

MEMORANDUM

TO: Council, SSC, and AP
FROM: Chris Oliver *Chris*
Executive Director
DATE: December 2, 2002
SUBJECT: Staff Tasking

ESTIMATED TIME
2 HOURS

ACTION REQUIRED

Review tasking and Committees and provide direction as necessary

BACKGROUND

Over the past several meetings the Council has initiated a limited number of new amendments or analyses, due to the press of other, ongoing business. Attached (Item D-2(a)) is a summary of the status of Council projects, a three-meeting outlook, and an updated list of Council Committees and their status. In addition to reviewing the list of ongoing projects and their status, I would like for the Council to review the status of the various Committees, as they represent a significant investment of staff resources.

Also attached (Item D-2(b)) are letters/proposals received which are requesting the Council to initiate new plan or regulatory amendments. There are two letters related to IFQ 'fish-up/fish-down' provisions among vessel classes, suggesting allowing fishing down in Area 2C, and fishing up from C to B class in all areas. Given that there are existing amendments to the IFQ program already in the hopper (awaiting staff resources or prioritization). I suggest these be forwarded to the IFQ Implementation Committee for consideration, relative to other proposed amendments. There is also a letter from CBSFA requesting the Council to initiate a Community IFQ purchase program for St. Paul and St. George, similar to the program recently approved for the Gulf of Alaska.

There is a letter from Terry Haines, Kodiak, requesting the Council to establish a fishermen's insurance fund from a 12% share of each rationalized fishery, and another letter, from Norman Stadem citing additional support for his previous letter (recently included in a Council mailing), suggesting "compensation for disenfranchised halibut fishermen" (who were excluded from the halibut IFQ allocations or received limited QS).

Finally, relative to the Council's regulations defining halibut subsistence fisheries, there is a letter from Mr. David Tyner requesting the Council to add Ninilchik to the list of eligible communities for purposes of halibut subsistence. Since the Council's action on this issue, the Federal Subsistence Board has established a C&T finding for that area. According to the Council's program, a community receiving such a designation could then petition the Council for inclusion. It appears that a regulatory amendment will be required to accomplish this inclusion, for Ninilchik or any other community, rather than a simple adjustment to the

← 1/1/03
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regulations now being prepared. The Council is scheduled to review the proposed rule for the subsistence package at their April 2003 meeting in Anchorage. The Council could wait until April to address this and any other subsistence related issues, or you could initiate a regulatory amendment at this time.

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Council Project Summary Updated November 28, 2002

Mandated Actions	Projected Weeks	Council/ NMFS %	Comments
1 Programmatic Groundfish SEIS (revision)	16	20/80	Finalize alternatives for analysis in June 2002 (Diana E.)
2 FMP Updates	3	90/10	Concurrent with DPSEIS (Diana S./Jane)
3 EFH EIS	16	40/60	Major project through mid 2003 (David/Cathy)
4 Crab FMP EIS	8	50/50	Initial review in February/April (Mark, Chris)
5 Pribilof Blue King Crab Rebuilding	2	30/70	Initial review in April (David/Diana S./ADF&G)

Council Priorities *Bold =Highest priority

6 BSAI Crab Rationalization Trailing Amendments*	5	90/10	Review in December/February. (Mark/Darrell)
7 Halibut Subsistence (new reg amendments/BOF mtgs)*	1	95/5	Review proposed regulations in April (Jane).
8 IR/IU flatfish adjustments	2	80/20	Final action in October to delay implementation
9 IR/IU flatfish trailing amendments* (includes bycatch coops)	8	50/50	Initial review in February/April (Jon/Contract)
10 AI Pollock	2	20/80	Discussion paper in April
11 SSL Trailing Amendment* (AI pollock/Barnabas/Canton)	1	10/90	Final action in October (Dave/Cathy)
12 SR/RE retention*	2.5	80/20	Not started. (Jane/NMFS)
13 Halibut Charter IFQ/GHL	3	100/0	Preparing for SOC submittal (Jane)
14 GOA Rationalization	?	90/10	Discuss in Dec - Council direction (Jane,Mark+contract help) Major Project
16 Other Species (non-target, CDQ aspects, sharks/skates)	8	40/60	Further analysis required (NMFS/Council Staff) Review spring of 2003. (Jane)
17 Additional P. Cod sideboards (Prichett proposal)	2	100/0	Final action in December (T) (Jon)
18 Observer Program (long-term)	?	50/50	Committee report in February (Nicole/Chris)
19 Community based QS (GCCC buy in proposal)	1	90/10	Requires finalizing for SOC submittal. (Nicole)
20 CDQ Amendment (policy committee)	2	50/50	Further work required for SOC submittal. (Nicole)

Other Projects Previously Tasked

21	BSAI Amendment 64 - P.cod fixed gear allocations	6	90/10	Sunsets December 31, 2003 - Initial review in April (Jon/Darrell/Nicole)
22	GOA Salmon Bycatch Caps	8	80/20	Tasked but on hold pending GOA rationalization progress.
23	TAC Setting Process	2	10/90	Discuss alternatives in February (Jane)
24	Opilio VIP	2	50/50	Not started
25	Catch/bycatch disclosure (vessel level)	2	70/30	Discussion paper - Postponed
26	Scoping paper on fee/loan program for IFQ Charter (NMFS?)	1	10/90	Pending SOC review of program
27	F ₄₀ Independent Review	1	90/10	Review in December (David).
28	Independent Legal Review	2	100/0	Clarification pending (Chris).
29	Groundfish overfishing definitions	3	10/90	MSST status still under review

