North Pacific Fishery Management Council

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April 15, 1994

DRAFT AGENDA

112th Plenary Session
North Pacific Fishery Management Council
April 19-24, 1994
Hilton Hotel
Anchorage, Alaska

The North Pacific Fishery Management Council will convene at 8:00 a.m. on Tuesday, April 19, 1994, at the Hilton Hotel in Anchorage, Alaska. Other meetings to be held during the week are:

Committee/Panel	Beginning
Enforcement Committee	2:30 p.m., Sunday, Apr. 17
Advisory Panel	8:00 a.m., Monday, Apr. 18
Scientific and Statistical Committee	10:30 a.m., Monday, Apr. 18

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

April 15, 1994

DRAFT AGENDA

112th Plenary Session
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		Estimated Hours
A.	CALL MEETING TO ORDER	
	(a) Approval of Agenda.	•
	(b) Approve minutes of previous meeting(s).	•
		•
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)	•
	B-4 Enforcement and Surveillance Report	• (2 hours for A/B items)
C.	NEW OR CONTINUING BUSINESS	
	C-1 Sablefish and Halibut IFQs	(4 hours)
	(a) Progress report on implementation.	
	(b) Progress report on FMP and regulatory amendments requested by the Council in December 1993.	
	(c) Additional issues and recommendations as appropriate.	
	C-2 Comprehensive Rationalization Planning	(14 hours)
	(a) Status report on moratorium.	
	(b) Review license limitation analyses; possibly send out for public review.	
	(c) Review IFQ "Elements and Options."	
	(d) Review progress on Harvest Priority/Full Utilization.	
	(e) Provide direction to staff.	
	C-3 Scallop Management	(4 hours)
	(a) Report on recent State action on scallop management.	
	(b) Review proposed FMP and moratorium options; consider final approval.	
	C-4 Halibut Charter Issues	(3 hours)
	(a) Report from working group.	
	(b) Consider next steps.	

Subtotal Agenda Hours. . . .27 hours

C-5 Review of Experimental Permit Applications (1 hour)
Review applications for experimental permits from Terra Marine Research & Education and Coastal Villages Fishing Corporation.

C-6 Pacific Pelagics FMP (1 hour)
Catch reporting and plan management.

C-7 Other Business

D. FISHERY MANAGEMENT PLANS

D-1 Salmon Management (2 hours)
(a) State-Federal Salmon Lawsuit - status report.
(b) Subsistence fisheries management - USFWS.

D-2 Crab Management (1 hour)
Report on activities of Board/Council Consultation Group and Alaska Board of Fisheries.

D-3 Groundfish Management
(a) Pribilof Island trawl closures - final action. (2 hours)

(b) Directed fishing standards - final action. (2 hours)
(c) Total weight measurement - initial review.
(d) VIP standards for 2nd half of 1994.

(e) Consider extending emergency rule apportioning halibut PSC to various trawl fisheries in GOA. (1 hour)
(f) Review halibut bycatch rates for pelagic trawls and decide if action is necessary.
(g) Consider initiating regulatory amendment allowing rollover of excess PSC to a specific quarter or trimester.

(h) Salmon Bycatch (2 hours)
1. Final review of Area 517 and CVOA observer requirements.
2. Initial review of hotspot closure authority.
3. Review alternatives for disposition of PSC salmon retained by trawlers.
4. Progress report on Salmon Foundation.

(i) Opilio crab bycatch situation - status report. (1 hour)
(j) Electronic communications - discussion paper.
(k) Trawl mesh restrictions - status report.

D-4 Staff Tasking

E. FINANCIAL REPORT
F. PUBLIC COMMENTS
G. CHAIRMAN'S REMARKS AND ADJOURNMENT

Total Agenda Hours 40

Draft Agenda Schedule | North Pacific Fishery Management Council | Week of April 18, 1994

	SSC	AP	COUNCIL
Monday, Apr. 18	10:30am C-2 CRP	8:00am Election of Officers C-1 Sbl/Hal IFQs C-3 Scallop Mgmt	
	1:00pm C-2 CRP, continued C-3 Scallop Mgmt C-5 Terra Marine Pmt	1:00pm C-2 CRP	
Tuesday, Apr. 19	8:00am D-3 Groundfish Mgmt [See below for note on SSC reports]	8:00am D-3 Groundfish Mgmt	8:00am Call to Order Agenda Approval Minutes Approval B-1 ED Rpt B-2 ADFG Rpt B-3 NMFS Rpt B-4 Enforcement Rpt C-1 Sablefish/Halibut IFQs 12:00 Lunch
	1:00pm D-3 continued	1:00pm D-3, continued	1:00pm C-1 IFQs, continued 3:00pm C-2 CRP
Wednesday, Apr. 20	8:00am (continue as necessary)	8:00am C-4 Halibut Charter C-5 Terra Marine Pmt C-6 Pacific Pelagics D-2 Crab Mgmt	8:00am C-2 CRP, continued 12:00 Lunch
	1:00pm	1:00pm D-1 Salmon Mgmt (continue as necessary)	1:00pm C-2 CRP, continued
Thursday, Apr. 21			8:00am C-2 CRP, continued 12:00 Executive Session
			1:30pm C-3 Scallop Mgmt
Friday, Apr. 22			8:00am D-3(a) Pribilof Is. D-3(b) Dir. Fish. Std D-3(c) Total Weight D-3(d) VIP Stds 12:00 Lunch
			1:00pm D-3(e-g) PSC Issues D-3(h) Sim Bycatch
Saturday, Apr. 23			8:00am D-3(i) Opilio Byc D-3(j) Elec. Comm D-3(k) Trawl Mesh C-4 Halibut Charter 12:00 Lunch
			1:00pm C-5 Terra Marine Pmt D-1 Salmon Mgmt
Sunday, Apr. 24			8:00am D-2 Crab Mgmt C-6 Pacific Pelagics D-4 Staff Tasking 1:00pm (Continue as necessary)

NOTE: The above agenda items may not be taken in the order in which they appear and are subject to change as necessary; other items may be added. *All meetings are open to the public with the exception of Council Executive Sessions.

SSC Report to Council: As soon as the full SSC minutes are ready, the SSC Chairman or Vice Chairman will present them to the Council on all remaining items so that the SSC representative can return home. This full report may be available Wednesday.

