

Public Testimony Sign-Up Sheet

Agenda Item ALL B-Reports

	NAME (PLEASE PRINT)	AFFILIATION
1	MARK MILLER (IPHC ACTION ONLY)	ATA
2	Bob Ahenson (IPHC only)	FVOA-Seattle
3	Dave Fraser	Adak, F.
4	BRENT PINK	UCB
5	Dave Benton	MCA
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NOTE to persons providing oral or written testimony to the Council: Section 307(1)(I) of the Magnuson-Stevens Fishery Conservation and Management Act prohibits any person "to knowingly and willfully submit to a Council, the Secretary, or the Governor of a State false information (including, but not limited to, false information regarding the capacity and extent to which a United State fish processor, on an annual basis, will process a portion of the optimum yield of a fishery that will be harvested by fishing vessels of the United States) regarding any matter that the Council, Secretary, or Governor is considering in the course of carrying out this Act.

Executive Director's Report

Pacific cod workshop

Pursuant to discussions this past fall, and the Council's encouragement of a workshop relative to the Pacific cod stock assessments, the Alaska Fisheries Science Center (AFSC) has scheduled a workshop for April 17-18. The announcement and details are under Item B-1(a).

Guidelines for external review of stock assessments

Partly in response to the issues surrounding the 2007 Pacific cod assessment, and to ensure smoother sailing in the future, the SSC is proposing adoption by the Council of a policy, or guideline, relative to external reviews of groundfish stock assessments. Item B-1(b) is a draft of the proposed guideline which centers around issues of notification, timing, and the respective responsibilities of the external reviewers and the assessment authors. Item B-1(c) is the current guide to preparation of SAFE chapters. The Plan Teams are reviewing this proposal, and the SSC may have some suggested revisions by April, but I wanted to get this draft distributed for consideration and comment to you and to the public at this meeting.

Policy on Stakeholder Participation

Last year I alerted you to the findings in the Government Accountability Office (GAO) report which examined stakeholder involvement in development of limited access privilege programs (LAPPs) by regional fishery Councils. That report included a number of recommendations, and NOAA Fisheries developed a draft response which I also provided to you last year. We identified some concerns with that draft response, made some recommendations to reflect those concerns, and committed to you that our staff would closely track this issue as NOAA developed a formal policy in response to the GAO report. Item B-1(d) is NOAA's formal policy directive in response to the GAO report, as transmitted recently from Dr. Hogarth. I believe that the policy directive recognizes the significant stakeholder participation opportunities that currently exist, and is very responsive to the concerns we identified last year. The policy contains a general set of core principles, a general communications policy, and a commitment to further outreach, all consistent with the findings in the GAO report.

Area 2A catch sharing plan

This is an issue which originally showed up under another agenda item, but given recent correspondence and internal discussions in which I have been engaged, I decided to simply report to you the status of this issue under the ED report. Item B-1(e) is a letter I sent to request a presentation on this issue at this meeting, which would require the coordination of several staff members from different agencies. After some internal discussions, Dr. Lohn responded with the letter which is included under Item B-1(f). Essentially this letter reflects our internal discussions, and the recognition that further staff-to-staff discussions are desirable to determine the specific aspects of the 2A plan which might be applicable to our situation. We do expect to provide you at some point with a clear written summary of the process and its potential applicability to our process. A meeting was tentatively scheduled for February 2, and Jane DiCosimo may be able to

provide you an update on these discussions under the C-4 agenda item. However, the full report originally envisioned will not be available at this meeting.

Executive Order amending EO 12866

Item B-1(g) is a news release describing a recent Presidential Executive Order which broadens the already extensive authority of OMB relative to regulatory actions taken by federal agencies, by broadening its application to guidelines as well as regulations, and by mandating a Presidential appointee within each agency to an elevated review role. Item B-1(h) is the actual text of the amended EO. This is primarily informational, because unfortunately I cannot tell you what exactly the implications are! EO 12866 is one of the primary drivers in all our analytical documents, and is the genesis for the regulatory impact review (RIR). I will be discussing this further with NOAA Fisheries folks and try to get a better idea of what this might imply for our process.

Russian delegation in March

I mentioned to you in December an effort by World Wildlife Fund (WWF) to organize and host a delegation of Russian fisheries officials and fishing industry representatives for a visit to the U.S., with specific interest in our Council process and how it might serve as a model for their efforts to establish a Salmon Coalition, and associated management process, in the Kamchatka region. I have met with WWF recently to discuss details of that visit, and to help ensure that their visit to our meeting will be as productive for them as possible. Item B-1(i) contains a list of the likely delegates and attached to that is a tentative schedule. I will be meeting with them Sunday evening of that week to provide an overview of our process, and the remainder of that week they will be meeting with various small groups of U.S. industry and agency representatives. They will be attending our SSC, AP, and Council meetings as well, and using some of our meeting space in the evenings to hopefully engage in further discussions with industry and AP members.

My biggest commitment to this effort is to host the delegation in our Council meeting room on Wednesday evening (March 28), after our Council adjourns for the day, to allow some interactive discussion between Council members and the Russian delegation. They will be providing interpreters as necessary.

Joint meeting with Board of Fish

We have tried to find a date to meet jointly with the Board of Fish (BOF), and it looks like the afternoon of Wednesday March 28th is the only day that is going to work for them. Based on this, we would convene our Council per normal on the morning of the 28th, break for lunch, then reset the room a bit to accommodate the joint meeting during the afternoon. Following that meeting we would have the Russian delegation for a little while. So Wednesday will be a busy day! Thursday morning we would resume our regular agenda.

Update on Freezer-Longliner Buyback Program

Per your request for ongoing updates on this program, I have again invited Dave Little to provide such an update at this meeting.

MSA reauthorization

As I indicated in December, a Council Chair/Executive Director (CCED) meeting was held in January with NOAA leadership to discuss the recently reauthorized Act and its general implications and specific timelines on various fronts. One of the provisions of the new MSA is to fully authorize the annual all-Council/NOAA meetings under the heading of the Council Coordination Committee (CCC), so that is how I will refer to these meetings in the future. In December I committed to report to you at this meeting on those discussions, and what the implications are to our business, to the extent those are clear at this time. You also requested that we cross-reference the provisions of the new MSA with the recommendations from the U.S. Commission on Ocean Policy.

Our discussions at the CCC meeting were focused on the major, national level provisions of the MSA, rather than on those provisions specific to the North Pacific, and there are still many issues that are not fully resolved. I will provide to you at this meeting (B-1 Supplemental) a written summary of the MSA provisions, and to the extent that I can, the implications and major timelines associated with those provisions.

Other issues

NOAA Fisheries is reviewing our most recent Statement of Organization, Practices, and Procedures (SOPPs) which are from October 2004. They are trying to ensure compliance with any new MSA provisions, and attain some levels of consistency across Councils. Based on their initial review, and some suggested changes that I have, I hope to have a revised SOPPs for your review in April, or possibly June.

Regarding appropriations and budgets, while we typically convene our Finance Committee in February, I am awaiting resolution of the 2007 budget. So at this time I plan on scheduling that Finance Committee for April.

Executive Sessions

We have an Executive Session schedule for today (Wednesday February 7) during the lunch hour, to discuss some litigation related issues. On Saturday we have another Executive Session scheduled to review the Pacific Northwest Crab Industry Advisory Committee (PNCIAC) appointments, and a possible SSC appointment.

Announcement

- What:** Workshop on technical issues involved in the assessments of the Pacific cod stocks in the Bering Sea, Aleutian Islands, and Gulf of Alaska
- Why:** To review recent progress in these assessments and discuss possible improvements
- When:** 9:00 a.m. – 5:00 p.m., April 17-18, 2007
- Where:** Alaska Fisheries Science Center, 7600 Sand Point Way NE., Seattle, WA (Bldg. 4)
- Who:** Authors of the Pacific cod assessments, other scientists involved in Pacific cod research, and anyone interested in the technical issues associated with these assessments.

Background

For many years, the assessments of the Pacific cod stocks in the Bering Sea (BS) and Gulf of Alaska (GOA) have been based on length-structured or age-and-length-structured models (the assessment of the Aleutian Islands (AI) stock has been based on a simple extrapolation of the Bering Sea assessment, derived from the ratio of survey biomasses between the BS and AI). The models attempt to fit a mathematical description of the respective stock's dynamics to data obtained from the AFSC bottom trawl surveys and the commercial fisheries. The stocks in both the BS and GOA are currently estimated to be above the respective biomass levels associated with maximum sustainable yield. However, the estimated strengths of the last several year classes in both areas have been below average, meaning that the stocks in both areas are projected to decline. Furthermore, there is a significant amount of uncertainty surrounding the model estimates of biomass, in part because the values of the trawl survey catchability coefficients in the two areas have been difficult to estimate.

Although all BSAI and GOA groundfish stock assessments are reviewed annually by the AFSC, the Plan Teams, and the Scientific and Statistical Committee, the circumstances surrounding the Pacific cod assessments have led the AFSC to seek additional review this year by offering a workshop on some of the technical issues associated with these assessments. The workshop will involve presentations by the authors of the Pacific cod assessments and other AFSC scientists. Presentations may include, but will not necessarily be limited to, implications of alternative model configurations and different data sets from fisheries, surveys, and tagging studies. The structure of the workshop will be informal, and time will be provided for discussion by all participants. However, it should be understood that the workshop is intended to be technical rather than educational in nature. The objective of the workshop is to ensure that the assessments developed in 2007 provide the best possible inputs for the 2008 harvest specifications, so emphasis will be placed on analyses that can be conducted during this year's assessment cycle. Suggestions for improving the Pacific cod stock assessments are welcome.

For further information, contact: Grant Thompson (541-737-9318, grant.thompson@noaa.gov)

DRAFT

A Guide to External Reviews of Alaska Groundfish Assessments

Background

The Alaska Fisheries Science Center is the primary institution responsible for groundfish stock assessments. Assessment Authors prepare assessments for groundfish stocks and stock complexes managed under the Fishery Management Plan (FMP) for the groundfish fisheries of the Bering Sea and Aleutian Islands Region and the FMP for the groundfish fisheries of the Gulf of Alaska. These assessments are subject to in-house review before dissemination to the Plan Teams, Scientific and Statistical Committee (SSC), and Council as part of the respective Stock Assessment Fishery Evaluation (SAFE) report.

The Center regularly requests independent external reviews of a sub-set of assessments. External reviews are typically conducted through the Center of Independent Experts (CIE). The CIE provides qualified external reviewers who perform a comprehensive review of the assessment. The Assessment Author considers the comments of the reviewer and seeks to address issues or concerns raised during the process. The reviewer's comments are provided to the Plan Teams and SSC for their information and consideration.

AFSC prepared guidelines for preparation of the stock assessments which were approved by the Plan Teams and SSC (Attachment 1). The Bering Sea Aleutian Islands and Gulf of Alaska Groundfish FMPs require that draft SAFE reports be produced each year in time for the October and December meeting of the North Pacific Fishery Management Council (NPFMC). These drafts are assembled at meetings of the Groundfish Plan Teams held in September and November. The draft reports prepared for the October meeting of the NPFMC are limited to assessments where substantial changes to the information used in the assessment or the model structure are proposed. To ensure adequate time for internal review of stock assessments, a pair of due dates will be established annually. These due dates typically will precede the respective Plan Team meetings by three to four weeks to allow time for internal review, reproduction and distribution of the report, and review by members of the Plan Team.

Existing guidelines for submission of SAFE chapters from Assessment Authors do not address procedures for external reviews of assessments. While Assessment Authors welcome expert advice on their assessments, there are substantial time commitments associated with these additional stock assessment reviews. Given the growing interest in external reviews, the SSC recommends that the Council adopt guidelines for reviews to ensure that they are conducted in a manner that makes efficient use of the Assessment Author's time, provides an open forum for comment, and leads to improvements in the quality of the assessment. A draft guideline follows.

Draft Guideline

Notification:

If members of the public wish for comments of an external reviewer to be considered in the upcoming assessment cycle, they should notify NMFS and the NPFMC of their intent to formally review an assessment no later than the April NPFMC meeting. If multiple groups plan to assess the same assessment, the AFSC and the NPFMC should work with the groups to coordinate meetings and requests for materials to ensure the most efficient use of the Assessment Author's time.

Timing:

External reviews of groundfish assessments should occur prior to the peak AFSC Staff assessment period July – December. Ideally, the reviewer will work with Assessment Authors in a collegial setting where reviewers would make suggestions to the framework or information used in the assessment. If this procedure is adopted, the Assessment Author would work with the reviewer(s) to find a mutually acceptable time for a pre-assessment workshop.

Responsibilities of External Reviewers and Assessment Authors:

The pre-assessment workshop will allow the reviewer to discuss the stock assessment with the Assessment Author and make requests for model modifications or alternative use of information in the assessment. The External Reviewer should produce a written report of their recommendations. To the extent practicable, the Assessment Author will address the comments and suggestions documented in the External Reviewer's report in their SAFE document. In general it is assumed that the Assessment Author will be able to determine whether any changes in the stock assessment recommended by the External Reviewer are substantial enough to require review by the Plan Teams and SSC. Assessment Authors will have the professional discretion to decide when the External Reviewer's recommendations will be incorporated into the SAFE document. When the External Reviewer's recommendation involves a matter of professional discretion, such as the choice of statistical or computational methods, Assessment Authors will have the ability to decline to implement the recommendation. In addition, Assessment Authors may defer action on an External Reviewer's recommendation when complying with the recommendation would compromise the SAFE schedule. For example, if an External Reviewer made a request that would require extensive re-analysis of existing data that could not be accomplished prior to the September Plan Team meeting, that request could be deferred to a subsequent year.

In cases where a recommendation is not brought forward in the assessment, Assessment Authors will inform the reviewer of his or her rationale for not acting on the recommendation three weeks prior to the September Plan Team meeting. The External Reviewer can inform the Plan Team and the SSC of the rationale for their recommendation by submitting a report in September. The report should contain sufficient information to allow the Plan Team and SSC to fully review the recommendation. The SSC will determine whether the recommendation should be advanced for consideration.

A Guide to the Preparation of Alaska Groundfish SAFE Report Chapters

Alaska Fisheries Science Center

June 2003

Introduction

The BSAI and GOA Groundfish FMPs require that separate drafts of the SAFE reports be produced each year in time for the October and December meetings of the North Pacific Fishery Management Council. These drafts are assembled at meetings of the Groundfish Plan Teams held in September and November.

To ensure adequate time for internal review of stock assessments, a pair of due dates will be established annually. These due dates typically will precede the respective Plan Team meetings by three to four weeks.

The following guidelines govern the preparation of individual stock assessment chapters for the two drafts.

Guidelines Pertaining to the September SAFE Report

It is not always necessary to produce a chapter for the September SAFE report. In general, it is assumed that authors will be able to discern whether any changes in the stock assessment resulting from incorporation of the available new information are substantial enough to require review by the Plan Teams and SSC. Authors are strongly encouraged to collect and analyze new information prior to the relevant due date to ensure that the implications of such information are thoroughly evaluated.

A chapter should be produced for the September SAFE report if new implementation software is used, or if the stock assessment model has been changed substantively. For the latter, an example might be when one or more parameters presented in the "Parameters Estimated Independently" subsection have been estimated for the first time or re-estimated since the previous assessment.

A chapter may not be necessary for the September SAFE report if the above does not apply and if no new information is available or if preliminary analyses of new information fail to indicate any substantial changes from the previous assessment.

If a stock is already being managed under Tiers 1-3 and a chapter is produced for the September SAFE report, the chapter should include enough information to allow a thorough evaluation of changes in data, software, or model structure, except that the implications of such changes for next year's ABC should not be addressed. Production of a complete chapter (see "Outline of SAFE Report Chapters" below) is not necessary under these circumstances.

If a stock is not already being managed under Tiers 1-3 and a chapter is produced for the September SAFE report, the chapter should include all sections listed in the "Outline of SAFE Report Chapters" below, except that the last item in the "Projections and Harvest Alternatives" section ("Recommendation of FABC and ABC for coming year") should be omitted.

In all cases, careful consideration should be given to all applicable SSC comments from the previous assessment(s). Chapters should be submitted by the relevant due date. Please have a running header (i.e., on each page) in the document submitted to the Plan Team that reads: "September Plan Team Draft" and the date of draft document (in case it changes during the meeting).

Note: As you find ways to improve our assessment presentations and these guidelines, please don't hesitate to contact Anne or Jim...

Guidelines Pertaining to the November SAFE Report

A chapter should be produced for the November SAFE report in all cases, and should include all sections listed in the "Outline of SAFE Report Chapters" below. The Outline is intended to provide a consistent structure and logical flow for stock assessments conducted at the Alaska Fisheries Science Center for the groundfish fisheries of the BSAI and GOA. Some variation from this outline is permissible if warranted by limitations of data or other extenuating circumstance. However, it is particularly important that all of the items listed under "Projections and Harvest Alternatives" be included to the maximum extent possible, in that many of these are critical to the fishery management process. Careful consideration should be given to all applicable SSC comments from the previous assessment(s). Chapters should be submitted by the relevant due date. Please have a running header (i.e., on each page) in the document submitted to the Plan Team that reads: "November Plan Team Draft" and the date of draft document (in case it changes during the meeting).

Outline of SAFE Report Chapters

Executive Summary

Summary of Major Changes

Changes (if any) in the input data

Changes (if any) in the assessment methodology

Changes (if any) in the assessment results, including projected biomass, ABC, and OFL

Responses to SSC Comments

Responses to SSC comments specific to this assessment (for each comment that is addressed in the main text, list comment and give name of section where it is discussed; if the SSC did not make any comments specific to this assessment, say so)

Responses to SSC comments on assessments in general (for each comment that is addressed in the main text, list comment and give name of section where it is discussed; if the SSC did not make any comments on assessments in general, say so)

Introduction

Scientific name

Description of general distribution

Description of management unit(s) (be sure to include any spatial and/or seasonal management measures).

Evidence of stock structure, if any

Description of life history characteristics relevant to stock assessments (e.g., special features of reproductive biology)

Fishery

- Description of the directed fishery
- Information on bycatch and discards
- Summary of historical catch distributions

Table showing time series of ABC, TAC, and total catch; accompanied by a list of recent relevant management or assessment changes that have influenced choice of ABC; selectivity of commercial fishing gear; or distribution of catch by gear, area, or season (e.g., changes in mesh size, gear allocations, harvest strategy, or modeling approach)

Data (Items in this section should be presented in tabular form.)

