

North Pacific Fishery Management Council

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June 3, 1994

DRAFT AGENDA

**113th Plenary Session
North Pacific Fishery Management Council
June 8-11, 1994
Hilton Hotel
Anchorage, Alaska**

The North Pacific Fishery Management Council will convene at 8:00 a.m. on Wednesday, June 8, 1994, at the Hilton Hotel in Anchorage, Alaska. Other meetings to be held during the week are:

Committee/Panel

Advisory Panel
Scientific and Statistical Committee
Research Plan Public Hearing

Beginning

1:00 p.m., Sunday, June 5
1:00 p.m., Monday, June 6
7:00 p.m., Tuesday, June 7

All meetings except Council executive sessions and Nominating and Finance Committee meetings are open to the public. Other committee and workgroup meetings may be scheduled on short notice during the week. All meetings will be held at the hotel unless otherwise noted.

INFORMATION FOR PERSONS WISHING TO TESTIFY BEFORE THE COUNCIL

Those wishing to testify before the Council on a specific agenda item must fill out a registration card at the registration table before public comment begins on that agenda item. Additional cards are generally not accepted after public comment has begun. A general comment period is scheduled toward the end of the meeting, time permitting, for comment on matters not on the current agenda.

Submission of Written Testimony During Council Meeting. Any written comments and materials provided during a meeting for distribution to Council members should be provided to the Council secretary. A minimum of 18 copies is needed to ensure that every Council member, the executive director, NOAA General Counsel and the official meeting record each receive a copy. Some agenda items may have a formal, published deadline for written comments. For those items, written comments submitted after the published deadline or at the Council meeting, other than simple transcripts of oral testimony, will be stamped "LATE COMMENT." They will not be summarized or analyzed in preparation for the Council meeting, nor will they be placed in Council member notebooks. All "LATE COMMENTS" will be placed in a special notebook, marked as such, and made available to Council members upon their request. Information on testifying before the Advisory Panel and Scientific and Statistical Committee is found on the next page.

FOR THOSE WISHING TO TESTIFY BEFORE THE ADVISORY PANEL

The Advisory Panel has revised its operating guidelines to incorporate a strict time management approach to its meetings. Rules for testimony before the Advisory Panel have been developed which are similar to those used by the Council. Members of the public wishing to testify before the AP must sign up on the list for each topic listed on the agenda. Sign-up sheets are provided in a special notebook located at the back of the room. The deadline for registering to testify is when the agenda topic comes before the AP. The time available for individual and group testimony will be based on the number registered and determined by the AP Chairman.

FOR THOSE WISHING TO TESTIFY BEFORE THE SCIENTIFIC AND STATISTICAL COMMITTEE

The usual practice is for the SSC to call for public comment immediately following the staff presentation on each agenda item. In addition, the SSC will designate a time, normally at the beginning of the afternoon session on the first day of the SSC meeting, when members of the public will have the opportunity to present testimony on any agenda item. The Committee will discourage testimony that does not directly address the technical issues of concern to the SSC, and presentations lasting more than ten minutes will require prior approval from the Chair.

COMMONLY USED ACRONYMS

ABC	Acceptable Biological Catch	MMPA	Marine Mammal Protection Act
AP	Advisory Panel	MSY	Maximum Sustainable Yield
ADF&G	Alaska Dept. of Fish and Game	mt	Metric tons
BSAI	Bering Sea and Aleutian Islands	NMFS	National Marine Fisheries Service
CDQ	Community Development Quota	NOAA	National Oceanic & Atmospheric Adm.
CRP	Comprehensive Rationalization Program	NPFMC	North Pacific Fishery Management Council
CVOA	Catcher Vessel Operational Area	OY	Optimum Yield
EA/RIR	Environmental Assessment/Regulatory Impact Review	POP	Pacific-ocean perch
EEZ	Exclusive Economic Zone	PSC	Prohibited Species Catch
FMP	Fishery Management Plan	SAFE	Stock Assessment and Fishery Evaluation Document
GOA	Gulf of Alaska	SSC	Scientific and Statistical Committee
IPHC	International Pacific Halibut Commission	TAC	Total Allowable Catch
ITAC	Initial Total Allowable Catch		
MFCMA	Magnuson Fishery Conservation and Management Act		

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	<u>Estimated Hours</u>
A. CALL MEETING TO ORDER	
(a) Approval of Agenda.	•
(b) Approve minutes of previous meeting.	•
	•
B. REPORTS	•
	•
B-1 Executive Director's Report	•
	•
B-2 Domestic Fisheries Report by ADF&G	•
	•
B-3 NMFS Management Report (includes status of amendments and regulatory actions)	• (2 hours for A/B items)
B-4 Enforcement and Surveillance Report	
C. NEW OR CONTINUING BUSINESS	
C-1 <u>North Pacific Fisheries Research Plan</u>	(5 hours)
(a) Reports from NMFS/ADFG.	
(b) Report of the Observer Oversight Committee.	
(c) Approve 1995 fee percentage for public review.	
C-2 <u>Sablefish and Halibut IFOs</u>	(4 hours)
(a) Progress report on implementation.	
(b) Review April actions.	
(c) Review draft plan/regulatory amendments.	
(d) Report from Implementation Team.	
C-3 <u>Comprehensive Rationalization Planning</u>	(4 hours)
(a) Status report and summary of alternatives.	
(b) Comment on Moratorium Proposed Rule.	
(c) Begin to develop inshore-offshore/CDQ alternatives.	
C-4 <u>Other Business</u>	

Subtotal Agenda Hours. . . .15

D. FISHERY MANAGEMENT PLANS

D-1 Salmon Management (1 hour)
Salmon measures addressing ESA concerns off Southeast Alaska.