North Pacific Fishery Management Council

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Certified_____

Date_____

ADVISORY PANEL MINUTES
JANUARY 9–12, 1994
ANCHORAGE, ALASKA

The Advisory Panel for the North Pacific Fishery Management Council met on January 9–12, 1994, at the Anchorage Downtown Hilton. Members in attendance were:

Dave Benson
John Bruce, Chair
Al Burch
Michael Stevens
Dan Falvey
Penny Pagels
Dean Paddock
Bryon Pfundt
Dave Little
Stephanie Madsen
Pete Maloney
Doug Ogden
Bruce Cotton
Hazel Nelson
John Roos
John Sevier
Harold Sparck
Michael Jones
Beth Stewart, Vice Chair
Robert Wurm

Kevin Kaldestad and Steve Drage were not in attendance.

Minutes for the December 1993 meeting were approved.

C-1(a) COMPREHENSIVE RATIONALIZATION PLAN (CRP)

The Advisory Panel took testimony from 19 people. We then went through the options set out in Agenda Item C-1(b), taking a "straw" vote on each item. When that process was completed, the AP then moved to adopt the entire CRP package dropping Option B under Species for Inclusion. The AP adopted that motion without objection, and then proceeded to amend, section by section, the entire package.

Groundfish/Crab IFQs

SPECIES FOR INCLUSION

Option A: All species under Council jurisdiction, including PSCs. **The AP amended this by adding Suboption A: Exclude demersal shelf rockfish.** (passed, 2 objections)

Option B: Pollock and cod only with PSC species (halibut, crab, and herring) issued as IFQs based on historical portion of the caps for those fisheries. All other groundfish species managed under License Limitation program (except sablefish and halibut). **The AP deleted this option.** (passed, no objections)

Under this option, groundfish bycatch species would also be needed to support the pollock and cod IFQ fisheries. These could be allocated individually (as with the PSCs) or as a set aside which would constitute a common pool for the IFQ fisheries.

Option C: Under Option A or B above, a percentage (either 45% or historical split) of BSAI Pacific cod would be set aside for a fixed gear License Limitation program.

AREAS

IFQs for all species and PSCs will be awarded based on current management areas.

CRITERIA FOR INITIAL QS QUALIFICATION

Initial QS will be awarded to current vessel owners, based on the catch history of the vessel currently owned. Options for defining 'current ownership' are:

Option A: Define current as of June 24, 1992 (June 27 is actual date for end of reporting week). **The AP deleted Option A.** (passed, no objection)

Option B: Define current as date of final Council action.

In addition to the options above, the Council is separately considering the following:

Suboption A: For GOA longline rockfish fisheries, allocate initial QS to owner at time of landings.

In addition to being a current vessel owner, the Council is considering a recent participation requirement for QS qualification. The options to be considered are:

Option A: No recent participation requirement. **The AP deleted this option.** (passed no objection)

Option B: Vessel must have fished in three-year period prior to June 24, 1992 **or** date of final Council action (depending on option chosen for defining current ownership). If vessel is lost during this period, owner at time of loss is still eligible. **The AP amended Option B to read ". . . June 24, 1992 and/or date of final Council action . . . "** (passed 16/0/1)

The AP made no changes in the CDQ portion of this package.

COMMUNITY DEVELOPMENT QUOTA (CDQ) CONSIDERATIONS

In addition to allocating QS to current vessel owners, the Council may make initial allocations to CDQs as shown below:

Option A: No allocations to CDQs.

Option B: Initially allocate 3%, 7.5%, 10%, or 15% (options range up to 15%) as CDQs; may apply to any or all groundfish/crab species, but only for existing, eligible, BSAI communities with one of the following suboptions:

Suboption A: Patterned after current pollock CDQ program.

Suboption B: One-time allocation convertible to IFQs.

SKIPPER/CREW MEMBER CONSIDERATIONS

The Council is also considering the following options for including skippers and crew members in the IFQ program.

Option A: No allocations to skippers or crew members.

Option B: Initially allocate 3%, 5%, or 10% (options range up to 10%) to 'bona fide' skippers (as % of overall pie with specific allocation criteria to be identified later).

Option C: Under Option A or Option B above, 15% of any QS/IFQ sale is subject to first right of refusal by 'bona-fide crewmen'. **The AP deleted Option C.** (passed, 17/2)

PROCESSOR CONSIDERATIONS

Either or both of the following options are being considered relevant to processors:

Option A: Assign separate processor QS (2-pie system). See separate description for elements of this program.

Option B: Require a percentage of harvest IFQs to be delivered shoreside (% will be based on last two years' average for each species).

Option C: **The AP added Option C which reinstates the so called "one-pie" system which was inadvertently omitted from this package. The AP understood that the "two-pie" system may not currently be legal and wanted to examine other options for processor quota.** (passed, 12/5)

INITIAL QS CALCULATION

The following primary options are being considered for calculating QS of qualified recipients. Whichever option is chosen, QS amounts for each species will be calculated based on catch, then adjusted based on average bycatch rates to achieve initial 'bundles' of target/bycatch/PSC. The Council has discussed the issue of basing QS calculations on retained, as opposed to reported, catch. Pending further evaluation of this issue, basing the calculation on retained catch is not included as an option at this time.

Option A: QS based on reported catch of vessel from 1976 to **either** June 24, 1992 **or** date of final Council action (pre-1984 JV catch assigned based on average by fishery, by year for vessels which participated).

For Option A, the following suboptions are being considered for weighting factors:

Suboption A: No weighting by sector.

Suboption B: Weight DAP 3.5:1 JV.

Suboption C: Weight DAP 2:1 JV.

Suboption D: For JV prior to 1986 and for DAP prior to 1989, weight at 2:1.

Option B: QS based on reported catch of vessel from date of full DAP (by species) to **either** June 24, 1992 **or** date of final Council action.

Option C: QS based on reported catch of vessel from 1993 only. **The AP deleted Option C.**

Option D: **The AP added Option D which would base Quota Share on retained catch for those sectors where information is available.** (passed, 16/3) NOTE: The issue of bycatch bundling was viewed as separate from the issue of target species quota share awards.

In addition to the options shown above, the Council is considering the following possible alternatives which are specific to Pacific cod in the BSAI. If either of the options below is chosen, the calculation alternatives shown above would still apply for the remaining fisheries.

Option A: Allocate Pacific cod QS at 45% for fixed gear recipients/55% for trawl gear. **The AP voted to retain this option, but wishes to clarify that this applies only to initial allocation and is not to be maintained in perpetuity.**

Option B: Allocate Pacific cod QS by gear types based on historical split. We will examine: (1) back to 1976, (2) back to date of full DAP for Pacific cod, and (3) 1993 only to determine historical split. **The AP had a split vote (8/8) on deleting this option. The AP noted that, as with Option A, this would apply only to initial allocation.**

Unless otherwise directed, same initial QS calculation options apply to divide QS among participants in each sector.