Data which should be presented as time series (starting with 1977):

- Total catch, partitioned by strata used in the assessment model, if any
- Catch at age or catch at length, as appropriate
- Survey biomass estimates
- Survey numbers at age or numbers at length, as appropriate
- Other time series data (e.g., predator abundance, fishing effort)
- Sample sizes (e.g., numbers of age or length samples by year, gear, and area)

Data which may be aggregated over time:

- Length at age
- Weight at length or weight at age

Analytic Approach

Model Structure

Description of overall modeling approach (e.g., age/size structured versus biomass dynamic, maximum likelihood versus Bayesian)

Reference for software used (e.g., Synthesis, AD Model Builder)

Description of, or reference for, population dynamic representations used in the model (e.g., Baranov catch equation, Brody length-at-age equation)

Discussion of changes in any of the above since the previous assessment

Parameters Estimated Independently

List of parameters that are estimated independently of others (e.g., the natural mortality rate, parameters governing the maturity schedule)

Description of how these parameters are estimated (methods do not necessarily have to be statistical; e.g., M could be estimated by referencing a previously published value)

Parameters Estimated Conditionally

List of parameters that are estimated conditionally on those described above (e.g., full-selection fishing mortality rates, parameters governing the selectivity schedule)

Description of how these parameters are estimated (e.g., error structures assumed, list of likelihood components)

Model Evaluation

Description of alternative models, if any (e.g., alternative M values or likelihood weights)

Description of criteria used to evaluate the model or to choose between alternative models, including the role (if any) of uncertainty

Evaluation of the model, if only one model is presented; or evaluation of alternative models and selection of final model, if more than one model is presented

List of final parameter estimates, with confidence intervals or other statistical measures of uncertainty if possible (if the set of parameters includes quantities listed in the "Results" section below, the values of these quantities should be presented in the "Results" section rather than here)

Schedules, if any, defined by final parameter estimates

Results

Definition of biomass measures used (e.g., biomass at ages 3 and above)

Definition of recruitment measures used (e.g., numbers at age 3)

Definition of fishing mortality measures used (e.g., full-recruitment F multiplied by average selectivity for ages 3 and above)

Table of estimated biomass time series (starting with 1977), including spawning biomass as one measure, with confidence bounds or other statistical measure of uncertainty if possible. Include estimates from previous SAFE for retrospective comparisons

Table of estimated recruitment time series (starting with 1977), including average, with confidence bounds or other statistical measure of uncertainty if possible. Include estimates from previous SAFE for retrospective comparisons

Table of estimated catch/biomass time series (starting with 1977), with confidence bounds or other statistical measure of uncertainty if possible.

Graph of estimated biomass time series, with confidence bounds if possible

Include a graph of the estimated fishing mortality versus estimated spawning stock biomass, including applicable OFL and maximum F_{ABC} definitions for the stock. The rationale is that graphs of this type are useful to evaluate management performance.

Projections and Harvest Alternatives

List of parameter and stock size estimates (or best available proxies thereof) required by limit and target control rules specified in the fishery management plan

Specification of FOFL, OFL, the upper bound on FABC, and other applicable measures (if any) relevant to determining whether the stock is overfished

List of standard harvest scenarios and description of projection methodology

Table of 12-year projected catches corresponding to the alternative harvest scenarios, using stochastic methods if possible (mean values or other statistics may be shown in the case of stochastic recruitment scenarios)

Table of 12-year 5-year (or 10-year, if the stock is overfished) projected spawning biomass corresponding to the alternative harvest scenarios, using stochastic methods if possible (mean values or other statistics may be shown in the case of stochastic recruitment scenarios)

Table of 12-year projected fishing mortality rates corresponding to the alternative harvest scenarios, using stochastic methods if possible (mean values or other statistics may be shown in the case of stochastic recruitment scenarios)

Discussion of information, if any, that might warrant setting ABC below the upper bound

Recommendation of F_{ABC} and ABC for coming year.

Include a subsection titled "Area Allocation of Harvests" and provide results and details of any apportionment schemes that are used.

Ecosystem Considerations

Discussion of any ecosystem considerations (e.g., relationships with species listed under the ESA, prohibited species concerns, bycatch issues, refuge areas, and gear considerations).

The following subsections should provide information on how various ecosystem factors might be influencing their stock or how the specific stock fishery might be affecting the ecosystem and what data gaps might exist that prevent assessing certain effects.

Stock assessment authors would be encouraged to rely on information in the Ecosystem Considerations chapter to assist them in developing stock-specific analysis and recommending new information to the Ecosystem Considerations chapter that might be required in future years to improve the analysis. Time-series that are in the Ecosystem Chapter would be referred to by the author and not duplicated in their chapter. In cases where the authors have time series or relationships that are specific to their stock, that information should be in their assessment chapter and not in the Ecosystem chapter.

Ecosystem Effects on Stock

There are several factors that should be considered for each stock in this subsection. These include:

- 1) Prey availability/abundance trends (historically and in the present and foreseeable future). These prey trends could affect growth or survival of a target stock.
- 2) Predator population trends (historically and in the present and foreseeable future). These trends could affect stock mortality rates over time.
- 3) Changes in habitat quality (historically and in the present and foreseeable future). These would primarily be changes in the physical environment such as temperature, currents, or ice distribution that could affect stock migration and distribution patterns, recruitment success, or direct effects of temperature on growth.

Fishery Effects on the Ecosystem

In this section the following factors should be considered:

- 1) Fishery-specific contribution to bycatch of prohibited species, forage (including herring and juvenile pollock), HAPC biota (in particular, species common to *Your Fishery*), marine mammals and birds, and other sensitive non-target species (including top predators such as sharks, expressed as a percentage of the total bycatch of that category of bycatch).
- 2) Fishery-specific concentration of target catch in space and time relative to predator needs in space and time (if known) and relative to spawning components.
- 3) Fishery-specific effects on amount of large size target fish.
- 4) Fishery-specific contribution to discards and offal production.
- 5) Fishery-specific effects on age-at-maturity and fecundity of the target species.
- 6) Fishery-specific effects on EFH non-living substrate (using gear specific fishing effort as a proxy for amount of possible substrate disturbance).

Authors should consider summarizing the results of these analyses into a table as shown below (for example):

Analysis of ecosystem considerations for *YourStock* and the *YourFishery*. The observation column should summarize the past, present, and foreseeable future trends. The interpretation column should provide details on how the trend affects the stock (ecosystem effects on the stock) or how the fishery trend affects the ecosystem (fishery effects on the ecosystem). The evaluation column should indicate whether the trend is of: *no concern, probably no concern, possible concern, definite concern, or unknown.*

Ecosystem effects on *YourStock*

Indicator	Observation	Interpretation	Evaluation
<i>Prey availability or abundance trends</i>			
Zooplankton	Stomach contents, ichthyoplankton surveys, changes mean wt-at-age	Stable, data limited	Unknown
<i>Predator population trends</i>			
Marine mammals	Fur seals declining, Steller sea lions increasing slightly	Possibly lower mortality on pollock	No concern
Birds	Stable, some increasing some decreasing	Affects young-of-year mortality	Probably no concern
Fish (Pollock, Pacific cod, halibut)	Stable to increasing	Possible increases to pollock mortality	
<i>Changes in habitat quality</i>			
Temperature regime	Cold years pollock distribution towards NW on average	Likely to affect surveyed stock	No concern (dealt with in model)
Winter-spring environmental conditions	Affects pre-recruit survival	Probably a number of factors	Causes natural variability
Production	Fairly stable nutrient flow from upwelled BS Basin	Inter-annual variability low	No concern

***YourFishery* effects on ecosystem**

Indicator	Observation	Interpretation	Evaluation
<i>Fishery contribution to bycatch</i>			
Prohibited species	Stable, heavily monitored	Minor contribution to mortality	No concern
Forage (including herring, Atka mackerel, cod, and pollock)	Stable, heavily monitored	Bycatch levels small relative to forage biomass	No concern
HAPC biota	Low bycatch levels of (spp)	Bycatch levels small relative to HAPC biota	No concern
Marine mammals and birds	Very minor direct-take	Safe	No concern
Sensitive non-target species	Likely minor impact	Data limited, likely to be safe	No concern
<i>Fishery concentration in space and time</i>	Generally more diffuse	Mixed potential impact (fur seals vs Steller sea lions)	Possible concern
<i>Fishery effects on amount of large size target fish</i>	Depends on highly variable year-class strength	Natural fluctuation	Probably no concern
<i>Fishery contribution to discards and offal production</i>	Decreasing	Improving, but data limited	Possible concern
<i>Fishery effects on age-at-maturity and fecundity</i>	New study initiated in 2002	NA	Possible concern

Data gaps and research priorities

Summary

Table showing **M**, *Tier (previous year or recommended)*, **projected total biomass** (give age range), and *female spawning biomass for next year*, *equilibrium female spawning biomass values for B100%, B40%, B35% and B₀ (if available from stock-recruit relationship)*, **FOFL**, the **maximum allowable value for FABC**, the recommended value for FABC, **OFL**, the *maximum allowable ABC*, and recommended ABC.

Literature Cited

This is the format for literature cited section (Note that the LC is selected in the style box above)



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
1315 East-West Highway
Silver Spring, Maryland 20910

AGENDA B-1 (d)
February 2007

THE DIRECTOR

JAN 15 2007

RECEIVED

JAN 2 2007

N.M.F.S.

MEMORANDUM FOR: Regional Fishery Management Council Chairs
and Executive Directors

FROM:

William T. Hogarth
William T. Hogarth, Ph.D.

SUBJECT:

NMFS Policy on Stakeholder Participation in Council
Development of Limited Access Privilege Programs

In 2005, the U.S. Government Accountability Office (GAO) examined the involvement of stakeholders in the development of limited access privilege programs (LAPPs) by Fishery Management Councils. The GAO found Council practices were consistent with laws related to stakeholder involvement, but concluded that opportunities exist for improvement in the way Councils include and inform stakeholders. The GAO suggested a more targeted or "strategic" approach to communication and recommended that the Councils adopt a set of core principles to guide stakeholder participation.

In order to meet our commitment to GAO, the National Marine Fisheries Service (NMFS) developed a policy in response to their recommendations. The policy, which is attached, includes adoption of a set of core principles, a general communications policy, and a commitment to outreach that will allow for increased communication and stakeholder involvement in the development of LAPPs.

NMFS will work with the Councils to implement this policy and has developed an internet site that should be useful for Council use as a clearinghouse for information and training materials. The website address is <http://www.nmfs.noaa.gov/sf/lapp/>. NMFS will also suggest that the subject of stakeholder participation in the development of LAPPs be included for discussion at one Council Coordinating Committee meeting each year.

Attachment

THE ASSISTANT ADMINISTRATOR
FOR FISHERIES



NATIONAL MARINE FISHERIES SERVICE POLICY DIRECTIVE 30 -129

ADMINISTRATION AND OPERATIONS

STAKEHOLDER PARTICIPATION IN COUNCIL DEVELOPMENT OF LIMITED ACCESS PRIVILEGE PROGRAMS

NOTICE: This publication is available at: <http://www.nmfs.noaa.gov/directives/>

OPR: SF (C. Moore)

Certified by: SF (A. Risenhoover)

Type of Issuance: Initial

SUMMARY OF REVISIONS:

1. *Background.* In 2005, the US Government Accountability Office (GAO) examined the involvement of stakeholders in the development of limited access privilege programs (LAPPs) by Fishery Management Councils. The GAO found Council practices are consistent with laws related to stakeholder involvement but concluded that opportunities exist for improvement in the way Councils include and inform stakeholders. The GAO suggested a more targeted or “strategic” approach to communication and recommended that the Councils adopt a set of core principles to guide stakeholder participation. A full description of the GAO’s methods and findings are available at <http://www.gao.gov/new.items/d06289.pdf>.

2. *Limited Access Privilege Programs.* LAPPs are an important fishery management tool, and NMFS encourages Councils to make wider use of LAPPs. However, the concepts and terminology of LAPPs may be new for many stakeholders. As such, the first step should be the development of an easy to understand overview of market-based fisheries management practices and issues for stakeholders.

3. *Improving Stakeholder Involvement.* The GAO recommends communication procedures or plans that are specific to each Council to help ensure effective stakeholder communication and involvement. According to the GAO, a set of core principles, a general communications policy, and a Council commitment to outreach will allow for increased communication and stakeholder involvement in the development of LAPPs.

4. *Strategies.* Fishery Management Councils already have communication strategies in place that are specific to their regions and the fisheries that they manage. If not current practice, Councils should use these communication strategies or plans to address stakeholder involvement in LAPPs. As part of their process, the Council’s should adopt the core principals on stakeholder involvement to guide their activities.

5. *Core Principles.* The GAO wanted to know what makes for successful public communication and involvement. As such, they asked facilitation and stakeholder engagement experts and found that the identification and use of certain “core principles” are the hallmark of any successful

public deliberative process. At the recommendation of the GAO, NMFS has adopted the following core principles for engagement of the public in the development of LAPPs:

- Use an open and clearly defined decision-making process;
- Make key information readily available and understandable;
- Actively conduct outreach and solicit stakeholder input;
- Involve stakeholders early and throughout the decision-making process;
- Foster responsive, interactive communication between stakeholders and decision makers;
- Use formal and informal participation methods; and
- Include all stakeholder interests.

6. *Statutory Requirements.* This process on stakeholder involvement is not a statutory requirement. However, all regulatory and statutory requirements related to communication procedures and openness by the Council's and NMFS still apply.

7. *Council Coordination.* NMFS will work with the Councils to implement this policy. NMFS will suggest that the subject of stakeholder participation in the development of LAPPs be included on the agenda for discussion at one Council Coordinating Committee meeting each year. This meeting (and other forums, as necessary) may be used to exchange information on this topic and to share and consider documents, methods, and media that support this policy nationally or across several Councils.

Signed William T. Hogarth 18 Jan. 2007
William T. Hogarth, Ph.D. Date
Assistant Administrator
National Marine Fisheries Service

North Pacific Fishery Management Council

Stephanie Madsen, Chair
Chris Oliver, Executive Director



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December 22, 2006

Mr. Bob Lohn, Regional Administrator
NOAA Fisheries, Northwest Region
7600 Sand Point Way NE, Bldg 1
Seattle, WA 98115

Dear Mr. Lohn:

At our recent December discussions of halibut charter boat management issues, the catch sharing plan (CSP) used in IPHC Area 2A was raised as a potential model for use in the North Pacific. We are unsure that the details and mechanisms of that CSP would be workable in Area 2C and 3A, but we would like to get additional information to ascertain whether we could borrow from that model in our management efforts. To that end, the Council requested that I attempt to coordinate a presentation from the NMFS Northwest Region, the Pacific Fishery Management Council (PFMC), and the Washington Department of Fisheries (WDF) at our February meeting which is being held in Portland, Oregon.

We are interested in better understanding the public process and timing used in that CSP, the analytical process, and the regulatory/rulemaking processes involved. We assume that a joint presentation from the three agencies would best serve to provide us that overall understanding. We would defer to you as to the involvement of the Office of General Counsel Northwest Region in that presentation. I know that NOAA Fisheries Alaska Region has already contacted Yvonne De Reynier informally about such a presentation. She indicated that our formal request should be directed to you due to the commitment of Northwest Region resources in accommodating such a request. Therefore, I respectfully request that your office assist in such a presentation, and coordinate with the appropriate personnel from the PFMC and WDF.

The NPFMC would be willing to support travel expenses for non-federal personnel for such a presentation, and we would be willing to structure our February agenda to minimize the time commitments for all involved. By way of copy, I am including the PFMC and WDF in this request. Please contact me if you or your staff have any questions, and I look forward to your response.

Sincerely,

A handwritten signature in cursive script that reads "Chris Oliver". The signature is written in black ink and is positioned above the typed name and title.

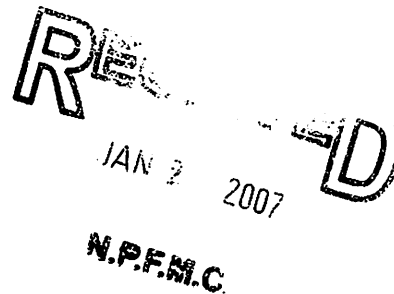
Chris Oliver
Executive Director

CC: Dr. Donald McIsaac, Pacific Fishery Management Council
Mr. Bill Tweit, Washington Department of Fish and Wildlife
Mr. Roy Hyder, Oregon Department of Fish and Wildlife
Mr. Jason Gasper, NOAA Fisheries Alaska Region



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
Northwest Region
7600 Sand Point Way N.E., Bldg. 1
Seattle, WA 98115

JAN 20 2007



Chris Oliver, Executive Director
North Pacific Fishery Management Council
605 W. 4th Avenue, Suite 306
Anchorage, AK 99501-2252

Dear Mr. Oliver:

Thank you for your recent invitation for a Northwest Region staff presentation to the North Pacific Fishery Management Council (NPFMC) on Pacific halibut management in Area 2A, waters off the U.S. West Coast.

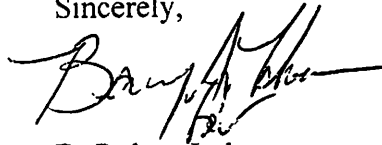
In your letter, you had expressed a desire by the NPFMC to gain a better understanding of the public process and timing used, and the analytical process and regulatory/rulemaking process involved in the Area 2A Pacific Halibut Catch Sharing Plan (CSP.) As with other fishery management actions, we rely on the National Environmental Policy Act and requirements from other applicable laws to inform our analytical process, and on the Administrative Procedures Act and other applicable laws to inform our regulatory/rulemaking process. The public process we used to develop the initial CSP in 1993-1994 was based largely on traditional Pacific Fishery Management Council (PFMC) procedures associated with the PFMC's fishery management plans (FMPs,) which had been developed under the guidance of the Magnuson-Stevens Fishery Conservation and Management Act.

As you know, each fishery management council is unique in how it approaches FMP development, even within the framework of complying with the same laws. In addition, the facts and issues underlying NPFMC halibut management will differ from the West Coast issues, which may affect the necessary timing and regulatory process. Therefore, we anticipate that, if the NPFMC decides to proceed with its own halibut CSP, its approach would differ from that taken within the PFMC process and would depend somewhat on the NPFMC's processes and procedures. Given these expected differences, we suggest that a staff-to-staff meeting would be a more fruitful initial step in considering whether information about the PFMC CSP process could be helpful to the NPFMC's halibut management deliberations. Such a meeting would provide NPFMC staff and their management partners more time and opportunity to review the PFMC process, so as to provide more complete guidance to the NPFMC on developing a CSP in accordance with the NPFMC's unique processes and traditions. We have discussed this idea with halibut management staff from the states of Washington and Oregon and the PFMC, and they are in agreement with this suggested approach.



If a staff-to-staff meeting is agreeable to NPFMC staff and to State of Alaska staff, we would be happy to work with our colleagues in the Alaska Region and our General Counsels to set up a meeting date and time to also bring PFMC, Washington, and Oregon staff into this discussion. Yvonne deReynier from the Sustainable Fisheries Division would coordinate such a discussion for the Northwest Region. She is available via telephone at 206-526-6129 and email at yvonne.dereynier@noaa.gov. Once again, thank you for inviting the Northwest Region to speak before your Council.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Robert Lohn", with a long horizontal flourish extending to the right.

D. Robert Lohn
Regional Administrator

Cc: Cooney (GCNW)
McIsaac (PFMC)
Pollard (GCAK)
Salveson and Ginter (AKR)

Greenwire -- Friday, January 19, 2007

OMB: Bush signs order broadening regulatory oversight by political appointees

Lauren Morello, *Greenwire* reporter

President Bush signed an executive order yesterday granting political appointees oversight over agencies' regulatory agendas. The order would give the Office of Management and Budget new power to question, delay or alter federal guidance documents on topics ranging from traffic safety to global warming.

