

North Pacific Fishery Management Council

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Certified Richard B. Lauber
Chairman

Date 9/27/92

MINUTES

**102nd Plenary Session
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
June 23-28, 1992
Centennial Building
Sitka, Alaska**

The North Pacific Fishery Management Council met June 23-28, 1992 at the Centennial Building in Sitka, Alaska. The Advisory Panel and Scientific and Statistical Committee began on June 21. The Finance Committee also met during the week. The following members of the Council, staff, SSC and AP attended the meetings.

Council

Richard Lauber, Chairman
Donna Darm for Joe Blum
CDR Joe Kyle for RADM Ciancaglini
Larry Cotter
Oscar Dyson
Bob Mace for Randy Fisher
Ron Hegge

Robert Alverson, Vice Chair
Henry Mitchell
Dave Hanson
Steve Pennoyer
Wally Pereyra
Clem Tillion for Carl Rosier

NPFMC Staff

Clarence Pautzke, Executive Director
Judy Willoughby
Jim Cornelius
Brent Paine
Marcus Hartley

Chris Oliver
Russ Harding
Helen Allen
Gail Peeler
Regina Stewart

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Support Staff

Earl Krygier, ADFG
Ray Baglin, NMFS-AKR
Sue Salveson, AFSC
Jessie Gharrett, NMFS-AKR
Loh-Lee Low, NMFS-AFSC
David Benton, ADFG
Ron Berg, NMFS-AKR
Galen Tromble, NMFS-AKR
Joe Terry

Dave Flannagan, NMFS-AKR
Jay Ginter, NMFS-AKR
Lisa Lindeman, NOAA-GC
Ken Griffin, ADFG
Bill Nippes, ADFG
Russ Nelson, AFSC
Mort Miller, NMFS
Sam Herrick, NMFS

Scientific and Statistical Committee

Terry Quinn, Vice Chair
Bill Clark, Administrator
Bill Aron
Doug Eggers
Larry Hreha
Dan Huppert

Richard Marasco
Marc Miller
Don Rosenberg
Jack Tagart
Phil Rigby for Gordon Kruse

Advisory Panel

Dave Fraser, V. Chairman
John Bruce
Al Burch
Phil Chitwood
Dan Falvey

Spike Jones
Pete Maloney
Penny Pagels
Perfenia Pletnikoff
John Roos

John Sevier
Harold Sparck
Michael Stevens
Beth Stewart

General Public

Approximately 100 people attended the meeting. The following members of the public signed the attendance register:

Chuck Meacham
Bruce Weyhrauch
Mark Kandianis
Michael Lake
Kevin O'Leary
Alexander Galanin
Jack Crowley
Don Zonder
Thorn Smith
Brian Bigler
Arni Thomson
Carolyn Nichols
Bruce Cotton

Randy Nichols
Linda Behnken
Kate Graham
Mark Young
Jay Skordahl
Tory O'Connell
Denise Fredette
John Dooley
John Walsh
Robert Czeisler
Stanley Hovik
Doug Christensen
Steve Hughes

David Stanchfield
Gary Haugen
Shari Gross
Tom Dyer
Tyson Vogeler
Ole Mathisen
Sen. Fred Zharoff
Barbara Zharoff
James Salisbury
John Dolese
Alice Zellhuber
Chris Blackburn
John Iani

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Steve Davis
Sally Bibb
M. Atterberry
Gary Westman
Steve Finley
Greg Baker
Andy Hollenbeck
Laurie Williams
Gordon Blue
Phil McCrudden

George Eliason
Kris Norosz
Dave Benson
Bernt O. Bodal
Greg Cushing
Claire Cochran
Herman Davis, Sr.
V. Curry
Steve Beasley
Forrest Dodson

Ben James, Sr.
Dem Cowles
John Dapcevich
Jeff Stephan
Gary Mikkelson
Donna Parker
Joe Plesha
Julie Butler Doggett
Tim Doggett
Jery Dzugan
Paul MacGregor

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

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

Chairman Lauber called the meeting to order at approximately 1:10 p.m. on Tuesday, June 23, 1992. It was noted that Council members Mace and Mitchell were not present. (Both arrived shortly after the meeting began.)

Agenda. Larry Cotter asked that a discussion of CDQs be put on the agenda explaining that he felt some items need clarification. It was noted that CDQs would be included under the ADFG report, Agenda item B-2. The agenda was approved as submitted.

Minutes of Previous Meeting. Council members received draft minutes of the April 1992 meeting and were asked to submit any comments for change within two weeks.

B. REPORTS

B-1 Executive Director's Report

Shark Management Plan. The Council received a request recently for the Council to consider a shark management plan. After discussion, the Council instructed the Executive Director to respond in similar terms as the Pacific States Marine Fisheries Commission's response--that no shark management plan is necessary at this time in the EEZ off Alaska.

Internal Waters JV Request. Information only. The Council received a notice from the State of Alaska requesting comments on an internal waters joint venture application. The Council had no comment on the application.

Industry Trip to Washington, DC on Budgets. Bob Alverson reported on the recent industry trip to Washington to meet with legislators and aides on 1993 funding. A written report was provided in Council notebooks.

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B-2 ADF&G Report

Because of time constraints, the Council received only a written report from ADF&G. The report summarized the current status of the Bering Sea king and Tanner crab fisheries, the troll salmon fishery, and demersal shelf rockfish management.

B-3 NMFS Management Report

Ron Berg reported on the current status of the fisheries, closures, and upcoming openings. He also reported on current rules and regulations in progress:

- Action has been taken to extend the bycatch emergency rule, which expires on July 2, in anticipation of the implementation of Amendment 19/24.
- A regulation that would allow the apportionment of part of the hook and line PSC allowance directly to the demersal rockfish fishery should be in effect by mid-July. This regulation would also establish a 1% directed fishing standard by a vessel using trawl gear.
- The "donut hole" rule which would prohibit a vessel that has a federal permit from fishing the donut hole may have to go out for proposed rulemaking instead of under the foreign affairs exemption final rule. If the proposed rulemaking process is used, the regulation probably will not go into effect until 1993.
- The "299" regulations to control Russian joint ventures, to be filed under the foreign affairs exemption, is still in the process of being prepared and could be filed as a final rule in the near future.
- The Regional Office is also working on two regulations which will control the landing of prohibited species, including undersized halibut, not only from Russian waters but from anywhere seaward of the EEZ. This could be in effect as early as the latter part of 1992, or possibly early 1993.

Ron Hegge asked whether there is any regulation that will prohibit longline gear being in the water prior to the upcoming sablefish opening. Mr. Berg responded that there is no regulation at this time but it is something NMFS is concerned about. Under current circumstances sablefish fishermen could set their gear, ostensibly fishing for rockfish, and be able to bring in their first load of sablefish immediately after the opening. Mr. Hegge suggested there should be some way of clarifying for the fleet what the rules are. Mr. Berg responded that NMFS is planning to circulate a notice to industry regarding the regulations. NMFS will also pursue a regulation to address this issue for future openings, possibly a rule to have gear out of the water prior to a sablefish opening.

On the following day of the meeting Steve Pennoyer read a news release on this subject which clarified for industry that hook and line gear to be used for directed fishing for sablefish at the June 28 opening may not be deployed prior to 12:00 Noon on that date. Hook and line gear deployed prior to that time may not be used to retain sablefish in excess of the current bycatch limitation.

Bob Alverson expressed concern whether this would be adequate notice, saying he had received different information from enforcement officials in the past week.