D-2 Groundfish Management (5 hours)
(a) Directed Fishing Standards - final action.
(b) Review analysis for pollock 'A' season starting dates.
(c) Total weight measurement - initial review.

(d) **Salmon Bycatch** (3 hours)
1. Status report on emergency rule for bycatch cap of 42,000 other salmon in CVOA, and associated closures.
2. Review alternatives for disposition of PSC salmon retained by trawlers.
3. Progress report on Salmon Foundation.
(e) IPHC report on Northern Glacier sorting/survival experiment. Consider regulatory amendment.

(f) Opilio crab bycatch situation - status report. (5 hours)
(g) Electronic communications - discussion paper.
(h) Trawl mesh restrictions - status report on analysis.
(i) Seamount fisheries restrictions in GOA.

D-3 Staff Tasking (1 hour)

E. FINANCIAL REPORT

F. PUBLIC COMMENTS

G. CHAIRMAN'S REMARKS AND ADJOURNMENT

Total Agenda Hours . . . 30

TIME SUMMARY

Total agenda hours	30.0 hours
Lunches - 4 days =	5.0 hours
Breaks (4/day, 20 min ea)	<u>5.5 hours</u>
Total hours required:	40.5 hours

Meeting as follows:

8 am - 5:30 pm, Wednesday-Saturday = 38 hours

DRAFT MINUTES FOR ADVISORY PANEL REVIEW

DRAFT

ADVISORY PANEL MINUTES
APRIL 18-21, 1994
ANCHORAGE, ALASKA

DRAFT

Members in attendance were:

Dave Benson
John Bruce, Chair
Al Burch
Mick Stevens
Dan Falvey
Penny Pagels
Dean Paddock
John Sevier

Bryon Pfundt
Dave Little
Stephanie Madsen
Pete Maloney
Doug Ogden
Bruce Cotton
Hazel Nelson

John Roos
Harold Sparck
Spike Jones
Beth Stewart, Vice Chair
Robert Wurm
Steve Drage
Kevin Kaldestad

John Sevier was not in attendance until Tuesday afternoon.

AP elections. Re-elected John Bruce Chair, Beth Stewart Vice Chair.

C-1 Sablefish/Halibut IFO's

Freezing non-IFO species:

The AP recommends that a change be made to allow catcher vessel halibut & sablefish IFQ's to be used on a freezer vessel, but you cannot use freezer halibut & catcher vessel halibut (or sablefish) on the same trip, but you can have fresh halibut and frozen sablefish on the same trip. Motion passes 17/2. In favor: enforcement issues; under logging. Opposed: penalize people who want to freeze P.cod or other species.

Underage Program

The AP recommends that the Council take steps to incorporate IPHC's suggested underage program for halibut into the regulatory cycle. Motion passed - no opposition.

Hail Weights Vessel Leaving Alaska

The AP recommends that the Council establish a hail weight system to assist IPHC for first year and be subject to adjustment if necessary. Motion passes - no opposition.

The AP also recommends that the Council ask the staff to develop a range of options to deal with hail weights for vessels leaving the state and establish accuracy parameters. Motion passed - no opposition.

Other Issues

1. The AP recommends that the Council add IPHC biologists to the list of persons eligible to collect data. Motion passed - no opposition.
2. The AP recommends the Council request NMFS to draft regulations requiring all IFQ species be weighed at landing and entered by total weight and weight sold be entered on the fish ticket. Motion passed - no opposition.
3. The AP requests that NMFS prepare a discussion paper on methods to control fishing for sablefish (and other species) beyond the government's jurisdiction (200 mile). The report should evaluate the use of transponders, mandatory observers, check in - check out, GPS logs, and legal aspects of regulating the U.S. vessels in international waters. Motion passed 20/1
4. The AP requests the Council direct NMFS to develop a comprehensive registry to record titles and liens against Quota Shares. Motion passed - no opposition.
5. The AP recommends that the Council clarify that the entity that existed in 1991 be used for the purposes of determining the nature of the business entity receiving an initial allocation of QS (i.e., individual, partnership, or corporation) in Area 2C or the Southeast Outside. Motion passed 10/9

Halibut IFQ Implementation Group

The AP recommends that the Council ask the Halibut IFQ Implementation Group & IPHC to draft proposed amendments addressing:

- 1) hailing in requirements,
- 2) hailing out requirements,
- 3) including registration area and vessel identification on card, and
- 3) restricting IFQ holders to fish one regulatory area per trip with possible provisions for small amount of crossover.

Motion passed - no opposition.

