

MEMORANDUM

TO: Council, SSC and AP Members

FROM: Clarence G. Pautzke
Executive Director



ESTIMATED TIME

3 HOURS

DATE: December 10, 1996

SUBJECT: Staff Tasking

ACTION REQUIRED

- (a) Review status of current tasking.
- (b) Review Magnuson-Stevens Act tasking.
- (c) Industry Implementation Team report and IFQ tasking
- (d) Review groundfish proposals and task staff accordingly.

BACKGROUND

- (a) Current tasking

Item D-4(a)(1) is an updated list of current Council actions including regulatory amendments, plan amendments, reports, and Committee meetings. Based on current Council direction, it looks like the majority of Council staff time between now and April will be devoted to: (1) development of IFQ program amendments initiated at this meeting; (2) finalization of the halibut charter management study, and further development of local-level management options; (3) further development on the issue of halibut subsistence fishery management; (4) completion of an analysis of limited processing allowances for catcher vessels (pending further Council direction); (5) coordination and assistance on observer program development; (6) coordination and assistance on Ecosystem Committee actions; and (7) follow through with Magnuson-Stevens Act amendments.

There are also a few other items which have previously been tasked by the Council, but have remained on the 'back burner' pending other priorities, or Magnuson Act direction. These include the Skipper Licensing Program, Vessel Bycatch Accounts (VBAs), and further work on a BSAI pollock IFQ program. Analysis of the Skipper Licensing Program would have to be completed by April, with final Council action in June, in order to be implemented in 1998, concurrent with the vessel licensing program. A primary hurdle for this analysis has been, and remains, a lack of accessible data tying individual skippers to associated vessels and landings over time. Gleaning this information from log books and individual fish tickets will be both time and labor intensive. One of the provisions of the Council's License Limitation Program was a skipper reporting system which, if implemented, could provide the kinds of information currently lacking.

Where the Council left off on VBAs was with the review of a draft discussion paper by Dr. Joe Terry, and the need to further address potential elements and options for such a program. The current Magnuson-Stevens Act language would also affect the design of a VBA program. Formal analyses of an IFQ program for the BSAI pollock fisheries would consume a majority of staff economists' time for several months. A critical question is

timing of further Council development of IFQs. The National Academy of Sciences must develop a draft IFQ policy report by January 1, 1998, and a final report by October 1, 1998. We cannot submit to the Secretary a new IFQ plan until October 1, 2000. Assuming it takes six to eight months to develop draft regulations after the Council makes a final decision, such decision could be scheduled for February 2000 and major development and analysis should occur in 1999, leaving 1997 and 1998 for other issues.

We just need to get direction from the Council on whether and how to proceed with these three issues, as well as the proposed limited processing allowance for catcher vessels (addressed under C-5), and a few additional items discussed below.

The Council previously requested more information on crab bycatch in the pot cod fisheries - a proposal is included in the package of groundfish proposals below (supported by the Council's Crab Plan Team) which recommends analyses of several measures to address bycatch of crab in the pot cod fisheries, including potential PSC caps, closed areas, gear modifications, and seasonal closures to protect molting crab.

Finally, the BSAI inshore/offshore pollock allocations, and CDQs for pollock, expire at the end of 1998 - analyses of a potential replacement program would need to begin around the middle of 1997.

Limited time will be available to work on new groundfish amendment proposals between now and April, but some could be completed for initial review in June, depending on the magnitude of analysis, on Magnuson Act tasking, and on other Council priorities. Further work on the GOA IR/IU package would be conducted primarily by NMFS staff, for initial review in April.

So, the items for which we need specific Council tasking guidance at this meeting are:

- * Skipper Licensing program
- * VBAs
- * Crab bycatch in pot fisheries analyses/amendments
- * Limited processing for catcher vessels

(b) Magnuson-Stevens Act tasking

As we look at the overall tasking picture, it will also be necessary to incorporate directives from the recent Magnuson Act reauthorization. Several different summaries are available regarding these directives, some of which are included in your notebooks. Item D-4(b)(1) is a summary compiled by Council staff; Item D-4(b)(2) is a letter from NMFS which specifically addresses the items for which the Council appears to be directly responsible; Item D-4(b)(3) is the actual language from the Sustainable Fisheries Act for those items tasked to the Council. These items are included for your reference - the major items for Council consideration are summarized below for purposes of the staff report:

1. Describe and identify essential fish habitat for the fisheries within 24 months, based on guidelines that the Secretary of Commerce must establish within six months - this item will likely involve Council staff assistance in the latter part of 1997 and early 1998. Cindy Hartman from NMFS is here to give the Council a brief report on this specific initiative.
2. Submit to SOC a North Pacific Loan Program by October 1, 1997 for small vessel fishermen to purchase IFQs. Establish fee programs for IFQ and CDQ holders (up to 3% of ex-vessel value), and submit to the Secretary, a program to have up to 25% of fees collected used to underwrite small vessel and entry level fishermen (underwrite the North Pacific Loan Program). Development of these fee programs will require considerable staff time in the first half of 1997.

3. Assist in the preparation of a comprehensive report on both the sablefish/halibut IFQ program and the CDQ programs in conjunction with the National Academy of Sciences, to be published for public review by January 1, 1998 and completed by October 1, 1998. Includes Council consultation and conduct of public hearings in each Council region. This effort will likely require considerable assistance of Council staff in the latter half of 1997, and during early 1998.
4. By June 1, 1997, the Council shall submit conservation and management measures to ensure total catch measurement in each fishery under its jurisdiction. Such measures shall ensure the accurate enumeration, at a minimum, of target species, economic discards, and regulatory discards. By January 1, 1998, the Council needs to submit a plan for weighing fish if that is not included already, if such weighing is necessary to meet requirements for enumeration of the catch. The first part of this mandate appears to be largely satisfied by existing programs in the North Pacific (observer program and other reporting and monitoring requirements). Regarding the second part, the Council and NMFS have already initiated some weighing requirements, and future requirements are discretionary, policy decisions.
5. By October 1998, the Council shall submit bycatch provisions to create a standardized reporting methodology to assess the amount and type of bycatch in each fishery, and include conservation and management measures to minimize mortality of bycatch and overall bycatch. This provisions appears related to #4 above, and may already be addressed by existing Council/NMFS management and monitoring programs.
6. By October 1, 1998, the Council shall submit a report on the advisability of requiring full retention by fishing vessels and full utilization by U.S. fish processors of economic discards.
7. By January 1998, the North Pacific Council shall submit measures to reduce economic discards on an annual basis for a period of at least four years. The Council's proposed IR/IU programs may address this requirement, though they do not specifically include a four year, step-wise reduction. This will likely be a matter of interpretation.
8. By September 30, 1997, the Council shall develop a description of the institutional structures in Russia pertaining to stock assessment, management, and enforcement for fishery harvests in the Bering Sea, and recommendations for improving coordination between U.S. and Russia for managing and conserving Bering Sea fishery resources of mutual concern.
9. Review and amend FMPs (definitions and regulations, for example) for consistency with the new Act, and revise Council SOPPs to reflect requirements of the Act. This is primarily an administrative exercise requiring minimal overall staff time.

The following additional items are tasked to the SOC, but will likely require some degree of Council assistance:

1. Within two years submit a report on extent to which ecosystem management principles are being utilized by Councils.
2. Establish a central registry system for limited access permits within six months of passage of the bill. This could require considerable Council attention.
3. By October 1997, complete a study of the contribution of bycatch to charitable organizations by commercial fishermen.

4. Develop list of all fisheries and fishing gears used in fisheries for publication in FR.
5. Assist in preparation of vessel registration information management system (PR due by October 1997).

Item D-4(b)(4) is a letter from Rollie Schmitten to the Council emphasizing implementation of the new Magnuson Act amendments as the agency's top priority over the next two years, and urging the Council to make the same commitment. Item D-4(b)(5) summarizes current major items, both Magnuson Act amendments and other Council initiated amendments, and associated timelines over the next 18-24 months.

(c) Sablefish/halibut IFQ program amendments

Pursuant to the Council's newly adopted cycle for considering amendments to the IFQ program, we also need to review proposed amendments and determine which should proceed to analysis. The cycle calls for initial review in April, final action in June, and implementation in the following year. Any amendments forwarded at this meeting would be for implementation in 1998. The Council's IFQ Industry Implementation Team met in October and developed the report to the Council contained under Item D-4(c)(1). The Team is recommending development of seven of the proposed amendments to the program - these are highlighted in the report. Team Chair Jeff Stephan is available to address the Council on the specifics of these items.

Last September the Council discussed the issue of subsistence fishing for halibut, and the fact that such fishing is currently managed under sport fish regulations. The gist of that discussion was that we should probably be developing an explicit category for managing these fisheries, with attendant regulations for those fisheries such as allowable gears types, interactions with halibut CDQ fisheries, etc. The Council suggested the formation of a working group to be appointed by the Council Chairman. Council staff and agency staff have had a preliminary meeting on this issue (report is under B-1), and we are now in the position of rounding out the group suggested by the Council in December. Development of a subsistence category, and attendant regulations, will take staff time and coordination with affected fishermen, and other agencies, over the next several months. It is possible that we could have something in place for 1998.

Revisions to the Council's Area 4 catch sharing plan are also going to be required, though that should not be a big item in terms of staff time.

(d) Review new groundfish proposals and task staff

In September the Council took a preliminary look at the 43 proposals received during this past summer's groundfish amendment cycle (Plan Team summary is under Item D-4(d)(1)). The proposals covered a broad spectrum of issues and areas, though several of the proposals were specific to the GOA pollock and cod fisheries. The Council took no action, but requested that staff develop a more 'thematic' approach to evaluating the proposals. Item D-4(d)(2) attempts to organize the various proposals for Council consideration.

Item D-4(d)(3) contains letters received since our September Council meeting.

STATUS OF COUNCIL TASKING

November 22, 1996

| <u>ACTION</u> | <u>STATUS</u> | <u>TASKING</u> | |
|-------------------------------|--|---|-----------------------|
| REPORTS: | | | |
| 1 | Magnuson Act Reauthorization & associated amendments | Review in Dec 1996 | Council/Region/Center |
| 2 | Modified Observer Program | Review alternatives Feb '97 | Region/Council/OAC |
| 3 | Ecosystem Considerations | Report in Feb 1997 | Council |
| REGULATORY AMENDMENTS: | | | |
| 1 | Halibut Charter Management | Initial analysis in Feb 1997 | Council |
| 2 | Seamount Restrictions | Final Rule pending | Region |
| 3 | AI extended sablefish season | Not forwarded to SOC | Council/Region |
| 4 | Mesh Size Reg. Amendment | Not forwarded to SOC | Council/Region |
| 5 | 'C' Season for fixed gear cod | Developing Proposed Rule | Region |
| 6 | Directed Fishing Standards adjustments | Review in February 1997 | Region |
| 7 | Electronic Reporting Requirements | Final action in Dec 1996 | Council/Region |
| 8 | "Slime and Ice" Accounting | Final action in Dec 1996 | Region |
| PLAN AMENDMENTS: | | | |
| 1 | Halibut/Sablefish IFQ Sweep-up | Proposed Rule on Sept 27 Comments by November 12 | Council/Region |
| 2 | BSAI Halibut Ownership Caps | Proposed Rule in preparation | Council |
| 3 | Comp. Rationalization Plan (a) License Limitation/CDQ (PSC trading) (b) IFQ Program for BSAI pollock | (a) PR in preparation (b) On hold | Council |

| | <u>ACTION</u> | <u>STATUS</u> | <u>TASKING</u> |
|----|---|--|-----------------------|
| 4 | IBQ/VBA Program | Discuss in Dec 1996 | Council/Center |
| 5 | Scallop FMP/future amendments | Discuss in Dec 1996 | Region/Council/ADFG |
| 6 | Total Weight Measurement in Groundfish Fisheries (a) Scale certification (b) Application to at-sea processors (non-CDQ) | (a) PR pending (b) PR in preparation | Region/Council |
| 7 | Demersal Shelf Rockfish License Limitation Program | Initial Review in April 97 | ADFG |
| 8 | Amend Overfishing Definitions | PR on Oct 17; comments by Dec 10 | Center/Council/Region |
| 9 | Forage Fish Prohibition | Initial review in Dec 1996 | Region |
| 10 | Amend POP Rebuilding Plan | Effective Sept 26 1996 | Council/Region |
| 11 | Crab PSC Cap Analysis (a) bairdi (Am 41) (b) opilio (Am 40) | (a) Submitted to SOC on November 20 (b) Action in Dec 1996 | Council/ADFG/Center |
| 12 | Am 37 Northeast Bristol Bay Closure RKC caps & B.B. Closure Area | Approved on Nov 26 | Council/ADFG/Region |
| 13 | BSAI Cod Gear Allocations | Approved Nov 1996 Effective for 1997 | Council/Region |
| 14 | Halibut Area 4 Catch Sharing Plan | In effect, may need modification | Council/IPHC/Region |
| 15 | BSAI Improved Retention/ Utilization | Final Action in Sept 1996 PR in preparation | Region/Council/Center |
| 16 | GOA Improved Retention/ Utilization | Report in Dec 1996 Initial Review April '96 | Center/Region/Council |
| 17 | Groundfish Plan Update | In progress. Initial review in spring 1997 | Council/Region |
| 18 | Limited Processing for Catcher Vessels | Report in Dec 1996 Initial Review in April '96 | Center/Region/Council |
| 19 | Pelagic Shelf Rockfish (dusky/ black rockfish separation) | Final action in Dec 96 | Council/Center/Region |

ACTION

STATUS

TASKING

OTHER ACTIONS:

| | | | |
|---|-------------------------------------|----------------------------------|----------------|
| 1 | April 24, 1994 Scallop Control Date | Published on June 15, 1994 | Region |
| 2 | Halibut Charter Control Date | Never published in F.R. | Region |
| 3 | Skipper License Program | On hold pending other priorities | Council/Region |