Potential New Projects or Lower Priority Projects

30	AFA s/b caps to quotas and trawl LLP recency	10	80/20	Pending further Council direction and staff availability
31	IFQ amendments (1999)	4	90/10	Pending Staff availability
32	Charter IFQ Community Set-Aside	4	90/10	Pending Council Direction
33	Industry proposal for pollock bycatch	?	90/10	Pending proposal and Council Direction
34	Ecosystem Report for Ocean Commission	0	90/10	Assistance from NPRB/NMFS (complete)
35	Other SSL Trailing Amendments	?	50/50	Pending Council Direction
36	CDQ review process	?	50/50	Pending Council Direction

NPFMC COMMITTEES AND WORKGROUPS

Updated: September 25, 2002

BSAI Crab Binding Arbitration Committee

Appointed: 4/18/02 <u>Status:</u> Active Staff: Mark Fina	Co-Chair: John Garner Co-Chair: Jake Jacobsen Gordon Blue Walt Christensen Lance Farr	Terry Leitzell Garry Loncon Gary Painter Joe Plesha Joe Sullivan
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BSAI Crab Data Collection Committee

Appointed: 4/18/02 <u>Status:</u> Active Discussion Leaders: Darrell Brannan Mark Fina	Terry Cosgrove John Garner Kevin Kaldestad Terry Leitzell	Gary Painter Joe Plesha Glenn Reed Doug Wells
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BSAI Crab Captain QS Committee

Appointed: 7/9/02 <u>Status:</u> Active Staff: Mark Fina	Chair, Stosh Anderson Tom Suryan Rick Shelford Coleman Anderson Barney Olsen Dan Jansen	Walt Christensen David Hillstrand John Klemzak Tom Gibson Kevin Kaldestad
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BSAI Crab Community Protection

Appointed: 10/29/02 <u>Status:</u> Active Staff: Mark Fina	Chair, Dave Hanson John Garner Steve Minor Frank Kelty Linda Freed Pat Carlson	Jeff Steele Jon Hickman Bob Juettner Max Malavansky
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NPFMC COMMITTEES AND WORKGROUPS

Updated: September 25, 2002

BSAI Crab Rationalization Committee

Appointed: 12/15/00 Last update: 10/25/01 <u>Status:</u> Deactivated pending analysis and further Council direction. Staff: Mark Fina	Chair: Dave Hanson Gordon Blue Paula Brogdan Tom Casey Terry Cosgrove John Garner Don Giles Leonard Herzog Kevin Kaldestad Frank Kely Linda Kozak	Steve Minor Brent Paine Gary Painter Joe Plesha Dale Schwarzmiller Jeff Steele Jeff Stephan Tom Suryan Arni Thomson Karen Wood-Dibari
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CDQ Policy Committee

Appointed 2/16/01 <u>Status:</u> Action Complete. Still necessary? Staff: Nicole Kimball/Sally Bibb	Chair: Rick Lauber Ragnar Alstrom Eugene Asicksik Greg Baker John Bundy Jeff Bush Morgen Crow Phillip Lestenkof John Moller Robin Samuelsen
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Community QS Purchase Implementation Team

<u>Status:</u> Pending Appointment

Council/Board of Fisheries Joint Protocol Committee

Last update: 10/25/01 Staff: Chris Oliver	Dennis Austin Grant Miller Russell Nelson Hazel Nelson Stosh Anderson
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NPFMC COMMITTEES AND WORKGROUPS

Updated: September 25, 2002

Crab Interim Action Committee

[Required under BSAI Crab FMP]

Dennis Austin, WDF Jim Balsiger, NMFS Kevin Duffy, ADF&G
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Ecosystem Committee

Last update: 10/25/01 <u>Status:</u> Meet as necessary Staff: David Witherell	Chair: David Fluharty Stosh Anderson Dorothy Childers Tony DeGange Dan Falvey George Hunt, Jr. Patricia Livingston Donna Parker	<u>Other Staff Support</u> Steve Davis Doug Eggers
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Enforcement Committee

Last update: February 2000 <u>Status:</u> on hold pending reconstitution Staff: Jane DiCosimo	Chair: Dave Hanson Garland Walker Rich Preston Jeff Passer Al Cain John Gavitt Dan Ito Sue Salveson	<u>Other Staff Support</u> Lisa Lindeman Jay Ginter John Lepore Gregg Williams
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Essential Fish Habitat Committee

Appointed: 5/15/01 Last Update: 10/25/01 <u>Status:</u> Active Staff: Cathy Coon	Chair: Linda Behnken Vice Chair: Stosh Anderson Gordon Blue Ben Enticknap John Gauvin Earl Krygier Heather McCarty Glenn Reed Michelle Ridgway Scott Smiley John Kurland
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NPFMC COMMITTEES AND WORKGROUPS

Updated: September 25, 2002

Finance Committee

Last Update: 10/25/01 <u>Status:</u> Meet as necessary Staff: Gail Bendixen/Chris Oliver	Chair: David Benton Dennis Austin Jim Balsiger Kevin Duffy Dave Hanson Roy Hyder Richard Marasco
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GOA Working Group