Halibut Longline PSC Cap Suspension:

The AP recommends that the Council ask for an analysis of the proposed suspension of the hook & line halibut PSC cap in the GOA upon implementation of the halibut IFQ program. Motion passed - no objection.

Block Proposal

The AP requests that after the analysis and proposed rule (for the Modified Block Proposal) are made available for public comment, this issue be scheduled for Council discussion and possible comment to the Secretary at the June meeting. Motion passed - no opposition.

C-3 Scallops

FMP

The AP recommends that the Council adopt Alternative 3, Option 2. Regarding Table 1 on page 4 of the Action Memo for all species which outlines the management measures in each category, the AP recommends that Bycatch be placed in Category 1 and closed waters be placed in both Category 1 and 2.

The AP understands the Section 303 guidelines at (8) require that FMP's . . . "assess and specify the nature and extent of scientific data which is needed for effective implementation . . ." Motion passed - no opposition.

Scallop Moratorium

The AP recommends that the Council adopt Alternative 2 with the ending date changed from July 31, 1993 to December 31, 1993. In order to fully recognize the long-term investment some participants have in the fishery, and to comply with National Standard 4, we further recommend that the moratorium license be issued to the owner of the vessel at the time the vessel qualified. The intent is that if two owners qualify for a single vessel, the most recent owner qualifies. Each vessel generates only one moratorium license. Motion passed 15/6. Minority Report attached.

The AP recommends that the moratorium include only Weathervane scallops.

Motion passed 11/7.

The AP recommends that the length of the moratorium will be 3 years. Motion passed - no opposition.

The AP recommends that no crossover be allowed. It is not the AP's intent to provide additional opportunities for new entry into other moratorium fisheries or to allow growth in the scallop fishery by allowing crab and groundfish moratorium vessels to participate in the scallop fishery. Motion passed - no opposition

The AP recommends that the Council include the Replacement language on page 5 of the action memo. Motion passed 20-1

The AP recommends that the Council include the Exceptions language on page 5 of the action memo. Motion passes 18/3.

The AP recommends that the Council adopt the Appeals language on page 5 of the action memo.

The AP is concerned about the lack of biological information that is available on the scallop fishery in Alaska. We recommend that NMFS and the Alaska Department of Fish & Game improve the data needed for a stock assessment of the scallop fisheries. We recommend that these agencies collaborate their efforts to collect the following information:

The current observer program funded by the scallop industry be expanded and the data collection to include:

- a) Total catch data including size, weight and age information.
- b) Bycatch information on other species caught in the fishery.
- c) Depth of fishing and water temperature.

Other information needed for the conservation and management of the scallop resources includes:

- information on the habitat alteration over time
- the impact of the scallop fishery on other fisheries

NOTE: the state and NMFS will have the authority to implement area closures in the event of PSC limits being reached or habitat destruction being evident.

Additionally, we request that a scientific biological survey be conducted on the scallop populations throughout the duration of the moratorium. These surveys will involve the federal or state stock assessment scientists and will require a scientist on board during the survey. These surveys will provide needed scientific information including range of species, species abundance and life history information. We encourage industry cooperation and participation in these surveys.

**ADVISORY PANEL
MINORITY REPORT
SCALLOP MANAGEMENT**

We are offering this minority report to express views different than those of majority voters on the Advisory Panel in regard to scallop management.

We don't feel the AP adequately addressed the crab bycatch issue - particularly in regard to their opinion that the scallop resource is not fully exploited and that closed areas may provide additional and productive fishing grounds. We believe there is no evidence or indication that the fishery can expand in terms of total annual harvest levels. We believe the opening of closed areas is highly unlikely in the near term and that opening these closed areas any time will be completely dependent on a tightly controlled small fleet. We believe that the testimony showed that the scallop resource is inconsistent from year to year and exhibits great fluctuations over time and that to manage the fishery based on a slice of time in which stocks are relatively abundant in some areas is poor conservation. We believe the exploitation of currently healthy and abundant scallop beds is countered by areas where the resource is well below historical average abundance. We believe expansion of the fishery in some areas is unwise due to bycatch and habitat concerns. The AP did not have the benefit of the SSC's recommendation that the OY for scallops be reduced to the level of maximum annual harvest.

Therefore, we support alternative (a) limiting the vessels during the moratorium period to ten.

Rob Wurm
Spike Jones
Steve Drage
Kevin Kaldestad
Al Burch

The AP also includes the following research recommendation:

Research Recommendations. Research topics identified in this FMP include: (1) new gear designs to increase efficiency, reduce bycatch, and minimize adverse effects on bottom habitat; (2) estimation of comparative mortality associated with regulation for minimum dredge ring size or minimum shell height; (3) estimation of population abundance and size/age structure; (4) scallop biology, life history, and stock production parameters; (5) analyses of reproductive potential, population thresholds, and recruitment overfishing; (6) investigations into exploitation rates and alternative management strategies; (7) genetic stock structure; (8) economic studies on industry characteristics and performance; (9) social studies; and others.

The AP urges the Council to urge NMFS to forward the moratorium as soon as possible to the Secretary.