COUNCIL COMMITTEES:

| | | |
|---|-----------------------------|--------------------------|
| 1 | Observer Advisory Committee | Meet in early 1997 |
| 2 | Ecosystem Committee | Discuss in February 1997 |
| 3 | Crab Rebuilding Committee | Meet as necessary |
| 4 | IR/IU Committee | Meet as necessary |
| 5 | Enforcement Committee | Meet as necessary |

Guide to Magnuson-Stevens Act Revisions
Most Pertinent to North Pacific Fishery Management Council
(Keyed to revised text provided by Mid-Atlantic Council)

Practices and Procedures

Agendas and Testimony. Cannot change agenda within 14 days of meeting unless it is for emergency action. Written testimony must include source and date of information. Oral and written statements must include brief description of the background and interests of the person giving testimony. (p. 39)

Recusal. Secretary of Commerce must consult with councils and establish regulations for recusal by October 1997. All voting members except agency representatives will be bound by those regulations, likely starting at our December 1997 meeting. It will be a prohibited act to knowingly and willfully fail to disclose, or to falsely disclose, any financial interest as required, or to knowingly vote on a council decision in violation of the recusal provisions. (pp. 40-42, 71)

Regulatory Amendments. Regulatory amendments now will have a review schedule and must be published as a final rule anytime between 65 and 110 days after council submission. The review of plan amendments still will take 95 days, and if the Secretary does not make a decision, the amendment is approved by default. (pp. 45, 51-52)

Plan Withdrawal. The Secretary can withdraw an approved plan only if the withdrawal is first approved by a three-quarters majority of the council. This is being treated as advisory by the Secretary. (p. 59)

Emergency Actions and Interim Measures. Emergency actions can last for 180 days, and may be extended another 180 days, provided the Council is working on a permanent solution to the emergency. Interim measures may be enacted to reduce overfishing. (p. 62)

General Plan Provisions

Optimum Yield Definitions. OY may not exceed MSY. (p. 11)

New Required Provisions of FMPs. We will need to add these new provisions to our plans or assure that they are adequately covered already. We have 24 months (until October 1998) to submit conforming amendments. (pp. 42-44, 61)

1. Describe and identify essential fish habitat for the fishery based on the Secretary's guidelines (which are due by April 1997), minimize to the extent practicable adverse effects on such habitat caused by fishing, and identify other actions to encourage the conservation and enhancement of such habitat.

2. Specify measurable and objective overfishing criteria, and, for overfished stocks, approve conservation and management measures to prevent or end overfishing and rebuild the fishery. (We have these provisions in our plans already.)
3. Establish reporting requirements to assess the amount and type of bycatch occurring in the fishery, and include conservation and management measures that, to the extent practicable and in the following priority, (A) minimize bycatch; and (B) minimize the mortality of bycatch which cannot be avoided. (This needs review but may be satisfied already by previous Council actions.)
4. Include a description of the commercial, recreational, and charter fishing sectors which participate in the fishery and, to the extent practicable, quantify trends in landings of the managed fishery resource by the commercial, recreational, and charter fishing sectors. (This will be accomplished with our halibut charter study.)
5. To the extent that rebuilding plans or other conservation and management measures which reduce the overall harvest in a fishery are necessary, allocate any harvest restrictions or recovery benefits fairly and equitably among the commercial, recreational, and charter fishing sectors in the fishery. (Again, the Council will accomplish this with its actions on the halibut charterboat issue.)

Set-aside for Research. A new discretionary provision allows the Council to reserve a portion of the ABC for use in scientific research. (p. 45)

Prohibition on New IFQ Programs. Council cannot submit any new IFQ programs before October 1, 2000, but may amend the sablefish/halibut IFQ plan. (p. 46)

Limitations on CDQ Programs. CDQs are limited to those the Council approved by October 1, 1995. There can be no new programs submitted before October 1, 2001. CDQs can be no higher than 7.5% for groundfish, but will be phased in for Bering Sea crab at 3.5% for 1998, 5% for 1999, and 7.5% for 2000 and thereafter. (pp. 64-66)

State Jurisdiction. State of Alaska may regulate vessels not registered with the State if they are operating in the Alaska EEZ and no FMP existed on August 1, 1996, and the Secretary and the North Pacific Council find there is a legitimate interest of the State of Alaska in the conservation and management of that fishery. This authority terminates when a fishery management plan is approved and implemented, unless the plan delegates management authority to the State and was approved by a three-quarters majority vote of the Council. (p. 67)

Tasked Primarily to Council (or requires considerable attention)

IFQ and CDQ Mandatory Fee Program. The Secretary must establish a fee program, not to exceed 3% of exvessel value of fish harvested under the program, to recover the actual costs directly related to the management and enforcement of any individual IFQ or CDQ program. Fees will be deposited in the Limited Access System Administration Fund, unless they are used to aid small vessel and entry level fishermen (see below). A state may apply to use up to 33% of the

CDQ fees deposited in the Limited Access System Administration Fund, to reimburse the state for actual costs directly incurred in the management and enforcement of the CDQ program. (p. 54)

Aid to Small Boat and Entry Level Fishermen. A council may submit a program which reserves up to 25% of the mandatory IFQ/CDQ fees (see above) to issue obligations for financing the purchase of IFQs by small boat fishermen and entry level fishermen. The fees used for that purpose must go into the Treasury and be made available through annual appropriations to cover the costs of new direct loan obligations and new loan guarantee commitments. Though this aid provision appears discretionary, the Congress inserted language in S. 39 (though not directly in the Magnuson-Stevens Act) directing the North Pacific Council to recommend such an aid program, called the North Pacific Loan Program, by October 1, 1997. (pp. 46-48)

North Pacific Fisheries Conservation. These items are under revised Section 313. (pp. 83-84)

1. The Council shall submit conservation and management measures to lower, on an annual basis for a period of not less than four years, the total amount of economic discards occurring in the fisheries under its jurisdiction.
2. The Council may establish fines to provide incentives to reduce bycatch and bycatch rates, not to exceed \$25,000 per vessel per season.
3. The Council may provide for individual bycatch quotas for regulatory discards so long as they cannot be transferred for monetary consideration and are made on an annual basis.
4. By June 1, 1997, the Council must submit measures to ensure total catch measurement in each fishery under its jurisdiction. They shall ensure the accurate enumeration, at a minimum, of target species, economic discards, and regulatory discards.
5. By January 1, 1998, the Council must submit a plan to Congress to allow for weighing unless such measures are determined to be unnecessary to meet catch measurement requirements.
6. By October 1, 1998, the Council must submit to the Secretary a report on the advisability of requiring full retention by fishing vessels and full utilization by processors of economic discards in fisheries under its jurisdiction if such economic discards or their mortality cannot be avoided.

Russia Fishery Management Study. By September 30, 1997, the Council, in consultation with the North Pacific and Bering Sea Advisory Body, shall submit to the House and Senate a report describing the institutional structures in Russia pertaining to stock assessments, management, and enforcement for fishery harvests in the Bering Sea, and recommendations for improving coordination between the U.S. and Russia for managing and conserving Bering Sea fishery resources of mutual concern. (p. 32a)

Tasked Primarily to Secretary (some Council consultation required)

Gear Evaluation and Notification List. Within 18 months (by April 1998), the Secretary must publish a list of all fisheries and gears used in them and guidelines for when a new fishing gear is significantly different from the established gears. Within 150 days of that publication (by October 1998), no person or vessel may employ gear not included on the list without giving 90 days advance written notice to the Council. The Council may change the list through a formal amendment process. (pp. 60-61)

Fishery Negotiation Panels. The Secretary must promulgate regulations for establishment and operation of negotiation panels by April 1997. (p. 63)

Central Registry for Limited Access System Permits. The Secretary must establish a registry system within six months (April 1997). It may be administered regionally. It would apply to both IFQ and license systems and up to a one-half percent fee would be collected upon registration and upon transfer of a limited access permit. The fee will be deposited in the Limited Access System Administration Fund and can be used only for administering the central registry system and administering and implementing the limited access system in the fishery from which the fees were collected. Funds not currently needed for those purposes may be kept on deposit or invested in U.S. obligations or guarantees. (pp. 63-64) (Note: The North Pacific Council requested NMFS to establish a central registry in 1994.)

Vessel Registration and Information Management System. The Secretary must publish a proposed rule by October 1997 to implement a standardized fishing vessel registration and information management system on a regional basis. He must consult with states, commissions, and councils in developing the system. (pp. 85-86)

Observer Guidelines. The Secretary must establish regulations by October 1997 that include guidelines for when a vessel is not required to carry an observer because its facilities for quartering or carrying out the observer duties are inadequate or unsafe, and actions that the vessel owners and operators must take to render the facilities adequate and safe. (p. 89)

Research Plan. By October 1997, the Secretary, in cooperation with the councils, must develop and publish a five-year strategic plan for fisheries research, and update it every three years. (p. 90)

Ecosystems Research. The Secretary must establish a panel by April 1997 to develop recommendations to expand the application of ecosystems principles in fishery conservation and management activities, and report the panel's findings to Congress by October 1998. The panel must include Council representatives, among others. (pp. 92-93)

Charitable Organizations. The Secretary must conduct a study of the contribution of bycatch to charitable organizations and report to Congress by October 1997. (p. 94)

Tasked Primarily to NAS (Council consultation required)

IFQ Policy Report. National Academy of Sciences must consult with the councils and develop an IFQ policy report by October 1, 1998. A draft report is due January 1, 1998. (pp. 47-48)

CDQ Report. By October 1, 1998, National Academy of Sciences must consult with the North Pacific and Western Pacific councils, communities and organizations to develop a comprehensive performance review of the CDQ programs. (pp. 48-49)



December 6, 1996

Richard B. Lauber, Chairman
North Pacific Fishery Management Council
605 West 4th Ave. Suite 306
Anchorage, Alaska 99501-2252

Dear Rick:

As you know, President Clinton signed the Sustainable Fisheries Act (SFA) on October 11, 1996. The SFA substantially amends the Magnuson-Stevens Fishery Conservation and Management Act. These amendments include a broad list of requirements to be accomplished by the Agency and the fishery councils. The list of requirements includes, but is not limited to, revised or new guidelines for the national standards, amendments to fishery management plans to identify and rebuild overfished stocks, establishment of an exclusive central registry system for limited access permits, guidelines for carrying observers, etc.

Rollie Schmitt's October 30, 1996, letter to the Councils states that implementation of the SFA will be the Agency's primary task over at least the next two years. The Agency has assigned an Implementation Task Force to oversee the many activities that are part of this task. The councils are part of this process. The North Pacific Fishery Management Council (Council) will be responsible to amend its fishery management plans (FMP) and prepare certain reports. In some cases, it will take the primary lead in FMP amendments. In other cases, the Agency will initiate the lead but will consult with the Council, which will then take action to amend its FMPs.

To implement the SFA, the Council needs to accomplish the following:

1. Where necessary, will review and amend definitions in FMPs and FMP regulations to make them consistent with the SFA. These definitions include Bycatch [Sec. 102(2)]; Recreational, charter and commercial fisheries [Sec. 102(3), (4)]; Economic and regulatory discards [Sec. 102(9)]; Essential fish habitat [Sec. 102(10)]; Individual fishing communities [Sec. 102(16)]; Individual fishing quota [Sec. 102(16)]; "Optimum" [Sec. 102(28)];

¹ Section designations refer to Sections of the Sustainable Fisheries Act.



"Overfished" and Overfishing" [Sec 102(29)].

2. Shall submit no later than September 30, 1997, in consultation with the North Pacific and Bering Sea Advisory Body a report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Resources of the House of Representatives, which describes institutional structures in Russia pertaining to stock assessment, management, and enforcement for fishery harvest in the Bering Sea, and recommendations for improving coordination between the U.S. and Russia for managing and conserving Bering Sea resources [Sec. 105(g)].

3. Shall revise its SOPPs to reflect SFA requirements [Sec. 107]:

4. Shall submit not later than October 11, 1998, certain amendments [Sec. 108(a)]. These amendments will accomplish the following:

Describe and identify essential fish habitat, minimize adverse effects on such habitat, and identify other actions to encourage the conservation of such habitat.

Establish a standardized reporting methodology to assess the amount and type of bycatch occurring in the fishery and include conservation and management measures that, to the extent practicable, minimize bycatch, and minimize the mortality of bycatch which cannot be avoided.

Specify objective and measurable criteria for identifying when the fishery to which a plan applies is overfished, and, in the case of a fishery which the Council or Secretary has determined is approaching an overfished condition or is overfished, specify conservation and management measures to prevent overfishing or end overfishing and rebuild the fishery.

Assess the type and amount of fish caught and released alive during recreational fishing under catch and release fishery management program and the mortality of such fish, and include conservation and management measures, that to the extent practicable, minimize mortality and ensure the extended survival of such fish.

Include a description of the commercial, recreational, and charter fishing sectors, which participate in the fishery and, to the extent practicable, quantify trends in landings

of the managed fishery resource by the commercial, recreational, and charter fishing sectors.

Allocate any harvest restrictions or recovery benefits fairly and equitably among the commercial, recreational, and charter fishing sectors in the fishery, to the extent that rebuilding plans or other conservation and management measures, which reduce the overall harvest in a fishery are necessary.

5. Consult with the National Academy of Sciences, which shall submit to Congress no later than October 1, 1998 a comprehensive final report on individual fishing quotas [Sec. 108(f)].

