, that this issue be referred to the marine mammal working group.

With regard to initiating work on the new analysis, it was stressed that staff time will not be available until at least this fall, perhaps October.

Ms. Behnken requested that a representative of the cod freezer longliner industry be added to the Gulf Committee, and recommended that marine mammal and enforcement staff should also participate in the committee's meetings.

(b) Pollock Density Factors

Responding to industry concerns, NMFS conducted additional analyses of data obtained from the F/V American Triumph on pollock density factors used to estimate total catch weight from catch volumes. As a result of the addition analyses, Steve Pennoyer advised the Council that the agency considers the new factors appropriate and will use them for the remainder of 1998 and in the future.

(c) IR/IU Committee Report

The Council received a full, written report from the IR/IU Committee.

Earl Krygier moved to approve the following committee recommendations for analysis and/or NMFS review: (1) increase the percent of roe that can be retained against round-weight equivalent of pollock catch in the Aleutian Islands from 7 to 8%; (2) the roe-stripping regulations should be combined with the IR/IU regulations into a uniform set of regulations to eliminate redundancy; and, (3) allow discards of adulterated fish. The motion was seconded and carried without objection.

The Council also adopted the following recommendations for NMFS consideration in improving the effectiveness of the IR/IU program:

- Add a product recovery rate (PRR) code to the NMFS primary and ancillary product list for pollock kirimi (e.g., tail-cut, mid-cut) and other new product forms being developed. The committee, or a subcommittee, should review the NMFS product codes for recommendations on other revisions where appropriate.

**MINUTES
NPFMC
APRIL 1998**

- Track and routinely report regulatory discards of IR/IU species which are separate from IR/IU fish that are not retained because they are: adulterated fish, research fish, discarded for safety reasons, consumed onboard or used as bait. NMFS should also routinely report on the amount of retained product (formerly discarded) going into meal as a primary product and create a reporting category to track the amount of fish going into meal, if the data are available at year-end, to determine the amounts of bycatch being avoided or ground into meal.
- Define a product code(s) for fish that are adulterated and allow such fish to be discarded from trawl and fixed gear to distinguish them from regulatory and economic discards.
- Do not count catch used as bait or consumed by the crew as “discards.”
- Examine the ‘blend’ methodology used to determine whether the observer or weekly product reports (WPR) catch estimate will be used by NMFS to calculate removals. A return to random sampling for estimating catch composition by observers may solve this problem.
- Examine whether retention of excess fish could be done under these circumstances without subjecting these catcher vessels to observer coverage requirements.

Sue Salveson stressed that NMFS will follow through on the analyses and recommendations as soon as staff time is available to do so.

(d) Draft Groundfish SEIS: Status Report

This issue was not addressed by the council at this meeting.

D-3 Scallop Overfishing Definition

ACTION REQUIRED

Initial review of an amendment to revise definitions of overfishing, MSY, and OY for the Alaska Scallop FMP.

BACKGROUND

National Standard 1 states that conservation and management measures shall prevent overfishing while achieving, on a continuing basis, the optimum yield from each fishery for the United States fishing industry. NMFS published proposed National Standard guidelines in the Federal Register on August 4 to assist the Councils with amending FMPs.

An EA/RIR was drafted to examine alternative definitions of overfishing, maximum sustainable yield (MSY), and optimum yield (OY) for the Alaska scallop fishery, in accordance with the proposed rule. Two alternatives were considered:

Alternative 1: Status Quo. The current MSY, OY, and overfishing definitions would not be revised.

Alternative 2 : Redefine overfishing, OY, and MSY, and update the FMP with additional information on bycatch data collection. The definitions proposed under Alternative 2 for weathervane scallops are more conservative than currently in the FMP. The current OY is 0 - 1.8 million pounds, and the overfishing definition is simply landings exceeding OY. The

proposed amendment would reduce OY to a maximum of 1.24 million pounds, establish MSY at 1.24 million pounds, and establish overfishing based on fishing mortality rates for weathervane scallops. OY, MSY, and overfishing would not be established for pink, spiny, or rock scallops as these are undeveloped fisheries that are managed through ADF&G via special permit.

The EA/RIR is included in the briefing books as Item D-3(a).

Report of the Scientific and Statistical Committee

The SSC recommended the analysis be released for public review. The SSC noted the discrepancy between the groundfish FMP and proposed scallop definitions of overfishing, MSY, and OY. The definitions for similar levels of information (i.e., Tier 5 under the groundfish FMP for two scallop stocks and Tier 6 for all other scallop stocks) were more conservative using the groundfish FMP calculations than using the scallop team's methodology. The SSC recommended that in the future the scallop team examine reconciling their approach with that of the groundfish team.

The AP did not address this agenda item.

DISCUSSION/ACTION

Linda Behnken moved to release the analysis for public review, incorporating comments from the SSC. The motion was seconded by Joe Kyle and carried without objection.

D-4 Crab Overfishing Definition

ACTION REQUIRED

Initial review of an amendment to (1) revise definitions of overfishing, MSY, and OY for the BSAI King and Tanner Crab FMP, and (2) update the FMP.

BACKGROUND

National Standard 1 states that conservation and management measures shall prevent overfishing while achieving, on a continuing basis, the optimum yield from each fishery for the United States fishing industry. The Sustainable Fisheries Act (SFA), which amended the Magnuson-Stevens Act in 1996, contained several provisions that affected national standard 1, though the standard itself was not changed. The SFA added a definition of "overfishing" and "overfished," changed the definition of "optimum," required that each fishery management plan specify objective and measurable criteria for identifying when a fishery is overfished and added a section on identifying and rebuilding overfished fisheries.