Motion passed - unanimous

C-2 Comprehensive Rationalization Program

The AP recommends that the Council move forward with analysis of:

1. License limitation including the current Council staff analysis which includes crab and the State of Alaska's proposal to produce one overall license limitation option.
2. IFQ's including the results of the AP's review of the IFQ proposal which was before us in January and the proposal submitted by UCB, IFQ3, and AFTA to produce one overall IFQ option.
3. The proposal from skippers for Equitable Access in the analysis (10/9).
4. The Harvest Priority as a stand alone option with a discussion of its applicability to all fisheries under FMP's and how it relates to other rationalization proposals being analyzed. (14/8).

The main motion was amended to delete language that would have placed all analyses on a parallel track, and to add language which recommends that the Council staff analysis of license limitation be sent out for public review. That motion passed 13/7. A subsequent motion to delete the recommendation to send out the Council staff analysis failed 11/11.

Final vote on Amended Motion: 17/5

**ADVISORY PANEL
MINORITY REPORT
C-2 CRP**

The undersigned believe that the final motion as amended does not retain the main intent of the original motion and therefore, we could not support it. The original intent was to move both License Limitation and ITQ's forward on a parallel track for analysis. It was also to analyze incorporation of the state of Alaska's GLS/harvest priority proposal into the AP's January license limitation options as well as incorporation of the UCB/AFTA/IFQ3's proposal into the AP's January ITQ options.

It was felt that with parallel analysis of two streamlined CRP options, the AP could then make an informed decision on which plan best addresses the 14 problems identified in the problem statement.

To proceed on a priority track with license limitation as an interim step to an ITQ system will only delay the ultimate solution to the main problem of overcapitalization, and may exacerbate some of the current problems such as safety, economic instability and bycatch.

David Benson
Bruce Cotton
Harold Sparch
Hazel Nelson
Mick Stevens

Sablefish/Halibut CDO Compensation

The AP recommends that the Council use the qualifying years of 1988 through 1994 for the sablefish/halibut CDQ compensation rate for area 4E displaced fishermen. Motion passes - no opposition.

d-3(a) Pribilof Island Trawl Closure

The AP recommends that the Council adopt Alternative 8 closure to bottom trawling.

The motion was amended to include all trawling. Amended motion passes 16/4/2.

Motion passes 16/4.

D-3(k) Mesh Restrictions

The AP recommends that the Council adopt for draft regulation, the following minimum mesh sizes for the top quarter panel: cod - 6½" single mesh, and pollock - 3 1/4" knot less or 4" knotted. The AP understands that a phase-in period may be necessary. Motion passes - no opposition.

D3(h) Salmon Bycatch

D-3(h)(1)

The AP recommends that Alternative 3 be adopted as an emergency rule in time for the 1994 season. Motion passes - no opposition.

The AP notes that the source or sources of the Western Alaska chum run failure in 1993 have not been identified and we urge the state and NMFS to initiate research in this regard as well as by the Salmon Foundation. Motion passes 12/3

D-3(h)(2)

There was a motion that the Council adopt a PSC hot spot threshold based on the 3-year running domestic mean average of 30,300 chums in the CVOA Area 517 be established, and once achieved, act as a trigger to initiate hot spot authority Option 4. Motion fails 3/10/1

D-3(c) Total Weight

The AP recommends that the Council instruct NMFS to add the SSC's recommended addition of Option II (a & b) and when that is completed, send the EA/RIR out for public review. This recommendation was developed in a series of motions as follows:

1. The AP recommends that the Council move to send the EA/RIR out for public review.
2. Amendment to include the SSC's recommendations to include an analysis of option II (a) (b) in the SSC's draft minutes on D-3(c) which reads as follows:
 - II. All catch must be weighed on a scale,
 - a. if weighed at sea, all catch must be taken with an observer on board the vessels,
 - b. otherwise, all vessels must retain all catch, including usual discards except for prohibited species, for subsequent weighing at an observed processor,

Amendment passes 7/6/1

3. The AP recommends that the EA/RIR go out for public review.

Motion passes 12/2

Main motion passes 13/1

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Certified: Shelley Bendixen
Date: 6/1/94

MINUTES Scientific and Statistical Committee April 18-20, 1994

The Scientific and Statistical Committee of the North Pacific Fishery Management Council met April 18-20, 1994 at the Anchorage Hilton. All members were present:

Terrance Quinn, Chair
Doug Eggers
Rich Marasco
Albert Tyler
Harold Weeks
Marc Miller

Keith Criddle, Vice-Chair
Susan Hills
Phil Rigby
Jack Tagart
Bill Aron
Dan Huppert

C-2 COMPREHENSIVE RATIONALIZATION PROGRAM (CRP)

Council staff presented a review of progress on the CRP analysis. In addition to staff presentations, the SSC heard public testimony concerning the CRP from Bob Michael, Paul Seaton, Peter Van Thyne, and Fran Bennis (Alaska Marine Conservation Council), Brent Paine (United Catcher Boats), John Gauvin (Alaska Factory Trawlers Association), and Arni Thomson (Alaska Crab Coalition).

