

North Pacific Fishery Management Council

Richard B. Lauber, Chairman
Clarence G. Pautzke, Executive Director

Telephone: (907) 271-2809



605 West 4th Avenue, Suite 306
Anchorage, AK 99501-2252

Fax: (907) 271-2817

September 16, 1997

DRAFT AGENDA

**129th Plenary Session
North Pacific Fishery Management Council
September 23-28, 1997
DoubleTree Hotel Seattle Airport
Seattle, Washington**

The North Pacific Fishery Management Council will meet September 23-28, 1997 at the DoubleTree Hotel Seattle Airport, Seattle, Washington,, beginning at 8:00 a.m. on Tuesday, September 23. Other meetings to be held during the week are:

<u>Committee/Panel</u>	<u>Beginning</u>
IFQ Implementation Team	9:00 a.m., Sunday, Sept. 21
Advisory Panel	8:00 a.m., Mon., Sept. 22
Scientific and Statistical Committee	8:00 a.m., Mon., Sept. 22
Enforcement Committee	6:00 p.m., Monday, Sept. 22
GOA Trip Limit Committee	1:00 p.m., Wednesday, Sept 24

All meetings except Council executive sessions are open to the public. Other committee and workgroup meetings may be scheduled on short notice during the week.

INFORMATION FOR PERSONS WISHING TO TESTIFY BEFORE THE COUNCIL

Sign-up sheets are available at the registration table for those wishing to testify before the Council on a specific agenda item. Sign-up must be completed before public comment begins on that agenda item. Additional names are generally not accepted after public comment has begun.

Submission of Written Comments/Testimony. Any written comments and materials to be included in Council meeting materials must be submitted to the Council office **by 5:00 p.m. on Tuesday, Sept. 16, 1997.** **PLEASE NOTE THIS IS ONE DAY EARLIER THAN NORMAL** so that meeting materials can be shipped to Seattle in advance of the meeting. Written and oral comments should include a statement of the source and date of information provided as well as a brief description of the background and interests of the persons submitting the statement. **Material received after the deadline will not be copied or included in meeting materials for this meeting. It is the submitter's responsibility to provide adequate copies of comments after the deadline.** Materials provided during the meeting for distribution to Council members should be provided to the Council secretary. A minimum of 18 copies is needed to ensure that Council members, the executive director, NOAA General Counsel and the official meeting record each receive a copy. If you wish copies to be available for the Advisory Panel (24), Scientific and Statistical Committee (13), staff (10) or the public (50), they must also be provided after the pre-meeting deadline. Copying facilities will be at a minimum during this meeting so we will be unable to provide copying for meeting attendees.

FOR THOSE WISHING TO TESTIFY BEFORE THE ADVISORY PANEL

The Advisory Panel has revised its operating guidelines to incorporate a strict time management approach to its meetings. Rules for testimony before the Advisory Panel have been developed which are similar to those used by the Council. Members of the public wishing to testify before the AP must sign up on the list for each topic listed on the agenda. Sign-up sheets are provided in a special notebook located at the back of the room. The deadline for registering to testify is when the agenda topic comes before the AP. The time available for individual and group testimony will be based on the number registered and determined by the AP Chairman. **The AP may not take public testimony on items for which they will not be making recommendations to the Council.**