B-4 Enforcement Report

The Council received written reports from NMFS and the Coast Guard on enforcement activities since the last Council meeting. The Council also received the 1991 NMFS Enforcement Annual Report. During the reporting period April 1-June 1, 1992, NMFS reported a total of 77 investigations opened, 50 of those independent of the Coast Guard; 19 of those cases originated from the observer program. Forty-two cases were closed during the reporting period.

Dave Flannagan, NMFS Enforcement, Alaska Region, reported that their ability to deal with routine cases continues to be thwarted by the continuing accrual of more complex criminal and civil investigations. NMFS has been seeking assistance from other regions and is recruiting for more agents.

The Coast Guard reported two major cases during the period: invalidation of USCG documentation for the fishing vessel ALASKA VENTURE, based on evidence of foreign control. On May 11, the catch of fishing vessel SARA DAWN was seized when it was determined that the vessel was fishing in federal waters without a federal permit. The catch was sold and the case forwarded to NMFS. Coast Guard report also included a listing of significant aircraft sightings, a list of 21 vessels boarded and found to have violations, and a list of over 160 vessels boarded where no violations were found (some of these boardings were for the same vessel at different times during the reporting period).

C. NEW OR CONTINUING BUSINESS

C-1 Moratorium

In April the Council approved the Moratorium EA/RIR for public review. At this meeting the Council was scheduled to take final action on the proposed moratorium after reviewing public comments. The Council received an assessment of some of the plan's features from NOAA General Counsel Jon Pollard and a report from the Moratorium Committee.

Report of the Moratorium Committee

The following is a summary of Moratorium Committee comments and recommendations:

Qualifying Period. The Committee concluded that verification and equity problems created by basing eligibility on the original control date language would be very difficult to overcome. From the perspective of implementation, the Committee recommended the Council select a clear and unambiguous cut-off date.

Length of Moratorium. The Committee suggested it may be useful to clarify the timing or process under which an individual fishery is removed from the moratorium if open access in that fishery is replaced with a permanent limited access program.

Crossovers During Moratorium. The Committee had no further comment on this element.

Replacement or Reconstruction of Vessels During the Moratorium. Consistent with their earlier suggestions, the Committee recommended that vessel length serve as the standard for prescribing allowable changes in a vessel with no further restrictions on width, height, hold, horsepower, etc.

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However, the Committee advised that the existing length of the vessel should not be allowed to be exceeded as a result of replacement or reconstruction under the moratorium.

Replacement of Vessels Lost or Destroyed During the Moratorium. The Committee recommended adoption of the same criteria for defining capacity and allowable changes as recommended under "Replacement or Reconstruction of Vessels During the Moratorium."

Replacement of Vessels Lost or Destroyed Before the Moratorium. Although the Committee had no specific recommendation on which option to approve, they recommended that the same criteria mentioned above be used regarding defining capacity and allowable changes. They also recommended that a vessel could only be replaced once under this provision, and within two years of the implementation of the moratorium. A standard definition of "lost or destroyed" should be adopted, possibly the terminology used by the Coast Guard. The Committee also noted that it is their perception that the vessel's federal fishing permit holder would maintain replacement rights, even if ownership passes to an insurance company in the event a vessel is destroyed.

Small Vessel Exemption. The Committee noted that while exempting small vessels may simplify implementation and administration, it appears that such an exemption would be contrary to the Council's moratorium objectives.

Disadvantaged Communities. The Committee found little rationale for creating a blanket exemption for disadvantaged communities and noted that an appeals process would be available for considering individual cases.

Minimum Qualifying Poundage. The Committee had no further recommendations.

Applicable Sectors of the Industry. The Committee had no further recommendations.

Appeals. For purposes of consistency and expedience, the Committee suggested that a single hearing officer could operate more efficiently than a hearing board; however they suggested that a board be established to review those appeals referred by the hearing officer that require more than a routine application of the regulations.

Halibut and Sablefish Fixed Gear Vessels. The Committee recommended that halibut and sablefish fixed gear vessels be included in the moratorium until those fisheries are effectively brought under the IFQ program.

Report of the Scientific and Statistical Committee

The SSC reiterated their view of the moratorium as a temporary, interim measure, not as a solution to problems of overcapacity or economic inefficiency. The SSC noted that an expansion of harvesting capacity beyond levels that existed during any of the qualifying periods is possible under both alternatives specified in the moratorium, although Alternative 1 does limit the number of larger vessels in the fishery. The SSC concurs with the Moratorium Committee that vessel length serve as the standard for determining allowable changes to a vessel, recognizing that only restricting length of replacement vessels will not effectively control harvesting capacity of the fleet. The SSC also noted that if an exemption for vessels under 61 feet is approved, a large increase in capacity could occur.

Report of the Advisory Panel

The Advisory Panel recommended the Council proceed with a moratorium, with the following recommendations (for more detailed discussions, see AP Minutes, Appendix II):

- Adopt January 1, 1976 as the beginning date for the qualifying period, and February 9, 1992 as the ending date for the qualifying period.
- That the length of the moratorium be "until the Council rescinds or replaces; not to exceed 4 years from date of implementation, but Council may extend for 2 years if a permanent limited access program is imminent."
- Accepts the proposal not to restrict crossovers during the moratorium.
- Agrees with the Moratorium Committee's recommendations regarding length and capacity.
- No allowance for increase in length in replacement or reconstruction of vessels during the moratorium with some exceptions (see AP Minutes).
- Allow replacement of vessels lost or destroyed during the moratorium up to the original overall length (see AP Minutes for caveats to this recommendation).
- The right to replace a lost or destroyed vessels should reside with the current federal groundfish permit holder.
- Exempt vessels of 32 feet or less from the moratorium.
- Vessels used by disadvantaged communities would be exempt from the vessel moratorium only with respect to those fisheries designated by an applicable community development quota.
- Require no minimum qualifying poundage.
- Apply the moratorium only to harvesting vessels.
- Establish an appeals board as described in the EA/RIR.
- Halibut and sablefish fixed gear vessels would be included in the moratorium until those fisheries are effectively brought under the IFQ program.

COUNCIL DISCUSSION AND ACTION

Council members expressed their desire to proceed with a simple, interim program for the moratorium in order to concentrate effort on a long-range rationalization program for the fisheries. Most favored a strict moratorium realizing, however, that keeping it simple would alleviate major implementation and administrative problems and possible legal challenges. Council members, working from the draft proposal revised at the April meeting and circulated for public comment, reviewed each element of the plan, choosing a preferred alternative. The final moratorium motion included the following components:

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1. Qualifying Period. In order to qualify, a vessel must have made a reported landing in one of the designated moratorium fisheries during the period beginning January 1, 1980, and ending February 9, 1992.
2. Length of Moratorium. Until Council rescinds or replaces; not to exceed 3 years from date of implementation, but Council may extend for 2 years if a permanent limited access program is imminent.
3. Crossovers During Moratorium. There are no further restrictions on a qualified vessel crossing over from one fishery to another (groundfish, crab, or halibut) during the moratorium, regardless of past participation.
4. Reconstruction of Vessel During the Moratorium. An eligible vessel that is reconstructed during the moratorium would retain its privilege to participate in all fisheries under the Council's jurisdiction so long as the physical reconstruction was started before June 24, 1992. If reconstruction commences on or after that date, an increase in length may not exceed 20% of the vessel's original length overall (LOA), and the increase shall not result in a vessel that exceeds 125 feet LOA. Reconstruction of vessels over 125 feet LOA is allowed so long as overall length is not increased; i.e., no increase in length is permitted in the reconstruction of vessels over 125 feet. Reconstruction can be done only once during the moratorium.
5. Replacement of Vessel During the Moratorium. A vessel may be replaced during the moratorium with another vessel so long as the length of the replacement vessel does not exceed by 20% the overall length of the vessel being replaced, and such changes shall not result in a vessel that exceeds 125 feet LOA. Replacement of vessels over 125 LOA is allowable so long as overall length of the replacement vessels does not exceed the length of the original qualifying vessel. Qualifying vessels are limited to a one-time increase in length. The replaced vessel permanently loses its right to participate in all fisheries under the Council's jurisdiction during the moratorium unless it is subsequently used to replace another eligible vessel.
6. Replacement of Vessel Lost or Destroyed During the Moratorium. A vessel lost or destroyed during the moratorium can be replaced with any other vessel that qualifies under the moratorium. For a replacement vessel that does not qualify under the moratorium, such vessels shall not exceed 20% greater overall length than the vessel that is replaced, and the increase shall not result in a vessel that exceeds 125 feet LOA. Replacement of vessels over 125 LOA is allowed so long as overall length of the replacement vessel does not exceed the length of the original qualifying vessel. Qualifying vessels are limited to a one-time increase in length. When replaced, the lost or destroyed vessel permanently loses its right to participate in all fisheries under the Council's jurisdiction during the moratorium.
7. Replacement of Vessel Lost or Destroyed Before the Moratorium. Any vessel lost or destroyed after January 1, 1989 can be replaced with any vessel that qualifies under the moratorium. For a replacement vessel that does not qualify under the moratorium such vessels shall not exceed 20% greater overall length than the vessel that is replaced, and the increase shall not result in a vessel that exceeds 125 feet LOA. Replacement of vessels over 125 LOA is allowed so long as overall length of the replacement vessels does not exceed the length of the original qualifying vessel. Qualifying vessels are limited to a one-time increase in length. When replaced, the lost or destroyed vessel permanently loses its right to

participate in all fisheries under the Council's jurisdiction during the moratorium. Eligible lost or destroyed vessels replaced under this provision would have to make a landing within two years of implementation of the moratorium in order to qualify.

8. Small Vessel Exemptions. Vessels 26 feet or less would be exempted in the Gulf of Alaska. Vessels 32 feet or less would be exempted in the Bering Sea/Aleutian Islands.
9. Disadvantaged Communities. New vessels constructed after implementation of Community Development Quota (CDQ) programs, pursuant to an approved CDQ project, will be exempt from the moratorium. In order to qualify for such exemption the vessel must: (1) be constructed solely for the purpose of furthering the goals of a community CDQ project, and (2) be a specialized vessel designed and equipped to meet the needs of a community or group of communities that have specific and unique operating requirements. Such exemptions would be limited to vessels 125 feet LOA and under. These vessels may fish in both CDQ and non-CDQ fisheries. Vessels built pursuant to a CDQ project under this exemption that are transferred to a non-CDQ entity during the life of the moratorium may not be considered eligible under the moratorium.
10. Minimum Qualifying Poundage. No minimum poundage is specified.
11. Applicable Sectors of the Industry. The moratorium will be applied to the harvesting sector only, including catcher vessels and catcher-processor vessels in all groundfish, halibut, and crab fisheries.
12. Appeals. The appeals procedure will consist of an adjudication board of government persons and non-voting industry representatives.
13. Halibut and Sablefish Fixed Gear Vessels. Halibut and sablefish fixed gear vessels operating under the provisions of the proposed IFQ Amendment will be exempted from the vessel moratorium as it affects directed halibut and sablefish operations. Such an exemption becomes effective at the time of implementation of the IFQ program. Non-qualifying vessels entering the halibut and sablefish fisheries under this exemption may not participate in any other directed fisheries under the Council's authority. If the catch of species other than halibut and sablefish exceeds 20%, then the vessel must be a moratorium-qualified vessel. The bycatch of species other than halibut and sablefish cannot exceed 20% for non-qualified vessels.

Upon completion of the individual motions on each item, Council members approved the final document without objection. The revised moratorium language was prepared and distributed to Council members before adjournment.

Wally Pereyra moved that the Council notice the public that vessel catch histories accruing after June 24, 1992 may not be credited in any future IFQ or limited access system that may be implemented for fisheries under Council jurisdiction. The motion was seconded by Clem Tillion and carried, 9 to 2, with Hegge and Lauber voting against.

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C-2 Inshore-Offshore

In April, after portions of Amendment 18 to the BSAI groundfish plan were disapproved, the Council adopted a modified set of alternatives to be considered in a supplemental analysis. Following the April meeting the analytical team met with industry representatives to discuss the scope of the study, to address concerns over the NMFS cost-benefit analysis, and to identify appropriate data sources for the supplementary analysis. The analysis was to be prepared for Council review at this meeting with a public review period following; a special August meeting was scheduled to review the final package. The draft supplementary analysis, mailed to the Council on June 16, addressed the following alternatives:

Alternative 1: Status quo (no inshore-offshore allocations would be made for 1993-95; 1992 allocations as well as the designated catcher vessel operational area would lapse at the end of the 1992 season; the CDQ program would remain in effect).

Alternative 2: 30% inshore - 70% offshore for 1993-95.

Alternative 3: 1993: 35% inshore; 65% offshore
 1994: 40% inshore; 60% offshore
 1995: 45% inshore; 55% offshore

Catcher Vessel Operational Area: A CVOA, defined as those waters inside 168° through 163°E longitude, and 56°N latitude south to the Aleutian Islands would be an option to be considered under Alternatives 2 and 3.

Report of the Scientific and Statistical Committee

The SSC reviewed the document and commended the analysts for excellent work in the short amount of time available. The SSC believed the general scope of work was appropriate and recommended the document be released for public review after several revisions were made. The technical revisions are found in the SSC Minutes, Appendix III to these minutes.

Report of the Advisory Panel

The AP recommended the Council send the supplementary analysis out for public comment and review, realizing that there are some concerns with the analysis that need to be, and will be, addressed in the public comment period. Although the AP was aware of the need to have a plan in place for the 1993 season, they still expressed concerns about portions of the document, especially many of the assumptions and data used. The AP also recommended the addition of an alternative similar to Alternative 6 in the original Amendment 18, i.e., analyze catchers vs catcher/processors rather than inshore processors vs offshore processors.

The AP also noted that the inshore-offshore proposal could negatively impact CDQ applications in seasons of fishing, bycatch allocations and opportunities to fish in the operational zone in a 1993-95 fishery and recommended development of socioeconomic data on CDQ eligible villages in Western Alaska to supplement Section 5-3. However, they stressed that this could be done at some time in the future as they do not wish Amendment 18 to be delayed.

COUNCIL DISCUSSION AND ACTION

The Council received an extensive review of the various components of the document from the authors of each section who responded to questions regarding data and methods used. Some Council members felt that the document was unclear in some areas as to the sources of the data and how they were used. Staff agreed to revise the document to clarify these areas.

Donna Darm moved to approve the supplemental analysis to be sent to public review. The motion was seconded by Clem Tillion. The motion was amended to include the comments from the SSC, and carried without objection.

C-3 North Pacific Fisheries Research Plan

At the April 1992 meeting the Council approved the Research Plan and EA/RIR/IRFA for public review. At this meeting they were scheduled to consider final approval. The Observer Oversight Committee reviewed the document in order to provide industry advice to the Council. Chris Blackburn, chair of the committee, provided their comments and recommendations. The committee report is attached to these minutes as Appendix IV.