Environmentalists and public interest groups assailed the changes to the Clinton-era executive order, with the watchdog group Public Citizen calling the Bush amendments "an unacceptable power grab" and an attempt "to change the law by executive fiat."

But the plan was praised by industry groups, including the National Association of Manufacturers and the U.S. Chamber of Commerce, which said the order would "tame an out-of-control regulatory system."

Under revised Executive Order 12866, each agency must install a presidential appointee as its "regulatory policy officer," reporting to the agency head and involved "at each stage of the regulatory process." The Clinton order created the policy officer post but did not specify what type of agency employee should fill it.

Agencies will not be able to begin developing any rule without the approval of the political appointees, who will also oversee a yearly listing of their agencies' "best estimate of the combined aggregate costs and benefits" of all planned regulations.

Agencies must also submit to OMB the "specific market failure" that each proposed regulation would address, to determine "whether any new regulation is warranted."

The order also changes the way agencies handle guidance documents. They will now be subject to pre-publication review by the White House through OMB, which already had the power to review proposed federal regulations.

The order divides guidance documents into two classes, creating a new group of "significant" documents for which OMB could demand "additional consultation" before allowing their public release.

"Significant" documents include those that would "lead to an annual impact of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or state, local or tribal governments or communities."

The original Clinton executive order applied that definition only to proposed regulations, not guidance documents.

Reaction

One regulatory expert critical of the Bush executive order said the seemingly broad definition of "significant" guidance documents could create trouble for the everyday business of agencies, creating headaches for agency attorneys.

Agencies "give guidance in speeches, in informal letters to people throughout the government, and they also put out guidance documents, which is what OMB is trying to get at -- something that may as well be a regulation," said Rena Steinzor, a law professor affiliated with the Center for Progressive Regulation. "All of this stuff could be swept up -- it would congeal the process."

But the portion of the executive order of most concern, Steinzor said, is the attempt to require a "regulatory budget" from each agency, focusing on the cost-benefit analysis of each proposed regulation.

"What it's designed to do is make agencies like EPA that promulgate rules that are very sweeping and have lots of implications stand out," Steinzor said. "It's like a hit list."

But Tom Firey, a policy analyst with the libertarian Cato Institute, took a more positive view of the Bush executive order, which he said could curb abuses of guidance documents. "At least in some cases, guidance documents have been used to extend rulemaking and regulating beyond the regulatory process," he said.

The change eliminates agencies' "incentive to use a guidance document when possible to achieve a certain objective, because of the ease of publication," said Rosario Palmieri, director of energy and resources policy at the National Association of Manufacturers. "We think it's incumbent upon agencies to say, 'Here's what we're going to do.'"

As for the idea of a regulatory budget, Firey said he favors the approach but believes it is "wide open for abuses from both sides."

That a regulation's costs should outweigh its benefits is the idea at the heart of a regulatory budget, Firey said. "But it depends on how you calculate benefits and costs," leaving a large amount of wiggle room.

Firey pointed to the market failure clause as the key piece of the Bush order and said he was surprised that groups like Public Citizen and OMB Watch were upset about it. "The foremost argument for why we should regulate pollution, for example, is usually a market failure argument," he said.

Palmieri of NAM said the market failure clause was "interesting," but that he was still reviewing it. The market failure language was not part of an earlier federal review of good guidance practices, he said.

One point on which Firey and Steinzor agreed: their objection to installing political appointees as top agency regulatory officers.

"This opens up the possibility of further politicizing the [regulatory] process," Firey said, though he said he believe the Bush administration was asserting more authority over the regulatory process because Congress has "largely removed itself from the obligation of defining what its regulations are."

Steinzor compared the move to grant more power to political appointees to the Soviet system of placing minders on nuclear submarines, "to make sure the captains pulled the nuclear trigger."

Susan E. Dudley connection?

Sources on both sides of the issue also pointed to a connection between the new executive order and the work of controversial OMB nominee Susan E. Dudley.

Dudley, the former director of regulatory policy studies at the Mercatus Center, is the Bush administration's nominee to head OMB's regulatory arm, the Office of Information and Regulatory Affairs.

Facing an uphill confirmation process in the Senate, the White House is preparing to appoint Dudley as a senior adviser to the OMB office, a position she is expected to take up later this month. Dudley would ostensibly be in charge of enforcing the new policies outlined in President Bush's executive order (*Greenwire*, Jan. 11).

The document already bears her mark, Steinzor said. The market failure clause "is Susan Dudley," she said.

Also drawing the Dudley connection was OMB Watch, in an analysis released last night. The market failure standard "has been advocated by Dudley. ... [D]espite the failure to confirm her [in the Senate], the administration has used the executive order as a backdoor means to implement the Dudley philosophy."

But Cato's Firey, who said he is a friend of Dudley's, questioned what kind of effect she and OIRA can have on the regulatory process.

"When [Dudley] accepted this appointment, I really wondered why she took it," Firey said. "Regulation seems to happen regardless of what OMB and OIRA and cost-benefit analyzers come up with. It's whatever the politicians in charge want."

Click here for the **revised Executive Order 12866**.

Click here for the **original Executive Order 12866**.

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- [January 2007](#)
- [December 2006](#)
- [November 2006](#)
- [October 2006](#)
- [September 2006](#)
- [August 2006](#)
- [July 2006](#)
- [June 2006](#)
- [May 2006](#)
- [April 2006](#)
- [March 2006](#)
- [February 2006](#)
- [January 2006](#)
- [December 2005](#)
- [November 2005](#)
- [October 2005](#)
- [September 2005](#)
- [August 2005](#)
- [July 2005](#)
- [June 2005](#)
- [May 2005](#)
- [April 2005](#)
- [March 2005](#)
- [February 2005](#)
- [January 2005](#)
- [December 2004](#)
- [November 2004](#)
- [October 2004](#)
- [September 2004](#)
- [August 2004](#)
- [July 2004](#)

Home > News & Policies > January 2007



For Immediate Release
Office of the Press Secretary
January 18, 2007

Executive Order: Further Amendment to Executive Order 12866 on Regulatory Planning and Review

By the authority vested in me as President by the Constitution and laws of the United States of America, it is hereby ordered that Executive Order 12866 of September 30, 1993, as amended, is further amended as follows:

Section 1. Section 1 is amended as follows:

(a) Section 1(b)(1) is amended to read as follows:

"(1) Each agency shall identify in writing the specific market failure (such as externalities, market power, lack of information) or other specific problem that it intends to address (including, where applicable, the failures of public institutions) that warrant new agency action, as well as assess the significance of that problem, to enable assessment of whether any new regulation is warranted."

(b) by inserting in section 1(b)(7) after "regulation" the words "or guidance document".

(c) by inserting in section 1(b)(10) in both places after "regulations" the words "and guidance documents".

(d) by inserting in section 1(b)(11) after "its regulations" the words "and guidance documents".

(e) by inserting in section 1(b)(12) after "regulations" the words "and guidance documents".

Sec. 2. Section 2 is amended as follows:

(a) by inserting in section 2(a) in both places after "regulations" the words "and guidance documents".

(b) by inserting in section 2(b) in both places after "regulations" the words "and guidance documents".

Sec. 3. Section 3 is amended as follows:

(a) by striking in section 3(d) "or 'rule'" after "'Regulation'";

(b) by striking in section 3(d)(1) "or rules" after "Regulations";

(c) by striking in section 3(d)(2) "or rules" after "Regulations";

(d) by striking in section 3(d)(3) "or rules" after "Regulations";

(e) by striking in section 3(e) "rule or" from "final rule or regulation";

(f) by striking in section 3(f) "rule or" from "rule or regulation";

(g) by inserting after section 3(f) the following:

"(g) "Guidance document" means an agency statement of general applicability and future effect, other than a regulatory action, that sets forth a policy on a statutory, regulatory, or technical issue or

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an interpretation of a statutory or regulatory issue.

(h) "Significant guidance document" --

(1) Means a guidance document disseminated to regulated entities or the general public that, for purposes of this order, may reasonably be anticipated to:

(A) Lead to an annual effect of \$100 million or more or adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities;

(B) Create a serious inconsistency or otherwise interfere with an action taken or planned by another agency;

(C) Materially alter the budgetary impact of entitlements, grants, user fees, or loan programs or the rights or obligations of recipients thereof; or

(D) Raise novel legal or policy issues arising out of legal mandates, the President's priorities, or the principles set forth in this Executive order; and

(2) Does not include:

(A) Guidance documents on regulations issued in accordance with the formal rulemaking provisions of 5 U.S.C. 556, 557;

(B) Guidance documents that pertain to a military or foreign affairs function of the United States, other than procurement regulations and regulations involving the import or export of non-defense articles and services;

(C) Guidance documents on regulations that are limited to agency organization, management, or personnel matters; or

(D) Any other category of guidance documents exempted by the Administrator of OIRA."

Sec. 4. Section 4 is amended as follows:

(a) Section 4(a) is amended to read as follows: "The Director may convene a meeting of agency heads and other government personnel as appropriate to seek a common understanding of priorities and to coordinate regulatory efforts to be accomplished in the upcoming year."

(b) The last sentence of section 4(c)(1) is amended to read as follows: "Unless specifically authorized by the head of the agency, no rulemaking shall commence nor be included on the Plan without the approval of the agency's Regulatory Policy Office, and the Plan shall contain at a minimum:"

(c) Section 4(c)(1)(B) is amended by inserting "of each rule as well as the agency's best estimate of the combined aggregate costs and benefits of all its regulations planned for that calendar year to assist with the identification of priorities" after "of the anticipated costs and benefits".

(d) Section 4(c)(1)(C) is amended by inserting ", and specific citation to such statute, order, or other legal authority" after "court order".

Sec. 5. Section 6 is amended as follows:

(a) by inserting in section 6(a)(1) "In consultation with OIRA, each agency may also consider whether to utilize formal rulemaking procedures under 5 U.S.C. 556 and 557 for the resolution of complex determinations" after "comment period of not less than 60 days."

(b) by amending the first sentence of section 6(a)(2) to read as follows: "Within 60 days of the date of this Executive order, each agency head shall designate one of the agency's Presidential Appointees to be its Regulatory Policy Officer, advise OMB of such designation, and annually update OMB on the status of this designation."

Sec. 6. Sections 9–11 are redesignated respectively as sections 10-12.

Sec. 7. After section 8, a new section 9 is inserted as follows:

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"Sec. 9. Significant Guidance Documents. Each agency shall provide OIRA, at such times and in the manner specified by the Administrator of OIRA, with advance notification of any significant guidance documents. Each agency shall take such steps as are necessary for its Regulatory Policy Officer to ensure the agency's compliance with the requirements of this section. Upon the request of the Administrator, for each matter identified as, or determined by the Administrator to be, a significant guidance document, the issuing agency shall provide to OIRA the content of the draft guidance document, together with a brief explanation of the need for the guidance document and how it will meet that need. The OIRA Administrator shall notify the agency when additional consultation will be required before the issuance of the significant guidance document."

Sec. 8. Newly designated section 10 is amended to read as follows:


"Sec. 10. Preservation of Agency Authority. Nothing in this order shall be construed to impair or otherwise affect the authority vested by law in an agency or the head thereof, including the authority of the Attorney General relating to litigation."


GEORGE W. BUSH

THE WHITE HOUSE,

January 18, 2007.

###

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Friday, January 26, 2007

**LIST OF RUSSIAN PARTICIPANTS FOR THE MARCH 2007 NORTH PACIFIC
FISHERY MANAGEMENT COUNCIL GOVERNANCE EXCHANGE**

Name	Position	Funding Source	Salmon Coalition Member
Kumantsov Mikhail	Vice governor of Koryakia	WWF	Pending
Orlova Irina	Kamchatka' Fishermen Trade Union leader	WWF	+
Berejkov Dmitry or his substitute	President of the Indigenous people of Kamchatka Association	WWF	+
Vakhrin Sergey	Reporter, Vice-Chair of the Kamchatka Enterprises Union	WWF	+
Kabanov	PK Mayor Fishery Advisor	WWF	+
Barabanov* Sergey (or his representative)	Ozernovsky RKZ General Director	WWF/ Ozernovsky RKZ	Pending
Litvinenko	President of coastal fishermen of KAO	WWF	-
Belyaev Vladimir	Ichthyological Commission, Moscow	UNDP	-
Leman Vsevolod	All Russia Fishery Res. Institute (VNIRO)	UNDP	-
S.V. Maksimov	FAR	UNDP	-
E. Svyazhin	Sevostrybvod	UNDP	-
L.Y. Reshetov	RosSkhozNadzor	UNDP	-
Sinyakov Sergey*	KamNIRO, Vice-Chair of the Koryakia Fishery Enterprises Union	WWF	+
Shashkun	Chair of the Fishery Comm. Of Kamchatka	UNDP	-
Savelyev Vladimir	AKROS Deputy General Director	UNDP/AKROS	+

Tentative Schedule as of Thursday, February 01, 2007

<i>Date</i>	<i>Location</i>	<i>Activity</i>
March 26, 2007 (morning)	State of Alaska Department of Fish and Game Offices	Meet with salmon fishery managers to discuss salmon conservation and management
March 26, 2007 (afternoon)	TBD	Meet with salmon industry representatives to discuss fishing and processing technologies.
March 26, 2007 (evening)	Hilton Hotel Conferencing Facilities Anchorage	Meet with fishing industry representatives to discuss management challenges and successes in the Council process.
March 27, 2007 (morning)	Hilton Hotel Conferencing Facilities Anchorage	Attend and participate in SSC meeting.
March 27, 2007 (afternoon)	Hilton Hotel Conferencing Facilities Anchorage	Attend and participate in Advisory Panel meeting.
March 27, 2007 (evening)	Hilton Hotel Conferencing Facilities Anchorage	Meet with State and Federal government officials to discuss management challenges and successes in the Council process.
March 28, 2007 (morning)	Hilton Hotel Conferencing Facilities Anchorage	Attend and participate in the Council meeting.
March 28, 2007 (afternoon)	TBD	Meet with State and Federal fisheries enforcement personnel to discuss enforcement challenges related to the Council process.
March 28, 2007 (evening)	Hilton Hotel Conferencing Facilities Anchorage	Meet with Council members and staff to discuss management challenges and successes in the Council process
March 29, 2007 (morning)	TBD	OPEN
March 29, 2007 (afternoon)	Hilton Hotel Conferencing Facilities Anchorage	Meet with State of Alaska government officials.
March 29, 2007 (evening)	Hilton Hotel Conferencing Facilities Anchorage	Meet with representatives of indigenous tribes and NGO's to discuss management challenges and successes in the Council process.
March 30, 2007 (morning)	TBD	OPEN
March 30, 2007 (afternoon)	TBD	OPEN
March 30, 2007 (evening)	TBD	Reception thanking the Russian participants and Council.

SUMMARY OF THE MAGNUSON-STEVENSON FISHERY CONSERVATION AND MANAGEMENT REAUTHORIZATION ACT

ADAPTED FROM DRAFT NOAA FISHERIES SUMMARY

ANNOTATED FOR PRESENTATION TO NPFMC FEBRUARY 2007

TITLE I—CONSERVATION AND MANAGEMENT

Section 2: *Amendment of Magnuson-Stevens Fishery Conservation and Management Act.* This section clarifies that the Act amends the Magnuson-Stevens Fishery Conservation and Management Act (MSA)(16 U.S.C. 1801), except as otherwise expressly provided.

Section 3: *Changes in Findings and Definitions.* This section of the bill adds the finding that a number of Regional Fishery Management Councils have demonstrated significant progress in integrating ecosystem considerations in fisheries management using the existing authorities provided in the Act. The following definitions are added to the bill: “import”, “limited access privilege”, “limited access system”, “observer information” and “regional fishery association”.

The key definitional changes are (1) to replace ‘individual fishing quota’ with ‘limited access privilege’, thereby broadening the types of limited access systems to which the LAP provisions apply; (2) define regional fishery association for purposes of its potential inclusion in limited access systems; (3) broaden the definition of ‘observer information’ primarily for purposes of protecting confidentiality (including for example video information).

Section 4: *Highly Migratory Species.* The bill requires that the Council or the Secretary of Commerce take into account the traditional U.S. participation in the fishery, relative to other Nations, when managing fisheries under an international fisheries agreement to which the United States is a party.

Section 5: *Total Allowable Level of Foreign Fishing.* The bill makes allocations of total allowable level of foreign fishing discretionary. If the Secretary determines that fisheries have adequate or excess domestic harvest capacity, the allocation must be zero.

Section 6: *Western Pacific Sustainable Fisheries Fund.* The bill requires that fines and penalties imposed on foreign vessels for violations occurring within the EEZ off Midway Atoll, Johnston Atoll, Kingman Reef, Palmyra Atoll, Jarvis, Howland, Baker, and Wake Islands be deposited into the Western Pacific Sustainable Fisheries Fund (established under section 204(e)(7) of the current law).

Section 7: *Authorization of Appropriations.* The bill authorizes funds through fiscal year 2013.

Section 101: Cumulative Impacts. The bill amends National Standard (NS) 8 to require use of best available economic and social data. It also requires each fishery management plan to include an analysis of the likely effects, including the cumulative economic and social impacts, of conservation and management measures on, and possible mitigation measures for, participants in the fishery and fishing communities. Similar requirements are in existing mandates for regulatory analysis. This provision will improve the quality and credibility of scientific assessments that the Councils use in the fishery management process.

This is largely consistent with present practices, particularly with regard to EIS documents. Cumulative impact analysis is now required for all amendments (and this provision will be folded into the revised NEPA compliance procedure discussed under Section 107 below).

Section 102: Caribbean Council Jurisdiction. The bill amends the Caribbean Fishery Management Council's jurisdiction to include commonwealths, territories, and U.S. possessions.

Section 103: Regional Fishery Management Councils. The bill authorizes the tribal representative on the Pacific Council to designate an alternate who is knowledgeable in tribal rights, tribal law, and fishery resources.

Each Council's scientific and statistical committee (SSC) is required to provide ongoing scientific advice for fishery management decisions, including recommendations for acceptable biological catch; preventing overfishing; maximum sustainable yield; achieving rebuilding targets; and reports on stock status and health, bycatch, habitat status, socioeconomic impacts of management measures, and sustainability of fishing practices. SSC member must adhere to conflict of interest standards.

This strengthens the role of the SSC and expands the information which they provide to the Councils (though it is essentially consistent with current NPFMC practice). It also references conflict of interest standards as with Council members.

These provisions are consistent with recommendations from the USCOP.

The bill authorizes the Secretary and each Council to establish a peer review process for scientific information used to advise the Council about the conservation and management of the fishery. The review process is deemed to satisfy requirements of the Data Quality Act. A peer review process will strengthen the scientific information used during decision making by the Regional Fishery Management Councils.

This provision allows the Council to use the SSC to satisfy requirements of Data Quality Act, as we have been striving for, but does not preclude use of other peer review processes where desirable.

This is similar to a recommendation from the USCOP, but not as binding to do peer review outside our SSC process.

The payment of stipends to SSC or advisory panel members that are not employed by the Federal government or a State marine fisheries agency is required, subject to the availability of appropriations.