6. With respect to the North Pacific Loan Program, shall recommend to the Secretary of Commerce a program, which uses the full amount of fees authorized to be used under a fee collection program that recovers actual costs directly related to management and enforcement of any IFQ or CDQ program, to guarantee obligations that aid in financing the purchase of IFQs by fishermen who fish from small vessels and the first-time purchase of IFQ by entry level fishermen [Sec. 108(g)].

7. Consult with the National Academy of Sciences, which shall submit to the Secretary of Commerce and Congress a comprehensive report on the performance and effectiveness of the community development program under the authority of the Council [Sec 108(h)].

8. Shall submit conservation and management measures to lower, on an annual basis for a period of not less than four years, the total amount of economic discards occurring in the fisheries under its jurisdiction [Sec. 117(a)(3); and

9. May submit a system of fines in a fishery to provide incentives to reduce bycatch and bycatch rates; except that such fines shall not exceed \$25,000 per vessel per season. Any fines collected shall be deposited in the North Pacific Fishery Observer Fund; and

10. May submit conservation and management measures which provide allocations of regulatory discards to individual fishing vessels as an incentive to reduce per vessel bycatch and bycatch rates [Sec. 117(a)(3)].

11. Shall submit by October 1, 1998, a report to the Secretary on the advisability of requiring the full retention by

fishing vessels and full utilization by processors of economic discards in fisheries under its jurisdiction if such economic discards, or the mortality of such discards, cannot be avoided (Sec. 117(a)(3)).

12. Shall submit by June 1, 1997, conservation and management measures to ensure total catch measurement in each fishery under Council jurisdiction, ensuring accurate enumeration, at a minimum, of target species, economic discards, and regulatory discards; and

13. Shall submit, with the Secretary, a plan to Congress by January 1, 1998, to allow for weighing, including recommendations to assist such processors and processing vessels in acquiring necessary equipment, unless the Council determines that such weighing is not necessary to meet the requirements of Section 313(h) (Sec. 117(a)(3)).

Rick, these tasks will require a substantial amount of Council staff resources, as well as those of the Agency. We have identified certain individual within the Alaska Fisheries Science Center and the Alaska Region who will be activity leaders and/or members of implementation Work Groups to accomplish the requirements of these tasks. We anticipate that the Council will need to set aside a large block of time during its December 1996 meeting to decide its priorities in order to fully meet its responsibilities created by the SFA. We will be available to discuss fully this issue with you during the meeting.

Sincerely,



Steven Pennoyer
Administrator, Alaska Region

subparagraph (A), and which allow for the making of determinations under subparagraphs (B) and (C).'; and (9) by striking '(1)(B) or (C)' in paragraph (8), as redesignated, and inserting '(1)(A)(ii)'.

SEC. 108. FISHERY MANAGEMENT PLANS.

(a) REQUIRED PROVISIONS- Section 303(a) (16 U.S.C. 1853(a)) is amended--

(1) in paragraph (1)(A) by inserting 'and rebuild overfished stocks' after 'overfishing';

(2) by inserting 'commercial, recreational, and charter fishing in' in paragraph (5) after 'with respect to';

(3) by striking paragraph (7) and inserting the following:

'(7) describe and identify essential fish habitat for the fishery based on the guidelines established by the Secretary under section 305(b)(1)(A), minimize to the extent practicable adverse effects on such habitat caused by fishing, and identify other actions to encourage the conservation and enhancement of such habitat;';

(4) by striking 'and' at the end of paragraph (8);

(5) by inserting 'and fishing communities' after 'fisheries' in paragraph (9)(A);

(6) by striking the period at the end of paragraph (9) and

inserting a semicolon; and

(7) by adding at the end the following:

'(10) specify objective and measurable criteria for identifying when the fishery to which the plan applies is overfished (with an analysis of how the criteria were determined and the relationship of the criteria to the reproductive potential of stocks of fish in that fishery) and, in the case of a fishery which the Council or the Secretary has determined is approaching an overfished condition or is overfished, contain conservation and management measures to prevent overfishing or end overfishing and rebuild the fishery;

'(11) establish a standardized reporting methodology to assess the amount and type of bycatch occurring in the fishery, and include conservation and management measures that, to the extent practicable and in the following priority--

'(A) minimize bycatch; and

'(B) minimize the mortality of bycatch which cannot be avoided;

'(12) assess the type and amount of fish caught and released alive during recreational fishing under catch and release fishery management programs and the mortality of such fish, and include conservation and management measures that, to the

extent practicable, minimize mortality and ensure the extended survival of such fish;

'(13) include a description of the commercial, recreational, and charter fishing sectors which participate in the fishery and, to the extent practicable, quantify trends in landings of the managed fishery resource by the commercial, recreational, and charter fishing sectors; and

'(14) to the extent that rebuilding plans or other conservation and management measures which reduce the overall harvest in a fishery are necessary, allocate any harvest restrictions or recovery benefits fairly and equitably among the commercial, recreational, and charter fishing sectors in the fishery.'

(b) IMPLEMENTATION- Not later than 24 months after the date of enactment of this Act, each Regional Fishery Management Council shall submit to the Secretary of Commerce amendments to each fishery management plan under its authority to comply with the amendments made in subsection (a) of this section.

(c) DISCRETIONARY PROVISIONS- Section 303(b) (16 U.S.C. 1853(b)) is amended--

(1) by striking paragraph (3) and inserting the following:

'(3) establish specified limitations which are necessary and

appropriate for the conservation and management of the fishery
on the --

'(A) catch of fish (based on area, species, size, number,
weight, sex, bycatch, total biomass, or other factors);

'(B) sale of fish caught during commercial, recreational,
or charter fishing, consistent with any applicable Federal
and State safety and quality requirements; and

'(C) transshipment or transportation of fish or fish
products under permits issued pursuant to section 204;';

(2) by striking 'system for limiting access to' in paragraph
(6) and inserting 'limited access system for';

(3) by striking 'fishery' in subparagraph (E) of paragraph
(6) and inserting 'fishery and any affected fishing communities';

(4) by inserting 'one or more' in paragraph (8) after
'require that';

(5) by striking 'and' at the end of paragraph (9);

(6) by redesignating paragraph (10) as paragraph (12); and

(7) by inserting after paragraph (9) the following:

'(10) include, consistent with the other provisions of this
Act, conservation and management measures that provide harvest
incentives for participants within each gear group to employ
fishing practices that result in lower levels of bycatch or in

lower levels of the mortality of bycatch;

'(11) reserve a portion of the allowable biological catch of the fishery for use in scientific research; and'.

(d) REGULATIONS- Section 303 (16 U.S.C. 1853) is amended by striking subsection (c) and inserting the following:

'(c) PROPOSED REGULATIONS- Proposed regulations which the Council deems necessary or appropriate for the purposes of--

'(1) implementing a fishery management plan or plan amendment shall be submitted to the Secretary simultaneously with the plan or amendment under section 304; and

'(2) making modifications to regulations implementing a fishery management plan or plan amendment may be submitted to the Secretary at any time after the plan or amendment is approved under section 304.'

(e) INDIVIDUAL FISHING QUOTAS- Subsection 303 (16 U.S.C. 1853) is amended further by striking subsections (d), (e), and (f), and inserting the following:

'(d) INDIVIDUAL FISHING QUOTAS-

'(1)(A) A Council may not submit and the Secretary may not approve or implement before October 1, 2000, any fishery management plan, plan amendment, or regulation under this Act which creates a new individual fishing quota program.

'(B) Any fishery management plan, plan amendment, or regulation approved by the Secretary on or after January 4, 1995, which creates any new individual fishing quota program shall be repealed and immediately returned by the Secretary to the appropriate Council and shall not be resubmitted, reapproved, or implemented during the moratorium set forth in subparagraph (A).

'(2)(A) No provision of law shall be construed to limit the authority of a Council to submit and the Secretary to approve the termination or limitation, without compensation to holders of any limited access system permits, of a fishery management plan, plan amendment, or regulation that provides for a limited access system, including an individual fishing quota program.

'(B) This subsection shall not be construed to prohibit a Council from submitting, or the Secretary from approving and implementing, amendments to the North Pacific halibut and sablefish, South Atlantic wreckfish, or Mid-Atlantic surf clam and ocean (including mahogany) quahog individual fishing quota programs.

'(3) An individual fishing quota or other limited access system authorization--

'(A) shall be considered a permit for the purposes of

sections 307, 308, and 309;

'(B) may be revoked or limited at any time in accordance with this Act;

'(C) shall not confer any right of compensation to the holder of such individual fishing quota or other such limited access system authorization if it is revoked or limited; and

'(D) shall not create, or be construed to create, any right, title, or interest in or to any fish before the fish is harvested.

'(4)(A) A Council may submit, and the Secretary may approve and implement, a program which reserves up to 25 percent of any fees collected from a fishery under section 304(d)(2) to be used, pursuant to section 1104A(a)(7) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1274(a)(7)), to issue obligations that aid in financing the--

'(i) purchase of individual fishing quotas in that fishery by fishermen who fish from small vessels; and

'(ii) first-time purchase of individual fishing quotas in that fishery by entry level fishermen.

'(B) A Council making a submission under subparagraph (A) shall recommend criteria, consistent with the provisions of

this Act, that a fisherman must meet to qualify for guarantees under clauses (i) and (ii) of subparagraph (A) and the portion of funds to be allocated for guarantees under each clause.

'(5) In submitting and approving any new individual fishing quota program on or after October 1, 2000, the Councils and the Secretary shall consider the report of the National Academy of Sciences required under section 108(f) of the Sustainable Fisheries Act, and any recommendations contained in such report, and shall ensure that any such program--

'(A) establishes procedures and requirements for the review and revision of the terms of any such program (including any revisions that may be necessary once a national policy with respect to individual fishing quota programs is implemented), and, if appropriate, for the renewal, reallocation, or reissuance of individual fishing quotas;

'(B) provides for the effective enforcement and management of any such program, including adequate observer coverage, and for fees under section 304(d)(2) to recover actual costs directly related to such enforcement and management; and

'(C) provides for a fair and equitable initial allocation

of individual fishing quotas, prevents any person from acquiring an excessive share of the individual fishing quotas issued, and considers the allocation of a portion of the annual harvest in the fishery for entry-level fishermen, small vessel owners, and crew members who do not hold or qualify for individual fishing quotas.'

(f) INDIVIDUAL FISHING QUOTA REPORT- (1) Not later than October 1, 1998, the National Academy of Sciences, in consultation with the Secretary of Commerce and the Regional Fishery Management Councils, shall submit to the Congress a comprehensive final report on individual fishing quotas, which shall include recommendations to implement a national policy with respect to individual fishing quotas. The report shall address all aspects of such quotas, including an analysis of--

(A) the effects of limiting or prohibiting the transferability of such quotas;

(B) mechanisms to prevent foreign control of the harvest of United States fisheries under individual fishing quota programs, including mechanisms to prohibit persons who are not eligible to be deemed a citizen of the United States for the purpose of operating a vessel in the coastwise trade under section 2(a) and section 2(c) of the Shipping Act, 1916 (46

U.S.C. 802 (a) and (c)) from holding individual fishing quotas;

(C) the impact of limiting the duration of individual fishing quota programs;

(D) the impact of authorizing Federal permits to process a quantity of fish that correspond to individual fishing quotas, and of the value created for recipients of any such permits, including a comparison of such value to the value of the corresponding individual fishing quotas;

(E) mechanisms to provide for diversity and to minimize adverse social and economic impacts on fishing communities, other fisheries affected by the displacement of vessels, and any impacts associated with the shifting of capital value from fishing vessels to individual fishing quotas, as well as the use of capital construction funds to purchase individual fishing quotas;

(F) mechanisms to provide for effective monitoring and enforcement, including the inspection of fish harvested and incentives to reduce bycatch, and in particular economic discards;

(G) threshold criteria for determining whether a fishery may be considered for individual fishing quota management, including criteria related to the geographical range,

population dynamics and condition of a fish stock, the socioeconomic characteristics of a fishery (including participants' involvement in multiple fisheries in the region), and participation by commercial, charter, and recreational fishing sectors in the fishery;

(H) mechanisms to ensure that vessel owners, vessel masters, crew members, and United States fish processors are treated fairly and equitably in initial allocations, to require persons holding individual fishing quotas to be on board the vessel using such quotas, and to facilitate new entry under individual fishing quota programs;

(I) potential social and economic costs and benefits to the nation, individual fishing quota recipients, and any recipients of Federal permits described in subparagraph (D) under individual fishing quota programs, including from capital gains revenue, the allocation of such quotas or permits through Federal auctions, annual fees and transfer fees at various levels, or other measures;

(J) the value created for recipients of individual fishing quotas, including a comparison of such value to the value of the fish harvested under such quotas and to the value of permits created by other types of limited access systems, and

the effects of creating such value on fishery management and conservation; and

(K) such other matters as the National Academy of Sciences deems appropriate.

(2) The report shall include a detailed analysis of individual fishing quota programs already implemented in the United States, including the impacts: of any limits on transferability, on past and present participants, on fishing communities, on the rate and total amount of bycatch (including economic and regulatory discards) in the fishery, on the safety of life and vessels in the fishery, on any excess harvesting or processing capacity in the fishery, on any gear conflicts in the fishery, on product quality from the fishery, on the effectiveness of enforcement in the fishery, on the size and composition of fishing vessel fleets, of the economic value created by individual fishing quotas for initial recipients and non-recipients, on conservation of the fishery resource, on fishermen who rely on participation in several fisheries, on the success in meeting any fishery management plan goals, and the fairness and effectiveness of the methods used for allocating quotas and controlling transferability. The report shall also include any information about individual fishing

quota programs in other countries that may be useful.

(3) The report shall identify and analyze alternative conservation and management measures, including other limited access systems such as individual transferable effort systems, that could accomplish the same objectives as individual fishing quota programs, as well as characteristics that are unique to individual fishing quota programs.

