

EXECUTIVE DIRECTOR'S REPORT

Agreement has finally been reached with Japan on the high seas salmon fishery. Negotiations ended in Tokyo on March 8 with an initialled agreement that phases the Japanese salmon mothership fishery out of international waters in the Bering Sea by stages through 1994, holding their effort in the U.S. FCZ at or near its current level, 140 fleet days per year. The abstention line moves only 1° for the landbased fleet, to 174°E longitude, but I understand provisions have been made for additional enforcement and research in that area. The details of the agreement are in the mail from the U.S. State Department as I write this. If they arrive prior to the Council meeting they will be in your supplemental folder.

Since an agreement has been reached the remainder of the Japanese allocation that would normally have been released on the first of January was released on March 13, an additional 94,000 mt. Status of current foreign allocations is item B-1(a) of this report.

Inter-Council Finance Committee

The Inter-Council Finance Committee met in San Francisco February 25-26. The North Pacific Council was represented by John Winther; five other Councils were represented. A draft of the minutes is item B-1(b). Attachments referred to in the minutes are available at the Council office. In session for a day and a half, the group reviewed the Council FY86 budgets, the FY87 NMFS budget, and discussed ways of getting better Council input into the NMFS budget process. It was a fairly productive meeting and owed a lot of its success to the forthright explanation of the budget process by John Everett and Howie Hochman from NMFS.

Goals and Objectives for the Gulf of Alaska Groundfish Fishery

The Council's workgroup on goals and objectives for the Gulf of Alaska groundfish fishery met in Seattle February 27-28 to work with the Gulf groundfish plan team and continue development of goals and objectives for that plan. A report with the goals and objectives they developed as recommendations for adoption by the Council are in your agenda book under item D-3(b).

Fully Utilized Species Subcommittee

This Council workgroup met the afternoon of February 28 in Seattle to consider methods of providing enough bycatch to keep fisheries open and the associated allocation problems. The report of their meeting is under agenda item D-4.

Audit of Council Finances

Price Waterhouse has completed their biannual audit of the Council's financial and administrative structure. They will hold the exit audit with the Finance Committee on Tuesday at 3:00 p.m. As expected, we had our wrists slapped for spending FY85 money after the first of October, but aside from that their recommendations are minor. Most have been made before and the Council has declined to adopt them.

Miscellaneous Items

Chairman Campbell sent you a memo in the February 14 Council mailing with his revisions and recommendations for Council workgroups. The Council should act on those at this meeting. I have talked to Joe Greenley, Executive Director of the Pacific Council, about the Inter-Council Coordinating Committee. He agrees with Jim that a formal committee is probably not needed and felt that the Pacific Council would have no objection to leaving coordination between the two Councils in the hands of the Chairmen and Executive Directors. He will check formally with his Council at their next meeting.

I sent you the draft copy of "An Evaluation of the Implementation of the MFCMA" prepared by the NMFS Council Task Group and asked for your comments. Comments are due in Washington by the end of this month. I must have your input by the end of this week if we are to respond. In the meantime, Administrator Calio has appointed a new 10-man blue ribbon group to look at federal fisheries management. Larry Six's report on the last MAFAC meeting [item B-1(c)] lists all of the members and their charge. We are fortunate in having two Council members on the panel, John Peterson and John Harville. They perhaps can give us more detail on the charge and schedule for that group.

The International Pacific Halibut Commission has made their recommendations for seasons and quotas for 1986. They are detailed in their Bulletin No. 33 which is item B-1(d).

The Council asked for a report on fishing activity in the "donut hole," that area of high seas in the Bering Sea completely surrounded by the EEZs of the United States and the Soviet Union. Dr. Loh Lee Low will summarize what we know about the activity and the fish stocks at the conclusion of this report. I understand that Dr. Balsiger will be doing long-range assessments of the effects of a fishery in that area on U.S. stocks and management.

We need to decide on the 1987 meeting schedule now if we are to pin down meeting space. Meeting locations will be reviewed with the Finance Committee on Tuesday, mostly because out-of-town meetings are about 50% more expensive than meetings in Anchorage. They should have a recommendation in their report to you at this meeting. Proposed dates are:

Week of January ~~12~~ 19⁸⁷
Week of March 16
Week of May 18 (Accommodations in Anchorage during June are difficult)
Week of September 21
Week of December 7

You are reminded that we will teleconference with the Board of Fisheries, who are now meeting in Sitka, at 3:00 p.m. Thursday. Telephone and speakers will be set up at the table. An agenda for that teleconference is under your agenda tab.

In other housekeeping matters, if you have not gotten a reservation card for the Kodiak meeting next June or have not sent one in please check with Judy at this meeting so she can make sure you have accommodations.

And finally, it's time for our annual pictures. The AP and SSC will have theirs taken at 1:30 p.m. on Tuesday, March 18; the Council and staff are scheduled for 12 noon, Wednesday, March 19, just before we break for lunch today. Judy will organize it.

AGENDA B-1(a)
MARCH 1986

Groundfish Apportionments and Foreign Allocations

The following tables from your Council reference books have the most recent allocations to Japan. Please save these tables to insert in your reference books under Tabs 2(e) and 2(f).

GULF OF ALASKA GROUND FISH: 1984-1986

The following tables indicate cumulative changes in metric tonnages of DAP, JVP, Reserve, and TALFF over time. Though the NMFS Regional Director is empowered to reapportion at any time, it is done mainly in early April, June, and August. Apportionments to TALFF are then allocated to the various foreign countries fishing in the FCZ. Unallocated TALFF is the portion potentially available for foreign fishing that has not yet been released to specific countries.

<u>Gulfwide</u>	<u>TOTAL (mt)</u>			
	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986^{1/}</u>	<u>March 1986</u>
OY	601,815	471,651	307,766	307,766
DAP	30,512	144,088	139,728	139,728
JVP	249,061	252,934	95,704	95,704
Reserve	2,205	28,434	56,813	56,563
TALFF	320,037	46,195	15,860	16,110
JA	131,649	35,668	15,860 ^{2/}	16,110
ROK	65,597	10,347	0	0
POL	3,530	0	0	0
Unallocated	119,261	180	0	0

1/ Approved by Council in December 1985.

2/ Cod TALFF and bycatch tonnage were released to Japan in early February.

ATKA MACKEREL (mt)

<u>Western</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	4,678	4,678	4,678	4,678
DAP	400	50	10	10
JVP	1,336	3,692	3,742	3,742
Reserve	0	836	906	906
TALFF	2,942	100	20	20
JA	644	62	20	20
ROK	1,785	25	0	0
POL	13	0	0	0
Unallocated	500	13	0	0
<u>Central</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	20,836	500	0	0
DAP	0	350	0	0
JVP	2,333	30	0	0
Reserve	0	100	0	0
TALFF	18,503	20	10	10
JA	4,762	12	10	10
ROK	13,618	5	0	0
POL	13	0	0	0
Unallocated	110	3	0	0
<u>Eastern</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	3,186	100 ^{1/}	0	0
DAP	0	80	0	0
JVP	0	0	0	0
Reserve	0	20	0	0
TALFF	3,186	0	0	0
JA	48	0		
ROK	5	0		
POL	0	0		
Unallocated	3,133	0		

1/ Bycatch amounts only.

POLLOCK (mt)

<u>Western/Central</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	400,000	305,000	100,000	100,000
DAP	9,000	34,371	40,000	40,000
JVP	210,300	235,629	40,000	40,000
Reserve	0	0	19,960	19,860
TALFF	180,700	35,000	40	140
JA	77,810	25,000	40	140
ROK	38,526	10,000	0	0
POL	3,350	0	0	0
Unallocated	61,014	0	0	0
<u>Outside Shelikof</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY			50,000	50,000
DAP			5,000	5,000
JVP			35,000	35,000
Reserve			10,000	10,000
TALFF			0	0
<u>Eastern</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	16,600	16,600	16,600	16,600
DAP	300	13,280	13,280	13,280
JVP	0	0	0	0
Reserve	0	3,320	3,320	3,320
TALFF	16,300	0	0	0
JA	10	0	0	0
ROK	5	0	0	0
POL	0	0	0	0
Unallocated	16,285	0	0	0

ROCKFISH (mt)

<u>Gulfwide</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u> ^{2/}	<u>Mar. 1986</u>
OY	7,600	5,000	5,000	5,000
DAP	1,915	4,600	5,000	5,000
JVP	500	133	50*	50*
Reserve	0	267	0	0
TALFF/PSC ^{1/}	5,185	25*	10*	10*
JA	1,663	19	10	10
ROK	1,711	6	0	0
POL	5	0	0	0
Unallocated	1,806	0	0	0

*PSC limits, not counted toward OY.

1/ TALFF in 1984; PSC limit thereafter.

2/ 600 mt designated for S.E. Central Inside.

PACIFIC COD (mt)

<u>Western</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	16,560	16,560	29,951	29,951
DAP	500	2,539	9,800	9,800
JVP	3,562	3,209	2,521	2,521
Reserve	0	3,212	5,990	5,990
TALFF	12,498	7,600	11,640	11,640
JA	11,673	7,525	11,640	11,640
ROK	72	50	0	0
POL	22	0	0	0
Unallocated	78	25	0	0
<u>Central</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	33,540	33,540	33,049	33,049
DAP	8,700	19,901	19,600	19,600
JVP	14,600	4,431	2,959	2,959
Reserve	0	6,608	6,610	6,610
TALFF	10,240	2,600	3,880	3,880
JA	4,591	2,525	3,880	3,880
ROK	1,342	50	0	0
POL	23	0	0	0
Unallocated	4,284	25	0	0
<u>Eastern</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	9,900	9,900	12,000	12,000
DAP	120	7,920	9,600	9,600
JVP	0	0	0	0
Reserve	0	1,980	2,400	2,400
TALFF	9,780	0	0	0
JA	927	0	0	0
ROK	10	0	0	0
POL	0	0	0	0
Unallocated	8,843	0	0	0

FLOUNDERS (mt)

<u>Western</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	10,400	10,400	5,360	5,360
DAP	0	7,398	3,252	3,252
JVP	2,090	922	1,036	1,036
Reserve	0	1,880	1,012	972
TALFF	8,310	200	60	100
JA	6,510	140	60	100
ROK	200	50	0	0
POL	4	0	0	0
Unallocated	1,596	10	0	0
<u>Central</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	14,700	14,700	5,000	5,000
DAP	3,040	8,292	2,916	2,916
JVP	8,620	3,468	1,084	1,084
Reserve	0	2,690	990	980
TALFF	3,040	250	10	20
JA	2,107	140	10	20
ROK	841	62	0	0
POL	5	0	0	0
Unallocated	87	48	0	0
<u>Eastern</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	8,400	8,400	4,020	4,020
DAP	300	6,720	3,216	3,216
JVP	0	0	0	0
Reserve	0	1,680	804	804
TALFF	8,100	0	0	0
JA	626	0		
ROK	9	0		
POL	0	0		
Unallocated	7,465	0		

PACIFIC OCEAN PERCH (mt)

<u>Western</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	2,700	1,302	1,316 ^{1/}	1,316 ^{1/}
DAP	90	1,302	1,316 ^{1/}	1,316 ^{1/}
JVP	1,770	53	200*	200*
Reserve	450	0	0	0
TALFF/PSC ^{2/}	390	30	10*	10*
JA	255	23	10	10
ROK	37	7	0	0
POL	1	0	0	0
Unallocated	97	0	0	0

<u>Central</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	7,900	3,906	1,511	1,511
DAP	620	3,906	1,511 ^{1/}	1,511 ^{1/}
JVP	2,000	98	35*	35*
Reserve	1,580	0	0	0
TALFF/PSC ^{2/}	3,700	16	10*	10*
JA	2,900	12	10	10
ROK	402	4	0	0
POL	1	0	0	0
Unallocated	397	0	0	0

<u>Eastern</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	875	875	875	875
DAP	460	875	875 ^{1/}	875 ^{1/}
JVP	0	0	0	0
Reserve	175	0	0	0
TALFF	240	0	0	0
JA	14	0		
ROK	3	0		
POL	0	0		
Unallocated	223	0		

*PSC limits, not counted toward OY.