This provision mandates the payment of a stipend to (non-federal/state agency) SSC members, as well as Advisory Panel members; however it is uncertain as to how stipend will be defined (a per day or per meeting amount for example), whether it will be same for SSC and AP, and whether there needs to be consistency across all councils. Further, it appears that the stipend requirement is effected only when funds are specifically identified in federal appropriations. This issue was discussed at length at the recent CCC meeting but not resolved. NOAA Fisheries is continuing to examine the issue and we will see what the 2007 budget (appropriations bill) contains. Until then the stipend provision is not in effect.

This requirement is partially consistent with the USCOP recommendation (relative to SSC members only).

The Councils are required to develop annual catch limits for each of its managed fisheries that may not exceed the ^{over}fishing level recommendations of its SSC or the peer review process established under the legislation. This provision does not modify the Secretary's authority in current law to review and approve fishery management plans. Annual catch limits are important fisheries management tools that will help effectively manage living marine resources.

This provision reflects current practice in the NPFMC and should not affect how we operate.

This is consistent with a primary recommendation of the USCOP.

Each Council is required, in conjunction with the SSC, to develop and update as necessary five-year research priorities for fisheries, fisheries interactions, habitats, and other areas of research that are necessary for management purposes. Research priorities must be submitted to the Secretary and regional science centers for consideration in developing research priorities and budgets. This provision will help the Administration link research priorities to budget decisions.

This is basically consistent with current practice in the NPFMC (though we do not specifically establish research priorities for 5-year periods).

The bill modifies notice requirements for Council meetings.

The bill requires the Secretary, in consultation with the Councils and the National Sea Grant College Program, to develop a training course for new Council members. Council members appointed after the date of enactment must complete the training course within a year after the date on which they were appointed.

NOAA Fisheries is updating and expanding the Council training and orientation sessions and intends to hold them every year. Staff, SSC, and AP members may be included in such training sessions, as resources allow (noting that NOAA typically provides the funding for travel and attendance at such training sessions).

This is consistent with the USCOP recommendation (though they recommended training be required within 6 months of appointment).

The bill authorizes the Councils to establish a Council coordination committee (CCC), consisting of the chairs, vice chairs, and executive directors of the eight Councils to discuss issues of relevance to all Councils.

This provision basically sanctifies the annual meetings which have been held for decades. It allows this group to meet, and develop consensus positions where appropriate (i.e. without being in violation of the federal advisory committee act (FACA)).

The financial disclosure rules are modified to require disclosure of any lobbying or advocacy activity by Council nominees or appointees. Beginning in 2008, an annual report must be submitted to Congress on actions taken to implement financial disclosure and recusal requirements, including identification of any conflict of interest problems with respect to the Councils and SSCs and recommendations to address these problems.

This does not appear to alter existing recusal rules, and is more of a reporting requirement.

Section 104: Fishery Management Plan Requirements. The bill requires that fishery management plans specify economic information to be submitted to the Secretary, including fish processing. The bill also requires that reductions in overall harvest, due to rebuilding plans or other conservation and management measures, take into consideration the economic impact of harvest restrictions or recovery benefits on the fishery participants in each sector.

This should strengthen the collection of economic data (consistent with our SSC priorities).

Fishery management plans must establish a mechanism for specifying annual catch limits in the plan, implementing regulations, or annual specifications, at a level such that overfishing will not occur in the fishery. The mechanism must also include measures to ensure accountability. The requirements to specify annual catch limits shall take effect in fishing year 2010 for fisheries determined by the Secretary to be subject to overfishing, and in fishing year 2011 for all other fisheries. Requirements to specify annual catch limits do not apply to a fishery for species that have a life cycle of approximately one year unless the Secretary has determined the fishery is subject to overfishing. Fishery management plans must be prepared and implemented within two years after a fishery is identified as overfished.

This appears consistent with current practice in the NPFMC and should not alter our operations.

This is also basically consistent with recommendations from the USCOP.

Section 105: Fishery Management Plan Discretionary Provisions. The bill authorizes the designation of zones in areas where deep sea corals are identified to protect deep sea corals from physical damage from fishing gear or to prevent loss or damage to such fishing gear from

interactions with deep sea corals. Any area closure under the MSA that prohibits all fishing must be based on the best scientific information available; include criteria to assess the conservation benefit of the closed area; establish a timetable for review of the closed area's performance; and be based on an assessment of the benefits and impacts of the closure on users of the area, overall fishing activity, fishery science, and fishery and marine conservation.

Fishery management plans may take into account the different circumstances affecting fisheries from different States and ports, including distances to fishing grounds and proximity to time and area closures.

The bill authorizes fishery management plans to establish a limited access system for a fishery in order to achieve optimum yield if, in developing the system, the Council and the Secretary take into account specified factors.

Fishery management plans may include measures to conserve target and non-target species and habitats, considering the ecological factors affecting fishery populations.

These provisions are discretionary and none appear to be inconsistent with current NPFMC practices.

Section 106: Limited Access Privilege Programs. The bill authorizes a Council to submit and the Secretary to approve a limited access privilege program to harvest fish in a fishery that is managed under a limited access system if the program meets certain requirements.

The bill explicitly states that a limited access privilege is a permit that can be revoked, limited, or modified at any time, and does not confer any right of compensation to the holder if it is revoked, limited, or modified.

A limited access privilege program must assist in rebuilding if established in a fishery that is overfished or subject to a rebuilding plan, and contribute to reducing capacity if established in a fishery that is determined by the Secretary or Council to have overcapacity. Limited access privilege programs must promote fishing safety, fishery conservation and management, and social and economic benefits.

The bill prohibits any person other than U.S. citizens, permanent resident aliens, corporations, partnerships, or other entities established under U.S. or state laws, that meet the eligibility and participation requirements established in the program from acquiring harvest privileges, including persons that obtained a limited access privilege solely for the purpose of perfecting or realizing on a security interest in such privilege.

All fish harvested under a limited access privilege program must be processed by U.S. vessels, in U.S. waters, or on U.S. soil (including any U.S. territory). The Secretary may waive requirement if the fishery has historically processed fish outside of the U.S. and the U.S. has a seafood safety equivalency agreement with the country where processing will occur.

The bill requires that all limited access privilege programs specify the goals of the program.

A detailed review of limited access privilege programs is required five years after initial implementation of the program; thereafter, review of the program must coincide with scheduled Council review of the relevant fishery management plan (but no less frequently than once every seven years).

An extensive framework is established for the authorization of limited access privilege programs. Each limited access privilege program must include an effective system for enforcement, monitoring, and management, including the use of observers or electronic monitoring systems; an appeals process for administrative review of Secretary's decision's regarding initial allocation of limited access privileges; provide for an information collection and review process by the Secretary, in consultation with the Department of Justice and Federal Trade Commission, to support anti-competitive determinations; and provide for revocation of privileges held by persons in violation of U.S. antitrust laws.

Eligibility requirements are outlined for fishing communities and regional fishery associations to acquire harvest privileges. Among their requirements, fishing communities must develop a community sustainability plan, and regional fishery associations must develop a regional fishery association plan. Both plans must be based on criteria developed by the Council, approved by the Secretary, and published in the Federal Register. Failure to comply with approved plans will result in denial of limited access privileges.

The bill requires procedures be established to ensure fair and equitable initial allocations of harvest privileges under a limited access privilege program. The program must consider the basic cultural and social framework of the fishery. A limited access privilege program must also include measures, when necessary and appropriate, to assist entry-level and small vessel owner-operators, captains, crew, and fishing communities through set-asides or allocations of harvest privileges, or through economic assistance in the purchase of privileges. In developing limited access privilege programs, a Council or the Secretary must ensure that limited access privilege holders do not acquire an excessive share of total limited access privileges. The bill authorizes limited access privileges to harvest fish to be held, acquired, used by, or issued to persons who substantially participate in the fishery, including a specific sector of the fishery, as specified by the Council.

With exception of the New England and Gulf of Mexico Councils, the bill authorizes a Council to initiate a fishery management plan or amendment to establish a limited access privilege program on its own initiative or if the Secretary of Commerce certifies an appropriate petition.

The Councils are required to establish a policy on transferability of limited access privilege shares and criteria for the approval and monitoring of transfers.

When establishing a limited access privilege program, a Council must consider, and if appropriate, may provide an auction system or other program to collect royalties for the distribution of allocations in a limited access privilege program under specified conditions. Revenues generated through a royalty program are deposited in the Limited Access System Administration Fund and are available subject to annual appropriations.

The bill requires that Councils develop a methodology and means to assess management, data collection, analysis, and enforcement programs that support a limited access privilege program; and provide for a program of fees, paid by limited access privilege holders, to recover costs of management, data collection and analysis, and enforcement activities. The amount of fees that can be collected for cost recovery, however, is subject to the existing cap of three percent of the ex-vessel value of fish harvested. Although the bill retains the existing three percent cap on cost recovery, it increases the number of items whose costs may be recovered.

A limited access privilege established after the date of enactment will be a permit issued for a period of not more than 10 years and will be automatically renewed unless the permit has been revoked, limited, or modified. Violation of a fishing regulation will result in revocation of limited access privileges.

The Councils are authorized to submit a program for Secretarial approval to reserve up to 25 percent of any fees collected to help small-boat fishermen and entry level fishermen purchase harvest privileges. The Council must recommend qualifying criteria for eligible fishermen and the portion of funds to be allocated.

The bill does not require a reallocation of individual quota shares, processor quota shares, cooperative programs, or other quota programs, including sector allocation in effect before the date of enactment. The requirements for limited access privilege programs will not apply to any quota program for which a Council has taken final action or which has been submitted by a Council to the Secretary, or approved by the Secretary, within six months after enactment. However, any current program shall be subject to review within five years after program implementation.

The Secretary is required to work with the Small Business Administration and other Federal agencies to develop financial and other mechanisms to encourage U.S. investment in seafood processing facilities in the United States for fisheries that lack processing capacity.

Taken collectively, these provisions mandate a much broader and more detailed set of considerations relative to development of LAPs. However, many of the provisions do rest discretionary authority within the Council process. For example, if considering RFAs or fishing community allocations/acquisition, the Council and Secretary must first develop and approve criteria for such plans. It is possible that the guidelines will allow for that to occur as part of an overall LAP plan, rather than sequentially.

Programs already approved by the Council, such as Amendment 80, are not required to adhere to these provisions. Programs under consideration but not yet approved (within 6 months from date of enactment) will have to comply.

NOAA Fisheries is developing comprehensive guidance for implementation of these LAP provisions, with input from the regional Council representatives, which should be available by this summer. We will distribute a draft when available.

These LAP provisions are largely consistent with the recommendations of the USCOP, though a formal 'sunset' provision was not included.

Section 107: Environmental Review Process. The bill requires the Secretary, in consultation with the Councils and Council on Environmental Quality (CEQ), to revise and update agency procedures for compliance with the National Environmental Policy Act (NEPA). The procedures must integrate applicable environmental analytical procedures and conform to timelines within the MSA. The updated agency procedures will be the sole environmental impact assessment procedure for fishery management plans, amendments, regulations, or other actions taken or approved under the MSA. Revised procedures must be proposed within six months after the date of enactment, and final procedures must be promulgated within 12 months after the date of enactment. Public involvement must be included in development of the revised procedures.

This was a topic of significant discussion at our recent CCC meeting. To summarize (1) the NPFMC ED is part of an internal staff effort (with two other Council EDs and NOAA HQ and CEQ representatives) to develop an initial draft procedure(s); (2) this draft procedure(s) will be released for public dissemination in March and be vetted through regional Council meetings and possibly other workshop venues to garner Council and public input. The CCC meeting in May will also provide another opportunity for all-Council input; (3) based on that input NOAA will (by June 12) publish a single proposed revised procedure for a formal 90 day public comment period; (4) based on that comment period, NOAA will publish a final revised procedure (by January 12, 2008).

Section 108: Emergency Regulations. The bill extends the second emergency period from 180 days to 186 days.

Section 109: Western Pacific and North Pacific Community Development. The Secretary is directed to establish a regionally-based pilot program for marine education and training in the Western Pacific and the Northern Pacific (in coordination with the NPFMC) to foster understanding, use of local knowledge, and technical expertise for living marine resource stewardship. The program is focused on increasing scientific education for marine-related professions among coastal community and Native populations.

This subject was not discussed at our recent CCC meeting, so I cannot report to you regarding the nature and timing of this initiative.

Section 110: Secretarial Action on State Groundfish Fishing. The bill requires the Secretary to determine whether fishing in State waters in New England without a multispecies groundfish fishery permit on regulated species is inconsistent with the applicable Federal fishery management plan. Similarly, the Secretary must determine whether fishing in State waters in Hawaii without a Federal bottomfish and seamount groundfish permit on regulated species is inconsistent with the applicable Federal fishery management plan. If so, upon notification of the affected state, the Secretary is required to develop and implement corrective management measures in consultation with the Council.

Section 111: *Joint Enforcement Agreements.* Law enforcement officers are authorized to access data or information from vessel monitoring systems (VMS), satellite-based maritime distress and safety systems, or any similar system, or any similar system for enforcement purposes. The bill authorizes Governors of eligible coastal States to apply to the Secretary to establish joint enforcement agreements. The Secretary is required to include an allocation of funds in each joint enforcement agreement. Funds must be fairly distributed among eligible States based on enforcement needs and capacity. As soon as practicable, but no later than 21 months after the date of enactment, the Secretary must implement data-sharing measures to make any data provided by VMS, satellite-based maritime distress and safety systems, or similar systems accessible to state enforcement officers and state management agencies working under a joint enforcement agreement. Within 15 months of enactment, NMFS and the Coast Guard are required to transmit a joint report to Congress on the costs, impacts, requirements, and data-sharing opportunities from the use of VMS, satellite-based maritime distress and safety systems, or similar systems in fisheries management and enforcement.

This provision is consistent with recommendation from the USCOP, but does not specifically provide funding to implement.

Section 112: *Transition to Sustainable Fisheries.* With respect to disaster assistance, the bill states that the Secretary shall determine whether there is a commercial fishery failure due to a fishery resource disaster as a result of man-made causes beyond the control of fishery managers to mitigate through conservation and management measures, including regulatory restrictions (including those imposed as a result of judicial action) imposed to protect human health or the marine environment.

The Secretary is authorized to pay the owner of a fishing vessel under a fishing capacity reduction program only if such vessel is scrapped or subject to title restrictions that permanently prohibit or effectively prevent its use in fishing in federal or state waters or on the high seas of a foreign nation, the permit authorizing participation in the fishery is surrendered for permanent revocation, and any claim associated with the vessel or permit is relinquished.

This is consistent with a USCOP recommendation to ensure that capacity reduction programs do not result in additional effort in other (foreign) fisheries.

The Secretary is required to submit a report to Congress identifying and describing the 20 fisheries in U.S. waters with the most severe examples of excess harvesting capacity (based on value and amount of excess harvest capacity), recommending measures for reducing such excess harvesting capacity, and identifying potential funding sources for these measures.

The bill authorizes the Secretary to conduct a referendum on establishment of an industry fee system to fund a fishing capacity reduction program. The bill requires that a majority of permit holders in the fishery, or 50% of the permitted allocation of the fishery who participated in the fishery, vote in favor of establishing an industry fee system. The Secretary is required to propose and adopt framework regulations for the implementation of a fishing capacity reduction program. The Secretary is required to implement each program by promulgating program-specific regulations. Prior to establishment of an industry fee system for a fishing capacity reduction

program, the harvester proponents of the program must provide the Secretary with a proposed implementation plan.

Section 113: Regional Coastal Disaster Assistance, Transition, and Recovery Program. The bill authorizes the Secretary, upon request and in consultation with the Governors of affected States, to establish a regional economic transition program to provide disaster relief assistance to fishermen, charter fishing operations, U.S. processors, and owners of related fishery infrastructure affected by a “catastrophic regional fishery disaster,” as defined in the bill. A catastrophic regional fishery disaster means a natural disaster, including a hurricane or tsunami, or a regulatory closure (including regulatory closures resulting from judicial action) to protect human health or the marine environment that results in economic losses to coastal or fishing communities, affects more than one State or major fishery managed by a Council or interstate fishery commission, and is determined by the Secretary to be a commercial fishery failure under section 312(a) of the MSA or section 308(d) of the Interjurisdictional Fisheries Act.

Subject to the availability of appropriations, the regional economic transition program must provide funds or other economic assistance to affected entities or governmental entities for disbursement to affected entities for meeting immediate regional shoreside infrastructure needs, financial assistance and job training, fishing capacity reduction, and other activities authorized under section 312(a) of the Magnuson-Stevens Fishery Conservation and Management Act or section 308(d) of the Interjurisdictional Fisheries Act.

The bill allows waiver of non-Federal matching requirements under section 312 of the MSA, section 308 of the Interjurisdictional Fisheries Act, and any other provision of law under which the Federal cost-share is less than 100% if the Secretary determines no reasonable means are available for applicants to meet matching requirement and the probable benefit of 100% Federal financing outweighs the public interest of imposing a matching requirement.

Within two months after a catastrophic regional fishery disaster, the Secretary must provide the Governor of each State participating in the program a comprehensive economic and socio-economic evaluation of the affected region’s fisheries. This reporting deadline is extremely short for completion of a comprehensive report.

Within six months of enactment, the Secretary is required to complete a recovery plan for Klamath River Coho salmon and make it available to the public. This is not a recovery plan under the Endangered Species Act (ESA). The bill does not mention ESA. Klamath River Coho salmon are not listed under the ESA, but they are part of a larger species of southern Oregon and northern California coho salmon that are listed under the ESA.

Within two years after the date of enactment, and annually thereafter, the Secretary is required to submit a report to Congress on the actions taken under the recovery plan and other law relating to the recovery of Klamath River Coho salmon and how these actions are contributing to its recovery; progress on restoration of salmon spawning habitat, including water conditions that relate to salmon health and recovery (with emphasis on the Klamath River and its tributaries below Iron Gate Dam); the status of other Klamath River anadromous fish populations; and

actions taken by the Secretary to address the 2003 National Research Council's recommendations regarding monitoring and research on Klamath River salmon stocks.

The bill makes Federally-recognized Indian tribes and small businesses adversely affected by Federal closures and fishing restrictions in the Oregon and California 2006 fall Chinook salmon fishery eligible to receive direct assistance under section 312(a) of the MSA and section 308(d) of the Interjurisdictional Fisheries Act. In providing assistance, the Secretary is prohibited from using more than 4% of any monetary assistance for administrative costs. On July 6, 2006, Commerce Secretary Gutierrez found that the low abundance of Klamath River fall Chinook between Cape Falcon, Oregon and Point Sur, California in 2006 constituted a fishery resource disaster, and declared that a fishery resource disaster existed under section 308(b) of Interjurisdictional Fisheries Act. No funds have been made available by Congress for such assistance.

Section 114: *Fishery Finance Program Hurricane Assistance.* Subject to the availability of appropriations, the Secretary is required to provide assistance and loan forgiveness to eligible holders of fishery finance program loans for expenditures within the declared fisheries disaster area as a result of Hurricane Katrina or Hurricane Rita. For fiscal year 2007 through fiscal year 2013, \$15,000,000 is authorized to be appropriated to the Secretary for each eligible holder.