(4) The Secretary of Commerce shall, in consultation with the National Academy of Sciences, the Councils, the fishing industry, affected States, conservation organizations and other interested persons, establish two individual fishing quota review groups to assist in the preparation of the report, which shall represent: (A) Alaska, Hawaii, and the other Pacific coastal States; and (B) Atlantic coastal States and the Gulf of Mexico coastal States. The Secretary shall, to the extent practicable, achieve a balanced representation of viewpoints among the individuals on each review group. The review groups shall be deemed to be advisory panels under section 302(g) of the Magnuson Fishery Conservation and Management Act, as amended by this Act.

(5) The Secretary of Commerce, in consultation with the National Academy of Sciences and the Councils, shall conduct

public hearings in each Council region to obtain comments on individual fishing quotas for use by the National Academy of Sciences in preparing the report required by this subsection.

The National Academy of Sciences shall submit a draft report to the Secretary of Commerce by January 1, 1998. The Secretary of Commerce shall publish in the Federal Register a notice and opportunity for public comment on the draft of the report, or any revision thereof. A detailed summary of comments received and views presented at the hearings, including any dissenting views, shall be included by the National Academy of Sciences in the final report.

(6) Section 210 of Public Law 104-134 is hereby repealed.

(g) NORTH PACIFIC LOAN PROGRAM- (1) By not later than October 1, 1997 the North Pacific Fishery Management Council shall recommend to the Secretary of Commerce a program which uses the full amount of fees authorized to be used under section 303(d)(4) of the Magnuson Fishery Conservation and Management Act, as amended by this Act, in the halibut and sablefish fisheries off Alaska to guarantee obligations in accordance with such section.

(2)(A) For the purposes of this subsection, the phrase 'fishermen who fish from small vessels' in section 303(d)(4)(A)(i) of such Act shall mean fishermen wishing to

purchase individual fishing quotas for use from Category B, Category C, or Category D vessels, as defined in part 676.20(c) of title 50, Code of Federal Regulations (as revised as of October 1, 1995), whose aggregate ownership of individual fishing quotas will not exceed the equivalent of a total of 50,000 pounds of halibut and sablefish harvested in the fishing year in which a guarantee application is made if the guarantee is approved, who will participate aboard the fishing vessel in the harvest of fish caught under such quotas, who have at least 150 days of experience working as part of the harvesting crew in any U.S. commercial fishery, and who do not own in whole or in part any Category A or Category B vessel, as defined in such part and title of the Code of Federal Regulations.

(B) For the purposes of this subsection, the phrase 'entry level fishermen' in section 303(d)(4)(A)(ii) of such Act shall mean fishermen who do not own any individual fishing quotas, who wish to obtain the equivalent of not more than a total of 8,000 pounds of halibut and sablefish harvested in the fishing year in which a guarantee application is made, and who will participate aboard the fishing vessel in the harvest of fish caught under such quotas.

(h) COMMUNITY DEVELOPMENT QUOTA REPORT- Not later than October

1,

1998, the National Academy of Sciences, in consultation with the Secretary, the North Pacific and Western Pacific Councils, communities and organizations participating in the program, participants in affected fisheries, and the affected States, shall submit to the Secretary of Commerce and Congress a comprehensive report on the performance and effectiveness of the community development quota programs under the authority of the North Pacific and Western Pacific Councils. The report shall--

(1) evaluate the extent to which such programs have met the objective of providing communities with the means to develop ongoing commercial fishing activities;

(2) evaluate the manner and extent to which such programs have resulted in the communities and residents--

(A) receiving employment opportunities in commercial fishing and processing; and

(B) obtaining the capital necessary to invest in commercial fishing, fish processing, and commercial fishing support projects (including infrastructure to support commercial fishing);

(3) evaluate the social and economic conditions in the participating communities and the extent to which alternative private sector employment opportunities exist;

(4) evaluate the economic impacts on participants in the affected fisheries, taking into account the condition of the fishery resource, the market, and other relevant factors;

(5) recommend a proposed schedule for accomplishing the developmental purposes of community development quotas; and

(6) address such other matters as the National Academy of Sciences deems appropriate.

(i) EXISTING QUOTA PLANS- Nothing in this Act or the amendments made by this Act shall be construed to require a reallocation of individual fishing quotas under any individual fishing quota program approved by the Secretary before January 4, 1995.

SEC. 109. ACTION BY THE SECRETARY.

(a) SECRETARIAL REVIEW OF PLANS AND REGULATIONS- Section 304 (16 U.S.C. 1854) is amended by striking subsections (a) and (b) and inserting the following:

'(a) REVIEW OF PLANS-

'(1) Upon transmittal by the Council to the Secretary of a fishery management plan or plan amendment, the Secretary shall--

'(A) immediately commence a review of the plan or amendment to determine whether it is consistent with the national standards, the other provisions of this Act, and any other applicable law; and

reduction program established under section 312 of the

Magnuson Fishery Conservation and Management Act; and'

SEC. 117. NORTH PACIFIC AND NORTHWEST ATLANTIC OCEAN FISHERIES.

(a) NORTH PACIFIC FISHERIES CONSERVATION- Section 313 (16 U.S.C. 1862) is amended--

(1) by striking 'RESEARCH PLAN' in the section heading and inserting 'CONSERVATION';

(2) in subsection (a) by striking 'North Pacific Fishery Management Council' and inserting 'North Pacific Council'; and

(3) by adding at the end the following:

'(f) BYCATCH REDUCTION- In implementing section 303(a)(11) and this section, the North Pacific Council shall submit conservation and management measures to lower, on an annual basis for a period of not less than four years, the total amount of economic discards occurring in the fisheries under its jurisdiction.

'(g) BYCATCH REDUCTION INCENTIVES- (1) Notwithstanding section 304(d), the North Pacific Council may submit, and the Secretary may approve, consistent with the provisions of this Act, a system of fines in a fishery to provide incentives to reduce bycatch and bycatch rates; except that such fines shall not exceed \$25,000 per vessel per season. Any fines collected shall be deposited in the North Pacific Fishery Observer Fund, and may be made available by

the Secretary to offset costs related to the reduction of bycatch in the fishery from which such fines were derived, including conservation and management measures and research, and to the State of Alaska to offset costs incurred by the State in the fishery from which such penalties were derived or in fisheries in which the State is directly involved in management or enforcement and which are directly affected by the fishery from which such penalties were derived.

'(2)(A) Notwithstanding section 303(d), and in addition to the authority provided in section 303(b)(10), the North Pacific Council may submit, and the Secretary may approve, conservation and management measures which provide allocations of regulatory discards to individual fishing vessels as an incentive to reduce per vessel bycatch and bycatch rates in a fishery, provided that--

'(i) such allocations may not be transferred for monetary consideration and are made only on an annual basis; and

'(ii) any such conservation and management measures will meet the requirements of subsection (h) and will result in an actual reduction in regulatory discards in the fishery.

'(B) The North Pacific Council may submit restrictions in addition to the restriction imposed by clause (i) of subparagraph (A) on the transferability of any such allocations, and the

Secretary may approve such recommendation.

'(h) CATCH MEASUREMENT- (1) By June 1, 1997 the North Pacific Council shall submit, and the Secretary may approve, consistent with the other provisions of this Act, conservation and management measures to ensure total catch measurement in each fishery under the jurisdiction of such Council. Such measures shall ensure the accurate enumeration, at a minimum, of target species, economic discards, and regulatory discards.

'(2) To the extent the measures submitted under paragraph (1) do not require United States fish processors and fish processing vessels (as defined in chapter 21 of title 46, United States Code) to weigh fish, the North Pacific Council and the Secretary shall submit a plan to the Congress by January 1, 1998, to allow for weighing, including recommendations to assist such processors and processing vessels in acquiring necessary equipment, unless the Council determines that such weighing is not necessary to meet the requirements of this subsection.

'(i) FULL RETENTION AND UTILIZATION- (1) The North Pacific Council shall submit to the Secretary by October 1, 1998 a report on the advisability of requiring the full retention by fishing vessels and full utilization by United States fish processors of economic discards in fisheries under its jurisdiction if such

economic discards, or the mortality of such economic discards, cannot be avoided. The report shall address the projected impacts of such requirements on participants in the fishery and describe any full retention and full utilization requirements that have been implemented.

'(2) The report shall address the advisability of measures to minimize processing waste, including standards setting minimum percentages which must be processed for human consumption. For the purpose of the report, 'processing waste' means that portion of any fish which is processed and which could be used for human consumption or other commercial use, but which is not so used.'

(b) NORTHWEST ATLANTIC OCEAN FISHERIES- Section 314 (16 U.S.C. 1863) is amended by striking '1997' in subsection (a)(4) and inserting '1999'.

TITLE II--FISHERY MONITORING AND RESEARCH

SEC. 201. CHANGE OF TITLE.

The heading of title IV (16 U.S.C. 1881 et seq.) is amended to read as follows:

'TITLE IV--FISHERY MONITORING AND RESEARCH'.

SEC. 202. REGISTRATION AND INFORMATION MANAGEMENT.

Title IV (16 U.S.C. 1881 et seq.) is amended by inserting after the title heading the following:

OCT 30 1996



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
1335 East-West Highway
Silver Spring, Maryland 20910
THE DIRECTOR



Mr. Richard B. Lauber
Chairman, North Pacific Fishery
Management Council
605 West Forth Avenue, Room 306
Anchorage, Alaska 99501-2252

Dear Mr. Lauber: Rich

I am sure you are aware that the President signed the Sustainable Fisheries Act (Act) on October 11 that reauthorizes and amends the Magnuson-Stevens Fishery Conservation and Management Act. The signing starts the clock on the immense task of implementing the myriad provisions in the Act, often within the constraints of very short, mandated deadlines. The extensive revisions and additions to our responsibilities under the Magnuson Act will significantly affect the work of the Councils, as well as NMFS.

I consider the implementation of the Act the primary task for NMFS over at least the next two years. Likewise, I believe that this should also be considered the primary task of the Councils, within the context of ensuring the conservation of the living marine resources under your jurisdiction. The amount of work that will be required to accomplish this task will be substantial and will likely dominate our activities during this period. To accomplish the task, priorities and workplans will have to be significantly adjusted. In fact, I believe the magnitude of the task will require the Councils and NMFS to limit our activities to only essential management actions, at least until we can implement and become adjusted to the new requirements of the Act.

I also want to emphasize that we are partners in this task. NMFS is in the process of developing an implementation plan that will encompass the tasks that NMFS will have to undertake, and will identify those requirements that Congress established for the Councils. By developing an overall plan for implementation we can avoid any requirements falling through the cracks. I will provide a copy of our initial list of activities as soon as possible and will direct our Regional Administrators to begin working with you on the details of the implementation effort.

I look forward to working with you and the other Councils in order to fully achieve this enormous, but critical, task. By working effectively together I am confident that we will be successful.

Sincerely,

Rolland A. Schmitt
THE ASSISTANT ADMINISTRATOR
FOR FISHERIES



| Major Tasking for 1997 - 1998 Magnuson Act Tasks | 1997 | | | | | 1998 | | | | |
|--|------------------|-------------|-----------------------|------------------------|----------------------------|------------------------|----------------|--------------------|--------------------------|-------------------------|
| | February | April | June | September | December | February | April | June | September | December |
| IFQ Fee Program/N.P. Loan Program* | / | | Council Review | Council Action | Submit to SOC | Oliver/Hartley/Brannan | | | | |
| Russian Report* | | | / | | Council Report to Congress | | | | | |
| Central Lien Registry* | Submit to SOC | DiCosimo | | | | | | | | |
| Report on Bycatch Contributions to Charities | / | | | SOC Report to Congress | Witherell | | | | | |
| Report on Ecosystem Management in North Pacific | Establish Panels | | / | | | | | Report to Congress | Witherell | |
| Comprehensive NAS Report on IFQs/CDQs* | / | | | | | Draft Report | / | | Report to SOC & Congress | Hartley/DiCosimo/Oliver |
| Report on Full Retention & Progress to Date | | | | | | / | | Report to SOC | Oliver | |
| 4-Year Reduction in Economic Discards ¹ (as necessary) | / | GOA Initial | GOA Final | Submit to SOC | Oliver | | | | | |
| Total Catch Measurement (further action as necessary) ² | / | | Submit to SOC | NMFS/Council | | | | | | |
| Weighing of Fish (as necessary) ³ | / | | | Council Action | Submit to SOC | NMFS/Council | | | | |
| Standardized Reporting of Bycatch (if necessary) ² | | | | | | | Council Review | Council Action | Submit to SOC | NMFS/Council |
| Identify Essential Fish Habitat | SOC Guidelines | | / | | | | Council Review | Council Action | Submit to SOC | Witherell/DiCosimo |
| Vessel Registration/Information Management System | / | | Council Consideration | | Proposed Rule | Hartley/Brannan | | | | |

* = Requires Significant Council/Staff Involvement in next 6-12 months



=Analytical/Work Period

1/ May be satisfied by BSAI/GOA IR/IU.

2/ May be satisfied by current reporting requirements. Need feedback from NMFS.