Appointed February 2002 Last Update: 2/20/02 <u>Status:</u> Active Staff: Jane DiCosimo	Co-Chairs: Stosh Anderson Stephanie Madsen	Julie Bonney Dorothy Childers Dan Falvey Beth Stewart
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Halibut Charter IFQ Implementation

<u>Status:</u> Pending Appointment

Halibut Subsistence Committee

<u>Status:</u> Meet as necessary Last Update: 1/7/02 Staff: Jane DiCosimo	Chair: Robin Samuelsen David Bill Theodore Borbridge Arne Fuglvog Adelheid Herrmann	Jennifer Hooper Brett Huber Dan Hull Matt Kookesh Flore Lekanof
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IFQ Implementation & Cost Recovery Workgroup

<u>Status:</u> Reconstituted as shown (October 2001). Staff: Jane DiCosimo	Chair: Jeff Stephan Bob Alverson Beau Bergeron Norman Cohen Arne Fuglvog Dennis Hicks	Don Iverson Jack Knutsen Don Lane Gerry Merrigan Kris Norosz Paul Peyton
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NPFMC COMMITTEES AND WORKGROUPS

Updated: September 25, 2002

IRIU Technical Committee

<p>Appointed: 07/12/02</p> <p><u>Status</u>: Active</p> <p>Staff: Chris Oliver, Jon McCracken Marcus Hartley, Northern Econ. Bob Trumble, MRGA Americas</p>	<p>Chair, Dave Hanson Michelle Ridgway Susan Robinson John Henderschedt Donna Parker</p>	<p>Teressa Kandianis Matt Doherty Bill Orr Geoff Shester</p>
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Magnuson-Stevens Act Reauthorization Committee

<p><u>Status</u>: Pending appointment of additional members.</p> <p>Staff: Chris Oliver</p>	<p>Chair: David Benton Dennis Austin</p>
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Observer Advisory Committee

<p>Last update: August 2002</p> <p><u>Status</u>: Active</p> <p>Staff: Chris Oliver/ Nicole Kimball</p>	<p>Chair: Joe Kyle Julie Bonney Pete Risse Kim Dietrich [Alt: Gillian Stoker] John Gauvin LeeAnne Beres Rocky Caldero</p>	<p>Trevor McCabe Bob Mikol Kathy Robinson Susan Robinson Jeff Stephan* Arni Thomson *Pending replacement</p>
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Pacific Northwest Crab Industry Advisory Committee

<p>Last Update: 12/12/01 3/5/02-Election of Officers</p> <p>Staff: David Witherell</p>	<p>Chair: Gary Painter David Benson Keith Colburn Lance Farr Phil Hanson Larry Hendricks Kevin Kaldestad</p>	<p>Garry Loncon Rob Rogers Clyde Sterling Gary Stewart Arni Thomson, Secretary [non -voting]</p>
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NPFMC COMMITTEES AND WORKGROUPS

Updated: September 25, 2002

Socioeconomic Data Committee

Last update: 10/25/01 <u>Status:</u> Idle pending Council direction Staff: Mark Fina	Chair: Dennis Austin Keith Criddle John Gauvin	Jeff Hartman Seth Macinko Richard Marasco Ed Richardson
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Steller Sea Lion Mitigation Committee

Appointed: 2/10/01 Updated: October 2001 Pending membership adjustment [formerly SSL RPA Committee; renamed at Feb 02 meeting) Staff: David Witherell	Chair: Larry Cotter David Benson Jerry Bongen Shane Capron David Cline Tony DeGange Doug Demaster Wayne Donaldson Steve Drage John Gauvin	Sue Hills Gerry Leape Terry Leitzell Matt Moir Alan Parks Fred Robison Bob Small Beth Stewart Jack Tagart John Winther
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Steller Sea Lion Steering Committee

Appointed: 12/13/00 Staff: Chris Oliver	Chair: David Benton Dennis Austin Jim Balsiger Kevin Duffy
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U.S.-Russia International Committee

<u>Status:</u> Pending reconstitution. Staff: Chris Oliver	Chair: David Benton Dennis Austin David Fluharty
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VMS Committee

Appointed: 06/02 <u>Status:</u> Active Staff: Jane DiCosimo	Chair: Earl Krygier Capt. Rich Preston Al Burch Ed Page	Bob Mikol Lori Swanson Guy Holt
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DRAFT NPFMC Three Meeting Outlook