Section 115: *Fisheries Hurricane Assistance Program.* The bill requires the Secretary to establish an assistance program for the Gulf of Mexico commercial and recreational fishing industry. Appropriated funds must be allocated among the Gulf states in proportion to the percentage of the fishery catch landed by each state before August 29, 2005. Funds allocated to Florida must be based exclusively on the proportion of catch landed by the Florida Gulf Coast fishery. Of the funds made available to each state, two percent must be distributed to fishermen with a demonstrated record of compliance with turtle excluder and bycatch reduction regulations. The rest of the funds must provide for personal and small business assistance, domestic product marketing and seafood promotion, state seafood testing programs, development of limited entry programs, assistance or incentives for use of turtle excluder and bycatch reduction devices, and voluntary capacity reduction programs for shrimp fisheries under limited access programs. The bill authorizes to be appropriated to the Secretary \$17.5 million annually for fiscal year 2007 through fiscal year 2012.

Section 116: *Bycatch Reduction Engineering Program.* The bill requires the Secretary, in cooperation with the Councils and other affected interests, to establish a regionally-based bycatch reduction engineering program within one year of enactment. The program shall develop technological devices and engineering changes to minimize bycatch, seabird bycatch, bycatch mortality, and post-release mortality in Federally-managed fisheries. Fishery management plans may establish incentives for bycatch reduction, including establishment of individual bycatch quotas. The Secretary, in coordination with the Secretary of Interior, is authorized to undertake projects in cooperation with industry to take actions at the appropriate international fishery organizations to reduce seabird interactions in fisheries. The bill requires the Secretary to transmit an annual report to Congress that describes funding provided to implement these provisions; developments in gear technology achieved under this program; and improvements and reductions in bycatch and seabird interactions associated with implementing

these provisions, as well as proposals to address remaining bycatch or seabird interaction problems.

There was only brief discussion of this provision at our recent CCC meeting. NOAA Fisheries will be taking the lead on drafting an initial program outline, to be reviewed when available by the relevant regional Council(s).

The bill changes the fishing allocation in the Community Development Quota program of Alaska, to be total of 10.7% (directed and non-target combined), effective January 1, 2008, and allows transfers among the groups either before or after harvesting. The .7% shall be allocated among the groups by agreement of the CDQ panel, or by the Secretary in the absence of a panel decision.

Relative to Pacific cod, this provision is being implemented via Amendment 85 – the proposed rule has been resubmitted to reflect the legislation, and the plan amendment itself will need to be partially disapproved to reflect the legislation. For the other species, the legislation will be reflected via changes to Amendment 80 (presuming implementation of Amendment 80 by January 1, 2008). The allocation and transfer provisions related to the .7% portion of the allocation, and the role of the CDQ panel, will be discussed in April as part of the larger CDQ agenda item.

Section 117: *Community-Based Restoration Program for Fishery and Coastal Habitats.* The bill requires the Secretary to establish a community-based fishery and coastal habitat restoration program to implement and support the restoration of fishery and coastal habitats.

This provision is very broad, and could imply a large commitment of resources, depending on how it is implemented. This was not discussed at the CCC meeting. Not sure at this time what implications could be to our process.

Section 118: *Prohibited Acts.* The bill prohibits the import, export, transport, sale, receipt, acquisition or purchase of fish taken, possessed, transported, or sold in violation of foreign law or regulation. It also prohibits the use of any fishing vessel to engage in fishing after the Secretary has paid the vessel owner under a fishing capacity reduction program.

Section 119: *Shark Feeding.* The bill makes it unlawful, except in certain circumstances, to feed sharks within the U.S. Exclusive Economic Zone (EEZ) of Hawaii and the Commonwealths, territories, and possessions of the U.S. in the Pacific Ocean. State of Hawaii law prohibits shark feeding activities associated with shark viewing operations in state waters. The state's ban is intended to minimize the potential for shark attacks on nearshore fishermen, swimmers, and surfers.

Section 120: *Clarification of Flexibility.* While ensuring that overfishing ends, the bill gives the Secretary discretion under MSA to extend the time for rebuilding the summer flounder fishery to not later than January 1, 2013, under specified conditions.

Section 121: *Southeast Alaska Fisheries Communities Capacity Reduction.* The bill authorizes the Secretary to approve a capacity reduction plan submitted by the Southeast

Revitalization Association of Alaska; an industry fee system referendum is required in accordance with requirements under the Act, except no Council request or consultation is required and the fee shall not exceed 3 percent of the annual ex-vessel value of the salmon harvested in the southeast Alaska purse seine fishery.

We can request updates on this, and any other, capacity reductions programs that come to fruition.

Section 122: Conversion to Catcher/Processor Shares. The bill amends the fishery management plan for Bering Sea/Aleutian Island King and Tanner Crabs to authorize eligible entities holding processor quota shares to annually exchange those shares, together with quota shares for newly created catcher/processor shares for the Northern Region, subject to limitations specified in the bill. The provision also exempts custom processing in the North Region from processor share use caps.

The agency will implement both provisions through FMP amendment and its standard rule making process. The first must be done by April 12 and is already published as a proposed FMP amendment. If the Council elects to develop an amendment to exempt custom processing in the Western region from processor share use caps, the analysis of the Western region exemption could be consolidated with the amendment for the North region exemption from the Act; otherwise, the Northern region exemption will go forward separately.

TITLE II—INFORMATION AND RESEARCH

Section 201: Recreational Fisheries Information. The bill requires the Secretary to establish and implement a regionally based registry program for recreational fishermen in each of the eight fishery management regions. The program shall provide for registration (including identification and contact information) of individuals engaging in recreational fishing in the EEZ, for anadromous species, or Continental shelf fishery resources beyond the EEZ, and if appropriate, the registration (including ownership, operator, and identification) of vessels used in these fishing activities. The program shall not require a fee before January 1, 2011. Under the regionally based registry program created in this bill, the Secretary must exempt recreational fishermen and vessels registered under existing state programs if certain conditions are met.

Within 24 months after the date of enactment, the Secretary is required, in consultation with representatives of the recreational fishing industry and experts in statistics, technology, and other appropriate fields, to establish a program to improve the quality and accuracy of information generated by the Marine Recreational Fishery Statistics Survey (MRFSS). In its recent review of recreational data collection programs, the National Research Council determined that improvements needed to be made to MRFSS to increase the quality and accuracy of its information.

The MRFSS program is primarily an east and gulf coast program. It appears likely that the program of licensing in the State of Alaska will be sufficient to satisfy the provisions of this program, but we will track this issue as it develops.

Section 202: Collection of Information. The bill authorizes collection of proprietary and economic information. The Secretary is authorized to implement an information collection or observer program to obtain additional information for fisheries management.

This provision was not discussed at the CCC meeting; however, we intend to discuss it further at the next CCC meeting, as it is very broad and vaguely worded, and allows implementation of information collection programs, up to and including observer programs, without Council approval or input.

Section 203: Access to Certain Information. The bill revises, and generally strengthens, provisions in MSA pertaining to access to confidential information.

Section 204: Cooperative Research and Management Program. The bill requires the Secretary, in consultation with the Councils, to establish a regional cooperative research and management program. The program must be developed and conducted through partnerships among Federal, State, and Tribal managers and scientists (including interstate fishery commissions), fishing industry participants (including use of commercial charter or recreational vessels for gathering data), and educational institutions. Funds would be provided on a competitive basis and based on regional fishery management needs.

The Secretary, in consultation with the Councils, is required to promulgate regulations that establish an expedited, uniform, and regionally-based process for issuance of experimental fishing permits within 180 days after the date of enactment.

The bill requires the Secretary, in consultation with the Councils, to establish guidelines to ensure that participation in a research project funded under the cooperative research and management program does not result in loss of a participant's catch history or unexpended days-at-sea as part of a limited entry system.

This is another initiative that received little discussion at the recent CCC meeting, but which certainly warrants further discussion, due to the potentially significant resources necessary to implement.

This provision reflects a key recommendation of the USCOP

Section 205: Herring Study. The bill authorizes the Secretary to conduct a cooperative research program to study distribution, abundance, and the role of herring as forage fish for other commercially important fish stocks in the Northwest Atlantic, and the potential for local scale depletion from herring harvesting and how it relates to other fisheries in the Northwest Atlantic. The Secretary must provide an interim report to Congress at the end of fiscal year 2008 and a final report within three months following completion of the study. The bill authorizes to be appropriated \$2,000,000 for fiscal year 2007 through fiscal year 2009 for the study.

Section 206: Restoration Study. The bill authorizes to be appropriated \$500,000 in fiscal year 2007 for the Secretary to conduct a study to update scientific information and protocols needed to improve restoration techniques for coastal habitat.

Section 207: Western Pacific Fishery Demonstration Projects. The bill eliminates the requirement that the Secretary of the Interior provide funding for Western Pacific fishery demonstration projects and clarifies which fishery communities are eligible to receive grants for these projects.

Section 208: Fisheries Conservation and Management Fund. The bill establishes a Fishery Conservation and Management Fund. Subject to allocation requirements outlined in the bill, monies in the Fund must be used for specified activities, though the list of activities is quite broad. The bill authorizes monies to be deposited into the Fund that are generated through (voluntary) quota set-asides established and designated by a Council for inclusion in the Fund, appropriations, and funds from States or other private/public entities, or non-profit organizations. The monies in the Fund are available to the Secretary without appropriation or fiscal year limitation. The Secretary is required to apportion monies in the Fund every two years among the eight Council regions, based on regional priorities identified through the Council process.

It is unclear how and when such a Fund will be established, and how it will be funded. We will track this and report back when we have more information on this initiative.

The USCOP did have a recommendation for an ocean policy trust fund, but the focus, and funding mechanisms, were substantially different from the provision included in the MSA.

Section 209: Use of Fishery Finance Program and Capital Construction Fund for Sustainable Purposes. The bill amends the Merchant Marine Act to authorize the Secretary to reimburse the principal and interest on an obligation that aids in financing the reimbursement of obligors for purchase of IFQs, fishing capacity reduction, or technologies or upgrades to improve data collection or reporting, reduce bycatch, reduce adverse gear impacts, or improve safety.

Section 210: Ecosystem-Based Management and Research. The bill requires the Secretary, in consultation with the Councils, to complete (within 180 days of enactment of the Act) a study on the state of science for integration of ecosystem considerations in regional fisheries management. The Secretary is authorized to provide technical and financial assistance to the Councils for development of regional pilot programs that build upon these concepts.

We have not resolved the exact process and timing for completion of the study (though it is due by July 12). I presume this will be initiated at the regional level, so further discussions with NOAA regional office and science center will be necessary to come up with a gameplan asap. I do think we have a good headstart on such a report, through our ongoing Council efforts, the AFSC focus on this issue, and our SSC input. I expect to report further detail on this issue specifically in March, and possibly have something for Council review in June.

This provision is consistent with a primary recommendation from the USCOP.

Section 211: Deep Sea Coral Research and Technology Program. The bill requires the Secretary, in consultation with Councils and in coordination with other Federal agencies and educational institutions, to establish a Deep Sea Coral Research and Technology Program,

subject to the availability of appropriations. The Secretary must submit biennial reports to Congress and the public. Beginning one year after the date of enactment, the Secretary, in consultation with the Councils, must submit biennial reports to Congress and the public on steps taken by the Secretary to identify, monitor, and protect deep sea coral areas, including summaries of the results of mapping, research, and data collection performed under the program.

I believe that our recent efforts related to EFH and HAPC, along with ongoing scientific focus on deep-sea coral mapping, put us in good stead to coordinate with the Secretary in preparing such a program. Much of the information listed has been, or is being, compiled in any case. Again, the initiative for this should come at the regional level, so further discussions with NOAA region and science center (and research bodies like the NPRB) will be necessary before I can report to you in further detail.

Section 212: Impact of Turtle Excluder Devices on Shrimping. The bill requires the Undersecretary of Commerce to execute an agreement with the National Academy of Sciences (NAS) to jointly conduct a multi-year, comprehensive study to measure utilization of turtle excluder devices (TEDs), analyze the impacts on sea turtle mortality, and evaluate innovative technologies to increase shrimp retention in TEDs while ensuring sea turtle protection. The bill requires the NAS to submit biannual interim reports to Congress with a summary of preliminary findings and conclusions until a final report is submitted to Congress.

Section 213: Hurricane Effects on Commercial and Recreation Fishery Habitats. Within 180 days of enactment, the Secretary is required to transmit a report to Congress on the impacts of Hurricanes Katrina, Rita, and Wilma on commercial and recreational fisheries in the States of Alabama, Louisiana, Florida, Mississippi, and Texas; the shrimp fishing vessels in those States; and the oyster industry in those States. The Secretary must also report on the impacts of Hurricanes Katrina, Rita, and Wilma on habitat. The bill also requires the Secretary to restore fishery habitats, including shrimp and oyster habitats in Louisiana and Mississippi.

Section 214: North Pacific Fisheries Convention. The bill authorizes the North Pacific Council, in consultation with the Secretary, to prepare a fisheries research plan for any fishery under the Council's jurisdiction, except salmon. The plan would establish a system, or systems, of fees, which may vary by fishery, management area, or observer coverage level, to pay for the cost of implementing the plan.

This is the broader fee program authority we have been seeking to allow us to explore a number of alternative funding arrangements (and service delivery models) for the North Pacific groundfish observer program. We are scheduled to have a broad discussion of where we are in our process relative to such a program change (or to consider regulatory adjustments to the existing pay-as-you-go program) at our March/April meeting. Although we now have the broad statutory authority to examine alternative funding mechanisms, we still have some outstanding, unresolved issues such as application of the FLSA.

Section 215: New England Groundfish Fishery. The bill requires the Secretary to examine the potential impacts of Framework 42 to the Northeast Multispecies Fishery Management Plan on

all affected and interested parties. The Secretary is required to report the findings within 30 days of enactment.

Section 216: *Report on Council Management Coordination.* The bill requires the Mid-Atlantic Council, in consultation with the New England Council, to submit a report to Congress within nine months of enactment describing coordination between the two Councils. Among its requirements, the report must include an analysis of the characteristics of North Carolina and Florida that supported their inclusion as voting members of more than one Council and the extent to which those characteristics support Rhode Island's inclusion on a second Council (the Mid-Atlantic Council).

Section 217: *Study on Shortage in the Number of Individuals with Post-Baccalaureate Degrees in Subjects Related to Fishery Science.* The bill requires the Secretary of Commerce and the Secretary of Education to collaborate on a study of whether there is a shortage in the number of individuals with post-baccalaureate degrees in subjects related to fishery science. Within eight months after the date of enactment, the Secretaries of Commerce and Education must transmit a report to Congress detailing the findings and recommendations of the study.

Section 218: *Gulf of Alaska Rockfish Demonstration Program.* The bill extends the Gulf of Alaska Rockfish Demonstration Program for an additional 3 years.

A technical amendment will be necessary by 2009 to extend this program for an additional 3 years. NPFMC will work with NMFS staff and keep you apprised of progress on this issue.

TITLE III—OTHER FISHERIES STATUTES

Section 301: *Amendments to Northern Pacific Halibut Act.* The bill amends the Northern Pacific Halibut Act to increase penalties and authorize permit sanctions. A similar provision was included in the Administration's MSA reauthorization proposal.

Section 302: *Reauthorization of Other Fisheries Acts.* The bill reauthorizes the several other fisheries acts, as outlined below.

- **Atlantic Striped Bass Conservation Act** – The bill authorizes \$1 million annually for fiscal year 2007 through fiscal year 2011.
- **Yukon River Salmon Act of 2000** – The bill authorizes \$4 million annually for fiscal year 2007 through fiscal year 2011.
- **Shark Finning Prohibition Act** – The bill reauthorizes the Act through fiscal year 2011 at current funding level.
- **Pacific Salmon Treaty Act** – The bill transfers language establishing a Northern Boundary and Southern Boundary Restoration and Enhancement Fund from other legislation to the Pacific Salmon Treaty Act and reauthorizes the Act through fiscal year 2009.

- **Interjurisdictional Fisheries Act of 1986** – The bill reauthorizes \$5 million annually for fiscal year 2007 through fiscal year 2012 for general appropriations, and authorizes \$900,000 annually for fiscal year 2007 through fiscal year 2012 to support the efforts of the several interstate commissions to develop interstate fishery management plans for interjurisdictional fishery resources.
- **Anadromous Fish Conservation Act** – The bill authorizes \$4.5 million annually for fiscal year 2007 through fiscal year 2012.
- **Northwest Atlantic Fisheries Convention Act of 1995** – The bill reauthorizes this Act through fiscal year 2012.

The bill also extends state authority for managing the Dungeness Crab fishery (under P.L. 105-384) through 2016 and revises state reporting requirements.

The bill requires the Pacific Council to develop a proposal for an appropriate rationalization program for the Pacific trawl groundfish and whiting fisheries, including the shore-based sector of the Pacific whiting fishery. The bill also requires the Pacific Council to submit the proposal and related analysis to Congress within 24 months of enactment.

TITLE IV—INTERNATIONAL

Section 401: *International Monitoring and Compliance.* The bill authorizes the Secretary to improve monitoring and compliance for high seas fisheries or fisheries governed by international or regional fishery management agreements.

Section 402: *Finding with Respect to Illegal, Unreported, and Unregulated Fishing.* The bill adds a finding that international cooperation is necessary to address illegal, unreported, and unregulated (IUU) fishing.

Section 403: *Action to End IUU Fishing and Reduce Bycatch of Protected Marine Species.* The Secretary, in consultation with the Secretary of State and in cooperation with the relevant fishery management councils, is required to take actions to improve the effectiveness of international fishery management organizations in conserving and managing fish stocks. The bill amends the High Seas Driftnet Fishing Moratorium Protection Act to require the Secretary, in consultation with the Secretary of State, to provide Congress with a biennial report on international compliance. In the report, the Secretary is required to identify nations whose fishing vessels have been engaged in illegal, unreported or unregulated (IUU) fishing and the relevant fishery management organization has failed to implement effective measures to end the fishing activity or no international fishery management organization exists. This identification is deemed to be an identification under section 101(b)(1)(A) of the High Seas Driftnet Fisheries Enforcement Act and may result in trade sanctions against identified nations. The bill requires the Secretary to notify the President of any identified nations. Within 60 days of submitting the report to Congress, the Secretary, in consultation with the Secretary of State, would be required to initiate consultations to encourage these nations to take appropriate corrective action against

fishing vessels that are identified in the report. The Secretary is required to establish a procedure to determine if governments have taken appropriate corrective action against IUU fishing. Within three months after the date of enactment, the bill requires the Secretary to define the term "illegal, unreported, or unregulated fishing" as specified in the bill. The bill authorizes to be appropriated to the Secretary such sums as are necessary for fiscal years 2007 through 2013 to carry out these activities.

If nations have fishing vessels engaging in bycatch of protected marine species, the Secretary, acting through the Secretary of State, must initiate discussions with the nations' governments to enter into bilateral and multilateral treaties to protect these species, seek agreements calling for international restrictions, and initiate amendment of any existing international treaty to make consistent with the purposes and policies of this section of the bill. The bill requires the Secretary to biennially certify to Congress if governments have adopted a regulatory program and management plan governing the conservation of protected living marine resources that is comparable to that of the United States. The bill requires the Secretary, to the greatest extent possible and based on the availability of funds, to assist identified nations as specified in the bill. The bill authorizes to be appropriated to the Secretary such sums as are necessary for fiscal years 2007 through 2013.