1/ Estimated DAP exceeds OY.

2/ TALFF in 1984; PSC limit thereafter.

SABLEFISH (mt)

<u>Western</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	1,670	1,670	2,850	2,850
DAP	356	1,670	2,850 ^{1/}	2,850 ^{1/}
JVP	200	240*	0	0
Reserve	0	0	0	0
TALFF/PSC ^{2/}	1,114	140*	30*	30*
JA	936	108	30	30
ROK	100	31	0	0
POL	1	0	0	0
Unallocated	77	1	0	0
<u>Central</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	3,060	3,060	6,150	6,150
DAP	1,972	3,060	6,150 ^{1/}	6,150 ^{1/}
JVP	290	545*	0	0
Reserve	0	0	0	0
TALFF/PSC ^{2/}	798	10*	10*	10*
JA	567	24	10	10
ROK	95	7	0	0
POL	2	0	0	0
Unallocated	134	0	0	0
<u>Eastern</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	4,250	4,250	6,000 ^{3/}	6,000 ^{3/}
DAP	4,210	4,250	6,000 ^{1/}	6,000 ^{1/}
JVP	0	0	0	0
Reserve	0	0	0	0
TALFF	40	0	0	0
JA	10	0		
ROK	5	0		
POL	0	0		
Unallocated	25	0		

*PSC limits, not counted toward OY.

^{1/} Estimated DAP exceeds OY.

^{2/} TALFF in 1984; PSC limit thereafter.

^{3/} Includes 2,550 mt in W. Yakutat, 1,104 mt in E. Yakutat, and 2,346 mt in S.E. Outside.

SQUID (mt)

<u>Gulfwide</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	5,000	5,000	5,000	5,000
DAP	100	3,990	2,000	2,000
JVP	10	10	2,000	2,000
Reserve	0	950	990	990
TALFF	4,840	50	10	10
JA	3,127	31	10	10
ROK	949	12	0	0
POL	5	0	0	0
Unallocated	759	7	0	0

THORNYHEADS (mt)

<u>Gulfwide</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	3,750	3,750	3,750	3,750
DAP	150	2,990	1,500	1,500
JVP	50	10	1,500	1,500
Reserve	0	700	740	740
TALFF	3,550	50	10	10
JA	2,287	31	10	10
ROK	637	12	0	0
POL	5	0	0	0
Unallocated	621	7	0	0

OTHER SPECIES (mt)

<u>Gulfwide</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
OY	28,780	22,460	14,656	14,656
DAP	849	16,544	5,862	5,862
JVP	1,400	1,400	5,862	5,862
Reserve	0	4,191	2,741	2,641
TALFF	26,531	325	180	280
JA	10,182	202	180	280
ROK	4,592	81	0	0
POL	80	0	0	0
Unallocated	11,677	42	0	0

BERING SEA/ALEUTIAN ISLANDS GROUND FISH: 1984-1986

The following tables indicate cumulative changes in metric tonnages of DAP, JVP, Reserve, and TALFF over time. Though the NMFS Regional Director is empowered to reapportion at any time, it is done mainly in early April, June, and August. Apportionments to TALFF are then allocated to the various foreign countries fishing in the FCZ. Unallocated TALFF is the portion potentially available for foreign fishing that has not yet been released to specific countries.

	<u>TOTAL (mt)</u>			
<u>BSAI</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986^{1/}</u>	<u>Mar. 1986^{4/}</u>
EY		2,149,330	1,981,210	1,981,210
TAC	2,000,000	2,000,000	2,000,000	2,000,000
DAP	111,105	137,210	325,119	325,119
JVP	431,210	697,850	1,014,083	1,014,083
Reserve	0	1,345	270,143	270,143
TALFF	1,457,685	1,163,595	390,675	390,675
JA	1,019,891	861,332	44,013 ^{2/}	137,559
ROK	264,160	239,872	33,462	39,462
FRG	27,995	0	0	0
PORT	6,815	600	0	0
POL	55,556	35,295	984	2,917
UR	30,000	10,782	0 ^{3/}	0
PRC	0	0	984	2,917
TW	0	0	1,575	1,575
Unall.	53,268	15,714	309,657	206,245

1/ Council recommended TAC, DAP, JVP, Reserve and TALFF.

2/ Initially Japan received 10,000 mt. Another 34,000 mt was released on February 5, 1986.

3/ Soviets did not accept their initial allocation.

4/ Includes late February redistribution of Soviet allocation and early March allocations to Japan.

POLLOCK (mt)

<u>Aleutians</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
EY	120,000	120,000	100,000	100,000
TAC	110,000	100,000	100,000	100,000
DAP	500	10,540	18,039	18,039
JVP	16,750	13,966	10,804	10,804
Reserve	0	0	15,000	15,000
TALFF	92,750	75,494	56,157	56,157
JA	54,500	46,368	12,000	18,000
ROK	13,488	13,938	5,891	6,951
FRG	15,293	0	0	0
PORT	0	0	0	0
POL	4,000	9,377	348	2,097
UR	0	0	0	0
PRC	0	0	301	567
TW	0	0	0	0
Unall.	5,469	5,811	37,617	28,542

<u>Bering Sea</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
EY	1,200,000	1,200,000	1,100,000	1,100,000
TAC	1,200,000	1,200,000	1,200,000	1,200,000
DAP	18,200	17,680	141,755	141,755
JVP	273,000	393,584	690,000	690,000
Reserve	6,915	0	180,000	180,000
TALFF	901,885	788,736	188,245	188,245
JA	638,531	594,233	17,058	80,095
ROK	180,889	167,315	20,688	24,412
FRG	8,154	0	0	0
PORT	500	43	0	0
POL	50,568	23,422	535	535
UR	12,401	1,629	0	0
PRC	0	0	482	1,169
TW	0	0	1,408	1,408
Unall.	10,842	2,094	148,074	80,626

PACIFIC OCEAN PERCH (mt)

<u>Aleutians</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
EY	10,800	11,400	15,000	15,000
TAC	4,580	3,800	6,800	6,800
DAP	550	3,100	6,340	6,340
JVP	3,380	540	460	460
Reserve	0	0	0	0
TALFF	650	160	50	50
JA	520	131	4	12
ROK	95	17	4	4
FRG	18	0	0	0
PORT	0	0	0	0
POL	4	3	1	2
UR	0	0	0	0
PRC	0	0	1	1
TW	0	0	0	0
Unall.	13	9	40	31

<u>Bering Sea</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
EY	1,360	1,360	1,600	1,600
TAC	1,780	1,300	825	825
DAP	450	960	576	576
JVP	250	120	194	194
Reserve	270	300	0	0
TALFF	810	220	55	55
JA	508	99	8	20
ROK	78	44	4	5
FRG	14	0	0	0
PORT	13	1	0	0
POL	16	9	1	1
UR	13	1	0	0
PRC	0	0	1	1
TW	0	0	1	1
Unall.	168	66	40	27

ROCKFISH (mt)

<u>Aleutians</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
EY	11,000	7,790	7,790	7,790
TAC	5,500	5,500	5,800	5,800
DAP	50	30	5,791	5,791
JVP	4,000	1,785	9	9
Reserve	825	0	0	0
TALFF	625	3,685	50	50
JA	448	2,471	4	12
ROK	140	476	4	4
FRG	17	0	0	0
PORT	0	0	0	0
POL	8	18	1	2
UR	0	0	0	0
PRC	0	0	1	1
TW	0	0	0	0
Unall.	12	720	40	31

<u>Bering Sea</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
EY	3,100	1,120	1,120	1,120
TAC	1,550	952	825	825
DAP	50	600	648	648
JVP	255	22	143	143
Reserve	0	168	0	0
TALFF	1,245	330	50	50
JA	852	229	7	18
ROK	70	70	4	4
FRG	20	0	0	0
PORT	12	1	0	0
POL	10	5	1	1
UR	21	0	0	0
PRC	0	0	1	1
TW	0	0	1	1
Unall.	260	25	36	25

SABLEFISH (mt)

<u>Aleutians</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
EY	1,755	2,560	4,200	4,200
TAC	1,600	1,875	4,200	4,200
DAP	50	1,305	4,159	4,159
JVP	280	420	40	40
Reserve	60	0	0	0
TALFF	1,210	150	50	50
JA	894	99	2	7
ROK	170	30	4	4
FRG	4	0	0	0
PORT	0	0	0	0
POL	2	6	1	2
UR	0	0	0	0
PRC	0	0	1	1
TW	0	0	0	0
Unall.	140	15	42	36

<u>Bering Sea</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
EY	4,430	3,520	3,000	3,000
TAC	3,740	2,825	2,250	2,250
DAP	865	2,475	1,826	1,826
JVP	175	100	246	246
Reserve	0	-200	83	83
TALFF	2,700	250	95	95
JA	1,274	199	14	35
ROK	286	33	8	9
FRG	3	0	0	0
PORT	12	3	0	0
POL	26	5	1	1
UR	31	1	0	0
PRC	0	0	1	2
TW	0	0	2	2
Unall.	1,068	9	69	46

YELLOWFIN SOLE (mt)

<u>BSAI Area</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
EY	310,000	310,000	230,000	230,000
TAC	230,000	241,635	209,500	209,500
DAP	1,360	1,770	1,030	1,030
JVP	36,500	113,953	127,300	127,300
Reserve	7,961	-14,735	31,425	31,425
TALFF	184,179	125,912	49,745	49,745
JA	130,911	83,599	2,900	13,531
ROK	35,008	33,534	3,362	3,954
FRG	366	0	0	0
PORT	129	12	0	0
POL	6	347	5	5
UR	11,000	8,206	0	0
PRC	0	0	105	894
TW	0	0	9	9
Unall.	6,759	214	43,364	31,352