December 2, 2002 Anchorage	January 27th, 2003 Seattle	March 31, 2003 Anchorage
Ecosystem: Panel Discussion	AFA Coop Reports: Review	
Final Groundfish Specifications: Final Action for 2003		
F40 Report: Review Final Report		
BSAI Rockfish: Discussion Paper	BSAI Rockfish: Discussion Paper	
	Non-Target Species Management: Progress report	Non-Target Species Management: Initial Review (T)
Pribilof Blue King Crab Rebuilding: Direction		Pribilof Blue King Crab Rebuilding: Initial Review
Crab Rationalization: Committee reports and identification of preferred alternatives for trailing amendments	Crab Rationalization: Committee reports and identification of preferred alternatives for trailing amendments	
Crab EIS: Discuss Alternatives	Crab EIS: Initial Review	Crab EIS: Review progress
VMS: National Committee report (T)		
	Flatfish IRIU Trailing Amendments (C&D): Initial Review	Flatfish IRIU Trailing Amendments (C&D): Final Action
		Flatfish IRIU Trailing Amendments (A&B): Initial Review (T)
BSAI Am 64 - Fixed Gear Cod Split: Finalize Alternatives		BSAI Am 64 - Fixed Gear Cod Split: Initial Review
SSL: National Academy of Science report		SSL Trailing Amendment for AI: Initial Review
GOA Rationalization: Committee Report and Direction	GOA Rationalization: Finalize alternatives for EIS	GOA Rationalization: Action as necessary
	GOA Salmon Bycatch: Discussion/Direction	
TAC-setting Process: Discussion of Alternatives (T)		TAC-setting Process: Initial Review (T)
	Observer Program: Discussion/Direction	Observer Program: Action as necessary
	DPSEIS: Progress Report (T)	DPSEIS: Preliminary Review (T)
GHL/IFQ: SSC Review and Report		
P. cod Sideboards: Final Action (T)		Halibut Subsistence Program: Review Proposed Rule
EFH: Clarify Mitigation Alternatives for Analysis	EFH: Progress Report	EFH: Preliminary review (T)

TAC - Total Allowable Catch
 BSAI - Bering Sea and Aleutian Islands
 IFQ - Individual Fishing Quota
 AFA - American Fisheries Act
 HAPC - Habitat Areas of Particular Concern
 LLP - License Limitation Program
 PSC - Prohibited Species Catch

MSA - Magnuson Stevens Act
 GOA - Gulf of Alaska
 SSL - Steller Sea Lion
 GHL - Guideline Harvest Level
 SEIS - Supplemental Environmental Impact Statement
 CDQ - Community Development Quota
 IRIU - Improved Retention/Improved Utilization

SAFE - Stock assessment and fishery evaluation
 VMS - Vessel Monitoring System
 CV - Catcher Vessel CP- Catcher Processor
 MSST - Minimum Stock Size Threshold
 FMP - Fishery Management Plan
 PGSEIS - Programmatic Groundfish SEIS
 (T) Tentatively scheduled

PFMC

72402

Dear David Benton;

To be equitable, fishing down IFQ's for sablefish and halibut should be allowed in the east Yukutatot and 2C areas as it is in other areas of the state. My proposal is that such be the case. Please reference this to other proposals recommended for areas 3B 4A & 4B in 1999 by the IFQ implementation committee.

Sincerely,

Gary Mulligan

GARY MULLIGAN

PO BOX 8082

PORT ALEXANDER, AK
99836

907-568-2237

RECEIVED

AUG - 1 2002

N.P.F.M.C

Sept. 20, 2002

NMFS
Council Members
Chairman Dave Benton
605 W. 4th Ave.
Anchorage, AK 99501

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SEP 23 2002

N.P.F.M.C

Dear Council Members

The Councils recent action that allows communities (CD) to purchase QS, for which the vessel class designations to not apply has compounded previous action when the Council allowed the fishing down regulation. We would like to recommend to Council to consider adding an analysis allowing "fish up" on vessel class B from class C. We would like to recommend that Council add this analysis to the suit of proposed IFQ changes recommend for analysis.

We are a B class vessel, B class vessels are the only class fishing vessel that is locked into one class of quota. We have a harder time finding shares to buy. The new proposed regulation for the communities to purchase QS has the versatility to fish all vessel classes from one vessel. We only want a fair playing field. We have crewmen wanting to come aboard our vessel to fish their quota but we are unable to hire them as they have class C quota. The B class shares are harder to find to purchase and they are most costly, because a B, C, or D class vessel can fish them. The B class vessel can only fish B quota. The C class vessel can fish B & C quota class The D class can fish B, C or D class quota. As a B class vessel owner we are appealing to you to let the B class vessel owner have the versatility that the other class vessels have and now the communities (CD) have. We are the most down trodden Class of vessel for all of the regulation imposed to date regarding Fish Down and not Up. Please consider the "Fish Up" from C to B class. This new action for the communities (CD) only compounds this for us.

We do not have legal representation, but would ask the Council to understand we are a viable part of this industry. We are not highly educated, but are grounded in our livelihood of commercial fishing; please consider this in your recent actions.

Thank you,

Thomas D. Branshaw *Thomas D. Branshaw*
Denise J. Branshaw *Denise J. Branshaw*
PO Box 571
Cordova, Alaska 99574
907-424-7344
F. V. Northern Mariner
northernmariner@hotmail.com



SPECIAL NOTICE

To All Holders of Catcher Vessel
Individual Fishing Quota (IFQ)



"FISH-DOWN" AMENDMENT FINALIZED

Notice Revised March 31, 1997

Please be advised that the regulations for IFQ fishing [50 CFR, Part 679] have changed. Effective immediately, and with the exception noted below, persons who hold IFQ in catcher vessel categories "B" or "C" may harvest their IFQ halibut or sablefish on vessels with a length overall that is equal to, or less than, the maximum length overall (LOA) permitted under the prior regulations. The following table displays this change.