Section 404: *Monitoring of Pacific Insular Area Fisheries.* The bill revises observer requirements for foreign fisheries in the Pacific Insular Area. The Secretary will determine adequate monitoring methods for harvest, bycatch, and compliance with U.S. law by foreign vessels that fish in the Pacific Insular Area.

Section 405: *Reauthorization of Atlantic Tunas Convention Act.* The bill reauthorizes the Atlantic Tunas Convention Act through fiscal year 2013. The bill also amends the Atlantic Tunas Convention Act to include a cooperative research program on Atlantic billfish based on the Southeast Fisheries Science Center Atlantic Billfish Research Plan of 2002. The bill authorizes funds through 2013. The bill amends the Atlantic Tunas Convention Act to add the sense of the Congress that the United States Commissioners should seek to include ecosystem considerations in fisheries management, including the conservation of fish habitat.

Section 406: *International Overfishing and Domestic Equity.* The bill requires the Secretary, in cooperation with the State Department, to act at the international level to end overfishing if the Secretary determines a fishery is overfished, or approaching a condition of being overfished due to excessive international fishing pressure, and there are no management measures to end overfishing under an international agreement. Within a year after the Secretarial determination, the appropriate Council or the Secretary is required to develop recommendations for domestic regulations to address the relative impact of U.S. fishing vessels on the stock, and develop and submit recommendations to the State Department and Congress for international actions that will end overfishing and rebuild affected stocks.

Exclude from the MSA definition of bycatch highly migratory species harvested in a commercial fishery managed by a Council under the MSA, or the Western and Central Pacific Fisheries Convention Implementation Act, that are not regulatory discards and that are tagged and released alive under a scientific tagging and release program established by the Secretary.

Section 407: United States Catch History. When establishing catch allocations under international fisheries agreements, the Secretary, in consultation with the Coast Guard and the Secretary of State, is required to ensure that all catch history associated with a U.S. vessel remains with the United States in that fishery, and is not transferred or credited to any other nation.

Section 408. Secretarial Representative for International Fisheries. The Secretary, in consultation with the Under Secretary of Commerce for Oceans and Atmosphere, is required to designate a Senate-confirmed senior official within NOAA to perform the duties of the Secretary with respect to international agreements involving fisheries and other living marine resources, including policy development and representation as a U.S. Commissioner, under any such international agreements. This provision is mandated to take effect January 2009.

TITLE V—IMPLEMENTATION OF WESTERN AND CENTRAL PACIFIC FISHERIES CONVENTION

Title V of the bill implements the Convention on the Conservation and Management of the Highly Migratory Stocks in the Western and Central Pacific Ocean.

The President is required to appoint five U.S. Commissioners to the Commission for the Conservation and Management of Highly Migratory Fish Stocks in the Western and Central Pacific Ocean established in accordance with the Convention. One U.S. Commissioner must be an officer or employee of the Department of Commerce and one U.S. Commissioner must be the chairman or a member of the Western Pacific Fishery Management Council and the Pacific Fishery Management Council.

The bill requires the establishment of a permanent advisory committee, comprised of 15-20 individuals appointed by the U.S. Commissioners. The advisory committee must include the chair of the Western Pacific Fishery Management Council's Advisory Committee (or the chair's designee), and officials of the fisheries management authorities of American Samoa, Guam, and the Northern Mariana Islands (or their designees).

The Secretary, in coordination with the State Department, is required to develop a memorandum of understanding (MOU) with the Western Pacific, Pacific, and North Pacific Councils to specify the role of the relevant Council with respect to its participation in U.S. delegations to international fishery organizations in the Pacific Ocean, coordination of positions with the U.S. delegation, and recommendations for domestic fishing regulations. The bill also requires the Secretary, in consultation with Coast Guard and appropriate Regional Fishery Management Council, to promulgate regulations needed to carry out U.S. obligations under the Convention, in accordance with procedures in the MSA. The Secretary of Commerce is required to prevent violations of the Convention using the same authority and means authorized under section 307 of MSA.

The bill requires masters of commercial fishing vessels of nations fishing for species under management authority of the Western and Central Pacific Fisheries Convention that do not carry

vessel monitoring systems capable of communicating with U.S. enforcement authorities to notify the U.S. Coast Guard or NMFS law enforcement in the appropriate region when entering or transiting the EEZ seaward of Hawaii and of the U.S. Commonwealths, territories, and possessions in the Pacific Ocean.

The bill authorizes to be appropriated to the Secretary such sums as may be necessary to carry out its obligations and pay the U.S. contribution to the Commission.

I am coordinating with Departments of Commerce and State, and our PFMC and WPFMC counterparts, to determine our role and participation in the MOU mentioned above.

TITLE VI—PACIFIC WHITING

Title VI implements the Agreement Between the Government of the United States and the Government of Canada on Pacific Hake/Whiting signed in November 2003.

The bill requires the Secretary, in consultation with the Secretary of State, to appoint four individuals to represent the U.S. on the joint management committee. Appointees must include a NOAA official, a member of the Pacific Fishery Management Council, an individual from a list submitted by treaty Indian tribes (with treaty rights to Pacific whiting), and a representative of the commercial whiting fishing industry. The Secretary is required to carry out agreement and Title VI, including accepting or rejecting recommendations by the joint management committee established under the bill. The bill also authorizes the Secretary to promulgate regulations and cooperate with officials of Canadian Government.

The bill requires the Secretary to establish the U.S. catch limit for Pacific whiting according to standards and procedures of the Agreement and Title VI, rather than under the standards and procedures of MSA, except to the extent necessary to address the rebuilding needs of other species. All other aspects of Pacific whiting management shall be subject to MSA. The Secretary is required to prevent violations of the Agreement using the same authority and means authorized under section 307 of MSA.

The bill authorizes to be appropriated to the Secretary such sums as may be necessary to carry out U.S. obligations.

TITLE VII—MISCELLANEOUS

Section 701: *Study on the Acidification of the Oceans.* The bill requires the Secretary to request the National Research Council to conduct a study on the acidification of the oceans and how this process affects the United States.

Section 702: *Rule of Construction.* This provision was removed by both the Senate and the House in a separate action.

Section 703. *Puget Sound Regional Shellfish Settlement.* The bill codifies a settlement agreement between tribes in Puget Sound, shellfish growers, the State of Washington, and the Department of the Interior.

TITLE VIII—TSUNAMI WARNING AND EDUCATION

Title VIII of the bill requires the National Weather Service, in consultation with other relevant NOAA offices, to operate a program to provide tsunami detection, forecasting, and warnings for the Pacific and Arctic Oceans regions for the Atlantic Ocean, Caribbean Sea, and the Gulf of Mexico region. The National Weather Service, in consultation with other relevant NOAA offices, is required to conduct a community-based tsunami hazard mitigation program to improve tsunami preparedness of at-risk areas in the United States and its territories.

Title VIII of the bill requires NOAA, in consultation with other agencies, academic institutions, and a newly established coordinating committee, to establish or maintain a tsunami research program to develop detection, forecast, communication, and mitigation science and technology. The National Weather Service, in consultation with other relevant NOAA offices and in coordination with other members of the United States Interagency Committee of the National Tsunami Hazard Mitigation Program, is required to provide technical assistance and training to the Intergovernmental Oceanographic Commission, the World Meteorological Organization, and other international entities. This assistance and training shall be part of international efforts to develop a fully functional global tsunami forecast and warning system. This title has also been enrolled as H.R. 1674.

The bill authorizes funds through fiscal year 2012.

TITLE IX—POLAR BEARS

The bill implements the agreement between the United States and Russia on the Conservation and Management of the Alaska-Chukotka Polar Bear Population, signed at Washington, D.C. on October 16, 2000.

B-1
for notebook

FREEZER LONGLINE CONSERVATION COOPERATIVE

641 West Ewing Street
Seattle, WA 98119
Telephone (206) 284-1162
Fax (206) 283-5089

February 6, 2007

Stephanie Madsen, Chair
NPFMC
605 W. 4th Ave, Suite 306
Anchorage, AK 99501-2252

Re: NON-POLLOCK GROUND FISH FISHERIES REDUCTION PROGRAM

Dear Madam Chair,

I am writing to you on behalf of the freezer longline fleet to give further notice and keep you informed of the developments of the fleets buy-back program.

During the June, 2005 meeting of the North Pacific Fisheries Management Council I testified before you on the Non-Pollock Groundfish Fisheries Reduction Program. At that time, I informed you that the Act requires that a subsector give notice to the Council of reduction plans prior to submission to the Secretary of Commerce. I also informed you that my testimony served as notice to the Council that the freezer longline subsector was in the process of developing a plan. At that time, I included for your review an executive summary of our plan and a copy of the plan agreement.

During the fall and winter of 2006, the freezer longline subsector concluded its selection process and on January 5, 2007, submitted to the Secretary of Commerce a reduction plan that called for the removal of four subsector LLP permits and three associated vessels. Recently, we received a letter from National Marine Fisheries Service which requested additional information necessary to complete the evaluation of the plan and provide documentation necessary to support a final decision. At this time, the subsector is in the process of responding to that request.

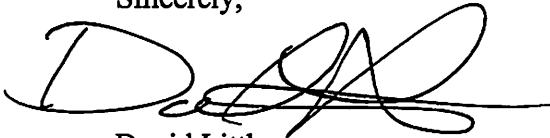
National Marine Fisheries Service has requested that we submit the supplemental information by February 15, 2007 so that they may meet the freezer longline fleet's goal of completing this reduction program before June, 2007. I have included for your review a copy of the plan that was submitted on January 5, 2007, as well as a copy of the response from NMFS. I will also forward to the council, a copy of our response when that becomes complete.

You will note that the first bullet point in the letter from NMFS requests verification that notice has been given to the council, I have attached to this letter my written statement that was read into the record in June of 2005 for your review.

Once the plan is approved by the Secretary, NMFS will conduct a referendum which must be approved by two-thirds of the fleet. Following a successful referendum with two-thirds approval, NMFS will publish notice in the federal register that the process is complete, and at that time the permits and vessels will be retired.

If you have any further questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Little', with a horizontal line extending from the end of the signature.

David Little
President

Cc: Leo Erwin

Enclosures: Plan and summary submitted to Michael Sturtevant on January 5, 2007.
NMFS letter, from Leo Erwin.
Previous written statement.

Summary of the Implementation of the FLCC Capacity Reduction Program and Subsequent Approval of Selected Offers

January 3, 2007

Following the passage of H.R. 4818 on November 19, 2004 by the 108th Congress of the United States, the Freezer Longline Conservation Cooperative (FLCC) began a deliberative effort to construct a Capacity Reduction Program (CRP) consistent with the terms and conditions in Section 219 of H.R. 4818. These efforts led to the development of a Capacity Reduction Program presented to the National Marine Fisheries Service in October 2005 and ultimately implemented by Final Rule on September 29, 2006¹.

An internet web site was established² to facilitate communications with qualified LLP holders. All necessary forms for registration, offer submission, balloting, etc. were provided on the internet. A summary of the CRP was posted along with copies of H.R. 4818, the FLCC Capacity Reduction Agreement, and the draft Capacity Reduction Contract. Anyone having difficulty accessing reference documents or negotiating forms could contact the Auditor and documents and/or forms would be provided to them.

We recognized 43 LLP permits as potential candidates for the CRP. A notice advising all candidate permit holders of the CRP was sent by registered mail on March 1, 2006. Registration for the FLCC CRP began in March 2006. 40 LLP holders registered between March 13th and May 25th (one interim LLP holder ultimately withdrew after exhausting appeal opportunities to convert his interim permit to a non-interim permit). LLP holders were subsequently notified, again by registered mail and via posting on the established web site, that the effective date for the CRP was May 8, 2006.

The Auditor opened the initial offer submission period on Tuesday, May 9th. Alternating between offer submission and offer ranking periods, the opportunity to submit offers remained open through December 15, 2006. During the December 19 to December 21 offer ranking period, registered Subsector Members cast sufficient votes (33 affirmative out of 35 eligible) to call for a closing vote. The closing vote was held during the week of December 25 to December 29, 2006. The Auditor received 33 affirmative votes for each of the 4 offers listed on the closing ballot, exceeding the mandatory 2/3 affirmative votes from the 35 eligible voters, and confirming selection of the submitted offers. The offer selection process was closed at 5 PM (PST), Friday, December 29, 2006.

Selected Offers:

In an effort to provide members an objective view of their proportional contribution to the annual catch of Pacific cod in the Bering Sea and Aleutian Islands (BSAI) region, in 2004 members of the FLCC hired Tagart Consulting³ to acquire and compile NMFS historic catch data for each qualified BSAI Pacific cod longline catcher processor (CP) LLP and Federal Fishing Permit (FFP) owned by FLCC members. Subsequently, for each FLCC member,

¹ Federal Register / Vol. 71, No. 189 p57696-57713

² <http://www.freezerlonglinecoop.org/>

³ Jack V. Tagart, Ph.D., Tagart Consulting, 7247 105th Ave. SW., Olympia, WA 98512

NMFS catch data from the NMFS/AKR Blend/Catch Accounting (collectively the Management dataset) and Weekly Production Report (WPR) database were obtained for the period 1995 to 2005. Pacific cod catch data was summarized by Tagart Consulting and examined for apparent errors or inconsistencies. FLCC members were individually provided copies of their historic data, apprised of potential data errors and asked to independently review the data against in-house records making note of any obvious error. Tagart Consulting acting on behalf of the FLCC members then interacted with staff from the NMFS/AKR office to correct errors in the historic catch data wherever possible.

In June 2006, FLCC members entered into an agreement to share their confidential historic catch data with other consenting members. Tagart Consulting compiled tables of the annual retained BSAI Pacific cod catch for each of two databases (Management (MAN) and WPR) and computed the proportion of the annual catch (annual quota share) associated with each permit (i.e., the individual vessel percentage of the total fleet retained Pacific cod catch). Next, Tagart Consulting estimated the average quota share for a set of recent time periods (2000-2005, 2003-2005) for each vessel in the FLCC fleet. Averaging was done using two methods: 1) simple average, and 2) drop-1 average. Simple average is the sum of the quota shares over the time period divided by the number of years in the time period. The drop-1 average, deletes the minimum quota share from the designated time period, sums the remaining quota share estimates and divides by the number of years in the interval minus 1. Because the minimum quota share for each vessel is not realized in the same year, the sum of the drop-1 individual vessel averages for the entire fleet exceeds 100%. Consequently, the drop-1 average has to be "standardized or normalized" so that the sum of the averages over the fleet equals precisely 100%. The normalized drop-1 average is estimated by dividing the individual vessel drop-1 average by the sum of the averages for all vessels. There were detectable differences in the relative position of individual vessels dependent upon the time period, database and averaging method used to compute the vessels historic quota share. The catch and quota share data were exchanged among members.

From 2000 to 2005 the median quota share values for qualified subsector members ranged from 2.11 to 2.59% for the MAN data set, and from 2.10 to 2.66% for the WPR data set. Median values for averaged quota share estimates ranged from 2.32 to 2.55% for the MAN dataset and from 2.38 to 2.61% for the WPR dataset.

In an effort to balance the treatment of individual vessels according to the method used to compute historic quota shares we identified the maximum quota share value from eight possible combinations of dataset (MAN versus WPR), averaging (simple average versus drop-1 average) and time period (2000-2005 versus 2003-2005). Estimated quota shares were then arbitrated through an impartial party to accommodate issues such as lost fishing time, sunken vessels, and limited catch history due to recent entry in the fishery. The arbitrated set of maximum quota share estimates were then standardized to sum to 100% to represent the best estimate of historic average quota share for each qualified vessel in the BSAI Pacific cod longline CP sector.

Following the standardization of arbitrated quota shares, willing members had the opportunity to present offers for the Capacity Reduction Program. Offers from three active

vessels and one non-active permit were presented, ranked, and ultimately selected in a closing vote. The selected offers are summarized below details are presented in Appendix A.:

VESSEL	LLP	LINKED LLP	FFP	LICENSEE NAME	STANDARDIZED QS	OFFER
HORIZON	LLG3843	LLC3844	1301	HORIZON FISHERIES, LLC	2.528%	\$ 11,800,000
NORTHERN AURORA	LLG2678		1613	NORTHERN AURORA FISHERIES, INC.	2.036%	\$ 10,000,000
Not Applicable	LLG3981		3585	OCEAN PROWLER, LLC	0.000%	\$ 1,500,000
WESTERN QUEEN	LLG3936		2647	WESTERN QUEEN FISHERIES LLC	2.491%	\$ 11,700,000
Total					7.055%	\$ 35,000,000

Relative Position of the Selected Offers:

Estimated standardized quota share values for the FLCC fleet in the 2000-2005 time period range from 0 to 4.006% (Table 1.) Between 2000 and 2005, the estimated quota share history for the active FLCC Capacity Reduction Program selected vessels indicates that the minimum quota share was 4.17% in 2000 and the maximum 8.41% in 2003 (Table 2). Ranking permit holders from highest estimated standardized quota share to lowest, among the selected permits the three active vessels ranked 20, 21 and 31 out of 41 permits and places them in the 61st, 64th and 87th percentile for the cumulative fleet quota share. The latent permit owned by Ocean Prowler, LLC can be fished on a vessel with maximum length overall (MLOA) of 124 feet. Within the FLCC fleet, 10 vessels have a MLOA of less than 125 feet. The standardized averaged quota share for FLCC vessels less than 125 feet MLOA was 1.95% (median value 2.07%) and these vessels ranged between the 66th and 100th percentile for the cumulative fleet quota share. Therefore, it is reasonable to assume that had the latent permit been made active, it would likely have ranked in the lower third of the fleet for catch capacity and may have taken roughly 2% of the annual catch.

Table 1. Estimated maximum BSAI Pacific cod longline catcher/processor quota share.

