North Pacific Fishery Management Council

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Certified by John Bruce
Date 9/26/97

ADVISORY PANEL MINUTES
JUNE 16-19, 1997
KODIAK, ALASKA

Advisory Panel members in attendance:

Bruce, John (Chair)	Jones, Spike
Benson, Dave	Lewis, John
Burch, Alvin	Madsen, Stephanie (Vice-Chair)
Cotton, Bruce	Nelson, Hazel
Cross, Craig	Roos, John
Fanning, Kris	Stephan, Jeff
Fraser, Dave	Turk, Teresa
Fuglvog, Arne	Wurm, Rob
Ganey, Steve	Yeck, Lyle
Gundersen, Justine	Yutrzenka, Grant

Advisory Panel members, Ragnar Alstrom, Dan Falvey, Dean Paddock and Robert Ward were absent. The Advisory Panel unanimously approved the April 1997 meeting minutes.

C-1 Inshore/Offshore

The AP recommends the Council adopt the following problem statement:

> The current allocation will expire at the end of 1998 without having completely fulfilled its objective of being the interim solution during the CRP development process. In addition, as of late 1996, the primary source of guidance for fishery management in this nation is a new law, the Magnuson-Stevens Fishery Conservation and Management Act. The problem is to identify what allocation would best serve to:
>
> 1. ensure compliance with the provisions of the new Act,
>
> 2. continue to provide a suitable lead into the CRP process, and

3. reflect our current understanding of the make-up and implied future composition of the fishery, with respect to the effects on individual sectors, individual companies and communities, and with respect to the original issue of potential preemption as well as stability that have been incorporated directly or through reference in previous analysis of this issue.

Motion carries 17/2/1.

The AP requests the Council direct staff to continue gathering preliminary information on relevant communities, sectors, and companies that would be involved in such an allocation. This data would be applied to the alternative allocations defined in the April newsletter. In addition, the AP recommends the following:

Bering Sea/Aleutian Islands:

1. Add the following alternative:

Allocation Percentage Options for Alternative 5

Option	% to Catcher Processors	% to Catcher Vessels	Source of the Option	
1	45%	55%	Proposed by United Catcher Vessels	
2	40%	60%	Proposed by United Catcher Vessels	
3	35%	65%	Proposed by United Catcher Vessels	
4	49%	51%	Derived by Staff to reflect the 1996 harvest were the proposed changes to the FMP language in place.	
5	52%	48%	R. of 1	"Reciprocal Change" Options (R.) are included as directed by the Council. These are calculated by dividing the offshore % in Options 1-3 respectively, by the catcher processor % in Option 4, and multiplying the catcher vessel % in Option 4 by the resulting ratio.
6	55%	45%	R. of 2	
7	57%	43%	R. of 3	

2. Include an additional definition for true motherships as one that does not harvest pollock during the calendar year.

3. Include in the analysis the effects on other BSAI and GOA trawl fisheries. The economic data collection should extend to the other trawl groundfish fisheries in the BSAI and GOA and that the same quantitative economic data be collected in those fisheries where spill over effects are most likely to occur.

4. Add a suboption to all alternatives: no CVOA

5. Add the following alternative:

Allocation Percentage Options for Alternative 4

Option	% to Inshore	% to True Motherships	% to Offshore	% Catcher Vessels delivering to Factory Trawlers	Source of the Option
1	40%	13%	41%	6%	Proposed by North Pacific Seafood Coalition
2	55%	15%	24%	6%	Proposed by North Pacific Seafood Coalition
3	40%	15%	39%	6%	Implied by ranges included in the proposal
4	55%	13%	26%	6%	Implied by ranges included in the proposal
5	38%	15%	41%	6%	Implied by ranges included in the proposal
6	57%	13%	24%	6%	Implied by ranges included in the proposal
7	35%	10%	49%	6%	Derived by Staff to reflect the 1996 harvest were the proposed changes to the FMP language in place.

6. Delete Options 9, 11, and 13 from Alternative 4 (Motion carries 14/4/1).

Motion carries 13/5/1.

Gulf of Alaska:

The AP recommends the analysis include:
1. Rollover of current allocations
2. No action.

Motion carries with no opposition.

The AP recommends the Council include an analysis for the alternatives:
1. No sunset date but is intended to serve as an interim measure until the CRP has been completed.
2. Sunset for a specific period.

Motion carries 16/0/1.

Minority Report
C-1 Inshore/Offshore

The undersigned AP members urge the Council to send out the problem statement drafted by the AP for public review. However, we believe the only alternatives which should be analyzed are Alternative 1 and 2 (with no sunset until CRP is in place).

We believe that a rollover is the best solution to the problem statement and the only reasonable alternative. It is in the best interest of the Council process and the industry. A rollover will ensure some regulatory stability in the industry and will allow the Council to address issues that are much more important to the management of our fisheries such as: the Observer Program, Vessel Bycatch Accountability (VBAs), License Limitation Program (LLP), Improved Retention/Improved Utilization (IR/IU) and ecosystem concerns.

Inshore/Offshore #2 was promoted as a placeholder until the underlying CRP issues could be addressed. We believe it is an abuse of the Council system for one sector of the industry to use Inshore/Offshore #3 as an opportunity for a fish-grab which will only lead the Council and industry into a long, expensive, time consuming and divisive allocation battle.

Signed: David Fraser
Dave Benson
Kris Fanning
Craig Cross
John Bruce

C-2(a) IFQ Amendments

Vessel Ownership

The AP recommends the Council revise the EA/RIR to define leasing and ownership to enforce the ban on all leasing above the current 10% level, but allowing any partnership that existed at the date of implementation of the IFQ program to hire skippers.

The AP requests the Council also include language grandfathering in the existing ownership structures as of June 18, 1997, (motion carried 9/2/2).