OTHER FLATFISH (mt)

<u>BSAI Area</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
EY	150,200	150,200	137,500	137,500
TAC	111,490	105,065	124,200	124,200
DAP	1,360	1,200	4,192	4,192
JVP	22,000	62,500	89,550	89,550
Reserve	4,180	4,835	18,630	18,630
TALFF	83,950	41,365	11,828	11,828
JA	61,666	30,528	1,721	5,375
ROK	11,328	9,649	1,309	1,539
FRG	1,023	0	0	0
PORT	349	31	0	0
POL	101	330	20	20
UR	3,150	620	0	0
PRC	0	0	20	100
TW	0	0	40	40
Unall.	6,333	207	8,718	4,674

PACIFIC COD (mt)

<u>BSAI Area</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
EY	291,300	347,400	249,300	249,300
TAC	210,000	217,310	229,000	229,000
DAP	84,400	95,000	133,394	133,394
JVP	37,200	63,190	50,830	50,830
Reserve	0	2,690	12,370	12,370
TALFF	88,400	59,120	32,406	32,406
JA	56,110	53,583	8,235	10,020
ROK	11,718	4,291	618	751
FRG	887	0	0	0
PORT	5,000	440	0	0
POL	500	406	9	24
UR	1,129	289	0	0
PRC	0	0	18	56
TW	0	0	29	29
Unall.	13,056	111	23,497	21,526

ATKA MACKEREL (mt)

<u>BSAI Area</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
EY	37,700	37,700	30,800	30,800
TAC	35,000	37,700	30,800	30,800
DAP	230	0	10	10
JVP	33,770	37,600	30,790	30,790
Reserve	0	0	0	0
TALFF	1,000	100	50	50
JA	761	53	6	19
ROK	145	20	4	5
FRG	36	0	0	0
PORT	12	1	0	0
POL	16	6	1	1
UR	16	0	0	0
PRC	0	0	1	1
TW	0	0	1	1
Unall.	14	20	37	23

GREENLAND TURBOT (mt)

<u>BSAI Area</u>	<u>Final 1984^{1/}</u>	<u>Final 1985^{1/}</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
EY	67,500	64,200	35,000	35,000
TAC	59,610	35,750	33,000	33,000
DAP	20	50	5,414	5,414
JVP	1,100	5,000	5,000	5,000
Reserve	2,235	6,250	4,950	4,950
TALFF	56,255	30,700	17,636	17,636
JA	44,566	23,109	210	4,656
ROK	4,807	2,765	160	180
FRG	923	0	0	0
PORT	316	28	0	0
POL	50	201	5	5
UR	322	1	0	0
PRC	0	0	5	5
TW	0	0	10	10
Unall.	5,271	4,596	17,246	12,780

ARROWTOOTH FLOUNDERS (mt)

<u>BSAI Area</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
EY			20,000	20,000
TAC			20,000	20,000
DAP			1,805	1,805
JVP	(Combined with Greenland Turbot)		1,667	1,667
Reserve			3,000	3,000
TALFF			13,528	13,528
JA			658	2,055
ROK			500	578
FRG			0	0
PORT			0	0
POL			15	38
UR			0	0
PRC			15	38
TW			24	24
Unall.			13,618	10,795

^{1/} These figures include Greenland Turbot and Arrowtooth Flounder. The two species are listed separately for 1986.

SQUID (mt)

<u>BSAI Area</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
EY	10,000	10,000	10,000	10,000
TAC	8,900	8,500	5,000	5,000
DAP	20	0	10	10
JVP	50	70	50	50
Reserve	304	1,500	730	730
TALFF	8,526	8,430	4,210	4,210
JA	5,113	6,158	263	821
ROK	1,528	1,771	200	236
FRG	429	0	0	0
PORT	189	15	0	0
POL	99	269	20	43
UR	57	1	0	0
PRC	0	0	11	20
TW	0	0	18	18
Unall.	1,111	216	3,698	3,072

OTHER SPECIES (mt)

<u>BSAI Area</u>	<u>Final 1984</u>	<u>Final 1985</u>	<u>Jan. 1986</u>	<u>Mar. 1986</u>
EY	61,400	51,200	35,900	35,900
TAC	40,000	36,443	27,800	27,800
DAP	3,000	2,500	110	110
JVP	2,500	5,000	7,000	7,000
Reserve	1,000	1,137	4,170	4,170
TALFF	33,500	28,943	16,520	16,520
JA	23,237	20,473	923	2,883
ROK	4,410	5,919	702	826
FRG	808	0	0	0
PORT	283	25	0	0
POL	150	891	20	60
UR	1,860	34	0	0
PRC	0	0	11	60
TW	0	0	18	32
Unall.	2,752	1,601	14,823	12,659

Regional Fishery Management Inter-Council
Finance Committee
February 25-26, 1986
San Francisco, California

DRAFT MINUTES

The Inter-Council Finance Committee, appointed at the Chairmen's Meeting in Alderbrook, Washington in August of 1985, met for the first time at the Airport Executive Inn in San Francisco, February 25-26. In attendance were: O'Neil Sanders, South Atlantic Council; Jose Campos, Caribbean Council; Wadsworth Yee, Western Pacific Council; Joe Easley, Pacific Council; John Winther, North Pacific Council; and Edward Spurr, New England Council. Staffers present were: John Everett, Chief of Policy and Planning, NMFS; Howard Hochman, NMFS Management and Budget; Joe Greenley, Executive Director, Pacific Council; and Jim Branson, Executive Director, North Pacific Council.

FY86 Council Funding

The meeting convened at 9:00 a.m. February 25. The Committee approved the proposed agenda (Attachment A) and elected Joe Easley Chairman. John Everett and Howard Hochman described their roles in budget development and administration and then detailed the FY86 funding for the regional management councils. In common with the rest of the NMFS budget, the Councils are affected by the Gramm-Rudman reductions, the first of which occurs March 1. The reductions were a straight 4.312% across all NMFS programs except for Enforcement and Surveillance, which was exempted from any cuts by direct NOAA order.

Attachment B details the FY86 Council funding. The "funded 2/18/86" column is the amount of money (\$6,423,200) that has been disbursed to the Councils. Reflected again in the summary, that amount subtracted from the net available, \$6,720,000, leaves a balance of \$297,000 available for further disbursement to the Councils. Attachment C shows the amounts the Councils have already requested for additional funding for FY86. Assistant Administrator for NOAA, Bill Gordon, has made a tentative commitment to fund the first three items, a total of \$73,088, leaving approximately \$224,000 still available. Programmatic requests have been received from the Pacific, North Pacific, Gulf of Mexico and South Atlantic Councils as noted in the last three items in Attachment C.

The Council Chairmen agreed at the Alderbrook meeting that administrative funding requirements have a higher priority than programmatic requests. During the course of the San Francisco meeting, all the Councils were asked to submit any additional requirements for administrative funds. All of the Councils responded and made the following estimates:

Gulf of Mexico Council - additional travel	\$37,000
Western Pacific Council - travel	40,000
New England Council - salaries, COLA, and other administrative costs	66,000
Caribbean Council - reimbursing COLA, travel, and step salary increases	68,000

The Mid-Atlantic, South Atlantic, Pacific and North Pacific Councils said they could manage if their earlier requests were granted (Attachment C). The

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amount requested totaled \$211,000, leaving only \$13,000 of unrequested funds. It is obvious there will be little available for programmatic funding in FY86. There may be small amounts of carry-over money to add to the \$13,000 but it's not expected to be significant.

The money granted to the Councils to disburse to their member states (pass-through funds) to defray their expenses for Council participation was discussed. Now \$25,000 a year for each member state, the amount is at the discretion of the Councils. It could be cut to conform to the Gramm-Rudman reductions required of all other programs, or otherwise altered at the discretion of the Council.

It was noted that the FY86 Congressional line item funding for the Regional Councils was \$7.2 million but that \$200,000 of that had been reprogrammed by NMFS to the Northwest Region for data needs, as it has over the past several years. The Committee agreed that that program was necessary but that it did not meet either Council or NMFS guidelines for Council funding. It should be a NMFS line-funded program rather than a Council programmatic expenditure. The Committee recommended that NMFS budget directly for this in the future, that Council funding would no longer be available.

Asst. Administrator Gordon wanted Council recommendations for disbursing the initial balance of \$297,000. The Committee agreed to forward, through the individual Councils and their respective Regional Directors, the recommendations just described. The Council grants are expected to last through September 31 although it is possible that the grant authority may be extended until December 31 to allow for a smoother transition between one budget year and the next.

Council Involvement in the Budget Process

A general discussion followed on the difficulty of getting funding for fishery programs. Discussion included the time schedule for Gramm-Rudman reductions in the FY87 budget and the funding priorities in the NMFS budget for FY86 and FY87. The Committee reviewed NMFS appropriations on a regional basis and the flow of the budget process through both the Executive and Congressional branches (Attachment E).

The Committee continued with a discussion on ways to involve the Councils in the NMFS budget development process, noting that there was still some opportunity through April for input into FY88 budget development. Any changes at this late date, however, would have to be significant and well justified and able to be accomplished with no change in the overall budget. After July, however, Council budget input would almost have to be for FY89.

The first day of the meeting concluded with a study of the management-by-objective program and funding level contingency analysis (Attachment F) prepared by NMFS.

Wednesday, February 26

The Committee reconvened at 9:00 a.m. with all members present except O'Neil Sanders who was unable to attend because of illness. The Committee started with a review of needed administrative add-ons for FY86 as discussed earlier. Hochman agreed to call the Regional Directors, notifying them the requests would be coming. Each Council is expected to set out a detailed justification

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for their request and forward it through the appropriate Regional Director. Asst. Administrator Gordon will make the final decision on how and to whom money will be disbursed. It was noted that administrative and programmatic requests now exceed the money available by almost 100%.

Future Council Action

John Everett pointed out that there is a rather widely held perception in Washington that the Councils' function and their primary job is essentially over, that we're now on a maintenance schedule that will not require the funding needed initially. The Committee agreed that the Councils must convince those concerned that that is not the case; that revisions and changes to FMPs to track changing and developing fisheries often require more effort than was initially devoted to the original fishery management plans. Unless the Councils can convince everyone of the reality of this continuing need, funding will be increasingly difficult.

The Committee recommends that the Councils begin their involvement in budget development with detailed meetings with the Regional Directors and Center Directors as soon as possible; that input into the NMFS operational procedure was valuable.

The Committee discussed the possibility of including Council representatives as members of the NMFS 'board of directors'. John Everett promised to investigate that possibility recognizing that the Councils, because of their "non-federal status" and because of Federal Advisory Committee Act problems, might not be able to work in that forum.