3/ Current Council initiatives on weighing fish only apply to pollock/CDQ fisheries. On hold at NMFS.

| Other Major Tasks | 1997 | | | | | 1998 | | | | | | |
|---|----------------|----------------|----------------|------------------------|----------------------|---------------|----------|------|----------------|----------------|---------------|------------------------|
| | February | April | June | September | December | February | April | June | September | December | | |
| Halibut Charter Issue* | Council Review | Council Action | Submit to SOC | Hartley/Brannan/Oliver | | | | | | | | |
| IFQ Program Amendments* (pending Council direction) | | Council Review | Council Action | Submit to SOC | DiCosimo | | | | | | | |
| Limited Processing for Catcher Vessels* (pending Council direction) | | Council Review | Council Action | Submit to SOC | Oliver/Brannan | | | | | | | |
| Observer Program Modification* | | Council Review | Council Action | Submit to SOC | Oliver/NMFS | | | | | | | |
| Vessel Bycatch Accounts (VBAs) (pending Council direction) | | | Council Review | Council Action | Submit to SOC | NMFS | | | | | | |
| GOA IR/IU | | Council Review | Council Action | Submit to SOC | NMFS | | | | | | | |
| Skipper License Program* (pending Council direction) | | Council Review | Council Action | Submit to SOC | Hartley/Brannan/NMFS | | | | | | | |
| Inshore/Offshore and Pollock CDQs* (not yet tasked) | | | | | | | | | Council Review | Council Action | Submit to SOC | Hartley/Brannan/Oliver |
| Halibut "Subsistence/Personal Use" Regulations | | | | Council Review | Council Action | Submit to SOC | DiCosimo | | | | | |
| Directed Fishing Standard revisions | Initial | Council Action | Submit to SOC | | | | | | | | | |
| VIP revisions | | Initial Review | Council Action | Submit to SOC | NMFS | | | | | | | |
| Forage Fish Prohibits | Council Action | Submit to SOC | NMFS | | | | | | | | | |
| Demersal Shelf Rockfish license limitation | | Council Review | Council Action | Submit to SOC | ADF&G | | | | | | | |
| Other NMFS Magnuson Act Tasking | | | | | | | | | | | | |

* = Requires Significant Council/Staff Involvement in next 6-12 months



=Analytical/Work Period

Potential New Tasks

1. Crab Bycatch in Pot Fisheries - Witherell
4. 1996 Groundfish Proposals (?)

2. Scallop Plan - Witherell

5. BSAI Pollock IFQ Program - Hartley/Brannan/Oliver

3. GOA Crab Bycatch - Witherell/DiCosimo

**IFQ INDUSTRY IMPLEMENTATION TEAM MINUTES
OCTOBER 17-18, 1996**

The IFQ Industry Implementation Team (Team) met in Anchorage on October 17-18, 1996 to discuss IFQ amendment proposals and pending amendments. Jeff Stephan, (Chair), John Bruce, Norman Cohen, Don Iverson, Jack Knutsen, Linda Kozak, Drew Scalzi, John Woodruff and new members Arne Fuglvog and Dennis Hicks were present for the meeting. Harold Thompson was absent.

Jane DiCosimo (Council staff), John Lepore, Jay Ginter, Jim Hale, Jesse Gharrett, and Ken Hansen (all of NMFS), Jon Pollard (NOAA GC), Heather Gilroy (IPHC), LT. CMDR. Walt Hunnings (D17 USCG), and Seth Macinko (ADF&G) provided staff support. Nine members of the public also attended.

Amendment proposals The Team reviewed the attached nine industry proposals, including three received after the Council's deadline. Three additional amendment proposals are included as a result of the Team's discussions. The Team approved four industry proposals and three Team proposals for amending the halibut and sablefish IFQ programs. They are ranked below for the Council's consideration for action in 1997.

- #1 Proposal 7. Require weighmasters to monitor IFQ offloadings, which along with standard deductions, for heads and slime and ice, would enhance the program's accountability. Weighmasters would be paid by the buyers and not be required for Class A frozen product.**

The Team unanimously approved requiring weighmasters at the point of landing, noting that there is an existing pool of community members in selected ports currently employed by IPHC to interview skippers and collect otoliths. The analysis may conclude that the cost of the program to buyers may be prohibitive. The Team noted that a standard deduction for ice and slime was before the Council for final action in December. They did not endorse a proposal to require processing at the port of landing, noting that the requirement could impact businesses that do not process at the point of landing and might restrict a QS holder's choice of buyers.

- #2 Proposal 9. Amend regulatory language for emergency transfers from "surviving spouse" to "heirs" to include immediate family only.**

The Team unanimously supported this proposal to allow QS transfers to immediate family members, under the 3-year emergency provision.

- #3 Analyze rolling closures during the sablefish longline survey for trawl and longline vessels.**

The Team has been concerned since the IFQ program was initiated that fishing effort during the sablefish longline survey under an extended IFQ season may significantly impact survey results. Efforts to minimize fishery interactions by a two year program of voluntary compliance to avoid survey stations has not been entirely successful. Since the effects on the survey cannot be scientifically quantified and recent stock assessments indicate a continuing downward trend in stock abundance, the Team recommends that the Council initiate an analysis of rolling closures to longline and trawl vessels during the sablefish survey. The Team suggests that the trawl fleet be consulted in the preparation of the analysis.

- #4 Allow 10% transfer (leasing) of an initial issuee's total IFQ, to sunset after three years.**

NMFS staff informed the Team that the current transfer (leasing) provisions that allow an initial issuee to transfer up to 10% of an IFQ holding by area will sunset on January 2, 1998. The original three year allowance for leasing was implemented to allow a reasonable time in which to adjust business practices. The Team noted that

restrictions on leasing of blocked QS have only recently been relaxed and recommended an extension of the 10% transfer provision of TOTAL IFQ (not by area) be allowed.

#5 Proposal 1. Allow corporations and partnerships that received an initial catcher vessel QS to change their form of organization without changing owners for liability reasons.

This proposal would amend § 679.42(j)(1) to allow limited liability corporations and partnerships, which did not exist when the IFQ program was developed. The Team noted that the longer a corporation existed, the longer the hired skipper provision would last.

#6 Proposal 5. Analyze the transfer of QS to a Charitable Remainder Trust for subsequent sale to an eligible individual.

The Team noted that this proposal was policy neutral. It would not affect QS transfers, but would enhance tax strategies for QS owners. The Team was concerned by the potential for loss or delay of harvestable QS in a fishing year and recommended appropriate time restrictions for QS transfers. The Team noted that the proposal appeared to have merit and suggested that the Council carefully investigate whether its implementation would not affect the current allocation, leasing, ownership, or use restrictions of the program.

#7 Analyze the ownership requirements for hiring skippers by requiring 51% ownership.

The Team discussed the need for defining ownership of a vessel for hiring skippers, since current requirements result in widespread de facto leasing and is in conflict with the Council's goals of an owner operated fleet under the IFQ program. The Team is concerned that a loophole exists which allows leasing in perpetuity by initial recipients due to inexact language related to ownership of vessels on which QS is fished. An individual may take part ownership in a vessel temporarily (say, for as little as \$1) in order to hire a vessel and skipper to fish his QS. In April 1995, the Team recommended that the Council implement a "controlling interest" (e.g., 51%) or other requirement to prevent "paper" ownership that circumvents Council intent for an owner/operator IFQ fleet. In May 1995, the Council relayed to Mr. Pennoyer the Implementation Team's recommendation for a 51% ownership requirement as evidenced by U.S. Coast Guard Abstract of Title, Vessel Registration, etc., that included a more responsible level of involvement (e.g., liability), than do "paper" transfers. In November 1995, the Team reiterated their support of a 51% controlling interest. The Team recommends that this issue has overriding implications on leasing for the Council's consideration and recommends that ownership requirements for hired skippers, including the 51% option be analyzed.

The Team did not endorse the following proposals.

Proposal 2. Allow certain limited additions to either corporate or partnership ownership. The Team unanimously opposed this proposal, noting that the change to § 679.42(j)(2) would drastically alter the stated goals of the program for an owner-operated fleet. It would also be burdensome for program administrators to identify those individuals who "actively managed the daily operations of a corporation or partnership" as described in the proposal.

Proposal 3. Repeal the block provisions of the halibut and sablefish IFQ programs for all areas except Southeast Alaska. The Team opposed the proposal and wished to see the effects of increased sweep-ups and buy-down program changes before considering drastic alterations to the current program. The Team recognized that the proposal was submitted by members of the small boat fleet who are not able to fish economically due to the small size of their blocked QS. The Team further stated the recently amended sweep-up limits are too low for economically viable fishing. The Team noted that it is reasonable to expect that similar proposals to repeal or

significantly modify the block program will continue to come forward until the sweep-up limits are raised to economically viable levels.

Proposal 4. Allow C class sablefish QS in the Bering Sea to be harvested with pot longline gear by B class vessels. The Team unanimously opposed this "fish-up" proposal, recognizing that only 2-3 vessel owners would benefit under the proposal. The Team discussed fishing-up for both hook-and-line longliners and pot longliners, if the proposal was approved by the Council. The Team noted that there are situations that need to be considered on a "provisional" basis, such as vessel size classes and harvestable gear types. The Team realizes that the Bering Sea is such a place and changes to vessel size restrictions should be considered comprehensively.

Proposal 6. Allow holders of halibut CDQ QS to lease up to 30% and sablefish ITQ QS to lease up to 20% to be taken as bycatch in other groundfish fisheries. Prohibit discard of sablefish in GOA deepwater flatfish fishery and require catches exceeding the 15% [now 7%] allowable bycatch to be covered by leased QS. The Team unanimously opposed this proposal, noting concerns expressed by IPHC staff on allowing trawlers to harvest and discard halibut and by Enforcement staff on compromises to observer data and the Vessel Incentive Program. The Team did consider the significant cost recovery to the trawl fleet of an extended fishing season and the difficulties of translating adult equivalents of the juveniles that would be harvested as bycatch.

Proposal 8. Eliminate D class in Area 3A. The Team decided to consider a letter that was submitted to the Team as an amendment proposal. The Team discussed the benefits of reexamining all size classes in all areas, rather than a piece-meal approach to meet individual needs. The Team restated their adherence to the stated goal of the program to maintain the composition of the fleet in their rejection of this proposal.

Current IFQ amendments

The Team extensively discussed the benefits of a standardized deductions for halibut and sablefish and recommended a standard deduction of 0% for slime and ice for both species, with washing to occur at the point of landing for an initial, accurate scale weight. The Team was concerned that allowing both 0 and 2% deductions may result in processors using the higher deduction for initial landing reports. The resulting cumulative increase in pounds of fish harvested to make up the weight attributed to slime and ice may raise a biological concern of exceeding the fixed gear allocation, and possibly the TAC. The Team noted that many processors already wash halibut and sablefish for a 0% deduction, and that remaining processors would be able to comply. Those unable to set up a washing station may be able to adjust the price paid for unwashed product at the point of landing to account for slime and ice. The Team further noted that while a 2% industry standard would be the basis for a deduction for halibut, no industry standard or scientific study would support a similar sablefish deduction. The Team noted two important factors for whatever deduction is chosen: (1) it must be uniform; and (2) it must be enforceable.

The Team received updates on the status of the sweep-up plan and regulatory amendments and Area 4 halibut use cap regulatory amendment. The Team requested that NMFS waive the 30-day cooling off period for the sweep-up amendment and submit the use cap amendment as soon as possible to have these program changes implemented as soon as possible to maximize the time available for IFQ fishermen to submit transfer requests. RAM staff also noted an interest in not having these requests occur simultaneously with issuance of 1997 IFQs.

The Team noted that many Aleutian Island sablefish QS holders were planning to fish in the early season fishery under a proposed regulatory amendment that was rejected by the Regional Director on September 27, 1996. While the Team had not supported the proposed extended season, they expressed concern that the remaining 550,000 lb (35%) of the AI sablefish TAC as of October 16, 1996 may remain unharvested with one month remaining in the IFQ season, without notification to the industry. The Team requested that NMFS immediately notify all AI sablefish QS holders of NMFS' decision to not reopen the fishery on January 1.

The Team extensively discussed NMFS' proposed amendment to modify the 6-hour notice for IFQ and CDQ landings. The change would affect offloading of IFQ species prior to the date and time reported, or more than two hours after the date and time reported on the Prior Notice of IFQ Landing, such that the vessel operator would be required to submit a new Prior Notice of IFQ Landing. IPHC staff supported the proposed policy to ensure biological collections; Enforcement staff proposed the change to maximize efficiency in targeting offloadings, noting that NMFS employed a liberal waiver policy. The 6-hour notice requirement was identified as problematic in the Western Alaska and Southeast skiff fisheries. The additional 2-hour limit in which landings must occur was described as overly burdensome in those areas. The Team noted that the proposed policy may drive unscrupulous operators to ports where enforcement officers were not well-represented. **The Team requested that NMFS define its policy on granting waivers in writing. The Team also supported the NMFS-proposed modification to the 6-hour notice for IFQ and CDQ landings, but proposed a 2-hour limit rather than the 4-hour limit proposed by NMFS.**

The Team received a report from NMFS staff regarding proposed changes to the adjustment policy for IFQ overages. Duplication of effort by the enforcement and administrative staffs leading to concurrent proceedings may cause interference in the resolution of overage cases. NMFS will notify the Council of modifications to the adjustment policy when they resolve the issue.

The Team discussed the open access sablefish fishery administered by ADF&G in State waters in the Aleutians west of Scotch Cap Light in 1995 and 1996. Approximately 290,000 lb of a harvest guideline of 400,000 lb of sablefish were landed in that fishery in 1995. A total of 90,000 lb was harvested by IFQ holders and counted against the federal TAC; 200,000 lb was harvested by open access fishermen. The 1996 TAC for fixed gear sablefish in the Aleutian Islands regulatory area is 1,035,889 lb. The Team noted that State water landings was incorporated into the original design of the IFQ program and that additional State water landings in excess of the federal TAC for sablefish may further stress the declining sablefish stock, possibly resulting in diminishing annual quotas. The Team was concerned over pending action by the Alaska Board of Fish on State fisheries for a possible request to the Council in December 1996 for State water quota set-asides for Pacific cod and existing sablefish and pollock State fisheries from the federal TAC.