Report of the Scientific and Statistical Committee

The SSC expressed particular concern that there is a potential for reduced observer coverage under the plan because projected observer program revenues are below funding necessary to maintain current observer coverage levels. In their view the first priority of the program is to accommodate the determinations of stock status and thus, the SSC recommended the Council retain the status quo until adequate funding is available to maintain at least the present level of coverage. They also recommended further research to determine the coverage required to maintain adequate mortality estimates for target and bycatch species by fishery.

With regard to the plan, when the adequate funding is available the SSC recommended adoption of the variable coverage under Option 2. They recommended that the halibut fishery should not be exempt from observer coverage and that a pilot program should be initiated for that fishery; they also suggested that assessments on discards should be avoided in particular because of the difficulty in producing accurate estimates and determining the appropriate value for the species and sizes discarded.

Report of the Advisory Panel

The Advisory Panel recommended adoption of the framework plan (agenda item C-3(a)), noting options where appropriate. (See AP Minutes, Appendix II)

COUNCIL DISCUSSION AND ACTION

Bob Mace moved to accept the Oversight Committee report. The motion was seconded and carried without objection.

A major topic of discussion was the fee structure and the concern that fees will not cover the level of coverage needed to obtain necessary data for fishery management. The Advisory Panel and

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Oversight Committee both recommended that the fee be set at up to 1% of first wholesale value, not to exceed 2% of exvessel value, with the actual percentage to be set annually.

Lisa Lindeman, NOAA General Council, was asked to comment on whether this option would be outside the limits of the parameters set out in the Magnuson Act. Ms. Lindeman said that although the Senate Committee had indicated they meant "exvessel" value, the Act is not specific in this regard. Ms. Lindeman indicated that the option under consideration could be legally defensible. Ms. Lindeman also was asked whether or not the EA/RIR would need further analysis and public comment if this option was chosen. It was her opinion that if the Council feels that there has been adequate comment at this meeting, the option could be sent to the Secretary with further public comment solicited during the Secretarial comment period.

Working from agenda item C-3(a), "Framework for the North Pacific Fisheries Research Plan," the Council discussed and approved options using the Advisory Panel's recommendations as a base.

Bob Mace moved to approve the AP recommendations. The motion was seconded by Oscar Dyson.

The following elements of the plan were approved through motions to amend:

A. Objectives:

1. To provide a framework for developing an observer program for the Alaska groundfish fishery which has the capability to perform inseason management, to accommodate status of stocks assessment and to provide accurate, real-time data of sufficient quality to implement an individual vessel incentive program.
2. To provide a framework for developing an observer program for Bering Sea/Aleutian Islands king and Tanner crab fisheries which accommodates inseason management needs, ensures management compliance, and provides for the collection of biological and management data necessary to achieve the sustained yield of the crab resource without overfishing.
3. To ensure that the groundfish and crab observer programs are efficient and cost effective, that any increased costs are commensurate with the quality and usefulness of the data to be derived from any revisions to the programs, and that such changes are necessary to meet fishery management needs.
4. To provide for cooperation and coordination between the groundfish observer program administered by the NMFS and the crab observer program administered by the Alaska Department of Fish and Game (ADF&G).

B. Elements of the NMFS Groundfish Observer Program:

1. Level of coverage:
 - a. Levels of observer coverage may vary by fishery and vessel size depending upon the objectives to be met for each fishery. This applies to all fisheries under Council FMP jurisdiction and includes possible coverage for vessels participating in the halibut fisheries. Various levels of observer coverage, which are necessary to maintain statistical reliability, will be identified for each of the stated objectives of the Research

Plan. The Council will review this and other relevant information on an annual basis to determine appropriate coverage levels given the available funds as well as the goals of the program.

- b.** Changes to the existing groundfish observer program to improve the accuracy and availability of observer data may be implemented by the Alaska Regional Director (NMFS) upon recommendation by the Council based on one or more of the following:
 - (i)** a finding that there has been, or is likely to be, a significant change in fishing methods, times, or areas for a specific fishery or fleet component;
 - (ii)** a finding that there has been, or is likely to be, a significant change in catch or bycatch composition for a specific fishery or fleet component;
 - (iii)** a finding that modifications to the observer program are warranted to improve data quality and availability necessary to implement an individual vessel incentive program for a specific fishery or fleet component.
 - (iv)** a finding that such modifications are necessary to improve data availability or quality in order to meet specific fishery management objectives.
 - (v)** a determination that any increased costs are commensurate with the quality and usefulness of the data to be derived from any revised program, and are necessary to meet fishery management needs.

2. Observer employment and contracts:

- a.** Observers will be either employees of NMFS, or be under contract to NMFS.
- b.** Observer contracts will be subject to a competitive bid process and will comply with federal and/or agency procurement regulations. If in accordance with procurement regulations, and if cost effective, multiple contractors will be used. A minimum of three contractors will be used if there are three or more qualified bidders.
- c.** Observer deployment shall be determined by NMFS.
- d.** Observers must possess the education and specific training necessary to meet the requirements of the groundfish observer program.

3. Duties of observers:

- a.** collect data on catch, effort, bycatch, and discards of finfish and shellfish, including PSCs, and transmit required data to facilitate in-season management.
- b.** collect biological samples which may be used to determine species, length, weight, age and sex composition of catch and predator prey interactions;

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- c. collect data on incidental take of marine mammals, seabirds, and other species as appropriate;
 - d. other duties as described in the NMFS observer manual.
4. Data collection, transmission, and input programs shall be implemented according to the following:
- a. initial implementation shall be as specified under existing regulations and guidelines;
 - b. the Regional Director, NMFS Alaska Region, shall review fishery monitoring programs and report to the Council on methods to improve data collection and sampling techniques, provide for real time data transmission from the fleet including daily reporting, and other measures as appropriate to improve the accuracy and efficiency of fishery monitoring programs.
5. NMFS's detailed budget for implementing the groundfish observer program including:
- (i) costs for observer training and certification;
 - (ii) costs for stationing observers on board fishing vessels and United States fish processors, including travel, salaries, benefits, insurance;
 - (iii) costs for data collection, transmission, and input;
 - (iv) contract services and general administrative costs.

C. Elements of the ADF&G Crab Observer Program:

The Fees will be collected from all processors and the State of Alaska Shellfish Observer Program will be incorporated within the provisions of the Research Plan.

1. Level of Coverage:
- a. Initial levels of observer coverage under the North Pacific Fisheries Research Plan shall be that of the existing industry funded crab observer program.
 - i. Presently 100% of all catcher/processors and floating processors are required to have an onboard observer to engage in the BSAI crab fisheries.
 - ii. ADF&G traditionally collected essential biological and management data at the point of shoreside landing immediately before processing. The rapid evolution to processing by catcher/processor and floating processor vessels in particular shellfish fisheries seriously eroded the department's ability to adequately monitor harvests to ensure sustained yield without overfishing. Onboard observers supply two critical functions, without which offshore processing would not be allowed.