TRANSFERABILITY PROVISIONS

Any or all of the following options may apply:

Option A: No restrictions.

Option B: Two year restriction on sales only (could lease).

Option C: For groundfish only, non-transferable between fixed and mobile gear categories.

Option D: For crab fisheries only, non-transferable across catcher vs. catcher/processor categories.

Option E: 15% of any QS/IFQ for sale is subject to first right of refusal by "bona-fide crewmen" (this was also included under 'CREW MEMBER CONSIDERATIONS'). **The AP deleted Option E.** (passed, 17/3)

Option F: **The AP added Option F: ITQs will not be tied to a particular gear type after initial issuance.** (passed, no objections) NOTE: Normal legal gear regulations will still apply, i.e., unless the Council changes its regulations, trawl gear could not be used to harvest crab.

USE/OWNERSHIP PROVISIONS

The following three options are being considered relative to accounting under the IFQ program. These options will affect an operator's ability to match IFQs to catch, and also relate to the ability to effectively manage the program within the overall TACs.

Option A: Must control IFQs to cover expected catch before fishing.

Option B: Overage/Underage program as with sablefish and halibut program.

Option C: Must possess IFQs to cover catch within one month of harvest. **The AP deleted this option, and later reconsidered the motion to delete. After much discussion, the AP again voted to delete Option C.** (passed, 19/2) NOTE: The primary concern that the AP still has, is that the administrative process may not be able to get quota shares in the hands of people who need to begin fishing January 1. The AP wanted to alert the Council to that concern, but felt that Option C as written provided too many loopholes.

The following use/ownership provisions may also be considered by the Council:

Option A: Require a percentage of harvest IFQs to be delivered shoreside (% will be based on last 2 years' average for each species). This option was also included under 'PROCESSOR CONSIDERATIONS'.

Option B: Ownership caps would be set at 1%, 5%, 10%, or any number in that range. **The AP amended this option to clarify that these ownership caps should be applied to the BSAI and GOA separately.** (passed, no objection)

GENERAL PROVISIONS

- Allocations represent a use privilege; however, the Council could alter or rescind the program without compensation.

- Council should pursue some level of administrative fee extraction to fund program, if Magnuson Act is amended.

- **The U.S. ownership definitions used in the Halibut/Sablefish IFQ regulations should be used in analyzing both the initial issuance of ITQs and the subsequent transfer of ITQs.** (passed, no objections) NOTE: The AP believes that during the analysis problems associated with using this standard, particularly for the proposed processor quota share and for reflagged vessels, will become clear. At that point, the AP would be ready to make recommendations regarding this standard.

Processor Quotas—Groundfish & Crab

The AP began working on this section by transferring all of our actions on the previous section, as they relate to initial issuance and transferability. The AP went on to make additional changes specific to this section.

SPECIES FOR INCLUSION

Option A: All species for which IFQs are issued, except longline sablefish, halibut, and PSCs.

Option B: Pollock and Pacific cod only. **Deleted as per previous action.**

AREAS

Processor shares/individual processor quotas (PS/IPQs) are not area specific.

CRITERIA FOR INITIAL PS QUALIFICATION

Initial PS will be awarded to current processor (shorebased or at sea) owners, based on the processing history of the processor currently owned. Options for defining 'current ownership' are:

Option A: Define current as of June 24, 1992 (June 27 is actual date for end of reporting week). **Deleted (as per previous action).**

Option B: Define current as date of final Council action.

In addition to being a current processor owner, the Council is considering a recent participation requirement for PS qualification. The options to be considered are

Option A: No recent participation requirement. **Deleted (as per previous action).**

Option B: Processor must have processed groundfish/crab in three-year period prior to June 24, 1992 or date of final Council action (depending on option chosen for defining current ownership). If processor is lost during this period, owner at time of loss is still eligible. **Amended as per previous action to read, ". . . in the three-year period prior to June 24, 1992 and/or date of final Council action. . ."**

COMMUNITY DEVELOPMENT QUOTA (CDQ) CONSIDERATIONS

In addition to allocating PS to current processor owners, the Council may make initial allocations to CDQs as shown below:

Option A: No allocations to CDQs.

Option B: Initially allocate 3%, 7.5%, 10%, or 15% (options range up to 15%) as CDQs; may apply to any or all groundfish/crab species, but only for existing, eligible, BSAI communities with one of the following suboptions:

Suboption A: Patterned after current pollock CDQ program.

Suboption B: One-time allocation convertible to IPQs.

FOREMEN/PLANT WORKER CONSIDERATIONS

The Council is also considering the following options for including plant foremen and workers in the IPQ program.

Option A: No allocations to plant foremen or workers. **Deleted.**

Option B: Initially allocate 3%, 5%, or 10% (options range up to 10%) to 'bona fide' plant foremen (as % of overall pie with specific allocation criteria to be identified later). **Deleted.**

Option C: Under Option A or Option B above, 15% of any PS/IPQ sale is subject to first right of refusal by 'bona fide plant workers'. **Deleted—all three options were deleted as a block.** (passed without objections)

INITIAL PS CALCULATION

The following primary options are being considered for calculating PS of qualified recipients. Whichever option is chosen, PS amounts for each species will be calculated based on fish tickets and weekly processor reports, then adjusted based on average bycatch rates to achieve initial 'bundles' of target/bycatch.

Option A: PS based on activity by processor from 1984 to **either** June 24, 1992 **or** date of final Council action.

Option B: PS based on activity by processor from date of full DAP (by species) to **either** June 24, 1992 **or** date of final Council action.

Option C: PS based on activity by processor from 1993 only. **Deleted, based on previous action.**

Option D: **The AP added Option D. As in the previous action, this alternative would be based on retained catch rather than reported catch, where data available.**

TRANSFERABILITY PROVISIONS

Any or all of the following options may apply:

Option A: No restrictions.

Option B: Two year restriction on sales only (could lease).

Option C: Non-transferable between fixed and mobile processors.

Option D: 15% of any PS/IPQ for sale is subject to first right of refusal by "bona fide plant workers" (this was also included under 'PLANT WORKER CONSIDERATIONS'). **The AP deleted this option because we deleted all three options for plant foreman and worker allocations.**

USE/OWNERSHIP PROVISIONS

Option A: Must control IPQs to cover expected processing before activity.