Local and Regional/Center budget development starts during the summer and the Councils should get involved at that time. A late winter meeting of Council Chairmen for budget review may be desirable. The Councils should develop priorities for NMFS budgeting in broad categories; Research and Assessment, Enforcement and Surveillance, Plan Review, Industry Assistance, and others, with immediate discussions with the Regional Directors and Center Directors for detail on FY88 program.

Future Council Chairmen's Meetings

The Caribbean Council is scheduled to host the next Council Chairmen's Meeting. It was agreed by the Finance Committee that they would recommend that the next meeting be held in Washington, DC rather than San Juan because of cost and the need to interface with various D.C. staffers. They also view it as an opportunity to interface with the blue ribbon group appointed by Administrator Calio to study Federal fishery management. Omar Munoz will take the lead on agenda development and Jose Campos will chair as the host Council. Suggested dates are May 5-8. We will need an answer from NMFS on Council membership on the "NMFS board of directors" prior to the meeting.

Future of the Finance Committee

The future role of the Finance Committee should be put on the Chairmen's agenda.

The Committee closed with a discussion of details of the Chairmen's meeting, adjourning at 11:15 a.m.

William Nott, President
Sportfishing Association of California
Long Beach, CA

Jeffrey Stephan, Manager
United Fishermen's Marketing Association
Kodiak, AK

Stanley N. Swerdloff, President
Kona Coast Fishing Co.
Kailua, HI

Roger Thomas, President
Golden Gate Sportfishermen's Association
Sausalito, CA

Fred A. Yeck
Attorney and JV Trawler
Newport, OR

Ten of 21 MAFAC members are from the Pacific area, so our area is well represented and the above individuals do a good job of voicing concerns. There are no State representatives on MAFAC, therefore the Commissions, serving as consultants, try to represent the States at these meetings.

1. Budget

The principal issue discussed at MAFAC was future NMFS budgets. NMFS currently is preparing its FY 1988 budget, and Dr. Calio of NOAA requested MAFAC input into this process. This is the first time since I began attending these meetings that we have been involved early in the formulative process, before the Administration's proposal becomes "locked in." As part of this discussion, the three Commissions were asked to make presentations on the fishery research programs in their respective regions.

Dr. Calio, serving as Chairman of MAFAC, asked that we review each of the major NMFS activities by region and recommend how we would make cuts to the existing budget (approximately \$160 million nationwide). MAFAC made it clear that it did not support cuts to the overall level of support for NMFS programs, although some reprogramming might be necessary. In the event that cuts might be necessary because of the deficit situation, MAFAC recommended which major activities should be emphasized and which might be reduced. The Commissions argued in favor of maintaining research programs, and in particular the State grant programs, and Council operations. MAFAC agreed with these arguments. By major activity, MAFAC recommended the following:

<u>Activity</u>	<u>Comment</u>
<u>Research</u> (MAFAC considers this to be the most important category)	
Resource surveys	Increase funding
Resource biology	Sustain current level except reduce protected species research and re-evaluate some tropical tuna projects
Habitat ecology	Increase funding
Catch statistics	Sustain current level
Economic data	Sustain current level
Analysis/modeling	Sustain current level
Data management	Reduce slightly by turning over some publications to the private sector
Grants to States	Increase funding

Management

Plan approval	Re-examine need for current level of funding
Regulations/permits	Sustain current level
International management	Sustain current level
Habitat conservation	Sustain current level
Enforcement	Sustain current level
Columbia hatcheries	Eliminate support when adequate alternative source in place
Marine mammals and protected species	Reduce significantly
Council grants	Sustain current level

Development

Industry development and trade	Reduce significantly
S-K grants	Sustain or increase slightly
Product quality/safety	Reduce significantly

Discussion on the FY88 budget will continue at the next MAFAC meeting in May.

2. Research programs

Also, at the February MAFAC meeting, the Commissions presented information on the extent and importance of fishery research and data collection programs, mostly for the benefit of new Administrator Calio. PMFC spent considerable staff time in collecting information from the Pacific area State and Federal agencies and Councils in preparation for this presentation. Some summary tables on State and Federal expenditures for research in support of management

are attached in a January 10, 1986 memo to MAFAC (Attachment 1). We described the nature and importance of the work being performed, the State and Federal funding shares, and concerns about future funding. Our remarks were well-received by MAFAC and Dr. Calio.

3. Magnuson Act

Also at MAFAC, we were briefed on a recently-completed review of the Magnuson Act prepared by a Council/NOAA Task Group. This draft discussion paper, entitled "An Evaluation of the Implementation of the Magnuson Fishery Conservation and Management Act" (December 1985), is available for public comment. Copies may be obtained from NMFS, and comments are due April 30. (See Notice of Availability, Attachment 2). Principal conclusions are:

- "...even though success in meeting the objectives of the Act has been mixed, and the full range of expected results has not yet been accomplished, the objectives of the Act are still relevant, valid and achievable.
- "Present institutional arrangements are capable of meeting the objectives of the Magnuson Act. There is no need to change these institutions legislatively.
- "...there are deficiencies in the present system, notably the lack of fiscal and programmatic accountability, which can be resolved through administrative change.
- "Meaningful cost savings in managing EEZ fishery resources are not possible through changes in the Council system or institutional arrangements. Any such changes cannot be justified as substantial cost-saving measures."

As you recall, NOAA requested Congress to reauthorize the Magnuson Act for two years without substantive change, during which time two analyses of the present management system would be undertaken. The above study is the first analysis; the second will begin shortly. This is the so-called "OMB study" which was to be an independent review with recommendations. NOAA solicited bids from independent contractors to do this study, but NOAA felt them to be unsatisfactory (i.e., the bids were too high or the analysts unqualified). Administrator Calio therefore decided to appoint an Ad Hoc group to do the job. The members are:

John Harville, OR
Courtland Smith, OR
John Peterson, WA
Hal Lyman, MA
Alan Haynie, VA
Fitzgerald Beamus, VA
Bill Hargus, VA — *Chairman*
Bill Towell, NC
Jim Cato, FL
John Mehos, TX
Jerry Baker

They begin a series of meetings in March, and Calio wants some recommendations by April or May. He wants to receive extensive comments on these recommendations during the last half of 1986 and then submit a legislative package in early 1987, when the new Congress convenes. Unfortunately, the short time available for the work of this Ad Hoc group would seriously hamper its ability to do a complete job. Also, those expecting an in-depth, independent analysis may be disappointed by this approach and therefore skeptical of the results.

IAFWA

The Federal Budget Committee of the International Association of Fish and Wildlife Agencies met in February to hear Federal resource agency budget presentations for FY 1987; including NMFS, FWS, Forest Service, BLM and others. Afterward, the Committee met to prepare comments on each of the agency budgets. A representative from the Washington Department of Game and I were the only Pacific area representatives at this meeting.

The NMFS budget proposal for FY 1987 again is a drastic reduction (40%) from current levels. This budget is reviewed in a recent PMFC Newsletter which you will receive shortly. The proposed reductions are familiar ones:

- Terminate Columbia hatchery O & M
- Terminate or reduce the State grant programs
- Significantly cut the Council budgets
- Significantly reduce research, including closure of the Tiburon Laboratory
- Terminate the S-K grants

While the Commercial Fisheries Research and Development Act (P.L. 88-309) grants would be eliminated entirely, the Anadromous Fish Conservation Act (P.L. 89-304) grant program would be maintained at a lower level (\$1.8 million) and included as part of the Pacific Salmon Treaty budget request (\$12 million). For more details on the FY 1987 NMFS budget, see Attachment 3.

The Reagan budget proposal included some major initiatives for FY87, among them a proposal for a Federal ocean sport fishing license of at least \$10, \$5 of which would be returned to the Federal Government. The only printed information we have is Attachment 4, which is sketchy. We understand that NMFS has been asked to draft legislation authorizing this initiative, which is yet unavailable. NMFS/NOAA apparently is also considering adding a Federal commercial fishing permit to the legislation.

For an excellent review of the potential impacts of Gramm-Rudman and other appropriations activities, see the attached memo from the Atlantic Commission (Attachment 5).

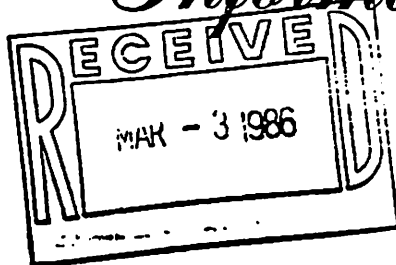
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cc: Joe Greenley
Jim Branson

Attachments (5)



Information Bulletin



Number 33 February 1986

P.O. BOX 95009, SEATTLE, WASHINGTON 98145-2009

COMMERCIAL HALIBUT REGULATIONS FOR 1986

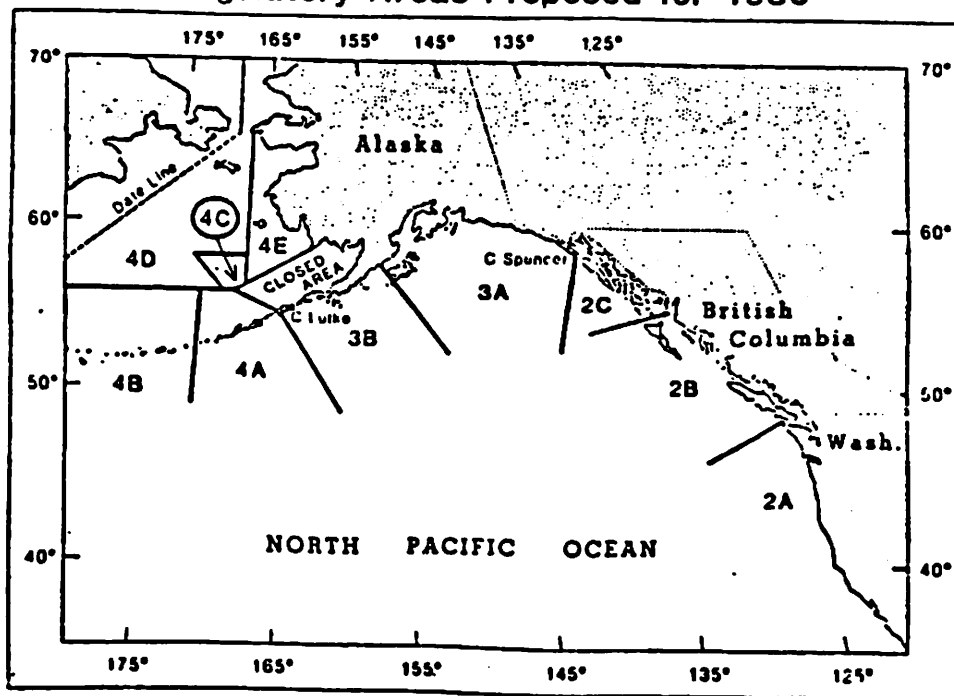
The International Pacific Halibut Commission is recommending to the governments of Canada and the United State the following regulations for the halibut fishery for 1986. These regulations must be approved by both governments before they become effective.