FOR THOSE WISHING TO TESTIFY BEFORE THE SCIENTIFIC AND STATISTICAL COMMITTEE

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

COMMONLY USED ACRONYMS

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

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	<u>Estimated Hours</u>
A. CALL MEETING TO ORDER	•
(a) Oath of Office for new Council Appointees	•
(b) Approval of Agenda	
(c) Election of Chairman and Vice Chairman	
(d) Approval of Minutes of Previous Meetings	
B. REPORTS	•
B-1 Executive Director's Report	•
B-2 State Fisheries Report by ADF&G	•
B-3 NMFS Management Report	•
B-4 Enforcement and Surveillance Report	(2 hours for A/B items)
C. NEW OR CONTINUING BUSINESS	
C-1 <u>Inshore-Offshore 3</u>	(8 hours)
(a) Review information to date.	
(b) NOAA GC opinion on scope of analysis.	
(c) Consider separating the pollock CDQ program from the inshore-offshore amendment.	
(d) Approve problem statement and alternatives for analysis.	
C-2 <u>Multispecies CDQs</u>	(2 hours)
Approve State of Alaska recommendations on allocation of CDQs.	
C-3 <u>Halibut and Sablefish IFQs</u>	(2 hours)
(a) Ownership requirements for hired skippers: Final action.	
(b) IPHC report on weighmasters: Discussion Paper.	
(c) Sablefish rolling closures: Initial review.	
C-4 <u>Halibut Issues</u>	(12 hours)
(a) Halibut charterboat management: Final action.	
(b) Discussion of general local area management plans.	
(c) Sitka Sound management plan: Final action.	
(d) Halibut possession limits: Initial review.	
C-5 <u>Magnuson-Stevens Act Revisions</u>	(3 hours)
(a) IFQ/CDQ fee/registry program. Review.	
(b) North Pacific loan program: Final action on amendment.	
(c) Bycatch reduction measures: review proposals for reducing regulatory and economic discards.	
(d) Progress report on other mandates, including EFH.	

- C-6 License Limitation Program (1 hour)
 (a) Status report on rulemaking
 (b) Report on Crab Buyback program.
- C-7 Observer Program (3 hours)
 (a) Review progress toward NMFS-PSMFC joint project agreement.
- C-8 Russian Report (1 hour)
 (a) Review draft report on Russian fisheries management and enforcement.
 (b) Status of current negotiations
- C-9 Vessel Bycatch Accountability (2 hours)
 Progress report from committee.
- C-10 Foreign Vessel Transshipment Permit (1 hour)
 Review application for foreign vessel transshipment permit.

D. FISHERY MANAGEMENT PLANS

- D-1 Gulf of Alaska Groundfish Issues (2 hours)
 (a) Review pollock and P. cod trip limit issue and industry recommendations.
 (b) Review recommendations of joint Board and Council Committee.
 (c) Eastern GOA boundary changes: Discussion.
- D-2 Bering/Sea Aleutian Islands Groundfish Issues (2 hours)
 (a) Shortraker/rougheye MRB in trawl fisheries: Final action.
 (b) Gear preemption issues: Staff report.
 (c) Consider repeal of salmon retention regulations.
- D-3 Initial Groundfish Specifications for 1998 (6 hours)
 (a) Approve initial BSAI SAFE for public review.
 (b) Approve initial 1998 BSAI groundfish and bycatch specifications for public review.
 (c) Set initial VIP rate standards for 1998.
 (d) Approve initial 1998 GOA SAFE for public review.
 (e) Approve initial 1998 GOA groundfish and bycatch specifications for public review.
- D-4 Scallop Plan (2 hours)
 (a) Review Amendment 3--State management: Initial review.
 (b) Limited entry for scallops: Discussion and direction.
- D-5 Staff Tasking (2 hours)
 Review proposals.

Total Agenda Hours: 51

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Certified *Law Bendy*
Date *9/10/97*

MINUTES Scientific and Statistical Committee June 16-18, 1997

The Scientific and Statistical Committee of the North Pacific Fishery Management Council met June 16-18, 1997 at the Fishermen's Hall in Kodiak, AK. All members were present except Marc Miller:

Keith Criddle, Chair	Jack Tagart, Vice-Chair	Doug Larson
Harold Weeks	Jim Balsiger	Steve Klosiewski
Phil Rigby (Alt.)	Sue Hills	Richard Marasco
Terry Quinn	Al Tyler	Seth Macinko

C-1 Inshore/Offshore

Council staff members Marcus Hartley and Chris Oliver described for the SSC the analysis anticipated for the new Inshore/Offshore amendment. Public testimony was also received from Rebecca Baldwin, Ed Richardson, Paul McGregor and Ken Stump.