The SSC believes that CRP represents the Council's most significant management initiative to date. Council decisions on this plan will greatly affect individuals, communities, and possibly the ecosystem in fundamental ways. The significance of these actions dictates that they receive more careful analysis and review than the SSC could provide for the many new proposals from Council staff and the public in the few hours available to us.

During our meeting on Monday, April 18, the SSC received the following documents and reports:

- A report from Ron Berg (AKR) concerning progress on the Council's Moratorium regulations;
- The Draft Environmental Assessment/Regulatory Impact Review (EA/RIR) for License Limitation Alternatives for the Groundfish & Crab Fisheries in the Gulf of Alaska and Bering Sea Aleutian Islands (200 PAGES);
- A letter from Regional Director Pennoyer to Council Chairman Lauber (dated April 13, 1994) outlining his reservations regarding the Council's decision to pursue license limitation rather than individual quotas as a short-term program;
- A proposal from the Alaska Marine Conservation Council elaborating on the Harvest Priority

- system which had been discussed by the Council in January;
- A Council staff document concerning the various Harvest Priority/Full Utilization issues and options; and,
 - A proposal from ADF&G for a specific, staged license limitation/individual quota system, which included a specific harvest priority allocation procedure.
 - A letter from John Gauvin (AFTA) to Terry Quinn suggesting that the CDQ fishery experience be examined as an indication of how the fishery might behave under an ITQ system.

1. Status Report on Moratorium

The SSC heard a presentation from Ron Berg (NMFS) regarding the status-of the moratorium on vessel entry. The moratorium amendment should not be regarded as a stand-alone solution to the problem of overcapitalization. Experience in other fisheries suggests that when a cap is placed on the number of vessels allowed to participate in the fishery, harvesting and processing capacity will continue to expand through vessel upgrades and the expansion of other inputs to production. As a general rule, restricting inputs is an ineffectual means of regulating production. At best, the moratorium will preserve the status quo. In practice, because of the possibility for vessels to crossover from the halibut and sablefish fisheries, the number of vessels fishing groundfish and crab could be expected to increase. This increase is particularly likely if the Council moves forward with license limitation or quota share management systems and extends the qualifying period.

2. Review of License Limitation Analysis

A draft EA/RIR for License Limitation was presented to the SSC by Council staff. We appreciate the substantial effort expended by the authors of the report since the January council meeting. Because some of the research necessary for evaluation of the socioeconomic impacts will not be completed before the end of May, it does not seem likely that a complete draft EA/RIR will be available before the June meeting. Because of the complexity of the analysis and the importance of the fisheries that will be affected, it is imperative that the EA/RIR be subjected to a rigorous technical review prior to public release. Therefore the SSC recommends that the EA/RIR not be released at this time. Like the moratorium on entry, license limitation is a particular means of capping the number of participants not the level of effort or capitalization.

3. Letter from Director Pennoyer to Chairman Lauber re. License Limitation

The SSC concurs with Regional Director Pennoyer's recommendation that the license limitation options considered by the Council be directed toward resolution of specific problems identified in the Problem Statement. The Problem Statement for the CRP clearly indicates that the open access fishery leads to a race for fish, over-building of fleet capacity, and ancillary effects such as excessive discards, congestion, preemption of local fisheries, and hazardous fishing conditions.

4. Harvest Priority/Full Utilization

The SSC was briefed by Clarence Pautzke on the status of analyses of the harvest priority incentive plan for bycatch reduction and full utilization of groundfish catches. In addition, the SSC heard public testimony regarding the harvest priority incentive plan. There is growing national concern about incidental mortality of non-target species and about the discard of usable fish. Measures to address these concerns could be examined alone, or integrated into the CRP. While bycatch reduction and full utilization are combined in this agenda item, they are really two separate issues: (a) bycatch reduction involves avoidance of unwanted species, for example through improved gear

selectivity; (b) full utilization involves processing and marketing all fish that are caught. Most of the discussion at this meeting seem focused on harvest priority, and particularly on measures that re-shape incentives of fishing vessel operators. There may be little direct connection between license limitation and bycatch reduction. However, an IFQ system could deal with some bycatch problems, for example, by including individual quotas for prohibited species.

The Alaska Marine Conservation Council has developed a framework of the "harvest priority" system. The SSC notes that this program will require intensive monitoring on board participating vessels and by NMFS AK region. Although the proposal contains provisions for increased observer coverage on participating vessels, it does not include a similar provision for non-participating vessels. Because vessel specific bycatch rates will be required to determine eligibility for participation in the incentive fishing period, the statistical validity of vessel specific bycatch rate estimates will be subject to intense scrutiny. Although specific versions of the harvest priority system may make special provisions for small vessels, small vessels may be unable to accommodate the expanded observer coverage required to be eligible to participate in the incentive fishery. Thus an inadvertent consequence of the harvest priority incentive program is that it imposes disproportionate costs on smaller vessels.

5. ADF&G's Groundfish License System (GLS) as a Transition to IFQs

The SSC has not evaluated the proposal from ADF&G. The ADF&G proposal is a specific selection from the alternatives included in the Council's broad license limitation proposal, augmented by a harvest priority system, full utilization, enforcement monitoring requirements, and a progression to ITQ management. The progressive nature of the State's proposal, dependent on options selected, will affect the behavior of the groundfish fleet as it reacts to the plan to determine initial allocation of QS under the eventual ITQ. It is unclear precisely how the distribution of QS may be affected by this proposal, but any analysis of the proposal will have to take these distributional effects into consideration.