This bulletin is intended for information purposes only and is not a substitute for the detailed regulation pamphlet which will be printed and distributed as soon as the regulations have been approved by both governments.

Regulatory Areas

The Commission recommends regulatory boundaries as shown in the figure below. The only change from 1985 is the relocation of the boundary line between Areas 4C and 4D at 58°00'00" N., which moves the northwestern flats, including St. Matthew Island, from Area 4C to Area 4D.

Regulatory Areas Proposed for 1986



Catch Limits

The Commission recommends a catch limit (in millions of pounds) for each regulatory area as shown in the table below. The Commission regards these as upper limits of allowable catch. An area will reopen only if enough catch limit remains to allow a full fishing day. Further, the Commission does not regard Areas 3A and 3B, or Areas 4A and 4B, as separate areas. The Area 3A-3B and Area 4A-4B fishing seasons will be closed if the respective combined catch limits are taken.

Area	Catch Limit	Area	Catch Limit	Area	Catch Limit
2A	0.55	3A	28.1	4A	2.0
2B	11.2	3B	10.3	4B	1.7
2C	11.2			4C	0.6
				4D	0.7
				4E	0.05

Fishing Seasons

The Commission recommends commercial halibut fishing seasons consisting of a succession of open and closed periods as shown in the table below, or until the respective catch limits are taken. All fishing periods will open and close at 12 noon Pacific Standard Time.

2A	2B	2C-3A-3B	4A	4B	4D
6/16-6/28	5/03-5/11	4/30-5/02	4/30-5/02	5/29-6/01	6/30-7/03
7/15-7/27	6/07-6/15	5/29-5/31	5/29-5/31	6/30-7/03	7/29-8/08
8/12-8/24	8/30-9/07	8/25-8/27	6/30-7/03	7/29-8/05	9/23-*
9/10-9/22	9/27-10/5	9/23-*	7/29-8/05	8/25-8/27	
			8/25-8/27	9/23-*	
			9/23-*		
4C			4E		
6/01-6/02	7/09-7/10	8/16-8/17	6/01-6/03	7/22-7/24	9/11-9/13
6/03-6/04	7/11-7/12	8/18-8/19	6/04-6/06	7/25-7/27	9/14-9/16
6/05-6/06	7/13-7/14	8/20-8/21	6/07-6/09	7/28-7/30	9/17-9/19
6/07-6/08	7/15-7/16	8/22-8/23	6/10-6/12	7/31-8/02	9/20-9/22
6/09-6/10	7/17-7/18	8/24-8/25	6/13-6/15	8/03-8/05	9/23-9/25
6/11-6/12	7/19-7/20	8/26-8/27	6/16-6/18	8/06-8/08	9/26-9/28
6/13-6/14	7/21-7/22	8/28-8/29	6/19-6/21	8/09-8/11	9/29-10/01
6/15-6/16	7/23-7/24	8/30-8/31	6/22-6/24	8/12-8/14	10/02-10/04
6/17-6/18	7/25-7/26	9/01-9/02	6/25-6/27	8/15-8/17	10/05-10/07
6/19-6/20	7/27-7/28	9/03-9/04	6/28-6/30	8/18-8/20	10/08-10/10
6/21-6/22	7/29-7/30	9/05-9/06	7/01-7/03	8/21-8/23	10/11-10/13
6/23-6/24	7/31-8/01	9/07-9/08	7/04-7/06	8/24-8/26	10/14-10/16
6/25-6/26	8/02-8/03	9/09-9/10	7/07-7/09	8/27-8/29	10/17-10/19
6/27-6/28	8/04-8/05	9/11-9/12	7/10-7/12	8/30-9/01	10/20-10/22
6/29-6/30	8/06-8/07	9/13-9/14	7/13-7/15	9/02-9/04	10/23-10/25
7/01-7/02	8/08-8/09	9/15-9/16	7/16-7/18	9/05-9/07	10/26-10/28
7/03-7/04	8/10-8/11	9/17-9/18	7/19-7/21	9/08-9/10	10/29-10/31
7/05-7/06	8/12-8/13	9/19-9/20			
7/07-7/08	8/14-8/15	9/21-9/22			
		9/23-9/24			

*Date to be announced by the Commission

Clearances

The Commission recommends again in 1986 that vessels fishing in Area 4 be required to obtain a clearance and hold inspection at Dutch Harbor or Akutan, Alaska, no more than 5 days prior to the opening date for the area to be fished, and no more than 5 days after the area has closed. Clearances will be available from fishery officers or from designated commercial fish processors. The clearance requirement will not apply to fishermen who land their total annual halibut catch in Area 4 ports. Vessels obtaining a clearance to fish in Area 4C will not be given a clearance to fish in any other area on the same trip.

Layup Period

Vessels intending to fish during a halibut fishing season in any area, except Areas 4C or 4E, may not have setline gear in the water during the 72-hour period immediately before the opening of that halibut fishing season.

Halibut Licenses

All vessels that fish for halibut for commercial purposes in 1986 must have a valid halibut license issued by the Commission in 1986. This provision also applies to sport charter vessels. Halibut license applications have been mailed to all holders of 1985 commercial halibut licenses that landed halibut during the 1985 fishery. Halibut license applications are available from fishery officers and from the Commission. Completed applications must be mailed to the Commission, and a halibut license will be returned to the applicant by mail. Applications must be completed in full or they will be returned for missing information. There is no charge for halibut licenses. The IPHC halibut license number must appear on all fish tickets showing purchase and receipt of halibut.

Log Records

Vessel log records must be retained on the vessel for five days after halibut are off-loaded.

Fish Tickets

A new regulation makes it illegal to enter a Halibut Commission license number on a State or Provincial fish ticket for any vessel other than the vessel actually used in catching the halibut reported thereon.

Other Regulations

Other regulations, such as the size limit, gear restrictions, and closed areas will be the same as in 1985.

HALIBUT TAGS

The Commission has tagged halibut throughout the range of the fishery. Large numbers of fish were recently tagged off Kodiak Island, southeastern Alaska, and in Hecate Strait. These tags are made of orange, yellow, or pink plastic with wire inside and are twisted around a bone near the cheek on the dark side of the fish. The information obtained from the return of tags will allow IPHC to determine the migration and mortalities of halibut.

Fishermen and dock workers are urged to watch for tagged halibut and to report any that are found, including those smaller than the legal size limit. IPHC regulations permit the landing of any halibut bearing a tag, regardless of season, size of fish, or gear used in its capture, provided the fish, with tag in place, is made available for inspection.

When a tagged halibut is captured, we suggest that a ganging or piece of line be tied around the tail of the fish. Then, when the fish are unloaded, the tagged fish is easily located. During the fishing seasons, IPHC has employees in many of the ports where halibut are sold and they should be notified of the tagged fish whenever possible. If an IPHC employee is not available, contact an enforcement officer of the State, Provincial, or Federal government. When none of the above are available, the tag should be mailed directly to the IPHC office at the above address with as much recovery information as possible. Please report the location, date, depth, and gear of recovery as well as the length and sex of the fish.

The finder of a tag will receive a letter indicating when and where the fish was released. There is a standard reward of \$5.00 for each tag returned. In addition, persons returning the first 12 tags bearing preselected numbers will receive a premium reward of \$100.00.

MEMORANDUM

TO: Council, SSC and AP Members

FROM: James O. Campbell
Chairman *James O. Campbell*

DATE: February 14, 1986

SUBJECT: Council Committees and Workgroups

I've just reviewed the Council committees and workgroups and I think some changes are desirable. I propose to do the following and would like to discuss this with you at the March Council meeting.

I believe only the following standing committees are necessary at this time:

1. Advisory Panel Nominating Committee
2. Finance Committee
3. Permit Review Committee
4. Policy & Planning Committee

I therefore intend to drop the Board/Council Coordinating Committee, the Incidental Species Committee, the Inter-Council Coordinating Committee, and the Net-mark, Interception, & Entanglement Committee. The Board/Council Coordinating Committee is composed of myself, Don Collinsworth, Gene DiDonato and Don Bevan. The committee has never met as a group and I think the necessary coordinating can be done directly between myself and Board Chairman Jolin.

The membership of the Incidental Species Committee has been John Harville, Sara Hemphill, Rudy Petersen, Oscar Dyson and John Winther, with Bud Burgner and Rich Marasco from the SSC; Oliver Holm, Julie Settle and Thorn Smith from the Advisory Panel. The work that group has been doing has been largely assumed by the ad-hoc Gulf of Alaska FMP Workgroup or other ad-hoc workgroups, both industry and agency.

The Inter-Council Coordinating Committee, with members Don Collinsworth, John Harville, Bob McVey and Don Bevan, was created to resolve salmon problems between the Pacific and North Pacific Councils prior to the U.S./Canada Salmon Treaty. Successful conclusion of those treaty negotiations has eliminated that problem and I don't see anything in the immediate future that will require its attention. I suggest we drop the committee with the clear understanding that the Chairman and Directors of the two Councils will maintain close contact so that if problems arise an ad-hoc working group can be formed to deal with them.

The Net-Mark, Interception and Entanglement Committee, with members Don Collinsworth, John Harville, Bud Burgner, Rick Lauber and Julie Settle, was active when the Council started investigation of the net-marked salmon phenomena and entanglement in general. At that time there were no active federal programs in this area. The National Marine Fisheries Service and the Marine Mammal Commission are now active and the Alaska Department of Fish & Game has concluded a two-year study of salmon net marking. The Council committee has not met for well over a year and it doesn't appear there will be any real role for it in the future. We should continue to track this subject, however, but that can be done by the staff. If it appears necessary we can always appoint an ad-hoc group.

We currently have eight ad-hoc workgroups. I suggest we drop one, the Groundfish Data Workgroup, from the directory. There have been no Council members on this workgroup. One SSC member, Rich Marasco, has been working with Council, state and federal staff but this should probably be considered a staff function. If it appears that Council members can contribute in the future I will appoint an ad-hoc workgroup to do so.

MEMBERSHIP

I've done some juggling on committee membership to try and spread the load as evenly as possible among the Council members and will confirm, or appoint as the case may be, the following memberships in committees and workgroups:

COMMITTEES

Advisory Panel Nominating Committee -

Council Members

*Hemphill
Mace
R. Petersen
Mitchell

Staff Support

Pautzke

Finance Committee

Council Members

*Winther
Collinsworth
Harville
McVey
Cahill

SSC

Rosenberg

AP

Cotter

Staff Support

Willoughby

future requirements. Therefore, I plan to list only the following plan teams with members as shown. Understand that the membership of plan teams does change when agencies change personnel. Your directory will be updated when that occurs.