Option B: Overage/Underage program as with sablefish and halibut program.

Option C: Must possess IPQs to cover processing within one month of activity. **Deleted as per previous action.**

Use/ownership caps may also be considered by the Council, and need to be defined.

The AP supports analyzing use/ownership caps for processor quotas, however, the AP believes that the 1%, 5%, 10% levels may not be appropriate given the number of processors. The AP would not want to see caps that forced new processor capacity to built to accommodate IPQ transfers.

GENERAL PROVISIONS

- Allocations represent a use privilege; however, the Council could alter or rescind the program without compensation.
- Council should pursue some level of administrative fee extraction to fund program, if Magnuson Act is amended.
- The same U.S. ownership criteria for initial issuance and transfer that the AP suggested previously with potential problems noted.

Groundfish/Crab License System

NATURE OF LICENSES

Alternatives include:

(1) A single groundfish license applying to all species/areas.
(2) Licenses for each species.
(3) General license with endorsements for each species/area.

Suboption A: separable endorsements.
Suboption B: non-separable endorsements.

In addition to the three options above, the Council is considering the following suboptions:

Suboption A: Separate licenses for catcher and catcher/processor operations.
Suboption B: Licenses for three catcher vessel size categories <60', 60' to 125', and >125'.

Additionally, the Council is considering the following two specific options, which are related to the IFQ alternatives described separately:

(1) Licenses for BSAI Pacific cod fixed gear fishery only; would apply to 45% (or historical split) of the TAC set aside for fixed gear. **The AP was split on this issue. On a vote of 9/8, the motion to delete this option passed.**

(2) Licenses for all target groundfish fisheries except pollock and Pacific cod which would be under IFQ program. **Deleted.** (passed, no opposition)

WHO WILL RECEIVE LICENSES

Alternatives include:

(1) Current vessel owners ("current" is defined as of June 24, 1992 or as of final Council action) ("Persons" as defined by Magnuson Act).

Suboption A: Vessel owners at the time of landings.
Suboption B: Permit holders.
Note: A motion to include the SEA proposal failed 6/11.

These two suboptions are only relevant if licenses are not attached to vessels.

CRITERIA FOR ELIGIBILITY

Alternatives include issuing license to any vessel (or person) who made landings between:

(1) January 1, 1978 and December 31, 1993
(2) January 1, 1990 and December 31, 1993.

(3) **Vessel must have fished in the three-year period prior to June 24, 1992 and/or date of final Council action (depending on option chosen for defining current ownership. If vessel is lost during this period, owner at time of loss is still eligible. The AP added this option on a vote of 19/0.**

Suboption: Must have made at least 2 landings (per area/species combination) or made total groundfish landings of 5,000, 10,000, or 20,000 pounds (3 options) in any one year. (In addition to (1) or (2) above).

TRANSFERABILITY AND OWNERSHIP

Alternatives include:

(1) Licenses could be transferred (sold or leased) only to "Persons" (as defined by Title 46), i.e., U.S. citizens or U.S. owned corporations.
(2) A person may own more than three (3) licenses but may only fish three vessels in a year. **(AP deleted this option. There are too many loopholes, such as forming multiple companies. The AP supports the search for effective means to address "ownership & use" caps for the license limitation system.)**
(3) Vessels must be transferred with license.
(4) License may be transferred without vessel (can apply to "new" vessel).
(5) **The AP supports effective ownership caps. We do not have a proposal for you to consider at this meeting.**

Suboption A: Non-transferable across size categories identified above.
Suboption B: **Licenses may be combined in a manner similar to that described in the Pacific whiting fishery.** (passed, 18/0/1) NOTE: The AP believes that this option should not increase overall total fleet capacity.

BUYBACK PROGRAM (OPTIONAL)

A license buyback program using funds collected through a fee assessment on ex-vessel value of groundfish. The buyback program would govern all transfers of licenses and would have first right of refusal on licenses to be sold. All licenses purchased by the program would be permanently retired.

COMMUNITY DEVELOPMENT QUOTAS

A license limitation alternative could include CDQ set-asides of up to 15% (range of 0% to 15%) of any or all groundfish/crab species, but only for existing, eligible Bering Sea/Aleutian Islands communities.

BSAI Tanner Crab License System

The AP moved to transfer all of the amendments made to the Groundfish License system to the BSAI and Tanner Crab License system.

NATURE OF LICENSES

Alternatives include:

(1) A single crab license applying to all species/areas.
(2) Licenses for each species.
(3) General license with endorsements for each species/area.

Suboption A: non-separable endorsements
Suboption B: separable endorsements

In addition to the three options above, the following two suboptions are being considered:

Suboption A: Separate licenses for catcher and catcher/processor operations.
Suboption B: Licenses for three catcher vessel size categories <60', 60' to 125', and >125'.

WHO WILL RECEIVE LICENSES

Alternatives include:

(1) Current vessel owners ("current" is defined as of June 24, 1992 or as of final Council action) ("Persons" as defined by Magnuson Act).

Suboption A: Vessel owners at the time of landings.
Suboption B: Permit holders.

These two suboptions are only relevant if license is not attached to vessel.

CRITERIA FOR ELIGIBILITY

Alternatives include issuing license to any vessel (or person) who made landings between:

(1) January 1, 1978 and December 31, 1993
(2) Must have made landings between January 1, 1990 and December 31, 1993.

Suboption: Must have made at least 2 landings (per area/species combination) or made total crab landings of 5,000, 10,000, or 20,000 pounds (3 options) in any one year. (In addition to (1) or (2) above).

(3) **Vessel must have fished in three-year prior to June 24, 1992 and/or date of final Council action (depending on option chosen for defining current ownership). If vessel is lost during this period, owner at time of loss is still eligible. The AP added this option.**

TRANSFERABILITY AND OWNERSHIP

Alternatives include:

(1) Licenses could be transferred (sold or leased) only to "Persons" (as defined by Title 46), i.e., U.S. citizens or U.S. owned corporations.
(2) A person may own more than three (3) licenses but may only fish three vessels in a year. **Deleted.**
(3) Vessels must be transferred with license.
(4) License may be transferred without vessel (can apply to "new" vessel).

Suboption: **(a)** Non-transferable across size categories identified above.
(b) Transferable across size categories—analyze system for combining licenses.