Suggestions for Further Progress on the CRP Analysis

Additional SSC review of the CRP regulatory analysis will focus on whether the identified problems are resolved and whether the analysis uses the best scientific information available. Besides overcapitalization and related problems, the CRP regulatory amendment has implication for such major issues as: (a) the effect of the regulations on utilization and discard of commercial fish, (b) economic and social impacts on fishing communities and user groups, and (c) ecosystem concerns (e.g. effects of fishing on birds, mammals, and the benthic habitat).

Another issue which seems to pervade the set of options being considered under CRP is the technical feasibility and cost of information needs associated with management options. Accordingly, the SSC recommends that the Council and/or the staff compare the approaches to understand the key differences in problems solved and implementation viability. We note further that there are myriad of other options for CRP, and that these options may not be mutually exclusive.

C-3 SCALLOP MANAGEMENT

(a) Review recent State action on scallop management

ADF&G staff described the current status of the fishery and management.

(b) Scallop FMP

Council staff provided the SSC with a brief description of the contents of the draft Fishery Management Plan for scallop fisheries in the Exclusive Economic Zone of Alaska. The following individuals provided comments: Teresa Kandianis, Bill Wells, Mark Ireland and John Bryson.

The SSC believes that harvest capacity, habitat and bycatch issues associated with the scallop fishery warrant implementation of a Fishery Management Plan. The following comments are offered for consideration.

1. Optimum Yield (OY) in the draft is specified as a range 0 to 2.7 million pounds of shucked scallop meats. Historical catches were used to derive this range. The low end of the range is the lowest catch on record (0 pounds - 1978). The high end was defined as the highest catch recorded since the "fishing up" period (1.8 million pounds - 1992) plus 50% to account for future landings from undeveloped fisheries for scallop species other than weathervane scallops. The SSC believes that a more appropriate approach would be to set the upper end of the range equal to the catch of record, 1.8 million pounds. The basis for reducing the OY is predicated on the fact that the fishery has a long catch history with attendant peaks and valleys in landings. The opportunity for development of pink scallop fisheries has existed for some time without substantial catch. The catch of record is not regarded as a sustainable long-term catch. Furthermore, since we have little knowledge of absolute abundance or population dynamics of these stocks, prudent management suggests the OY not exceed the catch of record.

2. The SSC is concerned over the lack of a specific statement describing how Guideline Harvest Levels (GHL) will be calculated. It is recognized that limited information is available to calculate GHLs. Given this situation, the SSC would like to have the opportunity to review and comment on them as they are developed.

It is noted that Appendix C in the November 30, 1993 EA/RIR is not consistent with the Guideline Harvest Range Section of the State's February 24, 1994 Fishery Management Plan for Commercial Scallop Fisheries in Alaska. It is recommended that the contents of Appendix C be replaced with the discussion in the State's Plan.

3. While the SSC believes that setting the overfishing level equal to the upper end of the OY range is acceptable at this time, research is needed to improve the scientific basis for this value.

4. The purpose of the break-even analysis was to illustrate the number of vessels that would be able to cover fixed and operating costs given:

- i. total landings of 1.3 million pounds,
- ii. exvessel price of \$4.50 per pound, and
- iii. the fishery occurs year-round.

Results of this type of analysis are sensitive to changes in any of these assumptions. Therefore, the results should be used with caution. In open access fisheries, in the short-run vessels will enter the fishery until the point where gross returns equal operating costs. This may result in the entry of more vessels than the resource can support in the long run.

Given what is currently known about the abundance of the scallop resource and harvest potential of the fleet, the SSC believes that serious consideration of a moratorium is warranted.

5. Numerous research topics requiring attention were identified in the draft FMP. Estimation of population abundance and size/age structure; scallop biology, life history and stock production parameters; analyses of reproductive potential, population thresholds and recruitment; and investigations of exploitation rates are of paramount importance. All of these issues are important to the determination of GHs. Neither ADF&G nor NMFS have funds to initiate a comprehensive scallop research program. It is recommended that ADF&G, NMFS and members of industry begin discussions of alternative strategies that could be used to address important research needs.

C-5 EXPERIMENTAL PERMIT REVIEW

(a) Terra Marine Research and Education application for an experimental permit.

The SSC heard a presentation by Tuck Donnelly of Terra Marine, the applicants were forced to change the goals of the project due to a determination of the NOAA General Council that PSC catch cannot be retained for charitable distribution. The original goals of this study included a management question: Will the bycatch be reduced if vessels were required to process prohibited species catch (PSC) at the fishing companies' expense, given that the product would then be made available free to food banks. The program would explore the possibility that the procedure would provide an incentive for vessels to avoid areas of high bycatch.

The second question of the experiment is: would enough product be available from such a voluntary program to make it worth while for a non-profit company to continue deliveries to food banks? Would such a program be feasible for reducing fish waste?