Membership

GOA
Groundfish

Ron Berg (NMFS)
Barry Bracken (ADF&G)
Steve Davis (NPFMC)
Robert Fagen (UA)
Jeffrey Fujioka (NWAFC)
Fritz Funk (ADF&G)
Steve Hoag (IPHC)
Pete Jackson (ADF&G)+
Jim Balsiger (NWAFC)
Joe Terry (NWAFC)

King Crab

Ray Baglin (NMFS)
Marty Eaton (ADF&G)+
Jim Glock (NPFMC)
Bob Otto (NWAFC)
Richard Peterson (ADF&G)
Jerry Reeves (NWAFC)
Tom Shirley (UA)

Tanner Crab

Ray Baglin (NMFS)
Bill Colgate (ADF&G)
Steve Davis (NPFMC)
John Hillsinger (ADF&G)+
Phillip Mundy (UA)
Bob Otto (NWAFC)
Jerry Reeves (NWAFC)

BS/AI
Groundfish

Ron Berg (NMFS)
Jim Blackburn (ADF&G)
Rick Deriso (IPHC)
Abby Gorham (UA)
Pete Jackson (ADF&G)
Loh-Lee Low (NWAFC)
Jim Glock (NPFMC)
Phil Rigby (ADF&G)+

Troll Salmon

Aven Anderson (NMFS)
Mike Fraidenburg (WDF)
Jim Glock (NPFMC)
Steve Ignell (NWAFC)
Rod Kaiser (ODFW)
Paul Larson (ADF&G)
Phil Roger (CRITFC)
Mel Seibel (ADF&G)+

Council and AP Workload

If I've counted correctly, the changes I have made will distribute the workload as follows:

McVey - 3 groups
Collinsworth - 4 groups
J. Peterson - 5 groups
Hemphill - 3 groups
Winther - 4 groups
Mace - 3 groups
R. Petersen - 4 groups
Mitchell - 4 groups

Dyson - 5 groups
Harville - groups
Cahill - 2 groups
Campbell - 2 groups (ex-officio
member of all groups)
Lucas - 2 groups
Nelson - 1 group

Twelve AP members are on Council committees or workgroups. Because travel is expensive and we are not going to have very much money in the future, I would like to keep workgroups as small as practical but I do not want to deny any of you an opportunity to participate in groups of your choice. Please let me have your thoughts at the March meeting.

2/13/86

CURRENT STATUS OF NPFMC COMMITTEES

Page 1

Committee	Council	SSC	AP	Others**
Advisory Panel Nominating	*Hemphill Mace R. Petersen Mitchell			
Finance	Collinsworth Harville McVey *Winther Cahill	Rosenberg	Cotter	
Permit Review	*Lucas R. Petersen Winther Mitchell Mace J. Peterson Collinsworth Dyson		Burch Fisher Lauber Sharick	
Policy and Planning	*Campbell Collinsworth Cahill Harville McVey Nelson	Aron Revan Rosenberg	Cotter Alverson	

*Chairman

**Agency staff will attend as necessary.

Permit Review Committee

<u>Council Members</u>	<u>SSC</u>	<u>AP</u>	<u>Staff Support</u>
*Lucas R. Petersen Winther Mitchell Mace J. Peterson Collinsworth Dyson		Burch Fisher Lauber Sharick	Pautzke

Policy and Planning Committee

<u>Council Members</u>	<u>SSC</u>	<u>AP</u>	<u>Staff Support</u>
*Campbell Collinsworth Cahill Harville McVey Nelson	Aron Bevan Rosenberg	Cotter Alverson	Branson

WORKGROUPS

DAP Estimating Workgroup

<u>Council Members</u>	<u>SSC</u>	<u>AP</u>	<u>Staff Support</u>
J. Peterson Dyson McVey		Lauber Baker	Pautzke

Gulf of Alaska FMP Workgroup

<u>Council Members</u>	<u>SSC</u>	<u>AP</u>	<u>Staff Support</u>
*Hemphill Winther Harville J. Peterson Dyson	Bevan Marasco	Burch Hegge J. Woodruff T. Smith	Miller

MFCMA Reauthorization Workgroup

<u>Council Members</u>	<u>SSC</u>	<u>AP</u>	<u>Staff Support</u>
*Collinsworth Mace J. Peterson Mitchell		Fisher	Miller

Domestic Observer Program Workgroup

<u>Council Members</u>	<u>AP</u>	<u>Staff Support</u>	<u>Other</u>
*Dyson R. Petersen Winther	Alverson Fisher Jordan	Miller	Bart Eaton

Permit Review Terms of Reference Workgroup

<u>Council Members</u>	<u>SSC</u>	<u>AP</u>	<u>Staff Support</u>
*Campbell Lucas J. Peterson			Branson

Fully-Utilized Species Workgroup

<u>Council Members</u>	<u>SSC</u>	<u>AP</u>	<u>Staff Support</u>	<u>Other</u>
Hemphill Mitchell	Bevan	Munro	Branson	Lee Alverson

Sablefish Workgroup

<u>Council Members</u>	<u>SSC</u>	<u>AP</u>	<u>Staff Support</u>
R. Petersen Winther Dyson			Miller

PLAN TEAMS

The directory lists six plan teams with Council and SSC advisory groups. I don't think we need to maintain the Herring Plan Team nor does it appear that either the Council or SSC groups have been working closely enough with the plan teams to warrant carrying those rosters. We've appointed ad-hoc workgroups to work with the teams when necessary, as in the current case of the Gulf Plan Team, and that is probably a more practical way of handling

Committee	Council	SSC	AP	Others**
<u>AD HOC Committees</u>				
Gulf of Alaska FMP Working Committee	Winther Harville *Hemphill J. Peterson Oscar Dyson	Bevan Marasco	Burch Hegge J. Woodruff T. Smith	
<u>Note:</u> Send materials to Bill Robinson also.				
MFCMA Reauthorization	*Collinsworth Mace J. Peterson Mitchell <i>Harville</i>		Fisher	
Domestic Observer Program	*Dyson R. Petersen Winther		Alverson Fisher Jordan	Eaton
Permit Review Terms of Reference	*Campbell Lucas J. Peterson			
Fully-Utilized Species Workgroup	Hemphill Mitchell	Bevan	Munro	Lee Alverson
Sablefish Workgroup	R. Petersen Winther Dyson			
DAP Estimating Workgroup	J. Peterson Dyson McVey		Lauber Baker	

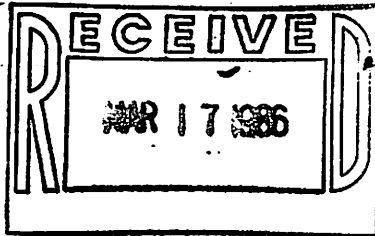
*Chairman

**Agency staff will attend as necessary.

Plan	Plan Team	Plan	Plan Team
<u>GOA</u> Groundfish	Ron Berg (NMFS) Barry Bracken (ADF&G) Steve Davis (NPFMC) Robert Fagen (UA) Jeffrey Fujioka (NWAFC) Fritz Funk (ADF&G) Steve Hoag (IPHC) Pete Jackson (ADF&G)+ Jim Balsiger (NWAFC) Joe Terry (NWAFC)	<u>King Crab</u>	Ray Baglin (NMFS) Marty Eaton (ADF&G)+ Jim Glock (NPFMC) Rob Otto (NWAFC) Richard Peterson (ADF&G) Jerry Reeves (NWAFC) Tom Shirley (UA)
<u>BS/AI</u> <u>Groundfish</u>	Ron Berg (NMFS) Jim Blackburn (ADF&G) Rick Deriso (IPHC) Abby Gorham (UA) Pete Jackson (ADF&G) Loh-Lee Low (NWAFC) Jim Glock (NPFMC) Phil Rigby (ADF&G)+	<u>Tanner Crab</u>	Ray Baglin (NMFS) Bill Colgate (ADF&G) Steve Davis (NPFMC) John Hillsinger (ADF&G)+ Phillip Mundy (UA) Bob Otto (NWAFC) Jerry Reeves (NWAFC)
		<u>Troll Salmon</u>	Aven Anderson (NMFS) Mike Fraidenburg (WDF) Jim Glock (NPFMC) Steve Ignell (NWAFC) Rod Kaiser (ODFW) Paul Larson (ADF&G) Phil Roger (CRITFC) Mel Seibel (ADF&G)+

*Chairman

+Primary ADF&G contact



Japanese-U.S. Salmon Pact

■ TOKYO—Japanese fleets will have to stop salmon fishing in the Bering Sea by 1994 under an agreement reached by the United States and Japan, the Foreign Ministry said.

The agreement is seen as a victory for Alaskan fishermen, who have insisted for years that Japanese fishermen were siphoning off American-spawned fish. Under the agreement, reached after three days of talks in Tokyo, Japanese will phase out fishing trips to the western half of the Bering Sea and beyond the United States' 200-nautical-mile territorial limit in the eastern half, a ministry statement said.

A20 SUNDAY, MARCH 9, 1986

THE WASHINGTON POST

AROUND THE WORLD

FYI
EdW.

Print PRESS STATEMENT

The US/Japan salmon talks were held in Tokyo March 6-8; the US side was represented by Ambassador Ed Wolfe and the Japanese side was represented by T. Saito, Dep DirGen of the Japan Fishery Agency. The two sides developed jointly a series of measures which will form the basis of a proposal to be submitted, after consultation with Canada, to an extraordinary meeting of the INPFC.

The measures include:

1. Regarding the mothership fleet: Fishing in the eastern half of the Bering Sea high seas fishery will be phased out in three years; in the western half of the high sea, it will be phased out completely by 1994.

The total fleet days in U.S. 200 nautical mile fishery zone will be 140; after the high sea is closed, there will be a slight increase in fleet days.

2. Re the landbased fishery: The present eastern boundary will be moved to the west by 1 degree. This line will be reviewed after 3 to 5 years in light of the research described below.

3. Regarding enforcement and research: Both enforcement and research on the continental origin of salmon will be intensified.

Record of Discussions between Japan and the United States
Regarding Salmon Interceptions, Tokyo, March 6 - 8, 1986

Japan and the United States are Contracting Parties to the International Convention for the High Seas Fisheries of the North Pacific Ocean as amended by the Protocol signed April 25, 1978 (Convention). While both parties recognize that the Convention has benefitted the conservation of North American origin salmonids, upon the suggestion of the United States that the implementation of the Convention could be further improved, Japan and the United States have had a series of discussions. The most recent discussions were held in Tokyo from March 6 - 8, 1986. The Japanese delegation was headed by Deputy Director General Tatsuo Saito. The U.S. delegation was headed by Amb. Edward E. Wolfe.