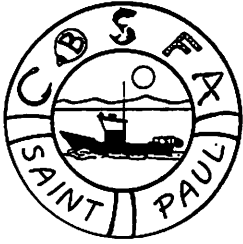
Catcher Vessel IFQ Category	To Harvest (Species)	May Now be Fished on a Vessel of the Following Maximum LOA
"B"	Halibut	B, C, or D category vessel (No LOA limit)
"C"	Halibut	C or D category vessel (60 feet LOA limit)
"D"	Halibut	D category vessel only (35 feet LOA limit)
"B"	Sablefish	B or C category vessel (No LOA limit)
"C"	Sablefish	C category only (60 feet LOA limit)

EXCEPTION FOR AREA 2C HALIBUT AND AREA SE SABLEFISH

Under the new rules, certain "B" category IFQ may NOT be fished down. The exception is the Area 2C halibut fishery and the Area SE "Outside" (East of 140° W. Longitude) sablefish fishery. In those fisheries, Vessel Category "B" IFQ derived from unblocked QS, or blocks of catcher vessel QS that yield 5,000 pounds or more of 1996 IFQ (i.e., blocks of QS that are equal to or greater than 33,320 halibut QS units and equal to or greater than 33,270 sablefish QS units) may NOT be "fished down." Such IFQ must be fished on the vessel category for which it has been issued.

Questions about these changes may be directed to the Alaska Region, National Marine Fisheries Service (NMFS), Restricted Access Management (RAM) Division. The Division can be reached at the address and telephone/facsimile numbers set out below.

Restricted Access Management (RAM) Division • P.O. Box 21668 • Juneau, AK 99802-1668
Tel: 800-304-4846 • Fax: 907-586-7354 • Internet: <http://www.fakr.noaa.gov>



CENTRAL BERING SEA FISHERMEN'S ASSOCIATION

Post Office Box 288 ▲ St. Paul Island, Alaska 99660 ▲ Phone (907) 546-2597 ▲ Fax (907) 546-2450

November 18, 2002

Chris Oliver, Executive Director
North Pacific Fishery Management Council
605 West 4th, Suite 306
Anchorage, AK 99501

RECEIVED
NOV 20 2002
N.P.F.M.C

Dear Mr. Oliver:

For the past several years, the Central Bering Sea Fishermen's Association (CBSFA) has been working to stabilize the local economy of St. Paul Island by attempting to expand our local halibut fishery. With the exception of the 2002 season due to slow fishing, our local fleet has landed entirely all of the CBSFA CDQ halibut allocations since the program began in 1995. CBSFA has also increased the local IFQ ownership (and landings) through loans to our fishermen to purchase halibut IFQ quota shares.

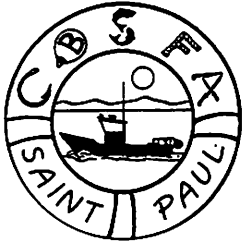
However, it is not easy for many of our local fishermen to secure large loans to purchase significant amounts of IFQ quota shares. Also, the IFQ Program has quota share block and vessel category regulations that restrict the amounts of quota shares available in Area 4C to our local fishermen.

We have watched with great interest as the Council developed and approved the Gulf of Alaska IFQ Purchase Program. We are in support of the basic principles of the GOA program and now ask that the Council consider a similar program specifically for the communities of St. Paul and St. George. CBSFA is submitting a proposal requesting that the NPFMC (Council) allow Area 4C Halibut IFQ Quota Share Purchase by our communities to expand halibut fishing jobs, landings and local processing in our communities to work towards developing sustainable economies.

I have attached the CBSFA proposal and ask that you add it to the Council's current list of proposals to be added to the Councils agenda and that it be included under staff tasking on the agenda at the December 2002 meeting for consideration. Thank you.

Sincerely,

Phillip Lestenkof, President



CENTRAL BERING SEA FISHERMEN'S ASSOCIATION

Post Office Box 288 ▲ St. Paul Island, Alaska 99660 ▲ Phone (907) 546-2597 ▲ Fax (907) 546-2450

November 18, 2002

CBSFA Proposal for Purchase of Area 4C Halibut IFQ Quota Shares by Communities

CBSFA proposes that the North Pacific Fishery Management Council (Council) allow the Pribilof Island communities of St. Paul and St. George to purchase and hold Area 4C halibut IFQ quota shares for use by community residents as defined by the following elements and options.

Element 1. Eligible Communities

The Pribilof Islands communities of St. Paul and St. George.

Element 2. Ownership Entity

The CDQ Group representing the eligible community.

Element 3. Halibut Regulatory Area

Area 4C

Element 4. Purchase and Sale Restrictions

1. Exempt Quota Shares Block and Ownership Cap Restrictions
 - a. Allow CDQ Group to purchase blocked and unblocked quota shares.
 - b. Exempt CDQ Group from the quota shares ownership block and cap restrictions.
 - c. Quota shares block restrictions are retained if the CDQ Group sells quota shares.
2. Exempt Vessel Category Restrictions
 - a. Quota shares purchased and held by CDQ Group under this program will be exempt from vessel category restrictions.
 - b. Vessel category restrictions are retained if the CDQ Group sells the quota shares.
3. Sale Restrictions

CDQ organizations may only sell their quota shares for one of the following reasons:

 - a. Financial hardship to be determined by the CDQ group board of directors.
 - b. Transfer quota shares to residents of eligible community.