The Team considered changes to the IFQ program as required by the recent revision to the Magnuson-Stevens Act. **The Team recommends that the Council send a letter to Rollie Schmitten endorsing regional implementation of the Central Lien System since much of the preparation for a lien system for the Alaska Region has been completed by staff from the NMFS Alaska Regional Office.**

Public review of 1996 Groundfish amendment proposals received by August 15

| No. | Proposal | Proposer | Area | Amendment | Effect* | Comments | Rank |
|----------------------------|--|-------------|------|------------|---------|--|------|
| SPECIES ALLOCATIONS | | | | | | | |
| 11 | inshore/offshore allocation | NPSC | both | plan | A | sunsets in 98, initiate next year | L |
| 17 | small boat trip limit for GOA P. cod | Sullivan | GOA | plan | A | same as #30, #40, small boat fishery | H |
| 22 | rollover fixed gear P. cod from 1st to 3rd trimester | KVOA | BSAI | regulatory | E | same as #26, #28 | H |
| 26 | rollover fixed gear P. cod from 1st to 3rd trimester | NPLA et al. | BSAI | regulatory | E | same as #22, #28 | H |
| 28 | 'C' season fixed gear P. cod shall be contig. w/'B' or next year | NPLA et al. | BSAI | regulatory | E | same as #22, #26 | H |
| 30 | apportion Central GOA P. cod; 1/1-65%; 9/1 or 10/1-35% | AGDB | GOA | plan | A,E,B | same as #17, #40, small boat fishery | H |
| 40 | apportion GOA P. cod seasonally: 60%/5%/35% | UFMA | GOA | plan | A,E,B | same as #17, #30, small boat fishery | H |
| GEAR / REGULATIONS | | | | | | | |
| 1 | limit pollock pelagic trawl gear to 280 ft | PMA | GOA | regulatory | E | anti-efficiency, expand season, alt. to #2 | L |
| 7 | require pelagic trawling for pollock | IPHC staff | both | plan | E,A | NMFS has authority | L |
| 19 | gear allocations for Central GOA P. cod, w/rollover | ADA | GOA | plan | A | allocation | L |
| 20 | reassign trawl sablefish to trawlers excl. from area 650 w/LLP | Fraser | GOA | plan | A | same as #37, reassign sablefish trawl allocation fr LLP | L |
| 24 | fixed-gear turbot fishery only; allocate +140 mt halibut PSC | NPLA et al. | BSAI | plan | E,A | halibut bycatch addressed by other methods; H - concept | H/L |
| 27 | RD shall project & allocate unused P. cod by gear by 8/15 | NPLA et al. | BSAI | regulatory | E | | H |
| 37 | reassign trawl sablefish to trawlers excl. from area 650 w/LLP | Tyson | GOA | plan | A | same as #20, reassign sablefish trawl allocation fr LLP | L |
| BYCATCH ALLOCATIONS | | | | | | | |
| 3 | vessel-group bycatch account monitoring plan | Fraser | both | plan | E | details of proposal - low | H |
| 4 | cover halibut and sablefish bycatch by leasing IFQs | Fraser | both | both | E | refer to IFQ Industry Implementation Team | H |
| 15 | RD authority to adjust annual trawl sablefish bycatch rates | AGDB et al. | GOA | plan | E,C | same as 36; in-season management | H |
| 36 | expand in-season authority to reduce MRB | NMFS-AK | GOA | plan | E,C | same as 15; in-season management | H |
| 38 | set RKC zone 1 and bairdi zone 1 & 2 PSC cap for pot fishery | Tyson | BSAI | plan | B,A | gear modifications may be alternative | H |
| 39 | modify VIP, quick-release program for trawl fleet | Tyson | both | both | E | modify existing program | H |
| TRIP LIMITS | | | | | | | |
| 2 | trip limit of 100 mt for pollock in Western GOA | PMA | GOA | plan | A | alt. to #1; better addressed by other proposals | L |
| 18 | 100-125 mt trip limit for Central GOA pollock | ADA | GOA | plan | A | | L |
| 21 | revise DFS & require area registration to preclude topping off | KVOA | both | regulatory | E | similar to # 15, #36 | H |
| OTHER | | | | | | | |
| 6 | registration, check-in, daily reporting requirements | Fraser | both | regulatory | E | similar to #16, #35; RD already has authority | H |
| 23 | establish buyback program for crab licenses | KVOA | BSAI | Magnuson | | similar to #41 | L |
| 25 | reduce reserves for P. cod to 5%, 3%, 1% | NPLA et al. | BSAI | plan | E | high impact (\$\$\$) on industry; NMFS in-season authority | L |
| 29 | no observer, 1-day pollock mop-up, >3 days from trawl closure | AGDB | GOA | plan | E | daily reporting/in-season management would address | L |
| 32 | separate West Yakutat (64) and SEO (65) | NMFS-AK | GOA | plan | E | address area/gear differences under LLP | H+ |
| 33 | streamline spec process; publish final specs only | NMFS-AK | both | plan | E | incorporate into Am. 48 | H |
| 34 | require observer sampling station | NMFS-AK | both | plan | E | enhanced observer data | H+ |
| 35 | require fishing area pre-registration | NMFS-AK | both | regulatory | E | similar to # 6, #16; RD already has authority | H |
| 41 | establish buyback program for crab and groundfish licenses | UFMA | both | Magnuson | | similar to #23 | L |
| 43 | change AI/GOA boundary | Akutan F.A. | both | plan | A | similar to #31 | L |
| IN PROGRESS | | | | | | | |
| 8 | ban night trawling | IPHC staff | BSAI | regulatory | | in prep | P |
| 9 | require grid-sorting, when pelagic trawling | IPHC staff | both | regulatory | | status quo | P |
| 5 | skipper license program | Fraser | both | plan | E | in progress | P |
| 13 | time/area closures to separate gear types | Hendricks | both | plan | | Am 37 partially addresses | P |
| 14 | special habitat area closures | Hendricks | both | plan | | already done under Am. 37 | P |
| 16 | daily processor reporting for third quarter trawl rockfish | AGDB et al. | GOA | regulatory | | similar to # 6, #35; RD already has authority | P |
| 42 | suite of bycatch reductions | AMCC | both | both | A,E | no specific proposal policy statement | P |
| NOT APPLICABLE | | | | | | | |
| 10 | working group for pelagic trawl | IPHC staff | both | regulatory | | Council designate gear working group | NA |
| 12 | government fund to replace lost gear | Hendricks | both | NMFS | A | may have Magnuson authority | NA |
| 31 | PT reexamine BSAI, Shumagin, Chirikof reporting areas | AGDB | both | Plan Team | B,E | Plan Team will address | NA |

A=allocation, B=biological, E=efficiency, P=progress, NA=not applicable

1996 GROUND FISH MANAGEMENT PROPOSALS - Summary and Discussion

The Council received 47 proposed plan and regulatory amendments in the 1996 groundfish amendment cycle. The following is an attempt to summarize these proposals, in a 'thematic' fashion, for Council consideration. Workload indications are provided where possible.

GOA pollock and Pacific cod management

Several of the proposals relate to specific management measures for the pollock and Pacific cod fisheries in the GOA. Some would be plan amendments while others would be regulatory amendments; however, the analytical requirements are similar, regardless of this classification. These proposals are grouped because they are interrelated and lend themselves to a more comprehensive consideration. They include:

Proposals #1 and #2 are specific to the Western Gulf area, and are at least partially in response to the License Limitation qualification criteria for that area. These proposals, submitted by Peninsula Marketing Association, are intended to limit catching capacity of larger vessels, and would implement a 280' restriction on the size of trawl gear footropes (#1) and a 200,000 pound trip limit (#2) for vessels fishing pollock in that area. The proposal also cites more effective in-season management in support of their proposals.

Proposal #17, submitted by William Sullivan, proposes establishment of a small boat, selective gear, trip limit fishery for Pacific cod in the GOA, citing premature closures under existing management. The Recent BOF actions to create such a fishery in State waters would likely eliminate the need for this proposal.

Proposal #18, submitted by Alaska Dragger Association suggests implementation of trip limits (180 mt/trip) for Central Gulf pollock fisheries in order to allow for a slower, more easily managed fishery.

Proposal #29, submitted by Alaska Groundfish Data Bank, suggest waiving of observer coverage requirements for any one day, 'mop up' pollock fisheries to reduce potentially unnecessary costs.

Proposal #30, submitted by AGDB requests seasonal apportionment of the Central Gulf Pacific cod quota (suggests 65% on January 1 and 35% in September). Objectives are to allow adequate cod for late-season bycatch needs, allow for smaller vessels to participate in cod fisheries, and to realize higher recovery rates in the fall. (Withdrawn by AGDB)

Proposal #40, submitted by United Fishermen's Marketing Association, requests seasonal allocation of the Gulf Pacific cod TACs (similar to Proposal #30, with similar rationale).

Late Proposals, received from David Hillstrand, suggests reduction in observer coverage requirements for 60-125' vessels fishing with pot gear. Rationale includes reduction of costs to clean gear types.

NOTE: This group of proposals, as mentioned above, could be integrated into a single analytical package for Council consideration. Economic and allocative implications of both trip limits/gear restrictions and seasonal allocation of cod will require staff time however, particularly staff economists' time. It would be possible to have this package for review in June, depending on tasking of other amendments summarized below.

Management Areas/Boundaries

Proposal # 32, from NMFS, would implement a GOA FMP amendment to establish Western Yakutat (Area 64) and Southeast Outside (Area 65) as separate areas, in order to conform to the Council's License Limitation program which establishes a no-trawl sanctuary east of 140 degrees longitude. Also would allow for increased capability to tailor TAC and other management measures to those areas. This proposal would facilitate implementation of the Council's previous actions. Recommended as high priority by Plan Teams.

Proposal # 31, from AGDB, requests Plan Team review of the boundaries between BSAI, Western Gulf (Shumagins), and Chirikof reporting areas, in order to determine if current boundaries accurately reflect distributions of fish populations, and to address allocation conflicts between Gulf and BSAI vessels. Species in question include Pacific cod, pollock, and Atka mackerel.

Proposal # 43, from Akutan Fisheries Association, to shift the boundary line between the BSAI and the Western Gulf southward to include more near shore areas within the BSAI area. Objective is to include additional, local fishing areas within the BSAI Pacific cod jig fishery.

NOTE: The latter two proposals, to examine a shift in the BSAI/Western Gulf are boundaries, would require additional input from the Plan Teams/stock assessment scientists, prior to development of a formal plan amendment. The Council could request this information be developed for Council review, prior to tasking of the plan amendments. The proposal to separate GOA Areas 64 and 65 will be more straightforward, would facilitate implementation of the Council's license limitation program, and is being recommended by NMFS.

Bycatch related management proposals

Proposal # 3, from Dave Fraser, for a modified VBA program - this would be a Vessel-Group Bycatch Account Monitoring Plan (VGBAMP) utilizing a pooled concept, subject to an approved monitoring plan modeled after the CDQ monitoring plans. The goal is to provide individual accountability for bycatch under a statistically reliable monitoring plan.

Proposal # 4, from Dave Fraser, to amend the halibut/sablefish IFQ program to allow holders of CDQ halibut QS to lease up to 30% of their quota annually to be taken as bycatch in other fisheries (and up to 20% of GOA sablefish quota to be taken as bycatch in other GOA fisheries). Intent is to allow fuller harvest of groundfish while maximizing value of CDQ halibut QS and sablefish QS.

Proposals 7, 8, 9, and 10, from the IPHC, to eliminate pelagic trawling for pollock; ban night trawling, implement grid sorting, and establish a working group to examine potential gear modifications for the non-pelagic trawl pollock fisheries and Pacific cod trawl fisheries. The Council has the authority to designate pollock as a pelagic only fishery. The ban on night trawling, and the grid sorting proposal have been addressed previously by the Council. The creation of a working group to examine gear modifications is within the purview of the Council.

Proposal # 38, from Tyson Seafood Group, to implement a BSAI PSC cap for the groundfish pot fisheries for red king crab in Zone 1 and for Bairdi Tanner crab in Zones 1 and 2. Analyses of this, and other measures, is supported by the Crab Plan Team and Groundfish Plan Teams.

Proposal #39, from Tyson Seafood Group, to modify the VIP regulations to (1) institute 'quick release' methods for the trawl fleet similar to those in effect for the longline fleet, (2) provide for whole haul sampling for prohibs, and (3) make rate calculations based on retention of groundfish rather than sample weights.

Proposal # 42, from Alaska Marine Conservation Council, is a generic proposal asking the Council to consider a suite of potential bycatch reduction measures. The proposal offers a framework for consideration of various measures.

NOTE: The proposal for a modified version of VBAs could be incorporated into the Council's existing VBA development, dependant upon further Council direction on the overall VBA issue. Proposal # 4, to allow CDQ halibut (and IFQ sablefish) to be leased for bycatch, would likely be a moderately intensive analysis, involving Council and ADF&G staff. Proposal # 38, to address crab bycatch in the groundfish pot fisheries will require substantial work from Council, NMFS, and ADF&G staff.

Allocations of groundfish/crab

Late proposal, from David Hillstrand, suggests gear allocations of Pacific cod in the Gulf of Alaska (hook and line- 18%, pot gear - 33%, and trawl gear - 49%), to reduce gear conflicts and accomodate increased reliance of pot gear on Pacific cod fisheries.

Late Proposal, from Unalaska Fishermen's Association, requests allocation to jig gear of 2% of the Atka mackerel quota in the BSAI, in order to develop market for fresh Atka mackerel.

Proposal #5, submitted by dave fraser, would create a license program for skippers which associates and reports catch and bycatch with the fisher who is master of the vessel. This would be to follow through with the Council's intent to examine such a proposal in conjunction with the vessel licensing program, and to correlate a catch data base with skippers for potential future allocations.