Last August, NMFS published proposed national standard guidelines in the Federal Register to assist the Councils with amending FMPs to conform with new provisions of the Act. The comment period was reopened in December for further comment, but the guidelines have not been finalized yet. Nonetheless, all councils are moving ahead with changing their overfishing definitions and establishing rebuilding plans as appropriate.

The Crab Plan Team has prepared an EA/RIR to bring our Crab FMP into compliance with the new provisions of the Act. The EA/RIR examines alternative definitions of the overfishing level, OY, and MSY in accordance with the proposed rule. Two alternatives were considered:

Alternative 1: Status Quo. No revisions to the current MSY, OY, and overfishing definitions would be made, and the FMP would not be updated.

MINUTES
NPFMC
APRIL 1998

Alternative 2 : Redefine overfishing, OY, and MSY, and update the FMP. Updates to the FMP include general housekeeping as well as clarifying language on license limitation implementation schedule.

A draft executive summary of the analysis is attached as Item D-4(a). Peggy Murphy and Bob Otto will be on hand to present the results of the analysis. We need to send the analysis out for public review and then schedule final action for June.

Report of the Scientific and Statistical Committee

The SSC recommended the analysis be released for public review pending minor modification. The amendment specified point estimates of MSY; the SSC believes that it is preferable to specify only the procedure that will be used to estimate MSY because of the tendency for crab stocks to be volatile. The SSC also requested that examples illustrating methods that will be used to make annual overfishing determinations be included in the document and the connections between overfishing and MSY calculations and calculation of guideline harvest levels clarified. Additionally, as with the scallop overfishing definition, the SSC noted the discrepancy between the proposed crab definitions of overfishing, MSY and OY and the groundfish FMP and recommended that in the future the crab team examine reconciling their approach with that of the groundfish team.

The AP did not address this agenda item.

DISCUSSION/ACTION

Linda Behnken moved to release the analysis for public review, incorporating comments from the SSC. The motion was seconded by Joe Kyle and carried without objection.

D-5 Salmon Overfishing Definition

ACTION REQUIRED

Initial Review of an amendment to revise the definitions of overfishing, MSY, and OY for the Salmon FMP.

BACKGROUND

The Magnuson-Stevens Act changed the definition of optimum yield and overfishing. The NMFS issued guidelines (published in the Federal Register on August 4) for the Councils to amend their plans to meet these provisions for National Standard 1. National Standard 1 states that conservation and management measures shall prevent overfishing while achieving, on a continuing basis, the optimum yield from each fishery for the United States fishing industry.

An analysis was prepared to examine alternative definitions of overfishing, maximum sustainable yield (MSY), and optimum yield (OY), in accordance with the proposed rule. Several alternatives were considered including establishment of minimum spawning escapement goals, optimum spawning escapement goals, a maximum exploitation rate, and updated management policies. Of these alternatives, only the policy change was deemed to be a reasonable alternative for mixed stock salmon fisheries. Hence, the alternative examined were as follows:

Alternative 1: Status Quo. Do not revise the FMP with new definitions for overfishing, MSY, and OY.

Alternative 2 : Update FMP with new Magnuson-Stevens Act language and State management policies regarding overfishing, optimum yield, and maximum sustainable yield. Since the last time the FMP was amended to define overfishing, the Alaska Board of Fisheries has further refined their policy on sustained yield and rebuilding of depressed salmon stocks.

An Executive Summary of the analysis is attached as Item D-5(a).

Report of the Scientific and Statistical Committee

The SSC recommended the analysis be released for public review.

The Advisory Panel did not address this agenda item.

DISCUSSION/ACTION

Linda Behnken moved to release the analysis for public review. The motion was seconded by Earl Krygier and carried without objection.

E. FINANCE COMMITTEE REPORT

The Finance Committee met on April 23, 1998 and approved the final administrative budget for 1998. The Committee declined to support a proposal from Alaska Fisheries Development Foundation for \$25,000 to fund a documentary on pollock escapement from trawls because of other priorities for funds. The Committee also recommended that the NOAA requirement that work contracted under research contracts must be completed by the end of the year in which contracted be put on the Council Chairmen's meeting agenda. This restriction significantly impedes the Council's ability to get necessary contract research completed in accordance with Council decision deadlines.

Bob Mace moved to approve the recommendations of the Finance Committee. The motion was seconded by Joe Kyle and carried without objection.

F. PUBLIC COMMENTS

Mr. Brad Faulkner, Alaska Custom Seafoods, submitted a written request and appeared before the Council regarding the mandatory six-hour notice of landing under the IFQ program. In Homer, where his business is located, there is only one confined area where ships dock and enforcement is not a problem. The problem with the six-hour notice is that often buyers are changed after the notice has been given, and enforcement is re-starting the six-hour clock from that time. This causes several problems, including long working days in order to find the buyers and wait another six hours to offload and product freshness and quality. Efforts to work with the local enforcement people have been less than successful. Council members indicated they would advise Steve Meyer, Chief NMFS Enforcement Officer, of the situation.

G. ADJOURNMENT

The Chairman adjourned the meeting at approximately 12:52 p.m. on Monday, April 27, 1998.