Element 5. Performance Standards

CDQ Group participating in the program must adhere to the following performance standards:

1. Use of quota shares purchased under this program shall be limited to residents of the eligible CDQ community.
2. Quota shares acquired under this program must be landed in Area 4C community.
3. CDQ Groups must manage the use of quota shares in compliance with the program guidelines to be developed by the Council.
4. Insure that quota shares are equitably distributed to community residents.

Element 6. Program Oversight

The Council will develop program oversight.

Element 7. Program Review

The Council will review the program after 5 years of implementation.

**Norman Stadem
Louis (Larry) Stadem
dba
Stadem Brothers, Partnership
Alaska Ocean Fisheries, Inc.
1826 E. 26th Ave.
Anchorage, Alaska 99508**

(907) 272-0908

October 27, 2002

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N.P.F.M.C

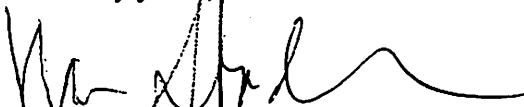
David Benton, Chairman
North Pacific Fishery Management Council
605 West 4th Avenue, Suite 306
Anchorage, Alaska 99501

Dear Chairman Benton:

Please include the enclosed letters from the fishing families of Dan Higgins and Judy Ken along with the support letters included in our previous letter of October 5, 2002.

Thank you.

Sincerely yours,



Norman Stadem
Economist, Commercial Fisherman

Enclosures: Copy of letters from:
Dan Higgins
Judy Ken

Copy: Chris Oliver, Executive Director, NPFMC
Honorable Ted Stevens, U. S. Senator
Honorable Frank Murkowski, U.S. Senator
Honorable Don Young, U.S. Congressman
Honorable Tony Knowles, Governor, Alaska
Honorable Fran Ulmer, Lieutenant Governor, Alaska

9-16-02

Dan Higgins
F/V Provider
P.O. Box 6362
Sitka, AK 99835

Norm Stadem
1826 E. 26th Avenue
Anchorage, AK 99508

Dear Norm,

We read with interest the article in Alaska Fishermen's Journal regarding your efforts to seek compensation for disenfranchised halibut fishermen. My wife and I began commercially fishing for halibut in S.E. Alaska in 1991. We regularly participated in the fishery until the implementation of the IFQ program. We did not receive IFQ's. We invested many thousands of dollars in gear, training, safety and navigation equipment, and vessel modifications specifically to participate in this fishery. Once the IFQ program began, there was no market for our longline gear. To make up for our income loss in halibut we purchased a salmon troll permit and trolling gear. We currently are trollers although we have never been able to equal the income we earned in the halibut fishery. The equipment we purchased and modifications we made to our boat to longline for halibut were not necessary for trolling. Our investment in federally mandated safety equipment for our 5-6 member halibut crew exceeds the requirements for our 2 person salmon trolling crew.

During our halibut fishing years we were aware of the efforts of the Council and government to limit participation in the fishery. The environmental documents supporting the IFQ plan contained extensive economic analyses that specifically considered the impact of the program under the assumption that "current" participants would receive IFQ's. As I'm sure you are aware, given the number of years it took to approve the program, the actual fishermen at the time of implementation were not the ones to receive the IFQ's. Instead IFQ's were given to fishermen active during the preceding decade regardless of their involvement in the industry at the time of IFQ allocation. The economic impact of this action was not addressed in their analyses.

I support your efforts to get compensation for our investments in this fishery and would appreciate receiving more details on your efforts. At the appropriate time, we can furnish a summary of our investments, if required.

We are just completing our fishing season here in S.E. and will be heading south during the next month. I can best be reached via mail at the following winter address or via e-mail.

Sincerely,

Dan Higgins
307 Vista del Valle
Mill Valley, CA 94941

Cbrown096@aol.com

Subj: IFQ"S
Date: 6/27/2002 3:30:17 PM Alaskan Daylight Time
From: writejudy@hotmail.com (j ken)
To: normstadem@aol.com

Dear Norm: I read your letter to editor in the June issue of Alaska Fishermen's Journal. I tried to e-mail you last month, but it did not go through. So this will be just a quick test mssg to see if I have better luck this time. Please e-mail me back and let me know if you recieve this. Like so many others we too were devastated by the IFQ system. Standing by, Judy

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From: "j ken"
To: normstadem@aol.com
Subject: IFQ"S
Date: Thu, 27 Jun 2002 16:29:56 -0700
Mime-Version: 1.0
Content-Type: text/html
Message-ID:
X-OriginalArrivalTime: 27 Jun 2002 23:30:03.0679 (UTC) FILETIME=[903B2AF0:01C21E32]

13 November, 2002

This is an additional, by Dave Tynor, to the paper work submitted to the NPFMC on or before 25 September 2002.

Chris Oliver of NOAA requested this after a phone conversation on 12 Nov 2002.

This document will try to define or clarify why Ninilchik Rural Area as defined by the Federal Subsistence Board, (mile 122 falls creek road to Mile 144 Stariski Creek), should be added to the list of rural places found in the table at 50 CFR 300.65(f)(1).

The Council developed the list based on findings of customary and traditional use of halibut by the Alaska Board of Fish or the Federal Subsistence Board.

The Council allows residents who believe that their rural place was inadvertently left out of the table to petition the appropriate body for a customary and traditional use designation before petitioning the Council for inclusion in the table.