As a result of these discussions, Japan and the United States have jointly developed certain measures. It is anticipated that these measures will be presented to an extraordinary meeting of the International North Pacific Fisheries Commission (INPFC) expected to be held in April 1986. These jointly developed measures address conservation measures, scientific research and enforcement efforts. The substance of these measures is contained in three annexes attached to this record and entitled: Annex I "Changes in Regulatory Measures," Annex II "Salmon Fishery Research Measures -- Continent of Origin of Salmonids in the High Seas Salmon Fisheries of Japan," and Annex III "Salmon Fishery Enforcement Measures."

Japan and the United States will each undertake to consult as soon as possible with the Government of Canada, the third Contracting Party to the Convention, with the view of obtaining Canada's support for these measures. Thereafter, it is proposed that the INPFC will recommend amendments to the Annex of the Convention to reflect the substance of Annex I and the relevant parties will develop appropriate instruments to reflect the substance of Annex II and Annex III. It was the shared view of the heads of the delegations that in the event that, for whatever reason, the substance of the three documents mentioned above is not incorporated in the Annex to the Convention, or otherwise given effect in a mutually agreeable manner before the 1986 fishing season, Japan and the United States will consult without delay regarding bilateral implementation of these measures.

March 8, 1986

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ANNEX I

CHARGES IN REGULATORY MEASURES¹⁾

A. Mothership fishery

1. Bering sea (North of 56°N, outside US 200 nautical mile fishery zone)

Eastern area (East of 180°)

1) 1986: 12 mothership fleet days²⁾

2) 1987: 8 mothership fleet days
180° to 178°W

0 mothership fleet day
178°W to 175°W

3) 1988: 0

Western area (West of 180°)

1986	18
1987	18
1988	18
1989	12
1990	12
1991	12
1992	8
1993	8
1994	0

2. U.S. 200 nautical mile fishery zone

(1) from 1986 through 1993

A. 140 mothership fleet days

B. season: June 10 to July 31

(2) from 1994

A. 144 mothership fleet days

B. season: June 10 to July 26

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B. Landbased fishery

- 1) 1986 - move the eastern boundary to 174°E.
- 2) Scientific studies shall be conducted in the landbased fishery area south of 46° North Latitude to accurately determine continent of origin of salmonid stocks in this area, including biological sampling and studies; verification of fishing effort, and catch by species, date and location. Based on the results of these studies, movement of that limit shall be negotiated no later than the beginning of the 1991 season. The detailed content of these studies shall be agreed to between representatives of the Contracting Parties prior to the beginning of the 1986 season in order that the studies may be initiated with the beginning of the 1986 season.

- 1) The areas referred to are the areas in which the Japanese mothership and landbased fleets operated in 1985.

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A mothership fleet day is defined as ^{one} mothership with forty-three catcher/scout-boats fishing 14,190 tons (330 tons/15km) during a portion of any one calendar day. Any increase in the number of catcher-boats assigned to a mothership will be reflected in a proportional reduction in the number of authorized fleet days. Modifications to gear or fishing procedures which might affect current fishing efficiency shall be undertaken only after consultations among the three Contracting Parties. In such consultations the Contracting Parties shall examine the necessity of change in the number of authorized fleet days to take account of any increase in fishing efficiency.

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ANNEX II

SALMON FISHERY RESEARCH MEASURES CONTINENT OF ORIGIN OF SALMONIDS IN THE HIGH SEAS SALMON FISHERIES OF JAPAN

A Landbased Fishery

Coordinated scientific studies will be conducted under the framework of INPFC to determine accurately the continental origins of salmonids migrating in the convention area of the landbased driftnet fishery south of 46°N. These studies are to be done in a period of three to five years.

The detailed scope of required studies will be planned prior to the 1986 season so that they can be initiated in that year. These studies should include at least the following methods and features:

1. Increased tagging effort and biological sampling, to include five Japanese salmon research vessel cruises in the area 38°-46°N, 160°E-175°W during May, June, and July each year. Japan will accept no more than two U.S. scientists on one or two cruises each year.
2. Intensified efforts through guidance and education of fishermen to recover tagged salmonids, and to report recovered tags and associated recovery data.
3. Other studies designed to determine the proportions and distributions of Asian and North American salmonids in the area south of 46°N and between 160°E and 175°W. These studies will be based as far as possible on methodologies jointly agreed upon a priori. These studies will include, but not limited to:
 - a. Scale pattern analyses of sockeye, chum, coho, and chinook salmon.
 - b. Improved collection of adequate (in number and quality) Asian and North American standard scale samples.
 - c. Application of other methods and techniques (such as parasitological and genetic studies, etc.) as jointly deemed appropriate and useful in continent of origin studies.

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4. Annual evaluations and assessments will be conducted to ensure coordination of the studies and to ensure that they are proceeding in a manner which will meet the agreed upon three to five year schedule. The parties will adjust their research programs as necessary to meet the schedule.
5. Accurate catch and fishing effort statistics by species, time and area are essential to the evaluation of studies on continent of origin of salmonids. Japan will establish an appropriate method to validate the time and location of catch and fishing effort data including the use of location records from Naval Navigation Satellite System onboard the landbased salmon driftnet fishing vessels.

Japan understands the U.S. interest on the establishment of such a method and thus will report it to the INPFC. The content and success of this program will be reviewed and adjusted if required to support the three to five year continent of origin research program.

6. Japan will provide catch and fishing effort statistics starting in 1987 on a 10-day basis by 1° x 1° statistical areas by species in numbers and tonnage with corresponding effort in effective standardized tans fished (330 tan/15km), within six months of annual termination of the fishery. Data from 1986 will be provided as soon as possible during the three to five year study.

B. Mothership Fishery

1. Research on continent of origin of salmonids in the operating area of the mothership fishery will be continued under the framework of INPFC with emphasis on the identification of areas of abundance of North American chinook, coho, and chum salmon.
2. Validation of catch and fishing effort data will be done under a joint research program of INPFC utilizing methods mutually agreed upon each year.

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ANNEX III

SALMON FISHERY ENFORCEMENT MEASURES

A. Landbased Fishery

1. Enforcement patrols

- a. At least six Japanese patrol vessels will be assigned to enforce regulations in the Japanese landbased fishery, of which no fewer than three will be assigned to enforce the eastern boundary. U.S. patrol vessels may also be assigned. The United States may also conduct aerial surveillance of landbased fishing area.
- b. In the area south of 46°N and between 173°E and 174°E Japanese any fishing vessel shall report its location to one of the Japanese patrol vessels when the fishing vessel enters into and departs from the area as well as at a fixed time every day, as long as it stays in the area.
- c. Enforcement activities of each government will be conducted cooperatively in the following aspects:
 - (1) Each government will notify the other government of the patrol schedules of its vessels.
 - (2) Vessels of either government will investigate reports of illegal operations received from the other government to the extent possible.
- d. Each Government will accommodate an observer of the other Government aboard its patrol vessel assigned to enforce regulations along the eastern boundary for a reciprocal period of up to 4 weeks. Detailed arrangements will be worked out between the competent authorities of the two Governments. Such observer will not exercise any enforcement authority but only observe the enforcement activities of the enforcement officials of the patrol vessel including accompanying such officials at the time of boarding of salmon vessels which might occur.

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Such observer will be permitted to communicate with his/her parent agency with the consent of the vessel's captain.

Observers will comply with instructions of the host enforcement officials under all circumstances. Each Government will pay for the costs of its own observer.

2. Communications:

- a. United States and Japanese enforcement authorities will exchange information that will facilitate enforcement activities.
- b. Any action taken as a result of paragraph 1b(2) will as soon as and to the extent possible be reported to the other government without detracting from enforcement activities.
- c. Specific communications arrangements such as radio frequencies and signals will be agreed to between designated enforcement officials of the parties prior to the beginning of the 1986 landbased salmon fishery season.

26 ✓ ✓ T.A.T.A.

B. Penalties

Results of penalty actions will be reported to INPFC as soon as possible. These reports will identify the vessel (by name, domestic fisheries license number, and hull number), the location (by latitude and longitude) and details of the violation, the penalty imposed, and the fishery (mothership or landbased) in which the vessel was participating.

26

T A

M E M O R A N D U M

TO: James O. Campbell
Chairman

FROM: Ron Miller *RM*
Special Advisor

DATE: February 26, 1986

SUBJECT: Foreign Ownership of U.S. Fishing Vessels

You asked for a brief on the legal restrictions on foreign ownership of U.S. fishing vessels and citizenship requirements of U.S. fishing crews. I have outlined below key elements of those issues. If you wish a more detailed review, please call me.

Foreign Control of U.S. Fishing Vessels

Generally, foreigners cannot directly own or skipper U.S. fishing vessels larger than 5 n.t., however, foreigners can control such vessels through ownership of some or all the stock of a U.S. corporation that owns a fishing vessel as long as:

1. The corporation is incorporated under the laws of the U.S. or any state;
2. Its president or chief executive officer is a U.S. citizen;
3. The chairman of the board of directors is a U.S. citizen; and,
4. A majority of the total number of the corporation's directors necessary to constitute a quorum are U.S. citizens.

These requirements come into play under federal statutes and regulations related to documentation of vessels. U.S. fishing vessels over 5 n.t. must be documented to be considered vessels of the U.S. Only vessels wholly owned by U.S. citizens may be documented. A U.S. citizen is defined as follows:

1. An individual who is a U.S. citizen;
2. An association or joint venture, all members of which are U.S. citizens;
3. A partnership in which all general partners are U.S. citizens and the controlling interest is owned by U.S. citizens; or,
4. A corporation that meets the four requirements set out in the paragraph immediately above.

In conclusion, a U.S. corporation even though wholly owned by foreign interests, may own and operate a U.S. fishing vessels as long as the U.S. citizenship requirements are met for the president or C.E.O., chairman and the appropriate number of directors.

Crew Citizenship

The Vessel Documentation Act requires that no less than 75% of the seamen on fish processing vessels (vessels on which extensive, rather than incidental, processing is done) must be U.S. citizens. U.S. citizenship for crew other than the captain is not required on fish harvesting vessels.

and the States would be reduced to the point of questionable effectiveness. The proposal would also eliminate all previous Congressional "add-ons" such as SEAMAP.

Another proposed reduction will have a very large negative impact on ASMFC's Interstate Fisheries Management Program. The Northeast Regional Office of NMFS has informed us that their annual support of the ISFMP program that makes possible our planning activities for striped bass, summer flounder, bluefish, and all other species will not be allocated to us next year. The Southeast Regional Office has similarly informed us that their annual support for the South Atlantic Board will not be continued next year.

Dr. Calio has enunciated his FY 1987 budget priorities for NOAA on several occasions recently. The two primary priorities are 1) to modernize National Weather Service hardware and strengthen meteorological forecasting capabilities and 2) to establish an adequate civilian satellite program. There is probably a good case for doing both of the above, but it means that there will be strong competition within NOAA and within the Congressional process for available funds. As has been proposed in the past years, NMFS programs are subject to a disproportionately large reduction in the proposed budget compared to other NOAA programs (except for Sea Grant and Coastal Zone), which would be eliminated. Fisheries is definitely an underdog and the fisheries constituency will have to work very hard to preserve funding.