The SSC suggests that care be taken to craft a focused problem statement. The problem statement will determine the scope and complexity of the socioeconomic analysis required for the EA/RIR. The analysis of alternative actions to address the problem statement will be constrained by continuing limitations in our knowledge of industry economics. Although the magnitude of impacts resulting from any change to the current allocation is likely to be proportional to the magnitude of change, data limitations preclude a thorough assessment of the net benefits generated by the current fishery, let alone how the benefits will change under alternative allocations. The SSC noted these same data limitations hampered analysis of the second Inshore-Offshore amendment. While it is unlikely that data limitations can be addressed in time for the current analysis, there is a need to initiate ongoing data collection and modeling efforts focused on the demand for and supply of fisheries products (costs of operation and production, market structure, trade patterns, etc.). Progress on these efforts is critically dependent on support for this work by the Council, industry, the National Marine Fisheries Service, and the State of Alaska.

In the development of the analysis, the SSC recommends that attention be given to a description of the current state of the fishery, analyses of how changes in the allocation percentages will affect net economic benefits (efficiency), distributional impacts (equity), and conservation issues, and the possible effects on participants in the Community Development Quota (CDQ) pollock fishery. The SSC notes that "no action" alternative potentially represents a large change from the status quo.

Current State of the Fishery

The description of the current state of the fishery should address: 1) the status of the pollock resource; 2) catch by community, sector, fishing area, and gear type; 3) product mix, markets and values; 4) employment by sector and residency; and, 5) industrial organization (i.e. concentration, product differentiation, barriers to entry, and

vertical integration). This should not be a lengthy discussion but substantive enough to reveal essential features of the fishery.

Net Economic Benefits (efficiency)

Rigorous examination of how the changes contemplated will affect net economic benefits requires quantifying producer's surplus and consumer's surplus associated with each alternative the Council proposes. Given the ongoing lack of basic data on costs in the industry, and the lack of models to predict changes in costs with different regulatory alternatives, a rigorous benefit-cost analysis cannot be performed. These deficiencies have been noted by the SSC numerous times in the past. Although a data collection effort will soon be initiated by NMFS, the results are unlikely to be available in time to be incorporated into this analysis.

Short of conducting a benefit-cost analysis, it should be possible to obtain some useful insights into the directional nature of impacts by examining changes in the pattern of harvesting (by species mix, gear, operation type, and region) and processing activity (by product form, market, sector) associated with the Council's alternatives.

It is essential that whatever quantitative analysis is done be based on documented information, that assumptions be stated clearly and labeled as such, and that the effect of uncertainty over parameters on the harvest or gross revenue as well as cost measures be addressed. It is highly desirable to identify, based on the sensitivity analysis, the key factors or assumptions that appear to be most influential to the magnitude and distribution of "benefits."

Distributional Impacts (equity)

Among other issues, the evaluation of distributional impacts should identify changes in the distributions of employment opportunities and net economic benefits among the major affected parties, for each regulatory alternative. Although this cannot be done rigorously, because of the difficulties noted above, it can be approximated by identifying probable changes in distribution of gross revenues between sectors, harvest areas, and (where possible) by homeport of vessels. The SSC encourages staff to develop this information because it is easily and directly linked to the regulatory alternatives.

Other Analytical Issues

The spatial and temporal distribution of fishing activity is affected by oceanographic conditions, fish abundance, and management regimes. Provisions of the new Inshore/Offshore amendment that change the distribution of fishing activity will affect target stocks and other marine resources. In particular, the present suite of options includes adjustments to the existing Catcher Vessel Operational Area (CVOA). An attempt should be made to examine the potential conservation impacts of changes in the structure of the fishery. Variations on the existing Inshore/Offshore allocation may also have an effect on participants in the CDQ pollock fishery and in other fisheries. An attempt should be made to characterize the operational linkages between the open access and CDQ pollock fisheries, other fisheries, and potential changes in these linkages that may arise following Council action.

C-8 Observer Program

Chris Oliver gave a presentation summarizing action required by the Council at this meeting. The SSC received presentations also from Bill Karp and Sue Salveson. Chris Blackburn reported on activities of the Observer Advisory Committee. A representative of the Association of Professional Observers, Theresa Turk, provided comments on efforts to increase professionalism. Other members of the public commenting were: Bob Storrs, Jude Henzler, and Tom Okey.