I'd like to bring to the Council's attention FR 67 No. 26 pages 5889 to 5906, dated Feb. 7 2002. The Federal Subsistence Board in Sec. 24 Customary and traditional use determinations. Part (2) Fish determinations. The following communities and areas have been found to have a positive customary and traditional use determination in the listed area for the indicated species:

In the Cook Inlet area it lists (species) fish other than salmon, Dolly Varden, trout, char, grayling, and burbot.

Then under determination it lists residents of the Cook Inlet area.

The Ninilchik Rural area falls within the Cook Inlet area.

In Sec. 27 Subsistence taking of fish. Section (17)(ii) reads as follows, except as otherwise provided for this section, if you are not required to obtain a subsistence fishing permit for this area, the harvest and possession limits for taking fish for subsistence uses with a rod and reel are the same as for taking fish under State of Alaska subsistence fishing regulations in those same areas. If the State does not have a specific subsistence season and/or harvest limit for that particular species, the limit shall be the same as for taking fish under the State of Alaska sport fishing regulations.

In the 2002-2003 Alaska Department of Fish and Game subsistence and personal use statewide fisheries regulations, 5 AAC 01.566 customary and traditional subsistence uses of fish stocks and amount necessary for subsistence uses. (a) The Alaska Board of Fisheries finds that the following fish stocks are customarily and traditionally taken and used for subsistence. (4) bottom fish, halibut, and herring in those portions of the Cook Inlet area that are outside the boundaries of the non-subsistence described in 5 AAC 99.015(a)(3).

5 AAC 01.550 describes Cook Inlet as a line from Cape Douglas and a line extending south from Cape Fairfield. 5 AAC 99.015(a)(3) describes several sub-districts that lay North of that line.

So the Alaska Board of Fish has also made a finding customary and traditional use of halibut within sections of the Cook Inlet area.

5 AAC 01.570 (h) Halibut may be taken only by a single hand-held line with not more than two hooks attached to it.

As other areas of Cook Inlet in the State regulation book are described as non-subsistence the limit for halibut under Sec. 27 Subsistence taking of fish. Section (17)(ii) shall be the same as for taking fish under the State of Alaska sport fishing regulations. That limit would be two halibut a day.

Another point I'd like the Council to consider is the Council itself found a customary and traditional use for halibut in the Cook Inlet area when it listed Alaska Native tribes in the table at 50 CFR 300.65(f)(2). The title says Alaska Native Tribes with customary and traditional uses of halibut within specified halibut regulatory areas.

Cook Inlet falls within regulatory area 3A.

One of the listings on table 50 CFR 300.65(f)(2) is Ninilchik Village, as Ninilchik Village falls within the Ninilchik rural area as defined by the Federal Subsistence Board, all rural residents of that area both native and non-native should have access to halibut for subsistence.

Several sections of title VIII of ANILCA refer to an opportunity for subsistence use by rural residents of Alaska, including both natives and non-natives.

The Council also refers to AS 16.05.258 as a list of criteria used by the Council.

The regulations governing the rural determination process adopted by the FSB are listed in the following box. It then refers to Sec. 16.05.258 c) items 1 through 13.

I'd like the Council to look at FR 67 No. 88 dated May 7 2002 pages 30559 to 30571.

Sec. 15 (a) on page 30568 says the Federal Subsistence Board shall determine if an area or community in Alaska is rural. In determining whether a specific area of Alaska is rural, the Board shall use the following guidelines.

It appears to be an updated version that incorporates some of AS 16.05.258.

I point this out because the FSB seems to have adopted new guidelines. It also seems to give the FSB the right to determine rural areas. This is not to say the NPFMC cannot determine rural areas, but I believe it to be relevant when either the FSB or the Council determines a rural area, or whether an area is to be listed on 50 CFR 300.65(f)(1) as rural.

If the Council will then look to Sec. 23 (a) it will see the FSB has determined all areas to be rural in accordance with Sec. 15 except the following.

You will not find Ninilchik listed so the FSB has found Ninilchik to be rural.

I've previously sent a map that shows the Ninilchik rural area as defined by the FSB.

In closing I hope I've sent the Council enough information so it will add Ninilchik rural area as defined by the FSB to the table 50 CFR 300.65(f)(1).

Norman Stadem
Louis (Larry) Stadem
dba
Stadem Brothers, Partnership
Alaska Ocean Fisheries, Inc.
1826 E. 26th Ave.
Anchorage, Alaska 99508

D-2
Norman
Stadem
taken out of
order on
12/9 - 8:12A

(907) 272-0908

Re.: December 9, 2002, Agenda Item D-2, Staff Tasking, Norman Stadem's letter of October 5, 2002, (our letter) to Council Chairman Benton.

Mr. Chairman, Ladies and Gentlemen of the North Pacific Fishery Management Council, thank you for this opportunity to request Council's support to the proposal outlined in Stadem's letter of October 5, 2002, to Chairman Benton.

For the record, my name is Larry Stadem, I live, in Palmer, Alaska. I am a life-long Alaskan, born in Bristol Bay, Alaska, and have been a fisherman most of my life.