The third question is: when faced with a series of difficulties and costs, at what point would a fishing company wish to abandon the effort of volunteer processing for charitable reasons? The first question has been abandoned by Terra Marine. The second and third questions are still being pursued by the applicant.

The SSC would like to comment on the proposal from the standpoint of statistical validity and the achievement of goals. The proposal would be much improved if the goal of question two were clarified in a quantitative manner. In particular the proposal must define what volume of product is needed to insure feasibility for continuance of delivery to food banks? What are the variables associated with the continued success of the delivery operations? The intended analyses associated with the third question are also not defined and should be clearly written out. What factors will be considered or measured to answer the question that has been posed: "at what point would a volunteer vessel wish to abandon the effort?" How will the data be treated statistically? After one year of operation is there preliminary information on the amount of sampling necessary to answer these questions? The SSC recommends that the permit be reconsidered only after the applicant files an suitable description of its analytical intentions.

(b) Coastal Villages Fishing Corporation Permit Application

John Henderschedt provided information to the SSC on this experimental fishing permit request. The objective is to determine if groundfish abundance in the Kuskokwim Bay/Etalin Strait area is adequate to support a commercial fishery. The endeavor will provide information on the abundance of groundfish species in an area that is not surveyed by NMFS. Data also will be provided on PSC bycatch rates.

C-6 PACIFIC PELAGICS

The SSC received the briefing material provided, and agrees that data collection and dissemination for Pacific pelagic fisheries will require inter-Council coordination. The Committee would like to review proposed reporting requirements, but has no recommendation to offer on the apportionment of responsibility to develop proposed requirements.

D-2 CRAB MANAGEMENT

Ken Griffin, ADF&G, reported on meetings of the Board of Fish and the Crab Consultation Group (CCG). The Board addressed regulations dealing with pot limits, definition of crab pots, tunnel height opening and tank inspections. Detailed minutes of both meetings are summarized in the Council briefing books. Mr. Griffin's report was presented as an information item, no actions were required by the SSC, but the SSC wishes to note the role of the CCG in improving coordination between the managers and industry, including the development of the Bering Sea Crab Industry Advisory Group.

D-3(a) PRIBILOF ISLAND TRAWL CLOSURE 21(a)

The SSC heard a presentation from Dave Ackley (ADF&G) describing the revised Amendment 21a to the Fishery Management Plan for the groundfish fishery of the Bering Sea and Aleutian Islands. The purpose of the amendment is to eliminate bottom trawl activities in areas of importance to blue king crab stock so that bycatch would be reduced and the stock rebuilt and maintained at exploitable levels. Other goals relate to the reduction of bycatch of Korean hair crab and Pacific halibut, and interference with seabird and marine mammal populations.

The SSC commends the authors for an excellent analysis of effects of trawling on blue king crabs in the Pribilof region. In addition to the seven previously considered options, the authors analyzed four new options. While only light analytical treatment was given to halibut, marine mammals, and seabirds in the area, reduced trawling in the area could produce benefits for these and other species.

Alternative 1 was the status quo. Alternatives 2 - 7 did not focus on the main habitat area for blue king crab in the Pribilof area, and were less effective at reducing bycatch.

The boundaries of Alternative 8 were selected to include the main habitat of blue king crab while allowing bottom trawl access to the 100 m edge. The boundaries are drawn as simple straight lines to facilitate enforcement. As a consequence the analysts could show that there would be little interference with the pollock and cod fisheries. Some interference would occur with the flatfish fishery since as much as 10% of the Bering Sea flatfish fishery, and 17% of the "other flatfish" fishery is taken within the proposed protected area. However the catch per tow in the flatfish fishery was similar within and outside the proposed protected area, therefore, we would not anticipate foregone catch as a result of transferred effort.

Alternatives 9 and 10 do not provide sufficient protection for blue king crabs because they involve a bycatch cap that must be reached before the trawling closure occurs. The result would be interference with the trawl fishery in addition to minimum protection for the blue king crab stock.

Alternative 11 is a compromise between Alternative 8 and 9, or 8 and 10, depending on which cap is chosen. A choice is proposed between a cap of 1% of the previous year's estimated king crab abundance or else 20,000 crabs. At the same time a permanently closed area is proposed that is smaller than the closed area in Alternative 8, and that would allow access to the flatfish stocks. The

area is designated with straight lines to simplify enforcement. However, the area defined for permanent closure accounted for only half of the crabs taken in the larger area defined for closure in Alternative 8. As a consequence crab protection would not be as great. Data do not allow projection of the extra time required for rebuilding of the crab stock or an estimate of the fishery income lost.

The SSC notes that Alternative 8 gives maximum chance for rebuilding the Blue Crab Stock. However, flatfish trawlers would have to relocate to make up catch otherwise taken in the protected area. As noted previously we do not expect foregone catch as a result of this relocation.