BUYBACK PROGRAM (OPTIONAL)

A license buyback program using funds collected through a fee assessment on ex-vessel value of crab. The buyback program would govern all transfers of licenses and would have first right of refusal on licenses to be sold. All licenses purchased by the program would be permanently retired.

COMMUNITY DEVELOPMENT QUOTAS

A license limitation alternative could include CDQ set-asides of up to 15% (range of 0% to 15%) of any or all groundfish/crab species, but only for existing, eligible Bering Sea/Aleutian Islands communities.

OTHER AP RECOMMENDATIONS

(1) **The U.S. Ownership standards should be analyzed for license limitation as well as for quota shares.**

(2) **The AP moved to include the Harvest Priority in the CRP analysis. Motion passed 17/2.**

(3) **The AP moved to include a full retention and utilization plan in the CRP analysis. Motion passed 16/2.**

(4) **There was a lot of discussion about whether these two issues belonged under CRP or under another amendment package. The general consensus was that bycatch management continues to be a significant topic.**

(5) **On a vote of 17/2, the AP makes the following recommendations to the Council:**

- **The Council should take whatever steps are necessary to implement the Moratorium ASAP.**
- **The Council should move quickly as possible to implement a license limitation system, while continuing to move toward a quota share system. Harvest priority, full retention, and other bycatch management techniques, could be used as management tools during as well as after a license limitation system.**

(6) **The AP recommends that the Council direct staff to get information out to the public as early as possible in the analysis process to give all parties involved a better idea as to where they may stand under the options of the CRP plans. This will help to flush out the support, or lack of, for various options well before final decisions have to be made.**

C-1(b) TOTAL WEIGHT MEASUREMENT

The AP recommends the Council instruct NMFS to prepare an analysis on total weight measurement for vessels with 100% observer coverage participating in the open access fishery. This analysis should include:

1. Total weight measurement for all groundfish catch.

2. Total weight measurement by species grouping.

3. Total weight measurement on pollock target vessels only.

4. Expected increases in deadloss of prohibited species resulting from additional time on deck.

The AP also recommends the Council instruct NMFS to prepare an additional analysis on methods to improve measurement of total removals on vessels with less than 100% coverage.

C-2 HALIBUT MANAGEMENT (ATKA PROPOSAL)

The AP recommends that the Council adopt Alternative 2, but change the trip limit to 10,000 pounds. (passed, 10/6)

The major concerns identified during the debate were:

> The AP voted to amend Alternative 2 to address the concern that the 5,000 pound trip limit was too excessive of historic participation. Although the 10,000 pound trip limit reflected the average of all non-local boats' catch, some members were concerned that this would again diminish local participation.

C-4 HALIBUT CHARTER

The AP recommends that the Council continue the Halibut Charter Working Group and that the group provide the Council with a report at the April meeting that includes recommendations on the following:

1. Appropriate regional halibut charter management areas in GOA/BSAI.
2 Elements & options of a moratorium where appropriate.
3. To provide additional detail on the six items identified by the working group.

The AP recommends the Council maintain benchmark date of September 23, 1993. (passed, 13/1)

The AP recommends Council assign a staff person to work with the charter operators. (passed, 13/1)

D-1 NORTON SOUND KING CRAB

The AP recommends that the Council adopt Alternative 2 with the following changes:

1. This regulation would sunset (1) year after final Council action on any major CRP alternative. (passed, 16/1/1)

This recommendation is made as the result of several motions and much discussion. The major concerns identified during the debate were:

1. Proliferation of superexclusive registration area requests.
2. Appropriateness of this tool as compared to tools like pot limits.
3. The relationship between superexclusive areas and the development of license limitation, ITQ, or CDQ regulations.

The AP believes that for Norton Sound King Crab, for now, superexclusive registration is appropriate, but is <u>not</u> appropriate for other Bering Sea crab fisheries.

D-2(b) FULL UTILIZATION

The AP recommends the Council request staff to prepare an analysis paper on Full Utilization which incorporates the following alternatives (from the C-8 memo, page 7 and 8) with the following changes:

In summary, here are some alternative the Council could discuss at this meeting. They are listed in order from least burdensome to most burdensome on the industry. **(Underlined sentence to be deleted.) This recommendation is made because no analysis of the alternative exists, and industry burden is a highly debatable topic.**

Alternative 1: Status quo. Take no action now. Wait for comprehensive rationalization program to come on line and let the problem sort itself out then. **(Underlined sentence to be deleted.)**

Alternative 2: Modified status quo. Use other management approaches such as gear restrictions and time-area closures to address problem, rather than mandating a specified reduction in discard.

Alternative 3: Select several problem species for further consideration of a discard reduction schedule. Pollock, Pacific cod, rocksole, yellowfin sole, and one or two rockfish categories were mentioned above as starting points for discussion.

Suboptions include phasing in the reduction over several years or just in specific fisheries that contribute significantly to the discard problem. The Council would need to set the final goal and timetable of the program (e.g., a 75% reduction in Pacific cod discard by the end of 1997).

Alternative 4: Prohibit all discard (above NMFS retention standards) in 1995 (or again, over some scheduled phase-in).

Alternative 5: **Harvest priority. (The AP recommends that the Harvest Priority be added to the alternatives. Passed, no objection.)**

North Pacific Fishery Management Council

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MINUTES
Scientific and Statistical Committee
January 10-12, 1994

The Scientific and Statistical Committee of the North Pacific Fishery Management Council met January 10-12, 1994 at the Anchorage Hilton. All members were present except Dan Huppert and Marc Miller:

Terrance Quinn, Chair	Keith Criddle, Vice-Chair
Doug Eggers	Susan Hills
Rich Marasco	Phil Rigby
Albert Tyler	Jack Tagart, Admin. Assistant
Harold Weeks	Jim Balsiger, Alternate for Aron

ELECTION OF OFFICERS

Dr. Terry Quinn was elected to his fourth term as Chair/Co-chair and Dr. Keith Criddle to his first term as Vice-Chair.

B-1(b) STELLER SEA LIONS

The objective of the PVA model for Steller sea lions was to determine a time frame for the population to reach a defined extinction level of 10 animals, given the current rate of decline. The model is based on exponential decline functions and as such does not include such elements as feedback mechanisms, changing environmental conditions or density dependent relationships, which might alter the trend. The model was not constructed to predict future population levels, but only to project current population trends into the future. Until scientists can better determine whether the current rate of decline will continue in the future, future population trends cannot be forecast with confidence.