Proposal #11, from the North Pacific Seafood Coalition, proposes to review and modify as appropriate the inshore/offshore pollock allocations of Amendment 18 (BSAI) and extend the allocation percentages of Amendment 23 (GOA).

Proposal # 19, from Alaska Dragers Association, to allocate the Central Gulf Pacific cod TAC between gear types based on recent historical shares, similar to BSAI allocations. Rationale is to prevent gear wars, preserve current distributions, and allow more harvest flexibility within gear types.

Proposal #24, from several fixed gear groups, to make BSAI Greenland turbot a fixed gear only fishery and allocate an additional 140 mt of halibut PSC for that fishery (THIS PROPOSAL HAS BEEN WITHDRAWN VIA DECEMBER 3 LETTER FROM NPLA).

Proposal, from Kodiak Fish Company, to create a license limitation program for the scallop fisheries. This issue is scheduled for separate discussion under Agenda Item C-6.

NOTE: Of the proposals under this category, at least two of them are substantial allocative issues (inshore/offshore, GOA gear allocations for cod) and will require substantial Council staff time, particularly our staff economists. Current data limitations with regard to the Skipper Licensing Proposal have already been noted.

Capacity Reduction Proposals

Proposal #23, from Kodiak Vessel Owner's Association, requests the Council to establish a buyback program that will reduce the number of licenses and/or vessels in the BSAI crab fisheries.

Proposal # 41, from United Fishermen's Marketing Association, requests the Council to establish a vessel buyback program for all crab and groundfish fisheries under the Council's proposed license limitation program.

The proposal offers detailed recommendations for the structure of this industry-funded buyback program.

NOTE: The recent Magnuson Act reauthorization allows for Council/Secretarial establishment of a capacity reduction (buyback) program, to be funded from a variety of potential sources, including an industry fee system (must have 2/3 approval of affected parties by referendum). Other specific provisions of a potential capacity reduction program are outlined in the Act. Development of such a program would require considerable resources from Council and Agency staff.

Administrative/Efficiency/Management Enhancement

Proposal # 6, from Dave Fraser, to adopt requirements for registration, check-in, and daily reporting for certain fisheries, which would prohibit retaining a majority of a species or species group for which a vessel has not registered. Objectives of the proposal are to allow better real-time quota monitoring by NMFS by allowing them to know how much effort will be deployed in certain fisheries. This proposal is consistent with NMFS proposal described below.

Proposal # 35, from NMFS, would implement regulations requiring vessels to pre-register to fish exclusively in designated fisheries. Objective is to help real-time quota monitoring, prevent premature fishery closures, reduce regulatory discards, and avoid exceeding TACs. This proposal would prohibit vessels from entering other fisheries for specified time periods, somewhat reducing flexibility in operations.

Proposal # 16, from major trawl associations, to require daily reporting by all processors participating in the third quarter GOA trawl rockfish fisheries. Purpose is to provide in-season management with real-time information to avoid POP catch exceeding ABC (and perhaps reaching overfishing levels).

NOTE: The 3 proposals above could be incorporated into a single regulatory package. Primary tasking for this amendment package would likely fall to NMFS Regional staff.

Proposal # 33, from NMFS, for FMP amendments to streamline the annual specification process so that only final specifications would be published in the FEDERAL REGISTER, after the December meeting. Initial specifications from September would still be subject to public review and comment, though not through formal FR notice. Amendment would also remove unnecessary FMP provisions related to foreign fishing and would eliminate the system of TAC reserves for the GOA. Administrative burdens would be significantly reduced by these amendments.

Proposal # 22, from KVOA, to amend regulations regarding seasonal apportionment of the BSAI fixed gear Pacific cod TAC to allow any unused portion of a seasonal allowance to be reapportioned to the fishery's remaining seasonal allowances during a current fishing year. For example, from the first to the third trimester of a given year - currently, it would automatically be rolled into the second trimester, when the fish may be 'more desired' in the third trimester. This proposal may have allocational implications between pot and longline gear fisheries.

Proposal # 25, 26, 27, and 28, from major fixed gear associations, suggest several measures relative to the BSAI Pacific cod fisheries: Reduce reserves for BSAI P. cod to either 5%, 3%, or 1% to give managers an adequate safety margin to augment seasonal fisheries or to account for overruns - the current reserve rate is 15% which could raise allocational issues upon release (#25); Provide authority for rollover of excess fixed gear P. cod TAC, and excess halibut PSC, from first to third trimesters (#26 - same as #22 above - PROPOSAL # 26 HAS BEEN WITHDRAWN VIA DECEMBER 3 LETTER FROM NPLA); Mandate that the RD will, by August 15 of each year, project unused amounts of P. cod by gear type and reallocate such amounts to other gear types (#27); and, provide that any 'C' season cod fishery be contiguous with the next annual fishing season, if not contiguous to the preceding 'B' season (#28). These proposals may also have allocational implications.

Gear Related Proposals

Proposal # 12, 13, and 14, from Larry Hendricks, request Council implementation of measures to reduce gear conflicts and minimize lost gear. These include: establishment of a government fund to replace lost gear; separation of gear types through time/area closures; and, wholesale closures of areas to specific gear types to protect habitat and eliminate gear conflicts.

Changes in Directed Fishing Standards/Retainable Bycatch

Proposal # 15, from major trawl associations, requests that, as part of the annual specifications process, the Council/NMFS adjust the trawl bycatch retention rate of sablefish against flatfish and rockfish species to a level which allows retention of sablefish throughout the year. The current 15% retention is too high to allow for year round retention, resulting in waste of valuable fish. Under this proposal, NMFS would provide analysis each fall to arrive at the appropriate retention rate for the upcoming year. The proposal further suggests that NMFS RD have the authority to adjust this retention rate in mid-season if warranted.

Proposal # 21, from KVOA, is a generic proposal to revise the Directed Fishing Standards to more accurately reflect intrinsic (natural) bycatch rates in each target fishery, for each gear type. The intent is to minimize the practice of 'topping off'. The proposal also supports the concept of allowing NMFS to require area registration as an added measure of management protection for fisheries which are vulnerable to 'topping off'.

Proposal # 36, from NMFS, would expand the existing in-season adjustment authority to provide NMFS the authority to decrease maximum retainable bycatch (MRB) amounts. This would allow for species or species groups to be better managed, control the harvest rate of bycatch species, and reduce the likelihood of PSC status for a given species, and reduce the associated regulatory discards.

NOTE: The 3 proposals are consistent with recent recommendations of the Council's IRIU Committee to reduce the potential amounts of regulatory discards under that program. Primary work for these amendments would likely fall to NMFS Regional Office.

Miscellaneous

Proposal # 20 and Proposal # 37, from Dave Fraser and Tyson Seafood Group respectively, to compensate trawl vessels for the provisions of the license limitation program (which will disallow trawl gear in Area 650) by assigning the current trawl allocation of sablefish (5% of the TAC) to trawl vessels which would qualify for an Area 650 endorsement (harvest would then be by fixed gear, in the form of IFQs). This is proposed to fulfill a statement of intent by the Council when they approved the license limitation program.

Proposal # 34, from NMFS, would require vessels and processors to provide an observer sampling station to facilitate observer sampling and data collection duties. Proposal also includes consideration of a requirement for motion-compensated platform scales for accurate weighing of observer samples. NMFS would prepare necessary analyses and rulemaking. The Plan Teams assigned this proposal a High+ priority ranking.

NOTE: None of the proposals in this sub-group would require substantial, additional staff time, but would need to be done in early to mid 1997 in order for 1998 implementation.

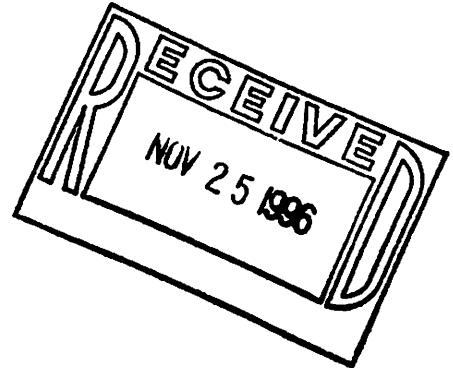
Author: dean@fish.washington.edu at EXTERNAL
Date: 11/25/96 3:06 PM
Priority: Normal
TO: Helen Allen at ~NPCouncil
Subject: NPFMC testimony on email

To: Nov. 25, 1996

North Pacific Fisheries Management Council
Anchorage, AK

From:

Dean Adams
F/V Quest
10018 Richwood Ave. NW.
Seattle, WA 89177



Council-members:

I would like to express my complete support for the current effort by the RAM Division to close the leasing loophole" in the IFQ system.

Anything the Council can do to stop this practice will find my support.

The present IFQ system was very clearly designed to avoid leasing and to promote a market system for quota. The current market for quota is in need for more supply. I have learned that many quota owners in Washington and Alaska are using the leasing loophole to make money.

My crew is presently trying, with my support, to invest into their livelihood through the purchase of quota. They are very enthusiastic about this new facet of fishing. It is also a wonderful investment for them to use as a retirement nest-egg, when they retire.

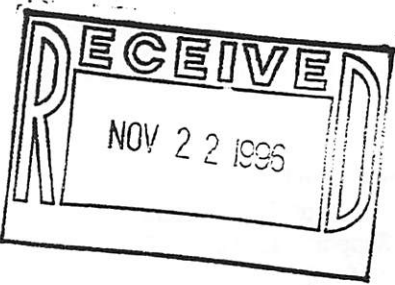
There is a problem, at this time, concerning the supply of quota available to buy. This problem is not only hindering my crew's ability to buy quota, but it is also driving the price of quota to levels that are astounding. By forcing parties to sell their quota when they do not want to fish them will help increase the supply of quota.

Vessel owners' of my own association argue that they need more fish acquired through leasing, to make more money. Well I say that they buy it, rather than lease it.

Sincerely,

Dean Adams

PO Box 2053 Valdez, Alaska 99686 907 835 4734



Fax

To: North Pacific Fishery Management Council **From:** Darrel Shreve

Fax: 907 271 2817 **Pages:** 2

Phone: **Date:** November 21, 1996

RE: IFQ Gear Conflicts **CC:**

Urgent For Review Please Comment Please Reply Please Recycle

• Comments:

Dear Mr Chairman

During the Dec NPFMC concerning your review of the States ground fish proposals, Please share my letter with the board members.

The IFQ halibut fishery might be working good in the commercial fishery, however no consideration was given to its effects on the recreational fishery.

Its effects are causing a gear conflict here in the Prince William Sound.

In attempt to work together, a copy of my letter to the ADF&G is here provided. Your help would be very meaningful. After all this is a federal managed fishery and the effects are NPFMC directed.

Sincerely

Darrel Shreve

Glacier Angler ChartersPO Box 2053
Valdez, Alaska 99686
USAPhone 907 835-4734
Fax 907 835-2084

November 21, 1996

Mr. Larry Engel
Alaska Dept. of Fish & Game
Board Support Section
PO Box 25526
Juneau, Alaska 99802

Dear Mr. Engel and Members of the Board,

I am writing in response to proposal # 28 in regards to closing the Prince William Sound to commercial ground fishing.

I feel that Mr. Phil Cutler is over doing it here and feel that a better approach in developing a good working relationship between commercial and sport fisheries might be rewritten as an amendment provided below.

Prior to the development of the IFQ Halibut fishery, the sport fishery understood and worked around the commercial openers, thus no hardship was experienced. However since the implementation of the IFQ fishery the halibut recreational fishery is experiencing problems associated with gear conflicts on the same grounds at the same time. It takes no fishery biologist to realize the negative harvest impacts to the sportfisherman geared with two hooks competing for halibut on the same shelf with several skates of commercial gear.

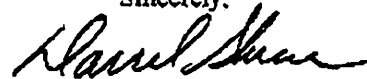
The recreational halibut fishery in the Prince William Sound runs from May to mid-September (About 130 days) The 1996 season experienced numerous gear conflict problems in many traditional sportfishery areas. The Prince William Sound is primarily too deep for the recreational fisherman to access, We are constrained to depths normally 300 foot and shallower, which as the board can verify is very limited when looking at a chart. Unlike the commercial user, most halibut recreational fisherman leave port in the morning and return in the evening, therefore range and depth both become limiting factors. For the reasons as stated, I ask that an amendment to proposal #28 be imposed as hereby provided:

PROPOSED AMENDMENT TO PROPOSAL #28

"Commercial ground fishing within the 3 mile territorial sea line bound westerly at Cape Puget and easterly at Point Bentinck to include seal rocks from May 1st to September 15th be limited to fishing in depths of 60 fathom or greater."

This amendment would allow equal opportunity to all users as an attempt to prevent further gear conflicts.

Sincerely,

Darrel G. Shreve
Owner / OperatorCC: Valdez Fish & Game Advisory Committee
North Pacific Fishery Management Council

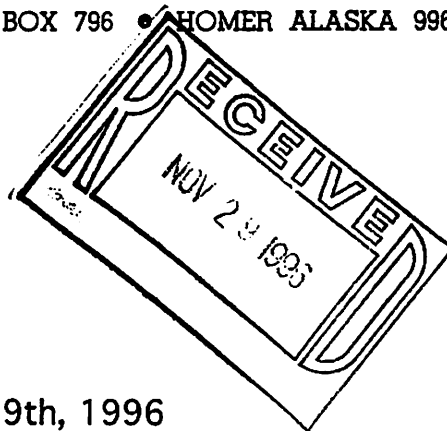


North Pacific Fisheries Association, Inc.