While a wide range of issues were discussed, data quality, complexity of data, and the numerous sources of error were of primary concern to the SSC. The presentation given by Bill Karp indicated that significant amount of error is being devoted to examine coverage levels and associated error levels. The SSC recommends that these efforts be continued.

To clarify current data collection and estimation procedures, the SSC recommends that a work session held in conjunction with its February 1998 meeting to discuss these issues.

C-9(a) (c) Magnuson-Stevens Act Requirements and Essential Fish Habitat

Dave Witherell reported on Magnuson-Stevens Act requirements and Council progress in addressing these tasks.

Cindy Hartman (NMFS-AKR) provided a progress report on Essential Fish Habitat identification and description. Technical teams for each Council FMP have been formed; these groups will work with stock assessment authors to compile and summarize species distribution and habitat requirements for EFH assessments, which will be analogous to SAFE document chapters. The NMFS core team will then use these assessments to prepare draft plan amendments for Council consideration. The SSC supports the staffs' proposal to framework the requirements of EFH into the plan amendment to the extent possible to minimize the number of subsequent amendments required as new data become available.

While this is a daunting task given the short timelines mandated by the MSFCMA, it also represents a significant opportunity to move in the direction of placing our fishery-based knowledge into an ecological context. The challenges of incorporating traditional knowledge and the natural dynamic variability of ecological systems and fish distributions into EFH definitions will necessitate that this be an ongoing, iterative process.

The SSC will look forward to receiving the draft EFH Assessments at its September meeting.

The SSC also received an informal report from Dave Witherell that the guidelines for overfishing definitions are undergoing further changes. We would like to have the opportunity to comment on these changes as they may affect the Council's specification process. The SSC is willing to meet by teleconference in advance of our September meeting to review the proposed changes.

C-10 Groundfish SEIS

The SSC received an informational report from Ron Berg who described the new initiative by NMFS to develop an updated Supplemental Environmental Impact Statement (SEIS) for groundfish fishery management. The work will be led by the Regional Office with contributions from other NMFS groups. The purpose is to develop a full documentation of the known effects of fishing and fishery management. The SSC commented that the work necessary to meet EIS requirements seemed very extensive. As described, the NMFS effort will assess the environmental impacts of both the Bering Sea and Gulf of Alaska groundfish fisheries. The SSC believes it will be difficult to set the bounds for the investigation, and will involve months of review of primary documentation in order to produce the SEIS volume. Ken Stump (Greenpeace) and Tom Okey (CMC) presented public testimony.

D-1(b) Sablefish Rolling Closures

Jane DiCosimo (NPFMC) and Dr. Mike Sigler (NMFS-Auke Bay) presented an environmental assessment on measures to re-order the sablefish longline survey and to pursue voluntary and/or regulatory measures to avoid fishery interference with the survey. The problem addressed is that fishing near survey stations shortly before

the survey may cause a downward bias in the survey indices. Although depression of survey indices has been documented at some stations, the magnitude of this effect for the survey as a whole is unknown.

The SSC notes that changes in survey timing of up to one month have been made in the past. The changes in survey order as presented in the EA/RIR will impose slightly larger timing changes. We expect the effect of these timing changes to be minimal, but encourage the analysts to test for timing effects by repeating selected stations on the survey track. Moving the survey entirely out of the summer period would likely increase costs substantially and could reduce our confidence in the index because the survey may be affected by distributional and behavioral changes (e.g. spawning behavior).

Chris Blackburn (AGDB) and John Gauvin (Groundfish Forum) presented public testimony. Their proposal for re-ordering the survey to minimize the potential for fishery interference is essentially the same as that presented in the EA. They also presented a scheme for voluntary box-like closures to trawl fishing that they feel will be effective in preventing trawl interference with the survey.

The SSC recommends that the EA be released for public review after clarification that the reported financial impacts of avoiding survey bias are examples for illustration only and are not intended as an estimate of the actual overall benefits of eliminating bias.

D-2(c) Shortraker/rougheye (SRRE) rockfish bycatch

Ron Berg (NMFS) provided a report to the SSC on this issue. The SSC interprets the ABC as a maximum harvest level, and we are concerned that the SRRE rockfish ABC was exceeded. The SSC notes that exceeding the ABC early in the year explicitly allocates fishery resources. Changes in fishing season and/or reductions in the maximum retainable bycatches (MRBs) could slow the catch of SRRE making it less likely to exceed catch limits in the future.