D-3(c) TOTAL WEIGHT MEASUREMENTS

The SSC received a draft EA/RIR and a report from Sally Bibb (NMFS - AKR) on a proposed regulatory amendment to require total weight measurement of groundfish catch on processors with 100% and 30% observer coverage. The draft has an option to include catcher vessels with 100% observer coverage. The analysis clearly articulates the expected costs to fishing vessels of purchase and installation scales. Other costs associated with reduced product throughput and changed operating procedures are only qualitatively discussed. The Committee heard public testimony from Laura Janssen (Arctic Alaska) and John Gauvin (AFTA) indicating that such costs could be substantial. The increased accuracy and/or confidence in total catch estimates cannot be determined from the analysis; however total catch weighing should improve the accuracy and precision of our estimates.

The SSC continues to support the investigation of techniques which will lead to more accurate methods for estimating total removals from the ocean ecosystem. There will be increasing demand for higher quality estimates, even under open access management. Management at the vessel level, such as under individual vessel quotas, will require greatly improved accuracy and precision.

The accuracy and/or precision of current catch data is unknown, i.e., there are no data regarding independent tests of the reporting accuracy of catch data. Since this is the case, we can not evaluate the benefits of improved accuracy which may accrue through total weight measurement. Neither can we tell whether the assumed benefits justify the costs. Under these circumstances, all else being equal, total weight measurement could be justified by its elimination of a controllable source of error. If the Council really wants to know total catch weight with the least possible error, additional alternatives need to be added to the current proposal. The SSC recommends the following:

- I. Status quo
- II. All catch must be weighed on a scale
 - a. if weighed at sea, all catch must be taken with an observer on board the vessel,
 - b. otherwise, vessels must retain all catch, including usual discards except for prohibited species, for subsequent weighing at an observed processor.
- III. Same as Alternative II, but weight may be determined within a specified range of accuracy by any approved procedure, e.g., using volumetric methods.

D-3(h) SALMON BYCATCH

Area 517 and CVOA Observer Requirements

The SSC reviewed the EA/RIR for increased observer coverage to monitor salmon bycatch for trawl vessels fishing during the BSAI pollock "B" season in area 517 and the CVOA.

Alternative 2 which requires two observers for all vessels greater than 125 feet and 100 percent coverage for vessels less than 125 feet, more than doubles the observer requirements and costs relative to the status quo. In addition NMFS staff reported that Alternative 2 is not feasible to implement for the 1994 season, due to extensive lead time required for training and deploying observers.

Alternative 3 requires all motherships and shorebased processors which receive pollock harvested in the Area 517 and CVOA during the pollock "B" season to have 2 observers. This alternative provides more opportunity to directly monitor the "B" season catch from Area 517/CVOA and is more focused on the problem. Alternative 3 is substantially less costly to implement than alternative 2. Since Alternative 3 requires only 10 additional observers NMFS reports it is feasible to implement for the 1994 season. The increased observer coverage under alternative 3 provides additional resources to implement the mandatory retention requirement for Area 517/CVOA. The increased observer resources are necessary to process the retained salmon bycatch which are required to be delivered to certified observers. The additional observers will reduce the opportunity for vessels to discard salmon and ensure compliance with the mandatory retention requirement.

The SSC recommends that alternative 3 be implemented.

Hotspot Closure Authority.

The SSC reviewed the draft discussion document, *Salmon Bycatch in the Bering Sea Trawl Fisheries and Alternatives for Hot-Spot Closure*. The SSC notes that the document is spatial analysis of chinook and "other" salmon bycatch in the BSAI trawl fisheries. As such it is a update and expansion of earlier analyses of Amendment 21b. The document provides substantial new information on distribution and timing of chum salmon bycatch as well as an update on the timing and distribution of chinook salmon bycatches. In addition, the document defines a series of alternative areas for closure based upon existing management area coincidental with high chum salmon bycatch.

Salmon Retention, Processing, and Delivery to Food Banks

The SSC heard a report on initial review of alternatives for salmon retention and delivery to food banks. The SSC notes that this is a policy issue and has no additional comments on the document.

D-3(j) ELECTRONIC REPORTING

Sue Salveson (NMFS) reported on a proposal regulatory amendment to require electronic reporting of production and observer data. If approved by the Council, the system could be implemented in 1995. Under Alternative 2 of the discussion paper, electronic reporting would be implemented in three phases. In Phase 1 all processors shoreside and at-sea would be required to report weekly production data in electronic format via satellite communications. Presently, these data are faxed by processors to NMFS. Phase 2 would include all observer reports with 100% observer coverage, and Phase 3 would extend these reporting requirements to vessels subject to 30% observer coverage. In addition, Phase 2 will address the maintenance of electronic logbooks by both processors and catcher

vessels. The SSC believes that such a system could improve both quality and timeliness of data collection and encourages NMFS to proceed with the development of the EA/RIR.

D-3(k) TRAWL MESH RESTRICTIONS

The SSC received a progress report from Paula Cullenberg of the Alaska Fisheries Development Foundation on the 1993 fishery codend mesh study. Preliminary results suggest that codend mesh size and configuration influences selectivity for pollock size classes. This study will continue in 1994 to refine selectivity estimates. If the Council wishes to pursue consideration of mesh sizes outside the range of existing information, additional research will be required.

The SSC understands that there is interest in investigating eight inch mesh for the Pacific cod trawl fishery. Information in NMFS data sets does not address performance of this mesh size.

Multivariate statistical methods should be used to isolate factors responsible for the variability across vessels.