* During Bill Gordon's presentation of the FY87 NMFS budget before the House Subcommittee on Fisheries, Wildlife Conservation and the Environment, Chairman Breaux insisted that Mr. Gordon break down the NMFS budget request in terms of its progress through the Administration approval process. Mr. Gordon's response is very significant: The NMFS requested \$233.677 million; NOAA reduced the request to \$175.6 million; the Department of Commerce reduced the request further to \$118.7 million; and OMB made a final reduction to \$98.6 million, which appeared in the Administration budget submission to Congress.

During a recent address before the National Fish Meal and Oil Association, Administrator Calio enunciated his priorities within NMFS as follows: Management activity, including developing conservation and management plans in the Fishery Management Councils; Research, surveys, assessment, statistics, etc. regarding marine habitat and living marine resources; and enforcing fishery management plans.

In previous years, fisheries programs have been fortunate to have the understanding and support of key Congressmen and Congressional staff who were able to assure level or in some cases increased funding. Because of the national political climate this year, the Reagan Administration's dogged determination to cut the budget without regard to consistency or consideration of needs and benefits, the Gramm-Rudman-Hollings bill, and other things, however, the situation is not at all predictable or positive this year. The only certainty is that the NMFS budget will be reduced this year - the uncertainties are the degree of the reductions and where they will be made (more under "Gramm-Rudman" and "Budget Process" below).

For details of the budget proposal, see Attachments 1-3.

Gramm-Rudman-Hollings Anti-Deficit Law (P.L. 99-177)

In briefest summary, the Gramm-Rudman law now in effect sets up a mechanism to reduce the national deficit to zero in 5 years, and includes automatic spending

cuts (half from domestic programs and half from the military) if Congress and the president fail through regular legislation to meet deficit targets specified by the legislation.

The first automatic across-the-board reduction was announced on February 1 and will become permanent on March 1. Nationwide, the cut was \$11.7 billion. The NMFS share of this was approximately \$7 million, or about a 4.3% cut in all NMFS program (see Attachment 2, column 3 and Attachment 3, p. 17 for details). Early estimates of the cuts that would be required later this year under the next statutory application of P.L. 99-177 are about 25%. (The proposed Administration budget would meet this target but if other Departments failed to reduce their budgets enough, the automatic across-the-board cuts would come into effect and apply to NOAA also - in effect, a double reduction for NMFS/NOAA.

Gramm-Rudman Court Decision

On February 7, a special three-judge federal panel found the section of P.L. 99-177 requiring automatic across-the-board cuts to be unconstitutional because it violates the constitutional principle of separation of powers. However, the ruling effects only the automatic cut procedure, and leaves intact the law's deficit targets, an alternative method for making the uniform cuts, and many other procedural changes that tighten up budget procedures.

The entire Gramm-Rudman law remains in effect until the Supreme Court rules on an appeal (which was filed immediately) to the federal panel's decision.

The Supreme Court is generally expected to uphold the February 7 decision. If it does not do so, the law will stand, including the automatic across-the-board reduction procedure. If it does uphold the decision, the law's alternative method for making the uniform budget cuts would be as follows:

- The Congressional Budget Office (CBO) and Office of Management and Budget (OMB) would (as under the current procedure) jointly prepare a report each August on 1) whether the deficit for the upcoming fiscal year would exceed the deficit target in the law and 2) by what percentage Federal spending must be cut in order to meet the target.
- This report would go to Congress, where a special joint House-Senate budget committee would have five days in which to report the CBO-OMB findings as a joint resolution.
- That budget resolution would be brought on an expected basis before the House and Senate. It would take effect only if passed by both and signed by the President.

The alternative procedure basically means, as Congressman Synar put it, "...that Congress can run, but cannot hide from its responsibilities." Eliminating the automatic cut provisions essentially removes the enforcement mechanism from the bill but it makes Congress much more visibly accountable for their actions - and vulnerable to political pressure and embarrassment of failure to meet the budget targets. Political pressures in the past haven't proved sufficient to cut popular programs and the deficit, but there haven't been specific statutory targets before, and this is a new system in a particularly tough election year.

In short, nobody knows exactly what will happen, but it probably won't be good for fisheries programs.

Probable Reprogramming and Recissions

The budget and planning process includes a mechanism called "reprogramming" which Federal agencies can use to change their program mix during a fiscal year, under Congressional oversight. Agencies must notify their appropriate Congressional committees of planned reprogramming activities. Congress must accept or deny this request within 15 days. If Congress is silent, the reprogramming goes into effect.

* Dr. Calio has stated on several occasions that he intends to submit a reprogramming request to Congress on March 1 or soon thereafter. This reprogramming would effect current FY86 funds already appropriated by Congress. As I mentioned earlier, NOAA's priorities this year are the National Weather Service and the civilian satellite program. He also stated that enforcement activities should be strengthened. The above programs were badly hurt by the 4.3% Gramm-Rudman reduction and Dr. Calio stated last week at a meeting of the National Fish Meal and Oil Association that much of that 4.3% can be restored to those programs by reprogramming funds that "...can come out of Fisheries, if we do it wisely." We will notify you as soon as NOAA notifies Congress of the NMFS programs out of which NOAA plans to reprogram funding.

Proposed "Ocean Sportfishing License"

During the process of formulating the Administration FY87 budget, OMB prepared a proposal "...to initiate a Federal license fee to sportfish in the ocean, with receipts to be shared equally by the coastal States and the Federal government." Attachment 4 is the only information formally available on this proposal. An OMB staffer told me that the receipts are intended to go into a dedicated fund to be used for the marine recreational statistics program and to gather information on the marine recreational fishing industry.

NMFS is drafting legislation and plans to submit it soon, when a number of decisions and uncertainties are resolved. Options apparently include establishing the license as a Federal requirement that all states would have to adopt, or simply "encouraging" states to adopt and administer a Federal license system.

During a Congressional budget briefing this week, Bill Gordon recognized that one problem with the OMB proposal is that it would apply to states which already have a license. Mr. Gordon added that NMFS "will work with OMB to not penalize existing systems."

During questions and answers following an address to the National Fish Meal and Oil Association last week, Dr. Calio mentioned that NMFS/NOAA is also considering the feasibility of establishing a commercial fishing permit. He remarked that in his opinion there was "no way" a recreational license could succeed without a commercial permit as well that was "regionally equitable". He remarked further that "...in my eyes, this is a glimmer...it may be an effective way for us to proceed...".

Additional Budget Proposals

The Administration has also proposed to rescind current funding for Sea Grant and the Coastal Zone Management grant program, and to lay up all of the NMFS fishery research vessels. Some money would be made available to NMFS to contract with private vessels to carry out necessary research. NMFS vessels would be mothballed in Seattle, WA and Norfolk, VA.

Budget Process and Upcoming Actions

ASMFC staff will participate in the budget process on your behalf this year again. During the last meeting of the Marine Fisheries Advisory Committee, the Commissions described and defended State and Commission activities with Administrator Calio and other NOAA/NMFS personnel, in terms of interstate and National contributions from State activities and the necessity for continued Federal funding.

On February 14, Irwin Alperin and I met with House Committee staff and made recommendations on the budget proposals for Committee use when it makes its recommendations to the Budget and Appropriations Committees. We also intend to appear before the House and Senate Appropriations Subcommittees to defend the budget - particularly in regard to the Grant-to-State programs, Management Council activities, and other programs you have expressed as your priority programs. We will of course continue to work with Congressional staff at every opportunity to increase their knowledge and support of these programs.

Summary of February 19 Congressional Hearing on NMFS Budget

Attachment 5 provides the text of statements by Bill Gordon and Chairman Breaux of the House Subcommittee on Fisheries, Wildlife Conservation and the Environment (the Congressional subcommittee responsible for NMFS programs) at the February 19, 1986 hearing on the NMFS budget proposal.

Additional information from the question and answer period is as follows.

Breaux remarked that the budget process is very accelerated this year and that the Committees will rely more on staff briefing than formal public hearings for information. His staff is preparing their recommendations this week to present before the Budget and Appropriations Committees soon.

Breaux stated that "...reductions must be made - but in proper and appropriate areas." His main concerns with the budget proposal are 1) what he termed "a dramatic shift in priorities" (he mentioned several times that in his opinion NMFS programs are being proposed for a disproportionately large reduction compared to other parts of NOAA); 2) the elimination of "user fee based" programs such as the Fishery Loan Fund and S-K fund; and 3) the proposed lay up of the NMFS fisheries research fleet.

Congressman Miller (R-OR) questioned the reduction of funding to fulfill U.S.-Canada salmon treaty obligations. He also questioned the feasibility of transferring funding responsibility for the Columbia River Hatchery System to the Bonneville Power Administration, asking "you expect somebody else to put up the bucks but let NMFS retain control?"

Congressman Dyson (D-MD) was sharply critical of proposed reductions in NMFS habitat and environmental assessment activities citing the Navy's proposals to build a major electro-magnetic pulse testing station in Chesapeake Bay, and NMFS successes in identifying diseases such as UDN in estuaries, remarking that if NMFS "...can't do assessments...and carry out longterm monitoring...who can?" He also criticized the potential loss of disease detection capacity and said about the proposed closure of the Oxford Laboratory, "I want to state my disappointment for the record... These cuts are not in tune with the problems with the Chesapeake Bay that we are trying to address. The States just cannot do this work."

Congressman Oberstar (D-MN) criticized the cuts generally, remarking that "all this is meant to enhance the Department of Defense budget" (to assure that they won't have to take a large cut). He specifically criticized cuts in user fee supported programs, research to implement the Antarctic Convention, tagging studies for Atlantic salmon, and the S-K program (a project in Duluth reprocessing pollock surimi for export to Japan has apparently been very successful).

Congressman Jack Fields (R-TX) sharply criticized the proposed elimination of aquaculture funding particularly in light of continued large AID and PAO funding of aquaculture development projects in countries such as Ecuador, which export a large part of their aquaculture shrimp production to the U.S. and "...help put U.S. businesses out of business."

Summary

As noted, many of the proposed reductions are similar to those in previous years, so you are familiar with them. The budget process is accelerated and more highly politicized this year, though, so please be prepared to contact your Congressional delegation on very short notice as decision points approach in the budget process.

If you have any questions about any information in this memo, please inquire. We will send further information as it becomes available.

Note: The Committee on Merchant Marine and Fisheries plans to act by Tuesday, February 25 on staff recommendations on the budget. There are indications that the P.L. 88-309 Commercial Grants to States program is at risk. This program is harder to defend every year. If the Committee recommendations do not include funding for P.L. 88-309, it will take some hard work on everybody's part if you want to save it.

Enclosures