D-2(d) Halibut Discard Mortality

In line with standard operating procedures, the best estimate of the halibut discard mortality rate for the BSAI Pacific cod fishery is 12%, based on the report by Gregg Williams (May 23, 1997). This rate is based on recent analysis of 1996 observer data.

Plan Team Appointments

The SSC reviewed credentials for Thomas Pearson, candidate for appointment to the GOA Plan Team. We find Mr. Pearson qualified and recommend his appointment.

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Certified by _____

Date _____

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

Advisory Panel members in attendance:

Bruce, John (Chair)
Benson, Dave
Burch, Alvin
Cotton, Bruce
Cross, Craig
Fanning, Kris
Fraser, Dave
Fuglvog, Arne
Ganey, Steve
Gundersen, Justine

Jones, Spike
Lewis, John
Madsen, Stephanie (Vice-Chair)
Nelson, Hazel
Roos, John
Stephan, Jeff
Turk, Teresa
Wurm, Rob
Yeck, Lyle
Yutzenka, 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

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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:

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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.

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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.

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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/TU)

The AP recommends the Council move ahead with IR/TU 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.

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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.

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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.

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ENFORCEMENT COMMITTEE REPORT SEPTEMBER 22, 1997

The Enforcement Committee met beginning at 6 p.m. on September 22, 1997 during the North Pacific Council's September meeting in Seattle. Members of the committee in attendance were Dave Hanson (Chairman), Bill Karp, Steve Meyer, Sue Salveson, Capt. Vince O'Shea, and Jonathan Pollard (for Lisa Lindeman). Staff present were Jane DiCosimo, Jay Ginter, Galen Tromble, Becky Renko, Shannon Fitzgerald, and Greg Busch. Approximately six members of the public also attended the meeting.

GOA Trip Limits Steve Meyer (NMFS Enforcement) and Capt. Vince O'Shea (USCG) agreed to meet to discuss trip limits and would provide comments related to enforcement of trip limits to the GOA Pollock and Pacific Cod Trip Limit Committee at its meeting. The Enforcement Committee deferred detailed discussion of this agenda item until the trip limit committee had made specific recommendations to the Council. That committee is scheduled to meet again on September 24, 1997.

Shoreside IR/IU Regulations The committee learned that the State of Alaska may not have Improved Retention/Improved Utilization regulations in place for shoreside groundfish deliveries on January 1, 1998, consequently NMFS may delay implementation of federal regulations to coincide with proposed mid-year implementation of State regulations. The committee noted that delayed implementation is a policy decision, however, cautioned that should the Council recommend that NMFS implement federal regulations unilaterally in the EEZ on January 1, 1998, NMFS Enforcement would not have sufficient resources to enforce such regulations.

Compliance with Observer Regulations Observer Program staff briefed the committee on a report that summarized industry compliance with observer program regulations. The committee recommended revisions to the report, but strongly supported NMFS' attempt to monitor compliance. Steve Meyer informed the committee that within 12-18 months, NMFS Enforcement will have taken significant actions to review observer reports and initiate compliance actions with industry. Agency efforts to staff enforcement positions at the Alaska and Northwest Regions to enforce program compliance predate the NMFS report. The committee also noted that some Council management actions have increased compliance difficulty and discussed its role in providing recommendations to the Council on potential interactions of future Council management recommendations.

Weighmaster Program The committee sees value in the proposed weighmaster program to monitor IFQ offloadings for augmenting enforcement resources and encourages the Council to proceed with further development of the program. Steve Meyer reported that NMFS Enforcement will provide a report to the Council in early 1998 on its proposal for a weighmaster-type program.

Transshipments The committee noted that there are significant enforcement concerns with transshipments. Applications should not go forward until they are fully addressed. These concerns may be extremely difficult to resolve. The committee expressed concern with setting a precedent with this first of many anticipated applications.

The committee adjourned at approximately 7:45 p.m.