- They are the only practical data gathering mechanism which would not disrupt processing.
 - They provide the only effective means to ensure management compliance.
- b. Pursuant to the Bering Sea and Aleutian Islands king and Tanner Crab FMP, the State of Alaska crab observer program has been designed by the Alaska Board of Fish and administered by the Alaska Department of Fish and Game. Future modifications to the crab observer program may be made through the Council/Board process, in accordance with the king and Tanner crab FMP, and subject to the availability of funding.
2. Observer employment and contracts:
- a. Observers will be either employees of ADF&G, or be under contract to NMFS.
 - b. Observers for the Shellfish Observer Program obtained from contractors will be obtained through the NMFS observer contracts. Observer contracts will be subject to a competitive bid process and will comply with federal and/or agency procurement regulations. If in accordance with procurement regulations, and if cost effective, multiple contractors will be used. A minimum of three contractors will be used if there are three or more qualified bidders.
 - c. Observer deployment shall be determined by ADF&G.
 - d. Observers will possess the education and specific training necessary to meet the requirements of the crab observer program.
3. Duties of observers:
- a. collect data on catch, effort, bycatch and discards of finfish and shellfish, and transmit required data to facilitate inseason management;
 - b. collect biological samples which may be used to determine species, length, weight, age and sex composition of catch;
 - c. collect data on marine mammals, seabirds, and other species as appropriate;
 - d. other duties as described in the ADF&G observer manual.
4. Data collection, transmission, and input programs shall be implemented according to the following:
- a. initial implementation shall be as specified under existing regulations and guidelines to facilitate inseason management at the Dutch Harbor and Kodiak offices;

E. Fee Assessment:

The North Pacific Fisheries Research Plan fee assessment program will be based on the following:

1. Fisheries subject to fee assessment;
 - a. Gulf of Alaska groundfish.
 - b. Bering Sea and Aleutian Islands groundfish
 - c. North Pacific halibut
 - d. Bering Sea and Aleutian Island king and Tanner crab
2. Fees will be assessed at up to 1% of first wholesale (though not to exceed 2% of exvessel) value of fish and crab harvested in the fisheries identified above. Fees will be collected on the basis of exvessel value. Though the potential maximum fee is prescribed by the Magnuson Act, the actual maximum for any given year may be less after determining the cost of the Plan and after deducting funds from other sources, if required (discussed below).

The fee percentage limit identified above will sunset three years after implementation of the Research Plan. Unless changed or reestablished by the Council, the funding mechanism would revert to direct payment, by vessels and processors, for required observer coverage levels.

3. Fees from the program may only be used to pay for: (1) stationing observers including the direct costs of training, placing, maintaining, and debriefing observers; (2) collecting, verifying, and entering collected data (not manipulating data); (3) supporting an insurance risk-sharing pool; and (4) paying the salaries of personnel to perform these tasks. The fees cannot be used to pay administrative overhead or other costs not directly incurred in carrying out the Plan, or to offset amounts authorized under other provisions of law.
4. Annually the Regional Director, in consultation with the Council, will establish a fee percentage taking into account the value of the plan fisheries, the costs of implementing the Plan, other sources of funds, and limitations on the total amount that can be collected. This will be done concurrent with Council approval of observer needs of the fisheries. This annual process will be completed by the time the fisheries commence. The fee will be expressed as a percentage of the exvessel value of the fisheries. The reports and budget documents outlined above shall be provided annually to the Council a month prior to its June meeting. The Observer Oversight Committee established by the Council shall review the documents under Sections E and G of this Outline and provide a recommendation to the Council at the June meeting. The Council will review the Committee's recommendation and take final action in September.
5. All plan fisheries will contribute to the total value of the fisheries; NMFS, in consultation with the Council, will use the best information available to project the value of fisheries. The factors that will be taken into account include but are not limited to: average prices for species or species groups, product forms, discards, and other factors during the year preceding

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the year for which the fee is being established, anticipated changes in the coming year, and projected catch based on expected harvest in plan fisheries. These projected values will be subjected to public review.

6. NMFS, with the assistance of ADF&G, will provide an estimate of the costs of providing required observer coverage for the groundfish and shellfish programs for the coming year based on anticipated observer coverage and the anticipated costs of the activities listed under Item E.3 above, including any additional costs of utilizing observers.
7. NMFS will provide an estimate of surplus funds in the North Pacific Observer Fund and estimate the amounts of funds that may be available from other sources.
8. The fees shall be set such that the total amount of fees collected are not expected to exceed the limitation prescribed by the Magnuson Act.
9. The user fee percentage for the coming year will be the total amount to be collected divided by the exvessel value of the plan fisheries, multiplied by 100. This fee will be established before the fishing year to which it will apply. It will be subject to Council and public review before being finalized.
10. The State of Alaska will be reimbursed for all of the costs of the crab observer program which are allowable under the MFCMA from fees collected under the North Pacific Fisheries Research Plan, consistent with C.1 above.
11. When an accurate, reliable, and equitable method of measuring discards is developed and implemented, they may be assessed the fee under the Research Plan. This would not include required discards or discards that are alive. The value to assign assessed discards will be determined at an appropriate time in the future. Fees may also be assessed against Donut Hole fisheries.

F. Fee Collection

Although fees are assessed against all fishing vessels and fish processors, they are collected from fish processors participating in plan fisheries. Fish processors are defined in the Magnuson Act; however, their operating characteristics fall into one of two categories. Processors are in Category A when they purchase unprocessed fish, that is when there is a documented commercial transaction between independent parties. Processors are in Category B when they obtain fish without such a transaction. For purposes of collecting fees, harvesting vessels are considered Category A processors when they sell directly to any entity other than a federally permitted processor under this plan.

1. Estimation of exvessel prices and fee liability
 - a. Category A Processors: It is assumed that these processors weigh or otherwise directly determine the amount of all fish delivered. Their fee liability is the product of the fee percentage established by NMFS for the fishing year, average exvessel price paid to the fisherman, and the amount of fish received. In addition, fees may be required on discards as described above. Fee liability will be divided equally between the processor and fisherman.

- b. **Category B Processors:** If these processors weigh or otherwise directly determine the amount of their catch, then those documented amounts will be used to estimate fee liability. Otherwise, product recovery rates published by NMFS will be used to estimate retained catch. Their fee liability is the product of the fee percentage established by NMFS for the fishing year, an exvessel price as estimated and published by NMFS, and the estimated retained catch. The price estimates provided by NMFS will be based on price data from Category A Processors, taking into consideration the species mix, quarter of the year, area, and other appropriate factors. In addition, fees may be required on discards as described above.

For both Category A and Category B processors, the exvessel price against which to apply the fee will be calculated each year based on average price information, across all Category A processors and across all product forms for each species or species group, from the previous 12 month period. This standardized price will be the basis for calculating each quarterly payment.

2. Fee payments will be made quarterly within 30 days of the end of the quarter to the NOAA Office of the Comptroller to be deposited in the North Pacific Observer Fund within the U.S. Treasury. The fee will be documented in a manner prescribed by NMFS.
3. All processors as defined under Item F(1) above may be required to have a federal permit to receive fish from plan fisheries. Processors must apply for these permits annually by the deadline prescribed by the Regional Director. Permits would be issued annually on January 1 and renewed semi-annually on July 1 to those processors whose fee payments are current. The NOAA Office of the Comptroller shall assess late charges for underpayment or late payments of fees.

In order to cover anticipated fee liabilities, a bond or letter of credit, in an appropriate amount, will be required of each processor who receives plan fisheries fish (this includes dockside sellers who, in effect, become processors). This bond or letter of credit would be in place for the entire year. A lien on property may also be included as assurance for payment of fee liabilities. Prepayment of fees by a processor would remain an option to the bonding process.