C-1(a) COMPREHENSIVE RATIONALIZATION PROGRAM (CRP)

Council staff presented a review of progress on the CRP analysis. Matt Berman assisted council staff in presenting an update on progress in the development of the linear programming (LP) model to be used in the CRP analysis. The SSC also heard public testimony concerning the CRP from David Allison, Paul Seaton, Bob Childers, Scott Matulich, John Gauvin, Dave Fraser, Paul McGregor, Laura

Jensen, Mark Lundsten, Thorn Smith, Vince Curry, Rob Gudmundson, Arni Thomson, and Bob Mikol. Our comments are organized to correspond with the four action items identified under agenda item C-1(a).

1. Using Retained vs. Total Catch as a Basis for Allocating Quota Shares

Issues related to retained vs. total catch are discussed relevant to two different objectives. One objective is to distribute the initial allocation of quota share (QS) in such a way that it allows prosecution of the fisheries while minimizing the need to sell or trade shares at the onset of ITQ management. This objective (objective 1) is motivated by a desire to constrain costs to prosecute the current target fisheries. An alternative objective (objective 2) is to fairly and equitably determine the actual total catch history of individual vessels, thus providing all participants full credit for all fishery removals over the qualifying time periods whatever they may be.

The SSC believes that quota shares should be administered on the basis of total catch rather than retained catch. However, there are allocational aspects to any initial distribution if total catch is used as the basis for the allocation. The catch records for various sectors of the fishery are variably precise with respect to total catch. All sectors, with the possible exceptions of joint ventures, have records of retained catch. Only the observed segments of the fleet have records on total catch. Consequently, regardless of the objective pursued, total catch has to be estimated for some sectors of the fishery.

Total catch can be computed from the ratio of target to incidental catch, as measured from observed landings, and the best estimate of retained catch for each vessel. While these data sets may be sufficient to estimate the quantity of incidental catch needed to initiate a fishery under objective 1; the estimates of incidental catch are unlikely to be a realistic reflection of historic removals under objective 2.

There are no alternative data sets available to derive unbiased ratio estimates of incidental catch for relevant harvest sectors. Given the data at hand, any estimate of these removals will lack scientific justification and hence will be controversial. The Council may wish to appoint an industry group to provide direction on how to proceed.

2. Processor Considerations

Numerous factors can and will be considered in determining who receives initial share allocations. It's important to recognize that access control will affect wealth, the worth of assets, in both the harvesting and processing sectors. Under a harvester-shareholder-only ITQ system, wealth is foregone by, for example, recent entrants not qualifying for an initial allocation and qualified active participants if their holdings are diluted by liberal qualification standards. Loss of wealth can also occur in the processing sector especially if capital doesn't have alternative uses. In this situation, some processors would be willing to bid the price of raw fish up until they cover only average variable costs. This willingness to pay higher raw fish prices results in redistribution of wealth from processors to harvester shareholders. The degree to which this will occur is difficult to predict, *a priori*, because of lack of information on alternative uses of capital and the relative bargaining power of individual processors and harvesters. However, it recognizes that the potential for redistribution does exist.

Because of the ability of quota share systems to affect the worth of assets, Matulich and other economists argue that worth of assets in both the harvesting and processing sectors should be considered in the initial distribution. A 2-pie initial allocation of separate catching and processing

quota shares or harvesting quota shares allocated to harvesters, catcher processors, and onshore processors are two examples of initial allocations that recognize that the worth of assets will be affected by access control and that there is a potential for redistribution. If the Council is concerned about redistribution between the harvesting and processing sectors, then it would be appropriate to consider those alternatives in the analysis.

Lastly, the SSC notes that each alternative and its associated initial allocations will have a unique set of costs and benefits. We believe that it is not possible to discriminate between initial allocations or among options within an alternative on the basis of net benefits. This is due to uncertainties associated with: (1) data utilized in various analyses and (2) adjustments that shareholders will make after ITQ implementation.

3. Breadth of Alternatives and Feasibility of Analysis Schedule

(a) Adding or Eliminating Alternatives

The SSC heard extensive public testimony in support of and in opposition to the current set of identified alternatives, and additional alternatives. Four additional alternatives were suggested during public testimony: Auctioned IFQs, Processor IFQs, fixed inshore-offshore IFQs, and "traditional" management measures coupled with a harvest priority incentive system. Under the Magnuson Act, the Council is charged with multiple objectives. The goal of maximizing monetary benefits to the nation is better accomplished under an IFQ system than under a license limitation system, although the Council may wish to consider other types of benefits. The guiding principle in adding or eliminating alternatives to be considered in the CRP analysis should be whether they address the issues identified in the Council's problem statement.

(b) Feasibility of Current Schedule

The SSC considers the revised schedule (described on page 5 of the CRP action memo) for the data compilations and analyses required for CRP to be realistic. Nevertheless, we encourage the Council to carefully examine the current and proposed alternatives to ensure that staff resources are focused solely on those alternatives that are policy relevant. Changes in the list of alternatives may necessitate renegotiation of the Social Impact Assessment contract.

(c) Methodological Issues

Council staff indicated that compilation of the data required for the socioeconomic analyses is proceeding on schedule. The SSC heard public testimony regarding the "focus group" approach adopted by AFSC staff to develop representative vessel profiles. Although there was concern that industry members might be reluctant to reveal information about their operating costs in a focus group setting, the alternative to focus group interviews is a formal survey. The development, OMB approval, administration, and evaluation of a formal survey cannot be accomplished in the time frame adopted by the Council for the CPR analysis. Moreover, experience with the inshore-offshore survey does not lead us to be confident that the resulting vessel profiles would be more valid than those developed through focus group interviews. The lack of accurate detailed statistical data on vessel operating characteristics and costs is not unique to the Council fisheries. It is a problem that contributes to the difficulty of analyzing the economics of fisheries throughout the U.S. and worldwide. However, as long as all members of industry are provided with the opportunity to either participate in the focus group sessions or to comment on the resulting representative vessel profiles, the information will be suitable for use in the socioeconomic analyses. Industry members need to be

provided with the opportunity to consider the representative vessel descriptions before the cost and performance data are used to parameterize the LP model.

Members of the SSC economics subcommittee have reviewed and commented on some of the components of the CRP economics research plan. The materials provided by Council staff and by ISER satisfy the SSC's request for more detailed description and theoretical motivation for the modeling approaches to be undertaken in the North Pacific Fisheries Optimization Model (LP) and in the Economic Base model (EBM).