VESSEL	LLP	LINKED LLP	FFP	LICENSEE NAME	Maximum % QS	Normalized % QS
FRONTIER MARINER	LLG1127		3672	MARINER LIMITED PARTNERSHIP	3.780%	3.513%
FRONTIER SPIRIT	LLG1128		3673	SPIRIT LIMITED PARTNERSHIP	3.630%	3.374%
FRONTIER EXPLORER	LLG1125		4450	EXPLORER LIMITED PARTNERSHIP	3.910%	3.634%
ALASKAN LEADER	LLG2238		4598	ALASKAN LEADER PARTNERSHIP	3.630%	3.374%
BRISTOL LEADER	LLG3602		6323	BRISTOL LEADER FISHERIES LLC.	4.080%	3.792%
SHEMYA/BERING LEADER	LLG3609		26034	BERING LEADER FISHERIES, LLC	2.410%	2.240%
U.S. LIBERATOR	LLG3637	LLC3638	372	LIBERATOR FISHERIES, LLC	2.720%	2.528%
HORIZON	LLG3843	LLC3844	1301	HORIZON FISHERIES, LLC	2.720%	2.528%
PATHFINDER	LLG2026		4306	PATHFINDER FISHERIES, LLC	3.160%	2.937%
GALAXY/SIBERIAN SEA	LLG4008		4578	SIBERIAN SEA FISHERIES, LLC	3.080%	2.872%
BARANOF	LLG1578	LLC1579	1248	ROMANZOF FISHING COMPANY LLC	2.270%	2.110%
COURAGEOUS	LLG1576	LLC1577	1276	AKULURAK, LLC	2.100%	1.952%
BEAUTY BAY	LLG3817	LLC3818	4533	BEAUTY BAY, INC.	2.500%	2.324%
SEATTLE STAR/BLUE STAR	LLG2783		2008	BLUE STAR FISHERIES LLC	1.670%	1.552%
BLUE GADUS	LLG3873		2080	BLUE GADUS LLC	3.080%	2.863%
BLUE NORTH	LLG2859		3339	YAKUTAT, INC.	2.860%	2.658%
BLUE ATTU	LLG2421		4377	BLUE ATTU, LLC	1.960%	1.822%
STORFJORD/BLUE ACE	LLG4508		4529	BLUE ACE, LLC	1.390%	1.292%
BLUE PACIFIC	LLG3847		4618	SELDOVIA FISHERIES, INC.	2.980%	2.779%
CLIPPER SURPRISE	LLG1917		2718	CLIPPER SEAFOODS, LTD.	2.630%	2.444%
CLIPPER ENDEAVOR	LLG1916		3242	CLIPPER SEAFOODS, LTD.	2.500%	2.324%
CLIPPER EXPRESS	LLG1713		3385	CLIPPER EXPRESS, LLC	2.470%	2.296%
CLIPPER EPIC	LLG3818		4463	EWING STREET FISHERIES	3.450%	3.207%
ALASKA I	LLG2085		1310	THE FISHING COMPANY OF ALASKA, INC.	0.000%	0.000%
ALASKA PIONEER	LLG2081		3308	THE FISHING COMPANY OF ALASKA, INC.	3.540%	3.290%
ALASKA PATRIOT	LLG2112		3819	ALASKA PATRIOT, INC.	4.310%	4.006%
NORTON SOUND	LLG4823		5294	GLACIER FISH CO., LLC	3.240%	3.011%
GLACIER BAY	LLG5222		5325	GLACIER FISH CO., LLC	2.760%	2.565%
ALASKA MIST	LLG2892		2833	GULF MIST, INC.	3.370%	3.132%
ZENITH	LLG1400		440	ZENITH FISHERIES L. P.	1.420%	1.320%
KJEVOLJA	LLG1401		1632	JUBILEE FISHERIES, INC.	1.660%	1.543%
NORTHERN AURORA	LLG2678		1613	NORTHERN AURORA FISHERIES, INC.	2.190%	2.036%
DEEP PACIFIC	LLG1989		2872	DEEP PACIFIC LLC	2.340%	2.175%
NORTH CAPE	LLG1785		3692	NORTH CAPE FISHERIES LLC	2.410%	2.240%
LILLI ANN	LLG1988		4569	LILLI ANN LLC	2.830%	2.630%
PROWLER	LLG3676		1622	PROWLER, LLC	2.120%	1.970%
OCEAN PROWLER	LLG2958		3338	OCEAN PROWLER, LLC	2.570%	2.389%
AUROUS	LLG3961		3585	OCEAN PROWLER/LLC	0.000%	0.000%
BERING PROWLER	LLG3681	LLC3682	4540	PROWLER, LLC	2.120%	1.970%
ALEUTIAN LADY	LLG3080	LLC3081	4102	SHELFORD, RICHARD L ET AL.	3.030%	2.816%
WESTERN QUEEN	LLG3938		2847	WESTERN QUEEN FISHERIES LLC	2.680%	2.491%
Total					107.59%	100.00%
Total for Vessel Buyback Selected Permits					7.590%	7.055%

Table 2. Historic BSAI Pacific cod longline catcher/processor estimated catch quota share for the FLCC Capacity Reduction Program selected permits, 2000-2005.

Management Dataset (Blend/CA)

PARENT COMPANY	FFP	VESSEL NAME	2000	2001	2002	2003	2004	2005
HORIZON FISHERIES	1301	HORIZON	1.72%	2.69%	2.47%	3.09%	2.77%	2.24%
NORTHERN AURORA	1613	NORTHERN AURORA	2.45%	2.22%	2.03%	2.55%	2.18%	1.50%
WESTERN QUEEN FISHERIES LLC	2647	WESTERN QUEEN	0.00%	1.93%	2.11%	2.78%	2.48%	2.93%
Total for FLCC Capacity Reduction Program Selected Permits			4.17%	6.83%	6.61%	8.41%	7.43%	6.67%

Weekly Production Report Dataset

PARENT COMPANY	FFP	VESSEL NAME	2000	2001	2002	2003	2004	2005
HORIZON FISHERIES	1301	HORIZON	2.01%	2.85%	2.68%	2.87%	2.60%	2.22%
NORTHERN AURORA	1613	NORTHERN AURORA	2.56%	1.92%	2.17%	2.39%	2.13%	1.44%
WESTERN QUEEN FISHERIES LLC	2647	WESTERN QUEEN	0.00%	2.02%	1.87%	2.81%	2.40%	2.80%
Total for FLCC Capacity Reduction Program Selected Permits			4.57%	6.79%	6.72%	8.07%	7.13%	6.47%

Management Dataset (Blend/CA)

PARENT COMPANY	FFP	VESSEL NAME	2003-2005		2000-2005		Maximum		
			MEAN QS	DROP QS	MEAN QS	DROP QS	MAN	WPR	Overall
HORIZON FISHERIES	1301	HORIZON	2.70%	2.77%	2.50%	2.50%	2.77%	2.59%	2.77%
NORTHERN AURORA	1613	NORTHERN AURORA	2.07%	2.23%	2.15%	2.15%	2.23%	2.14%	2.23%
WESTERN QUEEN FISHERIES LLC	2647	WESTERN QUEEN	2.73%	2.70%	2.04%	2.30%	2.73%	2.67%	2.73%
Total for FLCC Capacity Reduction Program Selected Permits			7.50%	7.69%	6.69%	6.95%	7.73%	7.40%	7.73%

Weekly Production Report Dataset

PARENT COMPANY	FFP	VESSEL NAME	2003-2005		2000-2005		Maximum		
			MEAN QS	DROP QS	MEAN QS	DROP QS	MAN	WPR	Overall
HORIZON FISHERIES	1301	HORIZON	2.57%	2.59%	2.54%	2.50%	2.77%	2.59%	2.77%
NORTHERN AURORA	1613	NORTHERN AURORA	1.99%	2.14%	2.10%	2.11%	2.23%	2.14%	2.23%
WESTERN QUEEN FISHERIES LLC	2647	WESTERN QUEEN	2.67%	2.66%	1.99%	2.25%	2.73%	2.67%	2.73%
Total for FLCC Capacity Reduction Program Selected Permits			7.22%	7.39%	6.82%	6.86%	7.73%	7.40%	7.73%

CATCH HISTORY (metric tons)

FFP 1301

VESSEL NAME HORIZON

YEAR	Management Dataset			Weekly Production Report Dataset		
	Vessel Catch	Total Catch	QS	Vessel	Total Catch	QS
2000	1,404.6	81,687	1.720%	1,488.6	74,072	2.010%
2001	2,538.2	94,426	2.688%	2,457.3	86,231	2.850%
2002	2,164.4	87,566	2.472%	2,122.6	79,347	2.675%
2003	2,889.5	93,604	3.087%	2,531.8	88,251	2.869%
2004	2,618.1	94,406	2.773%	2,355.2	90,428	2.605%
2005	2,214.7	98,727	2.243%	2,073.7	93,235	2.224%

OFFER #2:

LLP LICENSE HOLDER INFORMATION

Northern Aurora Fisheries, INC.
Dale Dier, President
410 Bellevue Way SE STE.304
Bellevue, WA 98004
425-450-0187
NAFI@QWEST.NET

LLP License #: LLG2678 **Linked License #:** NA

LLP Status: Non-interim and Active

MLOA: 155

<i>Area Endorsements</i>					<i>Gear/Species Endorsements</i>					
<i>BS</i>	<i>AI</i>	<i>WG</i>	<i>CG</i>	<i>SE</i>	<i>TRW</i>	<i>nonTRW</i>	<i>CPPOT</i>	<i>CPHAL</i>	<i>CVPOT</i>	<i>CVHAL</i>
X	X				X	X		X		

VESSEL INFORMATION

Is the LLP currently attached to a vessel? Yes

Vessel Name: NORTHERN AURORA

Coast Guard #: 596308

FFP #: 1613

Is the current vessel owner's contact information the same as the LLP license holder listed above? Yes

OFFER INFORMATION

Offer type: Formal

Offer price: \$10,000,000

Offer comment:

NAME OF THE AUTHORIZED OFFEROR AND CURRENT VESSEL OWNER

Offeror's name: Northern Aurora Fisheries, Inc.

Vessel Owner Company: Northern Aurora Fisheries, Inc.

Vessel Owner Representative: F. Dale Dier, President

CATCH HISTORY (metric tons)

FFP

1613

VESSEL NAME NORTHERN AURORA

<i>YEAR</i>	<i>Management Dataset</i>			<i>Weekly Production Report Dataset</i>		
	<i>Vessel Catch</i>	<i>Total Catch</i>	<i>QS</i>	<i>Vessel</i>	<i>Total Catch</i>	<i>QS</i>
1995	3,133.2	83,812	3.738%	2,787.1	78,085	3.569%
1996	2,694.5	86,903	3.101%	2,278.5	79,245	2.875%
1997	3,411.5	119,199	2.862%	2,931.3	107,653	2.723%
1998	1,961.8	94,946	2.066%	1,797.6	83,647	2.149%
1999	2,482.6	77,216	3.215%	2,164.4	67,615	3.201%
2000	2,000.1	81,687	2.449%	1,894.7	74,072	2.558%
2001	2,093.2	94,426	2.217%	1,656.2	86,231	1.921%
2002	1,777.7	87,566	2.030%	1,720.3	79,347	2.168%
2003	2,384.2	93,604	2.547%	2,110.5	88,251	2.391%
2004	2,054.1	94,406	2.176%	1,925.9	90,428	2.130%
2005	1,478.2	98,727	1.497%	1,341.9	93,235	1.439%

OFFER #3:

LLP LICENSE HOLDER INFORMATION

Ocean Prowler LLC
John R. Winther, Registered Agent/Manager
Box 1364 (102 South Second Street)
Petersburg, AK 99833
907-772-4835
JRWINTHER@aol.com

LLP License #: LLG3961 **Linked License #:** NA

LLP Status: Non-interim and Latent

MLOA: 124

Area Endorsements					Gear/Species Endorsements					
<i>BS</i>	<i>AI</i>	<i>WG</i>	<i>CG</i>	<i>SE</i>	<i>TRW</i>	<i>nonTRW</i>	<i>CPPOT</i>	<i>CPHAL</i>	<i>CVPOT</i>	<i>CVHAL</i>
X	X		X			X		X		

VESSEL INFORMATION

Is the LLP currently attached to a vessel? No

Vessel Name:

Coast Guard #:

FFP #:

OFFER INFORMATION

Offer type: Formal

Offer price: \$1,500,000

Offer comment: This LLP is qualified under Amendment 67 with a BSAI CP H&L cod endorsement. This is a transfereable non-trawl license with area endorsements in the BS, AI, and CG

NAME OF THE AUTHORIZED OFFEROR AND CURRENT VESSEL OWNER

Offeror's name: *Ocean Prowler LLC*

Vessel Owner Company: *N/A*

Vessel Owner Representative: *N/A*

CATCH HISTORY (in metric tons):

Since there is no named vessel currently attached to the LLP presented in this offer, there is no catch history to report.

OFFER #4:

LLP LICENSE HOLDER INFORMATION

Western Queen Fisheries, LLC
James E. Beaton, General Manager
P.O. Box 17745
Seattle, WA 98107
206-954-8412
jbcod@cs.com

LLP License #: **LLG3936** **Linked License #:** **NA**

LLP Status: Non-interim and Active

MLOA: 178

<i>Area Endorsements</i>					<i>Gear/Species Endorsements</i>					
<i>BS</i>	<i>AI</i>	<i>WG</i>	<i>CG</i>	<i>SE</i>	<i>TRW</i>	<i>nonTRW</i>	<i>CPOT</i>	<i>CPHAL</i>	<i>CVPOT</i>	<i>CVHAL</i>
X	X					X		X		

VESSEL INFORMATION

Is the LLP currently attached to a vessel? Yes

Vessel Name: **Western Queen**

Coast Guard #: 284906

FFP #: 2647

Is the current vessel owner's contact information the same as the LLP license holder listed above? Yes

OFFER INFORMATION

Offer type: Formal

Offer price: \$11,700,000

Offer comment:

NAME OF THE AUTHORIZED OFFEROR AND CURRENT VESSEL OWNER

Offeror's name: Western Queen Fisheries, LLC

Vessel Owner Company: Western Queen Fisheries, LLC.

Vessel Owner Representative: James E. Beaton, General Manager

CATCH HISTORY (metric tons)

FFP

2647

VESSEL NAME WESTERN QUEEN

YEAR	Management Dataset			Weekly Production Report Dataset		
	Vessel Catch	Total Catch	QS	Vessel	Total Catch	QS
2001	1,822.5	94,426	1.930%	1,742.7	86,231	2.021%
2002	1,847.5	87,566	2.110%	1,486.7	79,347	1.874%
2003	2,598.3	93,604	2.776%	2,482.7	88,251	2.813%
2004	2,342.6	94,406	2.481%	2,169.8	90,428	2.400%
2005	2,895.0	98,727	2.932%	2,613.2	93,235	2.803%

Fishing Capacity Reduction Plan As Submitted – January 5, 2007

1. Introduction.

Section 219 of HR 4818, the Consolidated Appropriations Act, 2005 (the "Act"), sets forth requirements for plans to reduce fishing capacity in four subsectors of the non-pollock groundfish fishery in the Bering Sea/Aleutian Islands. Each subsector, as defined in the Act, may, after notice to the North Pacific Fisheries Management Council, submit to the Secretary of Commerce a capacity reduction plan. Such notice was given during the June 2005 meeting of the North Pacific Fisheries Management Council meeting. The freezer longliner catcher processor subsector hereby submits the following qualifying capacity reduction plan:

The Secretary, under the Act, is authorized to approve a capacity reduction plan if such submitted plan--

(A) is consistent with the requirements of section 312 (b) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1861a(b)) except--

(i) the requirement that a Council or Governor of a State request such a program set out in paragraph (1) of such subsection; and

(ii) the requirements of paragraph (4) of such subsection;

(B) contains provisions for a fee system that provides for full and timely repayment of the capacity reduction loan by a catcher processor subsector and that may provide for the assessment of such fees based on methods other than ex-vessel value of fish harvested;

(C) does not require a bidding or auction process;

(D) will result in the maximum sustained reduction in fishing capacity at the least cost and in the minimum amount of time; and

(E) permits vessels in the catcher processor subsector to be upgraded to achieve efficiencies in fishing operations provided that such upgrades do not result in the vessel exceeding the applicable length, tonnage, or horsepower limitations set out in Federal law or regulation.

The applicable requirements of section 312(b) of the Magnuson-Stevens Fishery Conservation and Management Act state that the [plan]--

(1)(A) is necessary to prevent or end overfishing, rebuild stocks of fish, or achieve measurable and significant improvements in the conservation and management of the fishery;

(B) is consistent with the Federal or State fishery management plan or program in effect for such fishery, as appropriate, and that the fishery management plan—

(i) will prevent the replacement of fishing capacity removed by the [plan] through a moratorium on new entrants, restrictions on vessel upgrades, and other effort control measures, taking into account the full potential fishing capacity of the fleet; and

(ii) establishes a specified or target total allowable catch or other measures that trigger closure of the fishery or adjustments to reduce catch; and

(C) is cost-effective and capable of repaying any debt obligation incurred under section 1111 of title XI of the Merchant Marine Act, 1936.

(2) The objective of the [plan] shall be to obtain the maximum sustained reduction in fishing capacity at the least cost and in a minimum period of time. To achieve that objective, the Secretary is authorized to pay--

(A) the owner of a fishing vessel, if such vessel is (i) scrapped, or (ii) through the Secretary of the department in which the Coast Guard is operating, subjected to title restrictions that permanently prohibit and effectively prevent its use in fishing, and if the permit authorizing the participation of the vessel in the fishery is surrendered for permanent revocation and the owner relinquishes any claim associated with the vessel and permit that could qualify such owner for any present or future limited access system permit in the fishery for which the [plan] is established; or

(B) the holder of a permit authorizing participation in the fishery, if such permit is surrendered for permanent revocation, and such holder relinquishes any claim associated with the permit and vessel used to harvest fishery resources under the permit that could qualify such holder for any present or future limited access system permit in the fishery for which the [plan] was established.

(3) Participation in the [plan] shall be voluntary, but the Secretary shall ensure compliance by all who do participate.

2. Submitted Plan.

Four limited license permits (“LLPs”) and three related vessels have been selected for capacity reduction:

<u>Offeror:</u>	<u>LLP</u>	<u>Vessel</u>	<u>Offer</u>
Western Queen Fisheries, LLC	LLG3936	Western Queen	\$ 11,700,000
Horizon Fisheries, LLC	LLG3843	Horizon	\$ 11,800,000
Northern Aurora Fisheries, Inc.	LLG2678	Northern Aurora	\$ 10,000,000
Prowler, LLC	LLG3911	none	\$ 1,500,000

3. Offer Evaluation.

(a) Cost details.

The freezer longliner catcher processor subsector is currently composed of 41 LLPs, including the LLPs listed above. Among these 41 LLP's, 39 are assigned to active vessels, including the three listed above. After the submitted capacity reduction plan is completed, there will be 36 active vessels. The three vessels that are submitted for capacity reduction harvested in total between 6.61% to 8.41% of the total subsector harvest from 2001 through 2005. See report by Dr. Jack Tagart, auditor, enclosed. The Pacific cod harvest in 2003 for each vessel, for example, was as follows:

Western Queen	2.78%
Horizon	3.09%
Northern Aurora	<u>2.55%</u>
Total	8.41% (individual vessel %s are rounded)

The capacity reduction cost can be expressed as a cost per percentage point of removed capacity by dividing an assumed reduction (8.41%) into the total capacity reduction cost related to the three vessels (\$33,500,000), resulting in a cost of \$3,983,353 for each percentage point. The average total harvest of Pacific cod of the freezer longliner catcher processor subsector was 96,300 mt for 2003-2005; using this average of the total harvest would relate to a capacity reduction pro-forma cost per mt of \$4,136, based on the assumed reduction of 8.41%. This calculation of cost per mt for each of the offered vessels, based on the 2003 harvest, yields the following pro-forma costs:

Western Queen	\$4,370/mt
Horizon	\$3,965/mt
Northern Aurora	\$4,072/mt

(b) Comparative values.