START-UP FUNDING

In order to accumulate necessary start-up money in the Observer Fund, an appropriate fee percentage will be calculated and, for the first year after Secretarial approval of the Research Plan, applied to all segments of industry covered by the Research Plan. The existing coverage requirements will remain in effect. All segments of industry who do not pay directly for observer coverage (for example vessels under 60 feet and vessels in the halibut fisheries) will pay this percentage as described above. Those who do pay directly for observer coverage will be required to pay the difference between the amount they pay directly and the amount based on the fee percentage, if the amount they pay directly is less than the fee percentage amount. For those whose direct payments are equal to or greater than the fee percentage amount, additional payments beyond their direct payments will not be required.

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FUNDING SHORTFALLS

In the event of a funding shortfall after implementation of the Research Plan, the available funds will be utilized for observer coverage to meet the following prioritized list of Research Plan objectives: (1) Stock assessment (2) In-season management (3) Bycatch monitoring (4) Vessel incentive programs.

The final plan was approved, 7 to 4, with Darm, Dyson, Hegge and Lauber voting against.

Later in the meeting, Wally Pereyra moved to reconsider the plan. The motion was seconded and failed, 6 to 4, with Alverson, Darm, Dyson and Pereyra voting for. Henry Mitchell was no longer on teleconference at this time.

Mr. Pereyra said that after reviewing the action previously taken he has some concerns about how the fee assessment will be made, how the accounting will be done, and other details and felt it would be more appropriate to have one more period of public comment before making a final decision.

C-4 International Fisheries

The Council received a written update on the monitoring of fish products entering the U.S. from the Russian EEZ, and NOAA General Counsel's written report on Senator Steven's proposal to restrict U.S. operations if they are affiliated with foreign operations in the donut. Because of a lack of time, the Council did not take up this agenda item for discussion.

C-5 Comprehensive Rationalization Program

The Council received a written review of the background and need for a comprehensive rationalization program and a tentative schedule for analysis. However, because of a lack of time, the Council did not address this agenda item at this meeting.

C-6 Marine Mammals and Seabirds

The Council received a written review of recent issues regarding seabirds and marine mammals. Because of a lack of time, the Council did not take up this agenda item for discussion.

C-7 Other Business

The SSC reported in their minutes that a SSC workgroup has been appointed to prepare alternative definitions of ABC and overfishing for consideration by the Council. The workgroup's proposal is to define ABC and overfishing in terms of fishing mortality rates that maintain specified levels of spawning biomass per recruit, namely 30% of the unfished level for overfishing and 35% for ABC. The SSC has decided to proceed with a proposed plan amendment based on these recommendations. The proposal will be submitted by July 1.

D. FISHERY MANAGEMENT PLANS

D-1 Crab Management

At the April 1992 meeting the Council asked the crab plan team and the State of Alaska to provide opinions on the need to adjust the OY for *C. opilio* in the FMP. The current FMP sets the OY at 333 million pounds in any one registration year; this OY was based on the results of a 1975 survey.

The Crab Plan Team met by teleconference and recommended that the OY be reevaluated for *C. opilio*, and that the Council consider two alternatives: 1) status quo; and 2) eliminate reference to any poundage of *C. opilio* in the definition of OY in the FMP. This would allow the OY to be defined as the amount of crab that may be legally landed under the requirements of the FMP and under the laws of the State of Alaska.

In January, the Pacific Northwest Crab Industry Advisory Committee unanimously recommended that the Council reassess the 333 million pound OY limit on *C. opilio* relative to the most recent scientific information.

Report of the Scientific and Statistical Committee

The SSC recommended that the plan team be tasked with reevaluating the OY for *C. opilio*. They recommended the following alternatives be developed: 1) status quo; 2) flexible OY definition (as suggested by the plan team); and 3) a fixed OY definition, which sets the upper end of the OY range as a fixed value using the most appropriate biomass as estimated by recent surveys. The SSC also recommended that the crab plan team determine whether new maturity data are available to reexamine the 3.1 inch minimum size and its relationship to OY and ABC.

Report of the Advisory Panel

The AP recommended the Council proceed with analysis of the current OY cap for *C. opilio*, with at least the following alternatives: 1) status quo; 2) eliminate any reference to poundage; and 3) some other OY number.

COUNCIL DISCUSSION AND ACTION

Larry Cotter moved to adopt the plan team's recommendation with the additional alternative of adoption of a different cap at a higher level. The motion was seconded by Ron Hegge and carried without objection.

D-2 Groundfish Management

(a) BSAI Amendment 21

Initially, Amendment 21 included three priority bycatch issues established by the Council during its January 1992 meeting. These issues were: 1) halibut bycatch limits for the trawl and non-trawl fisheries; 2) chinook salmon bycatch limits for the trawl fisheries; and 3) trawl closures around the Pribilof Islands. After reviewing the draft analyses of these three measures in April, the Council

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decided that additional alternatives should be analyzed for controlling salmon bycatch and protecting living marine resources near the Pribilof Islands. Therefore, Amendment 21 only addresses the halibut bycatch limits. The other two measures will be addressed in a separate document, to be available for initial review at the September Council meeting. Amendment 21, halibut bycatch limits, contained the following alternatives for Council review:

Alternative 1: status quo - halibut PSC limit of 5,333 mt for the trawl fishery and no limit for the non-trawl fishery.

Alternative 2: three options for each gear group - 50%, 100% and 150% of the 1992 limits, equivalent to:

Trawl fisheries - bycatch of 2,516 mt, 5,033 mt, and 7,500 mt.
Non-trawl fisheries - mortality of 375 mt, 750 mt and 1,125 mt.

Alternative 3: same as Alternative 2, except replace the trawl bycatch limit with a mortality limit. Assuming that the discard mortality rate is 75% for trawl gear, the three options being considered are 1,887 mt, 3,775 mt, and 5,662 mt.

Alternative 4: in addition to Alternative 2 or 3, allow PSC limits to be changed by regulatory, rather than plan, amendment.

The analysis of these alternatives was released for public review on May 26, 1992. The Council received copies of all written comments and took oral testimony during the meeting.

Report of the Scientific and Statistical Committee

The SSC supported Alternative 2.2, replacing the trawl fishery bycatch limit with one based on mortality, as it could encourage fishermen to take action to reduce mortality, and would achieve consistency with bycatch management in other fisheries. However, they advised that if this approach is adopted there is the potential that estimates of discard mortality rates could become more controversial.

Report of the Advisory Panel

The AP had the following recommendations:

- that the Bering Sea halibut bycatch accounting for PSC should be in mortality;
- that fishing for Pacific cod with pot gear should be exempted from the halibut PSC caps for 1993;
- that the trawl gear bycatch mortality cap should be 3,775 mt;
- that the halibut caps for all gear be set by regulatory amendment; and
- that the fixed gear bycatch mortality should be 750 mt.

In addition, the AP recommended that the Council develop a plan amendment to eliminate the primary and secondary zone component of the trawl halibut cap. They also suggested that the Council direct staff to analyze separating PSC caps for halibut mortality between the Bering Sea and Aleutian Islands for all gear types.

COUNCIL DISCUSSION AND ACTION

The Council received a staff overview of the amendment analysis and a recap of 1992 bycatch to date.

Donna Darm moved that the Council adopt the AP's recommendations as follows:

- **that the Bering Sea halibut bycatch accounting for PSC should be assessed based on mortality;**
- **that fishing for Pacific cod with pot gear should be exempted from the halibut PSC caps for 1993;**
- **that the trawl gear bycatch mortality cap should be 3,775 mt;**
- **that the halibut bycatch caps for all gear be set by regulatory amendment; and**
- **that the fixed gear bycatch mortality should be 750 mt.**

In addition, the Council will request staff to analyze and recommend a proposal for indexing halibut bycatch caps based on either biomass or numbers depending on whichever would be most appropriate. The motion was seconded by Wally Pereyra.