Motivation for the LP model has been considerably improved. However, the SSC remains concerned that the results of the LP model be interpreted with caution. Linear programming models are very useful for identifying small differences in the relative profitability of different economic activities. As such, they are excellent tools for planning production, manufacturing, and scheduling operations. LP models are not designed to predict how production operations will change when the explicit and implicit costs of production change. It is certain that the manner of organizing production will change following changes in technology and changes in the regulatory environment in which the fishery operates. In other words, those fleet segments that are the most profitable under the current management system may not be the segments that are most profitable under alternative management systems. The LP model, as presently contemplated, is suitable for demonstrating the correct direction of change in the overall net benefits to the nation of a change from the status quo to an alternative management regime. Changes from the status quo management can be expected to change the costs of catching fish and change ex-vessel and secondary market prices for fish products. Consequently, the LP model cannot provide an accurate estimate of the longrun total net national benefits of alternative management systems. Transition of the fishery from the status quo towards the longrun dynamic equilibrium will be slowed by the presence of fixed capital assets that have few alternative uses. In other words, the fleet composition would not be expected to instantaneously shift to the LP solution even if ex-vessel prices and operating costs were unchanged post-implementation.

The SSC has not received final manuscripts describing the Economic Base (EBM) or input-output (IO) models. The draft EBM manuscript provided to the SSC in December was nearly complete. Although members of the SSC's economics subcommittee have suggested that the author provide some additional clarification, it is not expected to lead to any modification of the models. Statistics describing model performance indicate that the models are sufficiently reliable to be used in the CRP analysis.

4. Post 1995 Management

Under the revised schedule for analysis, it seems likely that the current Inshore-Offshore fixed allocation will sunset prior to implementation the CRP. Implementation of the Inshore-Offshore allocation changed the value of assets in the offshore and onshore sectors. Lapse of the Inshore-Offshore allocation can be expected to again change asset values. Alternative CRP management measures will similarly affect the value of assets invested in the various sectors of the fishery.

C-1(b) TOTAL WEIGHT MEASUREMENT

The SSC received a report from Sally Bibb on the NMFS analysis of methods to measure total weight of species caught. The central issue which needs to be addressed is the level of accuracy needed to manage and enforce multiple, distinct species quotas at the level of individual harvesters. At the present time, there appears to be no technique providing sufficient accuracy for enforcement of multi-species ITQ's other than weighing all components of catch. Implementation of a multi-species

management regime will require weighing all catch components. The SSC notes that this requirement will represent significant economic and allocative impacts to various fleet components. These issues need to be addressed in the CRP analysis.

C-1(c) PROPOSED PLAN AMENDMENT

Given the problems with economic cost data mentioned above, the SSC believes that an amendment to the groundfish data plan is needed. Analysis of the monetary benefits of plan amendments has been and continues to be crippled by the lack of accurate data regarding the costs and performance characteristics of fishing operations. Surveys and focus group interviews are a poor substitute for a comprehensive database. The SSC urges the Council to prepare an amendment requiring annual submission of cost and performance data for all sectors of the fishing industry. These data will enable Council and Center staff to predict the local, regional, and national impacts of proposed plan amendments with much greater accuracy.

C-2 HALIBUT MANAGEMENT

Council staff summarized contents of the Environmental Assessment and Regulatory Impact Review/Initial Regulatory Flexibility Analysis for the IPHC Area 4B management proposal submitted by the Atka Fishermen's Association. The SSC notes that the alternatives under consideration were analyzed appropriately within limits of available data. The summary on page 2 gives good account of the merits and drawbacks of the various alternatives. The SSC has no preferred alternative.

C-4 RESEARCH PRIORITIES

The SSC reviewed research recommendations made by the groundfish and crab teams. The SSC drew from these and last year's Research Priorities in developing this year's list. The SSC emphasizes that this selection of projects is in addition to the ongoing NMFS programs. There is no suggestion that programs NMFS considers as baseline work should be curtailed. The SSC requests 2 or 3 pages of comment on research progress from agencies responding to these priorities. It would be useful to have this report prior to the January, 1995 SSC meeting.

A. Critical Assessment Problems

1. Rockfish. There is a general need for better assessment data, particularly investigation of stock structure and biological variables. These activities are included in the AFSC Rockfish Research Plan.

2. Walleye pollock. There is a continuing need for research on stock structure as it relates to assessment. Also, an age-structured analysis of the Aleutian Island stock should be done. An age structure analysis has not yet been presented, though requests were previously made. Assessment of the status of the Gulf of Alaska resource is critically dependent upon results of resource surveys. Currently, these surveys are conducted every three years. The usefulness of various ways of supplementing the triennial survey data should be evaluated.

3. Crab research. Research should be expanded on handling mortality, stock structure and life history parameters.

4. Age- and length-structured assessments: These assessments integrate several data sources using some weighing scheme. Little research has gone into evaluation of different weighing schemes, although the weight can have a large effect on the assessment results. Research is needed on which weighting schemes are robust to uncertainties among the different data sources.

5. Maturity data are lacking and will be required for application of the stock synthesis model, and determination of ABC and overfishing on the following: Pacific cod, Dover sole, other flatfish, sablefish.

The SSC notes also that additional studies are needed on ageing techniques and age validation of several species. Stock identification research should be conducted on Atka mackerel, walleye pollock, POP and other rockfish.

B. Improved stock surveys

1. Improvements in surveys can sometimes be made without great increase in cost. Rockfish, Atka mackerel, and pollock surveys are in the category for which improved statistical sampling design may result in improved data.

2. Calibrations should be carried out between the two longline surveys for sablefish, and between trawl survey data and longline survey data.

3. Explore the possibility of fishing surveys by organizing joint agency and commercial fishing effort.

4. Increased emphasis should be put on deepwater longline surveys for Greenland turbot, and also thornyheads.

5. Develop a new trawl/pot survey for Bering Sea crab complimentary to the existing Bering Sea crab/groundfish survey. There are many problems with the current survey's ability to assess crab, since the surveys were designed primarily to assess groundfish. These problems can be addressed with a separate survey designed to assess crab. The new survey will enable the use of gear designed to assess crabs, provide the ability to assess stocks currently not surveyed (i.e., stocks associated with the Alaska Peninsula and Aleutian Island areas), expand surveys for stocks that are currently incompletely assessed (Island stocks and Norton Sound), and complement current surveys of red king crab, Bairdi crab, and Opilio crabs by providing estimates of catchability for these species.