HEADQUARTERS:

BOX 796 • HOMER ALASKA 99603

Chairman Richard Lauber
North Pacific Fisheries Management Council
605 West 4th Avenue, Suite 306
Anchorage, Alaska 99501-2252



November 19th, 1996

Dear Chairman Lauber,

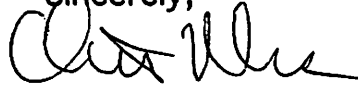
First let us say thanks to the Council for the continued support of the IFQ Implementation Team assigned to the task of reviewing proposals. We feel the input provided by the Team is of continued value and a very good contact point between fishing groups, processors, and the NPFMC.

At its last meeting in October, the Team took up the issue of the continued leasing of 10% of shares by initial issuee's. The proposal was to forgo the sunset clause and expand the 10% lease clause to the aggregate ownership amount of a share holder, and not area specific. This we feel is totally inappropriate.

We feel the intent of the IFQ plan was to put shares in the hands of active fishermen and not promote any expansion of the lease provision. We do not have as much heart burn with the 10% lease provision as it stands now, for vessels to clean up areas that may be not cost effective to harvest singularly. We would like to hear the discussions pro and con by the Council at the December meeting on this matter. The expansion of the 10% lease to the whole aggregate would allow some areas to be leased outright with no intention of harvest by the share holder, because his/her total may be substantial enough to allow full lease of an area.

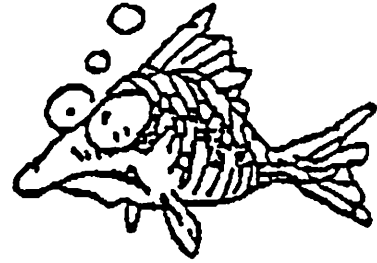
We feel any form of lease expansion is bad for the industry. Leasing prolongs the ownership of shares to the non active participants, and with no incentive to sell, inflates the price of these shares that otherwise would be sold to an active or entry level fisherman. We hope you will not allow this expansion and vote no on this proposal. We thank-you for your consideration on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Moss". The signature is written in a cursive style with a large initial "C" and a long horizontal stroke at the end.

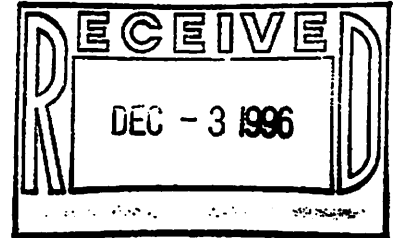
Chris Moss
NPFA Proposal Review
Chairman

**North
Pacific
Longline
Association**



- FAX TRANSMISSION -

DATE: December 3, 1996
TO: NPFMC - Clarence Pautzke
FROM: NPLA - Thorn Smith
SUBJECT: Letters for Council Notebooks

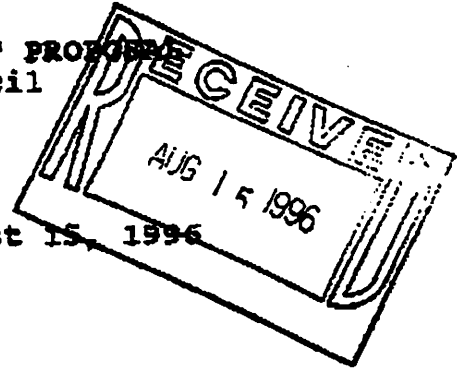


Amendment Requests, BSAI (D-2)⁴

Earlier this year we submitted BSAI amendment proposals 24-28, relating to the turbot and cod fisheries. We wish to withdraw proposal no. 24 relating to the turbot fishery. The IPHC has recommended a reduction in our assumed halibut mortality rate in that fishery, and we are hopeful that this will enable us to harvest our share of the turbot TAC.

We would also like to withdraw proposal no. 26, relating to cod TAC and halibut PSC rollovers. However, we would like to encourage the Council to adopt proposals 25, 27 and 28, attached, relating to inseason management of the fixed gear cod fishery.

GROUND FISH FISHERY MANAGEMENT PLAN AMENDMENT PROPOSAL
North Pacific Fishery Management Council



Name of Proposer:

Date:

North Pacific Longline Association
Fishing Vessel Owners' Association
Deep Sea Fishermen's Union
Alaska Crab Coalition

August 15, 1996

Address:

Seattle, Washington

Fishery Management Plan:

Groundfish of the Bering Sea/Aleutian Islands Area

Brief Statement of Proposal:

The following measures are recommended to rationalize inseason management of the BSAI cod fishery:

1. Reduce reserves for BSAI Pacific cod to one of the following: 25
15% or 3%. Preferred alternative: 3%. Consider reducing all
reserves similarly in BSAI and GOA groundfish fisheries. (NOTE
that since BSAI reserves are nonspecified, it may be necessary to
"release" 12% of the cod reserve at the beginning of the year to
accomplish this purpose, unless the Council wishes to reduce
reserves across the board. There are some minor conceptual
hurdles here);

~~2. In the BSAI fixed gear cod fishery, provide authority for
rollover of both excess cod and the cod excess halibut PSC from first
to third trimesters;~~ 26

3. Provide under 679.20(a)(7)(ii) that by August 15 of each year
the Regional Director shall project unused amounts of Pacific cod 27
by gear type and shall reallocate such amounts to the other gear
type(s), using current catch and historical catch data; and

4. Provide that in the BSAI fixed gear cod fishery, any "C"
season shall be contiguous with the next annual fishing season if 28
it cannot be made contiguous with the "B" season.

Objectives of Proposal:

1. Reducing Reserves - The primary purpose for establishing
reserves at 15% of TAC was to provide for unexpected expansion of
the domestic fishery during the days of foreign fishing.
Reserves are no longer necessary for that purpose. At the 15%
annual reserve releases may raise allocation disputes which are
undesirable and unnecessary. Reduction of the BSAI cod reserve

to 3% will give managers an adequate safety margin to augment seasonal fisheries or to account for overruns. Consider the implications of a reduction in reserves for all fisheries.

2. Seasonal Rollovers - Each year the fixed gear participants negotiate seasonal apportionments of BSAI fixed gear cod and make recommendations to the Council. These negotiations may include rollovers of cod TAC and halibut PSC from the first to the third trimesters. Authority should be created to permit the Council and NMFS to implement the results of these negotiations, if they approve.

3. Reallocation of Unused Cod - Amounts of cod likely to be unused in any given season may easily be estimated by using current and historical catch data. These amounts should be projected by August 15 of each year and allocated to those gear type(s) able to take them. Short "C" seasons that are not contiguous with a "B" season or with the next annual season should be avoided. It is diseconomic to gear up for a short "C" season. Reserves can be used to offset any inadvertent mistake in estimating unused cod.

4. "C" Seasons - Any "C" season which does occur in the BSAI fixed gear cod fishery should be contiguous with the next annual season if it cannot be made contiguous with the "B" season. The likely number of fishing days should be estimated, and the next annual season started in December so that fishing is continual.

Need and Justification for Council Action:

Regulations governing inseason management of BSAI cod are within the exclusive jurisdiction of NMFS and the Council.

Foreseeable Impacts of Proposal:

This proposal would do much to rationalize the inseason management of the BSAI cod fishery. Currently there is considerable angst and acrimony surrounding reserve releases and reallocations of unused cod. OY will be achieved in a manner most likely to yield economic benefit to the nation. There would be only winners.

Alternative Solutions:

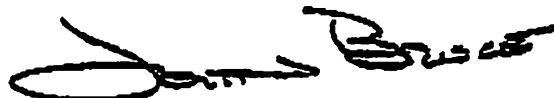
Can't think of any.

Supportive Data & Other Information:

NMFS files must be full of letters and FAXes addressing these problems, sent by disgruntled fishermen and their representatives in recent years.

Signatures:


Fishing Vessel Owners'
Association


Deep Sea Fishermen's Union

DEC-03-1996 04:23

ALG-15-1996 05:02

North Pacific Longline Association

Tom Smith

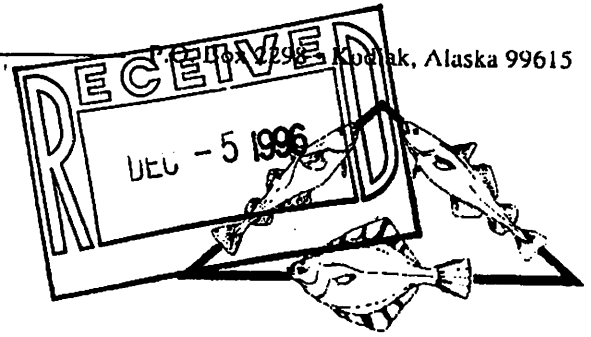
P.07/07

P.04/26

ALASKA CRAB COALITION
ALAN THOMSON, EXECUTIVE DIRECTOR

Alan Thomson

Alaska Groundfish Data Bank



TO: RICK LAUBER, CHAIRMAN
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL

RE: WITHDRAWL OF SPLIT COD SEASON PROPOSAL

DATE: DECEMBER 4, 1996

SENT BY FAX: 1 PP

AGDB MEMBERS WITHDRAW THEIR PROPOSAL FOR A CENTRAL GULF SPLIT PACIFIC COD SEASON (Proposal Number 30)

In June Alaska Groundfish Data Bank on behalf of its members submitted a proposal to allocate Pacific cod seasonally to provide for a winter and late summer/fall fishery. Part of the justification was to provide fishing opportunity for non-trawl vessels after the salmon season.

The recent action by the Board of Fish has more than provided for non-trawl vessels and AGDB's proposal is no longer appropriate.

Sincerely,

Chris Blackburn, Director
Alaska Groundfish Data Bank

12-06-1996 01:22PM FROM

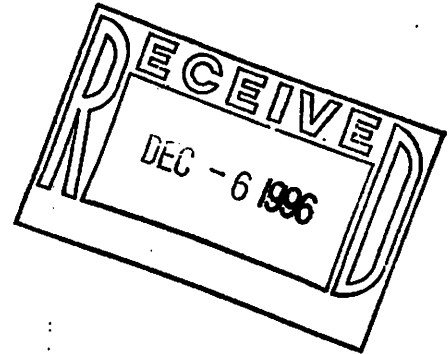
TO 1081112062833341 P.02

FAIRWEATHER FISH, INC.

Lisa J. Newland
President

6320 Rosedale St. N.W.
Gig Harbor, WA. 98335

Telephone 206-858-6489
Fax 206-851-2241



December 3, 1996

North Pacific Fishery Management Council,

Please consider the following points when making your decision about the proposal by the Plan Team regarding the ownership of the Vessel.

The currant system is an effective way of managing and harvesting the small blocks, that are generally unfishable and unattractive on the market.

Small blocks will have no where to go. Only so many can be bought by currant fishers and new fishers are forced economically to seek the larger block. Owners of small blocks will be forced to sell, forced to face the capitol gains tax liability, and forced out of the fishery. With the sky rocketing price of IFQ's, only the already wealthy will have enough funds to buy. The already deflated price of the small block will plummet with the glut of small unfishable blocks dumped on the market.

There has been a multitude of completed paperwork already generated by the currant system, that would have to be changed, or modified and or new paperwork to comphriend, and change. A change in the currant system will only serve to further burden the already heavy paperwork load.

Does the same provision also apply for CDQ?

Accepting this proposal will cost jobs!! Deckhands and hired skippers will be displaced again with no compensation, from an industry which has been their sole support for many years.

Sincerely,

Lisa Newland/ President
Fairweather Fish, Inc.



D-4

December 15, 1996

Mr. Richard Lauber, Chairman
North Pacific Fishery Management Council
P. O. Box 103136
Anchorage, Ak. 99510

Dear Chairman Lauber,

I am writing you on behalf of Skippers for Equitable Access regarding analysis of the Two Tiered License proposal our organization has had before the Council for some time now. At the April 1995 meeting, (eighteen months ago!) the AP recommended, and the Council approved, that the Two Tier License proposal put forth by S.E.A. be separated from License Limitation and considered on its own. The AP and the Council went on to say that analysis and consideration of this option should proceed in a parallel fashion with License Limitation alternatives being considered under the general heading of Comprehensive Rationalization.

"Future analysis of a license limitation program for skippers, based on the amended program outlined by SEA, will be set on it's own time line. **The Council would prefer that this time line parallel license limitation.**"

It is of grave concern to SEA that while the Council has moved ahead with the development of the license limitation plan it has not yet directed council staff to begin the promised analysis of our Two-Tiered Skipper License Program. The failure of the Council to do so makes it far more difficult to arrive at a truly integrated, fair, and balanced solution.

We therefore urge the Council to direct staff to begin analysis of this proposal as soon as possible. As SEA has stated before, we would be happy to help staff with their analysis in any way we can.

Sincerely,

Tom Suryan
President, SEA



LICENSE PROGRAM FOR CAPTAINS

- I Licenses are for Captains, not crewmen.**
- II At least one license holder must be present on board the vessel when fishing.**
- III Captain licenses will be good for any fishing area or species.**
- IV Transferability:**
 - These licenses are transferable only to other qualified Captains; but leasable in case of emergencies, and, for the purpose of training, to crewmen working toward the position of Captain.
- V Endorsements:**
 - No endorsements; each Captain license will be good for all species and areas covered by the vessel license plan. No vessel size classes.
- VI Eligibility criteria builds upon Bona Fide Captain criteria.**
 - i A Coast Guard Fishing Master License.**
 - ii Must have at least three documented landings per year in the subject areas and fisheries for a minimum of three years.**
 - iii A year is defined as a calendar year.**
- VII Qualification period:**
 - Must have participated as a Captain in the subject fisheries for at least three years from the beginning of the vessel qualification period until the time of publication.
- VIII There will be specific criteria for those who are eligible to purchase or obtain Captain licenses:**
 - In order for a crewman to qualify for a license after publication of the regulations he/she must meet the aforementioned fishing history and possess a USCG Fishing Master License.
- IX Qualified Captains under this management method will qualify for inclusion in all future Quota Share or alternative allocation methods.**