Bob Alverson moved to reduce the trawl cap by 30% over five years, beginning in 1994, and limiting the cod trawl to no more than 1,125 mt of the trawl bycatch. The motion was seconded by Larry Cotter and failed, 6 to 5, with Alverson, Cotter, Hegge, Mitchell and Tillion voting yes.

Steve Pennoyer pointed out that the caps could be changed by regulatory amendment if the main motion passed, so any adjustments could be made in time for the season.

Larry Cotter moved to delete the longline fishery from the main motion, i.e., no cap for the longline fishery. The motion was seconded by Donna Darm and failed unanimously.

Mr. Cotter said that to limit the longline fleet to 750 mt of mortality limits the ability of that fishery to efficiently and cleanly harvest Pacific cod. However, Council members were uncomfortable with no bycatch limit at all.

Ron Hegge moved to amend the main motion to delay the decision on the fixed gear bycatch mortality and the Pacific cod pot gear exemption until the September Council meeting. The motion was seconded by Larry Cotter. (The pot exemption was removed by friendly amendment during discussion.) The amendment, without the pot exemption, carried without objection.

Mr. Hegge said there are too many uncertainties at this time to make this determination. Much needs to be clarified, for example, whether the IPHC will give credit for cutting gangions, etc. The main motion carried, as amended.

During discussion of an analysis of indexing halibut bycatch it was determined that it may not be possible to complete by September, but there should be a status report available at that time.

Larry Cotter moved to adopt an emergency rule to exempt pot gear for BSAI halibut bycatch cap for the remainder of 1992. The motion was seconded by Donna Darm and carried, 10 to 1, with Darm voting no in order for the Regional Director to cast a favorable vote.

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(b) **GOA Amendment 26**

At the April Council meeting the SSC requested minor changes to the EA/RIR for Amendment 26. Those changes were incorporated in the draft released for public review on May 6. The Council was scheduled to approve preferred alternatives to be sent for Secretarial review. The amendment contained the following topics.

- (1) Prohibit trawl gear from fishing for groundfish in waters east of 140°W longitude in the eastern Gulf of Alaska.

Alternative 1: status quo, no action;

Alternative 2: prohibit all groundfish trawling in waters east of 140°W longitude;

Alternative 3: prohibit on-bottom trawling only; and

Alternative 4: establish separate TACs by FMP species group for the new Southeast District.

- (2) Reestablish the no-trawl crab protection time/area closures around Kodiak Island.

Alternative 1: no action, there would be no specific bycatch controls for the groundfish fishery in the EEZ of the GOA to protect crab after December 31, 1992;

Alternative 2: extend the existing time/area closure measures for another three years; and

Alternative 3: implement a permanent time/area closure scheme for non-pelagic trawling.

Report of the Scientific and Statistical Committee

The SSC commented on several issues identified in the problem statement for the first amendment topic, to prohibit trawling in specific areas of the Eastern Gulf. For specific comments, please refer to the SSC Minutes, Appendix III. The SSC continues to be concerned over potential damage to bottom habitat, the stock status of the rockfish complex, the ability to manage fisheries with small TACs, and potential increases in levels of effort in the open fishery; however they concluded that the analysis shows that sufficient information does not exist to conclude that the proposed action to ban trawling would directly address these issues. With regard to the crab protection closures around Kodiak, the SSC supports extension of the existing time/area closures.

Report of the Advisory Panel

The Advisory Panel recommended the Council adopt the proposal to ban all trawling in the area east of 140° West to all trawling, and recommended the Council permanently implement the time/area closures for non-pelagic trawling (crab protection zones).

COUNCIL DISCUSSION AND ACTION

During this agenda item Council member Henry Mitchell, who had to return to Anchorage, was connected by telephone for staff reports, public testimony, and Council discussion.

Trawl Closure

Bob Alverson moved to postpone action on this portion of Amendment 26 and request staff to develop an analysis of data in GOA Amendment 10 to look at an option similar to the closures developed for the foreign fisheries in the Cross Sound Gully, Salisbury Sound, and Cape Ommaney, and in addition that the Chairman set up a committee of longline and trawl interests to meet before the September meeting to discuss the problem and provide recommendations to the Council in September. The motion was seconded by Donna Darm.

Based on the analysis and the SSC comments, Mr. Alverson felt that the analysis is not sufficient to take final action.

It was clarified that the intent would be to send out the analysis for public review prior to the September meeting so that final action could be taken at that meeting.

Larry Cotter moved a substitute motion: To adopt Alternative 2, to prohibit all groundfish trawling in waters east of 140°W longitude. The motion was seconded by Ron Hegge.

Mr. Cotter felt that there had been overwhelming support of this proposal from the industry in the region and that the action could be justified based on effects of trawling and gear conflicts. He also felt the loss to the trawl industry was overstated in the analysis.

Steve Pennoyer said that the Council needs to redraft the analysis and problem statement to reflect the current situation. Lisa Lindeman expressed concern that the current analysis does not show that there are enough facts or biological evidence to support the action. She also said the Council needs to outline what the objective is and how this closure would achieve that objective.

Henry Mitchell moved to amend the motion to request the Secretary to prepare an emergency rule reducing the GOA Pacific ocean perch TAC to 50% of the current level and that all rockfish species in the Southeast GOA also be reduced by 50%. The motion was seconded by Larry Cotter.

Mr. Mitchell said that in his opinion the POP and rockfish stocks are below what they should be. He thinks the Council has not followed the rebuilding plan for the stocks and that fishing practices in Southeast have led to the lower level of the stock.

The Executive Director pointed out that the Regional Director already has the authority to reduce the TACs in an emergency action under a misspecification procedure. Steve Pennoyer said that they plan to review the TACs in the normal procedure in September and December, not at this time.

The motion to amend failed, 9 to 2, with Mitchell and Tillion voting in favor.

Larry Cotter withdrew his substitute motion.

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Clem Tillion moved a new substitute motion, to adopt Alternative 3: prohibit on-bottom trawling east of 140° and restrict trawl activity in the area to midwater trawling, establish year-round sanctuary where all trawling would be prohibited, with the same no-trawl zones established in the early 1980s to manage the foreign fleet operating in the area: the waters off Salisbury Sound and Cross Sound Gully in the Southeast Outside District and the Fairweather Gully in the East Yakutat District; that the Council establish an industry-government workgroup to develop a comprehensive management strategy for GOA rockfish and report its findings and recommendations to the Council at the September 1992 meeting. The workgroup should report on: a stock rebuilding program with a 15-year schedule; gear impact analysis, and rockfish habitat requirements. The motion was seconded by Henry Mitchell and failed, 9 to 2, with Mitchell and Tillion voting in favor.

Donna Darm moved to amend the original motion to request the draft analysis for Council review in September with a final Council decision in December. The motion was seconded by Wally Pereyra and failed, 8 to 3, with Darm, Pennoyer and Pereyra voting in favor.

Wally Pereyra moved to immediately request the plan teams to begin development of a strategic plan for long-term management of rockfish stocks in the GOA and that part of this strategic plan will be to identify coral areas and develop appropriate management measures that may minimize the degradation of coral habitat, and to look at necessary observer coverage to ensure that accurate assessment of all rockfish removals is achieved. The motion was seconded by Oscar Dyson and failed 8 to 3 with Darm, Lauber and Pereyra voting in favor.