For the record Norman Stadem, also a life-long Bristol Bay Alaskan, lives in Anchorage, Alaska, is not able to attend this Council hearing on Staff Tasking (Agenda Item D-2) since he is required by his employer, US Department of Agriculture, Natural Resources Conservation Service, to attend a state-wide staff meeting. He regrets not being able to speak directly with you to request Council Staff's technical assistance in resolving this extremely **important humanitarian hardship**.

In our letter, we attempt to bring to the attention of the Council, in considerable detail, a very important, perhaps unknown, negative consequence of the halibut and sablefish IFQ scheme. Many fishing families suffered very serious financial and emotional hardships as the result of loss of **private investment capital**. In many cases this destroyed a large part of the retirement hopes of families -- especially those in rural communities.

Re.: December 9, 2002, Agenda Item D-2, Staff Tasking, Norman Stadem's letter of October 5, 2002, (our letter) to Council Chairman Benton.

Please note that our letter to Chairman Benton is not an appeal for compensation for lost **fishing privileges**. That is, we are not requesting allocation of Quota Shares in compensation for this lost **private capital value**.

Our goal is to develop a program that will provide compensation for loss of **private capital investment**, not loss of **fishing privilege**.

We are requesting an opportunity to work with Council Staff to explore options and develop a plausible compensation program. It is not our intention that the Council provide the funding for such a program. For example, perhaps an amendment could be included in the reauthorization of the Magnuson-Stevens Act to address the issue. The 2002 Farm Bill, which provides several billions of dollars to provide relief to distressed farmers, provides a potential model.

Council support and Staff assistance is important for our ultimate success in preparing a proposal to bring closure to this very complex and difficult humanitarian problem. Therefore, we are requesting that the Council grant us an opportunity to work with Council Staff for guidance and technical assistance to develop a program proposal.

Council support of our proposal is very much appreciated. We thank you for this opportunity to defend our argument.

RECEIVED

NOV 22 2002

NPFMC

**Proposal Re: Rationalization of Crab and Groundfish
Fishermans Insurance Fund**

Attn: Stosh Anderson and the NPFMC. I would like to respectfully request the opportunity to present this very short proposal to the Council. I realize the need for you to work quickly to move through all of your business. Since I work at sea ten months out of the year, I've only just been able to speak with enough of my peers to form something of a concensus. We miss the meetings because we are working, and can't afford to pay for a lobbyist. I'll be spending my own money to be at the next meeting. Please, this is the only sparse representation deckworkers are likely to get: me, a political novice at my very first meeting. I know it will be easy to sweep us under the rug. I just want to be able to say that you let me speak for two minutes first. Thanking you in advance,

**Terry Haines
P.O. Box 8112
Kodiak, AK 99615
907-486-4759**

FISHERMAN'S INSURANCE FUND- A PROPOSAL

My proposal is to create a fisherman's insurance fund from a 12% share of each rationalized fishery. This fund would have two kinds of participants: shareholders and qualified customers.

Shareholders would be awarded shares, like shareholders in a native corporation. They would receive shares based upon participation in the fishery during the qualifying years. So, for five qualifying years, one share for one year's participation would be the minimum, five shares for five years the maximum. In this way, a crewman who participated in different winter fisheries (i.e. opilio crab, Pacific cod, Oregon dungeness) could be awarded appropriate shares as each fishery is rationalized, based on participation.

Documentation for shareholders would consist of a form filled out by the applicant specifying the boat worked for and the years worked. The boat owners would then be sent a form to certify the information. If contested, tax documents could be easily obtained which would show who was paid, and when, and clear up any haziness.

The mandate of the fund would be to provide insurance, and eventually low cost loans, to the fishing community at large. Qualified clients (commercial fishers) would get low-cost insurance, subsidized by the fund. Shareholders would receive a yearly dividend based on the performance of the fund, minus the cost of providing insurance. Or they could simply receive a package of zero-cost insurance products.

Fishers (shareholders and clients) for each fishery would qualify as soon as his fishery was rationalized, and thus contributing to the fund.

Three factors make this plan fair and viable. It is simple: shareholders would be identified on the basis of "Was I there?", and, once identified, the paperwork would be over. It is fair: shareholders would be rewarded based on past participation and inclusion in the insurance program should be offered to all commercial fishermen presently participating in the rationalized fishery. Fifty percent of the fund's revenues should be reserved for subsidizing insurance for every fisher in the fishery. And lastly it spreads the benefit of privatization of the resource more evenly, and will better assure a stable, healthy fishing community.

This fund could take the burden of providing liability insurance on the boat from the owners. A deckhand with his own insurance from the fund would be one less thing for the owner to worry about. And the taxpayer won't have to foot the bill if he's hurt on land.

The fund could be administered by a professional with experience managing a native corporation or perhaps rural electric association. The resource would be harvested by commercial boats through a bid process, just like C.D.Q.s.

C.D.Q.s have been awarded to communities for the purpose of stabilizing them and improving quality of life. Why not award the community of deckhands, a community which has been so intimately connected to the fishing world, a bit of the resource for the same purpose? Terry Haines, (907) 486-4759 e-mail yohaines@alaska.com

PUBLIC TESTIMONY SIGN-UP SHEET FOR
AGENDA ITEM D-2 Staff tasking

PLEASE SIGN ON THE NEXT BLANK LINE.
LINES LEFT BLANK WILL BE DELETED.

	NAME	AFFILIATION
1.	Phillip Lestenkof	CBSFA St. Paul, AK
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