Additionally, the AP requests the Council have NMFS analyze the data to provide the following information:

1. Quota share (QS) units and pounds held and fished by corporations, individuals and A shares who have applied for the skipper card.
2. The pounds held and fished by these same entities broken down by degrees of ownership, area and percentage of TAC.

Motion carried 7/2/3.

The AP would like to express its opposition to the IFQ Implementation Team's new alternative (Alternative 4) which would sunset "grandfather privileges" to initial recipients of halibut/sablefish IFQs. Motion carries unanimously.

Surviving Heirs

The AP recommends the Council adopt Alternative 2, Option A. Motion carried 14/0/1.

C-3 Halibut Issues

(a) Seabird Avoidance

The AP recommends the Council adopt Alternative 2, Option 3. Motion carries unanimously.

(b) Area 4 Catch Sharing Plan

The AP recommends the Council adopt the combination of Alternatives 2 and 3. Further, any trip where quota is harvested in both areas D and E, retention of under 32" fish for subsistence use will be prohibited. Motion carries unanimously (13/0).

C-4 Halibut Subsistence

The AP recommends the Council adopt Alternative 2 (allow the harvest for subsistence), Option 4 (define minimum size), Suboption B (revise the commercial halibut minimum size regulations to allow the retention of halibut under 32 inches caught with authorized commercial halibut gear in Area 4E for subsistence use) and recommends tabling the action on the rest of the document until December 1997. Motion carries 19/0/1.

C-6 Improved Retention/Improved Utilization (IR/IU)

The AP recommends the Council move ahead with IR/IU for the Gulf of Alaska and would like to get it in place to use as a base to work from. The AP further recommends the Council form a new industry/enforcement implementation committee for the BSAI & GOA to monitor the program on an annual basis to assess whether the program is meeting its stated objectives. Motion carries unanimously (16/0).

C-8 Observer Program

The AP recommends the Council adopt the proposed changes requested by NMFS staff (listed below) with the AP's revision under conflict of interest:

1. Establish a one-year time period for regulations.
2. Conflict of Interest: clarify that observers may not solicit or accept employment onboard the vessel harvesting and/or processing or accept employment at a shoreside processor receiving fish from a North Pacific fishery while under contract with an observer contractor.
3. NMFS Observer Qualifications: require observers to have taken at least one course that used dichotomous keys extensively.
4. NMFS Observer/Training/Briefing Requirements: require all prior observers to complete a 4-day briefing prior to their first deployment in any calendar year. One-day briefings will be required prior to subsequent deployments within a calendar year.

Motion carries 8/0/4.

The AP supports the recommendations of the Insurance Technical Committee (ITC) including, (1) deletion of the FECA applicability for North Pacific groundfish and crab observers, and (2) clarification of the CGL insurance requirements in the current regulations. Motion carries 10/0/2.

The AP recommends that the Research Plan be the preferred alternative. Motion carries 8/6.

The AP requests the Council direct the Observer Advisory Committee (OAC) to start developing procedures in conjunction with NMFS to deal with an observer strike. Motion carries 9/3/1.

Minority Report
C-8 Observer Program

We believe the AP motion to have the Research Plan as the preferred alternative is not appropriate at this time. We support the OAC's recommendation to have NMFS immediately pursue a joint partnership agreement (JPA) with the Pacific States Marine Fisheries Commission to provide observer procurement functions (the third party program). It is understood that prior to final action, the agency and PSMFC will present the OAC and Council with a more fleshed out program for review in September with final action in December. We understood the first step would be to address the observer compensation issue and that it would be favorably resolved, through either application of compensation standards for federal employees carrying out similar duties, the unionization efforts, other negotiated means, or provision of the JPA. Following development and approval of the basic third-party program, we support the OAC recommendation of the development of options to deal with the remaining issues of (1) cost equalization, and (2) flexibility in placing observer coverage where it is most useful. Options for doing so are an ancillary fee assessment, a surcharge, or a voluntary industry assessment to provide a pool of funds to offset costs for some participants or to fund observer placement in specified fisheries. Exempting coverage requirements based on a minimum landing or revenue threshold is another option for cost equalization. While important, development of these follow-up issues is secondary to getting the basis JPA program in place.

Signed: Stephanie Madsen
Grant Yutzrenka
Craig Cross
David Benson

D-1(a) Pelagic Shelf Rockfish

The AP recommends the Council adopt Alternative 3. The AP requests the Council/Board of Fisheries joint committee review Alaska Department of Fish & Game's annual report on this species to ensure the adequate funding of research and management programs. Motion carries 18/0/1.

D-1(b) Sablefish Rolling Closure

The AP recommends the Council not send this document out for public review at this time. Public testimony by Groundfish Forum, Inc., provided another approach the AP feels may resolve the concerns identified with the rolling closure and should be fleshed out for further review.

The AP remains concerned about data problems resulting from vessel interactions and would like to pursue other options such as:

1. a new survey period with input from the SSC regarding the loss of historic data or resequencing the survey,
2. use of multiple survey vessels, and
3. combination logbook/survey assessment.

Motion carries 20/0.

D-2(c) Shortraker/Rougheye Rockfish Bycatch

The AP recommends the Council direct NMFS to set aside 30% of the TAC for Aleutian Islands shortraker/rougheye at the beginning of each fishing season for the longliner fisheries for bycatch only. On or about November 1 of each year any excess shortraker/rougheye in the longline quota may be rolled over to the trawl fisheries. The AP requests the Council take the necessary action (i.e., emergency rule or fast-track) to get this in place by 1998. Further, the AP recommends a reduction in the maximum retainable bycatch (MRB) to 7% for Pacific ocean perch and 5% for Atka mackerel. Motion carries 13/0.