The main motion (by Bob Alverson) carried unanimously.

Mr. Tillion requested the Chairman to establish an industry-government workgroup to develop a comprehensive management strategy for Gulf of Alaska rockfish and report its findings at the September Council meeting. The workgroup should report on a stock rebuilding schedule, gear impact analysis, and rockfish habitat requirements. No Council members raised objections and the Chairman responded that this action would be within the purview of the committee approved in the main motion. the Chairman did caution, however, that the information might not be available for September.

Crab Protection Areas

Oscar Dyson moved to adopt Alternative 3, to implement a permanent time/area closure scheme for non-pelagic trawling around Kodiak Island. The motion was seconded by Wally Pereyra and carried without objection.

(c) Proposed Trawl Test Zones

The Council was scheduled to review a proposed rule providing for trawl test zones. It was reported that the actual proposed rule is not yet available. As soon as it is, the Executive Director will send it out to Council members to comment individually during the Secretarial comment period.

There were no reports from the Advisory Panel and Scientific and Statistical Committee on this agenda item.

(d) **Status Report on amendments to allocate preferentially to gear types with low bycatch and seasonal allocations of Pacific cod**

This was an informational item only. The Council received a draft report on the seasonal apportionment of Pacific cod TAC in the BSAI prepared by LGL Research Associates. The AP recommended that the Council request the plan teams to review the document and determine whether the report can be used as the basis for an EA/RIR on the issue. The SSC received status reports but had no comment at this time. The Council will discuss this item in September. The analysis for preferential allocation of cod to gear types is to be available for Council review in September.

There was no Council action on this agenda item.

(e) **Initial Proposal for Pribilof Island Trawl Closure and Salmon Bycatch Proposal If Available**

This was an informational item only. The Council was scheduled to receive a status report on the two analyses which are to be available for Council review in September, however the Council did not have time for any discussion. There were no AP or SSC comments on this agenda item.

(f) **Proposed Rule Defining Pelagic Trawl Gear**

The Council received a discussion paper from NMFS proposing a performance-based trawl definition instead of continuing with changes to the pelagic trawl definition. The Council did not have sufficient time to review and discuss this issue which was delayed until September.

Agenda items D-2(g), Reports on Discards; D-2(i), Draft analysis on total weight measurements and interactive communications; D-2(j), Review policy on setting of overall OY caps, were not taken up because of a lack of time. The first two were delayed until the September meeting, with the OY issue delayed indefinitely.

(h) **Recordkeeping and Reporting Requirements for 1993**

Sue Salvesson, NMFS, Alaska Region, reviewed proposed changes in recordkeeping and reporting requirements for 1993. NMFS will work with an industry committee on proposed changes. With regard to a proposal to eliminate the under-60-ft class vessel from the logbook program, some Council members felt that some type of logbook should be required, perhaps one developed in concert with vessel operators.

There were no AP or SSC comments on this agenda item.

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(k) Miscellaneous

Bycatch Rate Standards for the Vessel Incentive Program for the Second Half of 1992.

In April the Council recommended third and fourth quarter halibut and red king crab bycatch rate standards for the then-current vessel incentive program (VIP), as follows:

<u>Halibut</u> (as a % of groundfish catch)		<u>Red King Crab</u> (# individuals per ton groundfish catch)	
BSAI: P. Cod	3.0%	BSAI: Flatfish	2.5/mt
Flatfish	0.5%		
GOA: Rockfish	5.0%		
Cod	5.0%		

Under Amendment 19/24, which will be implemented sometime in the third quarter, the VIP will expand to authorize halibut bycatch rate standards for each trawl fishery category that receives a separate allocation of crab and halibut PSC, as shown below:

1. Greenland turbot/arrowtooth flounder/sablefish;
2. rock sole/other flatfish; yellowfin sole;
3. rockfish;
4. Pacific cod; and
5. pollock/Atka mackerel/other species fishery categories.

In addition, a separate halibut bycatch rate standard would be specified for the pollock fishery that would become effective when the directed fishery for pollock by trawl vessels using non-pelagic trawl gear is closed.

NMFS has recommended aggregating the fishery categories for the VIP into three categories, as follows:

1. yellowfin sole fishery;
2. the pollock fishery when fishing for pollock with non-pelagic trawl gear is prohibited; and
3. all other trawl fisheries.

There was no report from the Scientific and Statistical Committee on this agenda item.

Report of the Advisory Panel

The AP recommended the following VIP categories and rates for the balance of 1992 upon implementation of Amendment 19:

<u>Halibut Rate</u> (% of groundfish harvested)	
midwater pollock	.1%
bottom pollock	.5%
yellowfin sole	.5%
other trawl	3.0%

The AP members pointed out that the "other trawl" category was included because the fishery's bycatch is distinctly different from the global rate. The recommendations were a result of an AP workgroup's deliberations.

COUNCIL DISCUSSION AND ACTION

Steve Pennoyer moved to adopt the recommendations of the Advisory Panel. The motion was seconded Ron Hegge and carried without objection.

IPHC Scientific Research Permit Request. Information only. The Council received a copy of a request from the IPHC to the Alaska Fisheries Science Center for a permit to conduct a Halibut Bycatch Sorting Experiment. The Council had no comments on the request.

St. Paul Island Petition. The City of St. Paul petitioned the Council to request NMFS to authorize and support independent research on the origin and migration of pollock stocks in the Eastern Bering Sea. The Council did not have sufficient time to review and comment on the request at this meeting and delayed it until the September meeting.

D-3 Staff Tasking

In addition to the tasks in progress and those initiated at this meeting, the Council discussed the timing of the analysis for the Sitka Block Proposal, the 1,000 lb. floor, and Ron Hegge's suggested addition to those. The State of Alaska will be leading the work on this project.

Ron Hegge moved to incorporate the three subjects mentioned into an analysis for Council review in September. The motion was seconded by Steve Pennoyer and carried without objection.

Steve Pennoyer mentioned that there has been some question regarding the herring biomass specification; he will be working with the State to determine whether there was a misspecification and whether any action should be taken inseason this year.

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E. FINANCE REPORT

Chairman Lauber reported that the Finance Committee met to review the responses to the RFP for the analysis of the delay in the BSAI pollock non-roe B season. The Committee reviewed the two proposals received and awarded the contract to the Institute for Social and Economic Research, University of Alaska, pending clarification of some points in the proposal. The Committee reviewed the Anchorage hotel bids submitted by the Hilton and Sheraton Hotels for the 1994 and 1995 meeting space and awarded the bid to the Hilton Hotel for all Anchorage meetings. The Committee discussed the possibility of moving the June meeting to some place other than Anchorage to alleviate the cost and difficulty of obtaining space. The Committee also reviewed the budget of \$1.447 million, and established a policy for staff whereby accrued sick leave will be applied to the retirement fund of vested employees at the time of retirement or death. The staff was also instructed to research methods of handling accrued sick leave for other employees on termination of employment.

Council members agreed with the Committee's suggestion for staff to investigate the possibility of changing meeting dates for the June meeting such as late May or early July in Sitka, Juneau, Kodiak, Ketchikan or Seattle.

Bob Mace moved to accept the Finance Committee Report. The motion was seconded by Oscar Dyson and carried without objection.

F. PUBLIC COMMENTS

There were no further public comments.

G. ADJOURNMENT

The Chairman adjourned the meeting at 4:30 p.m. on Sunday, June 28.