The above calculations of pro-forma costs per mt of capacity removed can be compared to other fisheries by looking at the ratio that results from dividing the costs per mt of purchasing quota shares to the ex-vessel value of the landed fish. The Pacific cod average pro-forma cost relating to the reduced capacity, \$4,136/mt, when divided by the current ex-value of Pacific cod, \$2,205/mt, yields a ratio of 1.9 to 1. Other fisheries:

- (i) Black cod quota shares in the Gulf of Alaska have recently sold for up to \$13.00 per round pound; with 2006 prices for headed and gutted product at \$4.35, the related value per round pound was \$2.74. This equates to a quota share value/round pound value ratio of 4.7 to 1.

(ii) Pacific halibut quota shares in the Gulf of Alaska have sold recently for \$16.00 per h&g pound, while headed and gutted product ex-vessel price levels reached \$3.80 per headed and gutted pound by late summer 2006. This equates to a quota share value/headed and gutted pound value ratio of 4.2 to 1.

(ii) Opillio crab quota shares in the Bering Sea sold recently for \$10.00 per round pound. Current ex-vessel prices are at \$1.50, yielding a ratio of 6.7 to 1

(iii) Red king crab quota shares in the Bering Sea have recently sold for \$25.50 per round pound. Current ex-vessel prices are \$3.80 per round pound, yielding a ratio of 6.7 to 1.

(iv) Pollock coop fishing rights have not been sold recently, but industry leaders estimate that the current market value would be \$3,000 per round metric ton, while the pollock is valued at \$1,000 per round metric ton. This yields a ratio of 3.0 to 1.

(c) Incremental value to remaining fleet.

The remaining vessels will harvest additional Pacific cod that would have been otherwise harvested by the vessels removed from the subsector. The incremental profit from this harvest would exceed \$8,000,000, based on the assumption that the remaining vessels will harvest on a pro-rata basis an additional amount equal to the potential harvest capacity that is being removed and based on the average Pacific cod harvest for the fleet during 2003-2005. See the following schedule, which shows the incremental revenue and cost of operation of a typical vessel which harvests 2.78%, which is a pro-rata share of the total based on 36 active vessels.

Shown on this schedule is the net incremental profit of the additional harvest for this typical vessel. Net incremental profit is the incremental profit reduced by the estimated cost of the repayment fee that would result from a total capacity reduction cost of \$35,000,000. This repayment fee has been estimated at \$0.016 per round pound of Pacific cod harvested by each vessel. This repayment fee, for purposes of calculating the net incremental value is applied to 100% of the harvest, not just the additional harvest. The net incremental profit of the additional harvest is \$4.7 million.

Incremental Profit - Pacific Cod Fishing

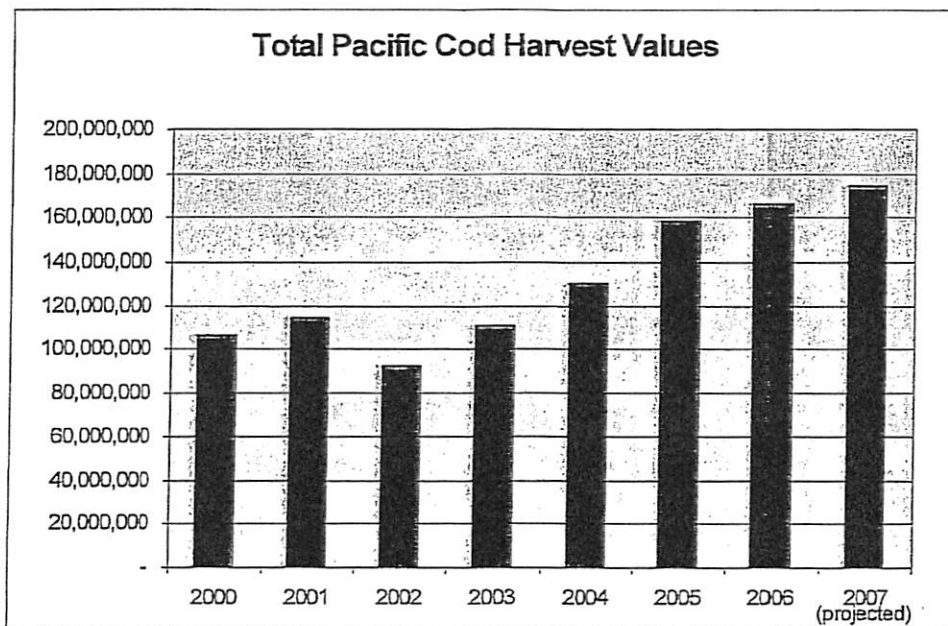
Typical Vessel	
Additional volume, round pounds	467,071
Total net sales	\$ 467,071
Operating costs	
Crew shares & salaries	149,463
Crew taxes	17,188
Observer expenses	3,042
Fuel and lube	20,592
Bait	20,250
Gear	7,650
Processing supplies	4,671
Vessel maintenance, ops	9,000
Cargo insurance	1,071
	-
Total operating costs	232,927
Incremental profit	\$ 234,144
Incremental profit/round pound	\$ 0.501
Repayment fee on total harvest	
Repayment fee/round pound	\$ 0.016
Total harvest, round pounds	5,902,076
Repayment fee	\$ 94,433
Net incremental profit	\$ 139,711
Total Subsector	
Total additional volume, mt	7,309.17
Incremental profit/round pound	\$ 0.501
Incremental profit	\$ 8,077,960
Repayment fee/round pound	\$ 0.016
Repayment fee	\$ 3,396,878
Net incremental profit	\$ 4,681,081

4. Total harvest values.

The freezer longliner catcher processor subsector harvests Pacific cod as its primary volume, with a portion of the fleet targeting on Greenland turbot as well. Permitted by-catch is also retained, although the values of this by-catch are not significant. Actual harvest volumes and values for the years 2000 through 2006 and projected volumes and values for 2006 are shown below:

Pacific Cod Freezer Longline Catcher Processor Subsector

2000	2001	2002	2003	2004	2005	2006	2007 (projected)
Harvest - MTs							
85,106	96,237	89,398	93,412	95,422	100,066	85,088	79,000
Price/Lb (round)							
0.57	0.54	0.47	0.54	0.62	0.72	0.89	1.00
Harvest value (\$)							
106,947,000	114,570,000	92,632,000	111,207,000	130,429,000	158,837,000	166,952,000	174,165,000



5. Current Management System.

The freezer longliner catcher processor subsector fisheries are managed by National Marine Fisheries Service under the direction of the North Pacific Fisheries Management Council. Total allowable catch levels are set annually, with allocations by subsector currently set in accordance with Amendment 64 to the Fishery Management Plan ("FMP"). Future allocations by subsector will be set in accordance with Amendment 85 to the FMP; Amendment 85 is expected to be enacted in 2008.

Under Amendment 67 to the FMP, vessels are required to have an LLP with appropriate endorsements in order to fish different fisheries and to use different gear types. There are 41 permanent and transferable LLP's which allow catching and processing of Pacific cod with longline gear. Two of the LLP's are not currently assigned to a vessel.

The fishing season for the freezer longliner catcher processor subsector begins on January 1st with open access Pacific cod quota which is allocated to the "A" season. This "A" season quota was harvested in 2006 by February 18th. Some of the vessels of the subsector then fish black cod, halibut and Greenland turbot in the period between the end of the "A" season and the beginning of the "B" season for Pacific cod, which starts on August 15th. The "B" season quota was harvested in 2006 by October 22nd. At times when open access quotas for Pacific cod are not available, some vessels of the subsector harvest community development quota ("CDQ") for Pacific cod.

6. Repayment Plan.

Using volumes of Pacific cod harvested by the freezer longline catcher processor subsector between 2000 and 2006 and projections of harvest for 2007, and average sales prices which were derived from industry records, total annual harvest values range from \$92.6 million to over \$174 million. See page 6.

The submitted plan proposes that a fee be paid by all members of the subsector for all round pounds of Pacific cod harvested each year. The plan will stipulate that NMFS will calculate the repayment amount per pound each year, with such amount calculated to amortize the balance of the capacity reduction loan over the remaining life of the loan. Such calculation for the each year will be based on the total harvest quotas allocated to the subsector for Pacific cod for such year as of the preceding December. For example, an annual payment of \$2,740,012 would be required to amortize in initial balance of \$35,000,000 over 30 years, using the current US Treasury 30 year bond rate plus 2%. Based on the 2007 Pacific cod TAC of 170,720, as recommended by the North Pacific Fisheries Management Council, the freezer longline catcher processor harvest is expected to be 79,000 mt. Based on this estimate, the 2007 repayment fee would be \$0.016 per round pound. As stipulated by the Stevens-Magnuson Fishery Conservation and Management Act, the repayment may not exceed 5% of the ex-vessel value of the fish

harvested from the fishery. The above example payment, \$2,740,012, is 1.6% of the harvest value projected for 2007 on page 6.

In the unlikely event that the above repayment method does not repay the loan at the end of 30 years, the loan term shall be extended for a period which will allow full repayment.

In accordance with the Act, the Secretary shall implement rules to collect the repayment fees as determined by NMFS and such rules will provide for payment by the subsector members on a quarterly basis.

7. Summary.

The submitted plan will comply with the applicable requirements of the Stevens-Magnuson Fishery Conservation and Management Act as follows:

(1)(A) The submitted plan, by reducing fishing capacity, will result in a total capacity that will slow the pace of the fishing, thus reducing waste and by-catch, as well as helping to improve the safety of the fishery.

(B) The submitted plan is consistent with the applicable Federal fishery management plan, and such Federal fishery management plan provides for (i) a moratorium on new entrants and restricts increases in vessel length and (ii) a total allowable catch.

(C) The submitted plan is cost-effective and historical and projected catches indicate that the remaining subsector will be capable of repaying the capacity reduction loan and related interest in full, without exceeding 5% of the projected harvests values.

(2) The submitted plan provides for approval of remaining members of the subsector after approval by the Secretary

(3) The submitted plan is based on voluntary offers from subsector members; it does not require any member to offer his vessel or LLP for sale, other than those members who have submitted contracts under this submitted plan. The submitted plan does require that after approval by the Secretary and ratification as required by the Act, compliance by all participants is mandatory.



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
Silver Spring, MD 20910

Mr. David A. Little, President
Freezer Longline Conservation Cooperative
641 West Ewing Street
Seattle, WA 98119

JAN 31 2007

Dear Mr. Little:

Thank you for your submission of the January 5, 2007, Fishing Capacity Reduction Plan (the "Plan") for the Longline Catcher Processor Subsector of the Bering Sea and Aleutian Islands Non-pollock Groundfish Fishery. We have completed an initial review of the Plan. It provides a helpful summary of the proposed reduction and process to date. The purpose of this letter is to identify the additional information necessary to (1) complete our evaluation of the Plan and (2) provide the documentation necessary to support a final decision.

The Plan needs to support a decision by the Secretary of Commerce to provide a long-term loan sufficient to implement an industry-funded fishing capacity reduction program for the fishery. The program will promote sustainable fisheries management by removing excess fishing capacity from the longline catcher processor subsector. It needs to provide the maximum sustained reduction in fishing capacity at the least cost and in the minimum amount of time. The Plan should be transparent, identifying the steps and the analysis leading to a decision. It should also be fully documented such that reviewers do not need to seek information outside the Plan to understand the steps and the analysis behind the decision.

The Plan must also adhere to the statutory requirements of Public Law 108-447 and applicable requirements of Section 312 (b-d) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1861a(b)). In addition, the Plan must adhere to the regulatory requirements in the final rule for the program published September 29, 2006 (71 FR 57696), and the applicable requirements in the framework rule for fishing capacity reduction programs published August 18, 2000 (65 FR 31430).

Based on our initial review we have identified a number of areas where additional documentation and explanation is needed. Specifically,

- The statute requires notice to the Council. We understand that this has already been done. Please provide a copy for the record.
- The final rule requires that the bidding process only begin following submission of signed Fishing Capacity Reduction Agreements from sufficient subsector members to meet the regulatory requirement. Please provide copies of these agreements.
- Provide all bidding and voting records documenting the process you went through. These would help make the case that this iterative process of offers and consideration



of the offers was an effective mechanism to satisfy the statutory and regulatory requirement that the Plan will "result in the maximum sustained reduction in fishing capacity at the least cost and in the minimum amount of time."

- Although some numerical data are provided, please provide more details, including a written rationale that demonstrates that the maximum fishing capacity is being removed for the least cost.
- Include an in-depth discussion of latent capacity, as well as specific reasons why it is beneficial to remove from the fishery one latent license and not the other.
- Explain why the process you used was more effective than a bidding or auction process. For example, the relative productivity and possible productivity of the vessels, age and condition of the vessels, and specialized industry knowledge could explain to a reviewer why your process was superior to others and achieved a credible result meeting the statutory criteria.
- Explain the correlation and importance of the groundfish fishery management plan amendments and regulations you mentioned in the Plan to a successful capacity reduction.
- Describe why the "comparables" analysis is relevant and why the different averaging periods and methodologies were used.
- Explain the large difference in price between the latent and active permits.
- Include provisions for timely repayment of the debt, another statutory requirement.
- Fully explain why the FLCC uses three different data sets to justify various points in the plan. One set is "blended" data from 2003–2005, another is the weekly production report data from 2000–2005, and the third is 2003 data only. A more detailed explanation of why these different methods are used would be helpful. For example, why was 2003 used? It doesn't appear to be an arbitrary selection because it was a robust year, but its selection lacks a thorough explanation.

So that we may meet the industry's goal of completing the reduction program before the "B" season begins in June 2007, please submit all documentation in support of your Plan by February 15, 2007. We remain available to help as needed, and look forward to assisting you in producing a successful fishing capacity reduction program plan.

Sincerely,



Leo Erwin
Chief, Financial Services Division

Thank you madam chairman.

My name is David Little I am here today as a representative of the Bering Sea Freezer longline subsector.

Section 219 of the FY 2005 Appropriations Act established the NON-POLLOCK GROUND FISH FISHERIES REDUCTION PROGRAM. The purpose of this act is to reduce capacity in various non-pollock catcher processor subsectors operating in the Bering Sea and Aleutian islands. The Act appropriates funding to establish a loan of up to \$36,000,000 for the freezer longline subsector to accomplish a capacity reduction program.

The Act requires notice to the council of reduction plans prior to submission to the Secretary of Commerce. If approved by the Secretary, the plan would then be subject to approval of 2/3 of the subsector by referendum.

The purpose of my testimony today is to give notice to the council that the Freezer longline subsector is in the process of developing a capacity reduction plan which we hope to complete by this fall. I have included for your review an executive summary of our plan and a copy of the plan agreement. I will be happy to take any questions.



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
National Marine Fisheries Service
P.O. Box 21668
Juneau, Alaska 99802-1668

AGENDA B-2
FEBRUARY 2007

January 17, 2007

Mr. Chris Oliver
Executive Director
North Pacific Fishery Management Council
605 West 4th Avenue, Suite 306
Anchorage, Alaska 99501-2252

Dear Chris:

On November 29, 2006, we received from the North Pacific Fishery Management Council (Council) the documents necessary for Secretarial review of Amendment 85 to the Fishery Management Plan (FMP) for Groundfish of the Bering Sea and Aleutian Islands Management Area (BSAI). As you are aware, Amendment 85 would modify the current allocations of BSAI Pacific cod total allowable catch (TAC), and seasonal apportionments thereof, among various harvest sectors, including the allocation of BSAI Pacific cod to the Community Development Quota (CDQ) Program. In accordance with section 304(a)(1) of the Magnuson-Stevens Fishery Conservation and Management Act (Magnuson-Stevens Act), we reviewed Amendment 85, determined that the Amendment was consistent with the Magnuson-Stevens Act and other applicable law, and published a Notice of Availability in the *Federal Register* on December 7, 2006 (71 FR 70943). The public comment period on Amendment 85 ends on February 5, 2007.

While the agency was evaluating the proposed rule for Amendment 85 under section 304(b)(1) of the Magnuson-Stevens Act, the Magnuson-Stevens Act was amended by the Magnuson-Stevens Reauthorization Act of 2006 (Reauthorization Act). Among other things, the Reauthorization Act substantively changed previous statutory requirements concerning the percentage of Pacific cod that is to be allocated to the CDQ Program and the manner in which the allocation is to be managed. The Magnuson-Stevens Act now requires a total allocation (directed and nontarget fishing combined) for each directed fishery of 10.7 percent to the CDQ Program, effective January 1, 2008. This differs from the previous requirement of a 10 percent directed fishing allocation effective upon the establishment of a particular type of fishery management program, including sector allocations. The Magnuson-Stevens Act also now stipulates that catch by the CDQ Program may not exceed the total allocation for each directed fishery, contrary to the previous Magnuson-Stevens Act provisions that permitted additional catch in other CDQ directed fisheries after a directed fishing allocation had been reached.

Because the Council submitted the proposed rule to the Secretary prior to the Reauthorization Act, it includes measures for the CDQ Program that were consistent with the Magnuson-Stevens Act prior to its reauthorization, but that are no longer consistent with current Magnuson-Stevens Act requirements for the CDQ Program. Therefore, in accordance with section 304(b)(1)(B) of the Magnuson-Stevens Act, we have determined that the proposed rule for Amendment 85 is inconsistent with the Magnuson-Stevens Act. For the proposed regulations to be consistent with the newly revised Magnuson-Stevens Act, the following revisions must be made: (1) set the total



CDQ allocation of Pacific cod to 10.7 percent of the BSAI Pacific cod TAC, (2) remove the incidental catch allowance of Pacific cod for the CDQ Program, and (3) prohibit exceeding the allocation for Pacific cod under the CDQ Program. We do not recommend any substantive changes to the remainder of the proposed rule.

We have prepared a draft revised proposed rule that incorporates our recommendations for making the proposed rule consistent with the Magnuson-Stevens Act. The draft revised proposed rule includes our recommended changes to the CDQ allocation and continues to include the following measures that are substantively unchanged from the proposed rule as it was submitted to the Secretary on November 29, 2006: revisions to the current BSAI Pacific cod allocations of TAC among various harvest sectors, changes to incidental catch allowances, removal of the groundfish reserve for Pacific cod, revisions to the hierarchy for reallocating projected unharvested amounts to other sectors, and modifications of the seasonal allowances and prohibited species catch apportionments. Council staff has revised the previously submitted Environmental Assessment/Regulatory Impact Review/Initial Regulatory Flexibility Analysis (EA/RIR/IRFA) to reflect our recommended changes to the proposed rule. General Counsel-Alaska Region has reviewed the draft revised proposed rule and the revised analysis.

If you concur with our revisions to the proposed regulations, please resubmit the proposed rule for Amendment 85 and all documents required for Secretarial review to the Alaska Region for reevaluation. The Council also must submit the following to the Office of Sustainable Fisheries (F/SF) to facilitate Secretarial review:

1. one hard copy of the EA/RIR/IRFA for the proposed rule for Amendment 85,
2. one hard copy of the proposed rule, and
3. one CD of the proposed rule and EA/RIR/IRFA.

The date on which documents are received by the Alaska Region and judged to be adequate will be considered the Transmittal Date. We will send a letter to the State of Alaska to initiate a consistency finding with the Alaska Coastal Management Program. All other necessary documents will be sent to our NMFS Headquarters office for review on the Transmittal Date. Please fax your response to (907) 586-7465, Attention: Rebecca Campbell.

Sincerely,



Robert D. Mecum
Acting Administrator, Alaska Region

Enclosures