6. There is need to verify longline survey abundance indices with direct observation.

C. Expanded Ecosystem Studies

1. Because of the importance of marine mammal and seabird considerations in fisheries management, further studies are needed on interactions among fisheries, marine mammals, and seabird populations. In particular relationships should be explored between oceanographic conditions and feeding conditions in relation to animal condition and health. Research should be done on age-specific mortality. Effort is

needed on status of stocks and distribution of forage fishes, such as capelin, eulachon, and sand lance.

2. Trophic dynamics research should be undertaken on the relationships among critical species, e.g. Pacific cod and its prey (shrimp and crabs); and particularly the possibility that the large arrowtooth flounder stocks may interfere with the productivity of more valuable species. There may also be a linkage between population increases of arrowtooth flounder and pinniped declines due to competition for prey.

3. Groups of species in the rockfish and flatfish families are now managed as "species complexes." Research should be expanded on the question of biological linkages among the components of "species complexes" that justify this management approach. Further, are there other, unidentified groups of species that are ecologically related and could be managed as a unit? Assemblage management has to be evaluated to determine its ecological validity.

D. Socioeconomic research

1. There is a critical need for the development and continued maintenance of basic economic information databases on the fisheries of GOA and BS/AI. This information is required for establishing a baseline to be used in the evaluation of the impacts of alternative management measures (see SSC recommendation in section C-1(a) of these minutes). At a minimum there is a need for reliable information on:

   (a) the cost and revenues of fishing operations,
   (b) the nature, magnitude and location of where goods and services are purchased,
   (c) the nature of markets for various fish products,
   (d) ownership of fishing and processing operations,
   (e) and the nature of relationships between harvesting and processing sectors.

2. Research pertinent to assessment of the social impacts of actions contemplated by the Council include:

   (a) Social Assessments: Selected community and industry assessments should be conducted to establish baseline conditions underlying social problems identified by, the Council and the Advisory Panel. As appropriate, these projects can be extended to generate time series information.

   (b) Social Impacts: Social impact and policy research should be conducted regarding the identification and potential effects of alternative management actions.

E. Bycatch problems

1. Gear research should be expanded on methods of reducing bycatch, and fishing gear design that would make fishing methods more selective. Trawl mesh experiments are one area of promise, but gear design engineering and biology should be conducted within the broadest and most imaginative context.

2. A better quantification of discard mortality rates of Pacific halibut is needed.

3. Fisheries catch and effort data should be reviewed to determine whether selected time/area closures could reduce bycatch.

F. Alaska Fishery Monitoring

1. An analysis of the utility of fishery logbook information should be conducted.

2. Observer data would be more credible in stock assessments if NMFS were authorized to determine the dates and localities for observer coverage of vessels in the 30% coverage category. More meaningful analysis could then be pursued.

D-1 NORTON SOUND CRAB

The SSC reviewed the EA/RIR/IRFA for area registration in the Norton Sound red king crab fishery. The analysts have addressed the issues identified in our December 1993 minutes by conducting additional analyses assuming that large and small vessels faced identical prices. In addition, the analysts have provided a more detailed discussion of management and enforcement costs under the different alternatives.

The SSC agrees with the summary and conclusion section of the draft document that there are major differences between alternatives regarding who will participate in the fishery. Under Alternative 2, the fishery is likely to be prosecuted over a relatively long season by small locally-based vessels. Under either the status quo or Alternative 3, large Bering Sea crab vessels are likely to take the GHL in a short season of a few days.

Costs to manage the fishery are likely to be less under the superexclusive regime of Alternative 2. This fishery would be managed by existing staff in Nome, and would likely not require costly aerial enforcement efforts or other expenditures not included in the base budget of existing staff.

The summary paragraph of the document asserts that "superexclusive registration is expected to result in greater benefits to the nation than either the status quo or exclusive registration". The SSC believes that this conclusion is overstated. The representativeness of data contained in Table 17 (in particular, CPUE and price data) used in the net revenue analysis is a concern. The results of the sensitivity analysis contained in Table 20 indicate that the model is sensitive to these two inputs. Therefore, caution is warranted in using the results. The SSC has no preferred alternative.

D-2(a)(1) TERRA MARINE'S EXPERIMENTAL FISHING PERMIT

Shari Gross, HANA, provided testimony indicating a desire to have data collected during the experimental fishery analyzed to determine if retention reduces bycatch. The SSC believes that such an analysis would be useful.

D-2 SALMON BYCATCH

The SSC heard a report by the Alaska Department of Fish and Game on the status of Western Alaska-Bering Sea chum salmon stocks. The SSC notes that chum salmon runs throughout Western Alaska and Bering Sea areas were low in 1993. Fishery management actions to conserve stocks in

the face of the weak 1993 run produced disastrously low commercial and subsistence catches. Certain stocks in the Northern Norton Sound and Yukon River areas have been weak for a number of years and escapement levels have generally been below escapement goals for those areas.

The SSC also heard a report by the National Marine Fisheries Service on the unusually large bycatch of chum salmon in the third quarter 1993 B-season pollock/Pacific cod fishery. The 1993 chum salmon bycatch levels and rates were 5 times the previous year's values. A preliminary examination of the timing and length frequency distributions of the bycatches indicate that they were a mixture of 2 and 3-ocean age immature chum salmon. Determination of exact age composition would require further analysis (i.e., comparison with available age-length information for chum salmon). Nevertheless, these fish could not contribute to escapement until 1994 at the earliest. The SSC does not know the exact origin of chum salmon taken in the bycatch nor the factors contributing to the recent increase in bycatch. Moreover, there are insufficient data to determine what percentage of the bycatch was comprised of Western Alaska chum. From the above information, it can be said that the recent increase in bycatch has not affected the coincident declines in Western Alaskan escapement.

The SSC also heard a status report by National Marine Fisheries Service on the salmon bycatch initiative.

D-2(c) OPILIO CRAB BYCATCH

The SSC received a report from Council and NMFS staff on C. opilio bycatch in crab and groundfish fisheries. Bycatch in the groundfish fisheries is concentrated in statistical areas 513 and 514; bycatch rate is not indicated to vary significantly with time of year. Size information was not presented in the reports. The SSC cautions that the bycatch numbers presented for the two fisheries are not directly comparable, because the groundfish fisheries likely take smaller, younger C. bairdi and C. opilio crab.

OTHER ISSUES

Halibut Bycatch Survival/Sorting Experiment

Gregg Williams, IPHC, described the objectives, experimental design, types of data collected and preliminary results for this experiment. The SSC looks forward to receiving the final report for this project.