

ADVISORY PANEL MINUTES  
North Pacific Fishery Management Council  
February 4-9, 2008, Seattle Marriott, Washington

Approved \_\_\_\_\_

Date \_\_\_\_\_

The following members were present for all or part of the meeting:

Joe Childers	John Henderschedt	Matt Moir
Mark Cooper	Jan Jacobs	John Moller
Craig Cross	Bob Jacobson	Ed Poulsen
John Crowley	Simon Kinneen	Michelle Ridgway
Julianne Curry	Chuck McCallum	Beth Stewart
Tom Enlow	Tina McNamee	Lori Swanson
Bob Gunderson	Mike Martin	

The AP unanimously elected Tom Enlow as Chairman and John Henderschedt and Joe Childers as Co-Vice Chairmen, and unanimously approved the minutes of the December 2007 meeting.

### C-3 Amendment 80 Post-Delivery Transfers and Rollovers

#### Post Harvest Transfers

The AP recommends the Council adopt Alternative 2, unlimited post-harvest transfers as its preferred alternative. *Motion passed 18/0.*

#### AM80 Limited Access Rollovers

Additionally, the AP recommends the Council adopt Alternative 2 which provides rollovers for unharvested AM80 limited access quota. *Motion passed 18/0.*

### C-1 BSAI Crab Management

#### (a) Report of the Crab Advisory Committee

The AP recommends the problem statement should be limited to the current and specific problems identified below. All other issues should be incorporated and analyzed as part of the 36 month review; which is already established in this program.

#### Technical fixes/housekeeping changes:

1. Under utilization of West-designated Western AI GKC
2. Review and possible revision of the community right of first refusal (ROFR)
3. Industry initiated improvements to the binding arbitration process.

Further, the AP suggests the Crab Committee examine the extent to which the Hinkel proposal may address crew member concerns.

*Motion passed 14/6.*

### **Minority Report**

*The undersigned members of the AP Minority recognize that examination of the effects of the 90/10 share split and alternatives to the crab program structure bears merit. We recommend that analysis of issues raised in the Council October 2007 motion and issues raised by Alaskan communities and the broader public subsequent to that motion include the following:*

- 1. The status quo 90/10 split, as well as 80/20, 70/30, 50/50, and 0/100 share splits.*
- 2. incremental changes to the share split over a period of years*
- 3. a one-pie IFQ allocation to vessel owners, communities, processors skippers and crewmembers, based on their investments and participation in the fishery*
- 4. the effects of shifts in the share split as the annual TAC levels rise and fall in each fishery*
- 5. Refinements to the rights of first refusal process (ROFRs)*
- 6. Unique considerations for all Aleutian Island King Crab fisheries*

*The Minority noted that in public testimony community representatives, including those that strongly supported 90/10, thought it possible that if the split ratio were reduced that a one-pie allocation to communities might possibly address their concerns. Thus the Minority believes that adding communities to item 3 above is appropriate.*

*The Minority further recommends streamlining a suite of elements and options for structuring this analysis, thereby providing the public an objective source of information for contemplating refinements to the crab program. Due to the importance of some of these issues, and pressing need for some issues to be addressed sooner rather than later, the minority feels these issues necessitate rigorous analysis rather than further discussion by committee at this time. Finally, the minority supports continuation of ongoing preparation of data for the scheduled three year programmatic crab program review. Signed: John Moller, Michelle Ridgway, Chuck McCallum, Tina MacNamee*

### **(b) Crab Data Collection**

The AP recommends the Council adopt the Committee's recommendation regarding data issues and encourages continuation of an industry led effort to gather ex-vessel price data. *Motion passed 20/0.*

### **(d) Active Participation requirements for C shares**

The AP recommends the Council release the document for final review with the following changes/additions:

The Council has identified the following alternatives for this action:

Options for revision of active participation requirements for C share holders:

To receive an annual allocation of IFQ, a C share holder must ~~have participated in:~~

**Option A: have participated in** at least one delivery in a fishery subject to the crab rationalization program in the 3 years preceding the application for IFQ.

**Suboption B: have received an initial allocation of C shares and participated in** 30 days of State of Alaska or Alaska Federal fishing in the 3 years preceding the application for IFQ.

**Suboption:** Establish a mechanism for the annual allocation of C share IFQ to ensure that ~~3 percent of the~~ portion of the TAC available to active C share holders is **equivalent to the C share portion of the overall QS pool.**

~~If a C share holder has not participated in at least one delivery in a rationalized crab fishery in the preceding 5 seasons, that C share holder will be required to divest of all C share holdings.~~ **A C share holder who does not meet one of the following active participation criteria will have all C share QS holdings revoked:**

**Option:** The person must have participated in at least one delivery in one of the rationalized crab fisheries in the preceding 2 - 5 seasons (i.e., crab fishing years).

**Suboption:** The person must have received an initial allocation of C share QS and have participated in 30 days of fishing in State of Alaska or Alaska federal fisheries in the preceding 5 seasons (i.e.; crab fishing years).

This provision will not require individuals to divest of Quota Share until 5-10 years after implementation of the crab program.

Options to address current transition:

For a period of 5 or 7 years from the implementation of the program, C shares can also be acquired by an individual who:

- 1) is a U.S. citizen,
- 2) has at least 150 days of sea time as part of a harvesting crew in any U.S. commercial fishery (historic participation), and

Option 1: received an initial allocation of C shares

Option 2: demonstrates participation in the **BSAI rationalized crab fisheries** during

- a. 3 of the 5 seasons or
- b. 2 of the 3 seasons

immediately preceding implementation of the crab rationalization program.

*Motion passed 20/0.*

**(e) Analysis of loan program provisions**

Active participation definition:

1. is a U.S. citizen,
2. has at least 150 days sea time, as part of a harvesting crew in any U.S. commercial fishery,
3. has made at least one delivery in a fishery subject to the crab rationalization program in:
  - a. 2 of the 3 years prior to the application for the<sup>2</sup> loan, or
  - ~~b. the 3 years prior to the application for the loan.~~

Fishermen who fish from small vessels:

In the Bering Sea and Aleutian Islands rationalized crab fisheries, this is to be defined as “fishermen who fish from any or all vessels”.

First time purchase of individual fishing quota by entry-level fishermen and fishermen who fish from small vessels is to be defined through the following options:

Maximum **aggregate** threshold quota share holdings to qualify for the loan program, by fishery:

Bristol Bay red king crab, Bering Sea C. opilio, and Eastern and Western Bering Sea C. bairdi fisheries share holdings thresholds:

- ~~a) 0.05 percent~~
- b) 0.10 percent
- ~~c) 0.25 percent~~
- d) 0.50 percent

Pribilof red and blue king crab and St. Matthew Island blue king crab fisheries share holdings thresholds:

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<sup>2</sup> This change is suggested to improve administration of the program by NOAA Fisheries Financial Services Division.

- ~~a) 0.10 percent~~
- b) 0.20 percent
- ~~c) 0.50 percent~~
- d) ~~1.00 percent~~

Western Aleutian Islands red king crab, Western Aleutian Islands golden king crab, and Eastern Aleutian Islands golden king crab fisheries share holdings thresholds:

- ~~a) 0.5 percent~~
- b) 1.0 percent
- ~~c) 2.5 percent~~
- ~~d) 5.0 percent~~

Loan cap amounts per individual:

- ~~a) \$150,000 per year~~
- ~~b) \$300,000 per year~~
- ~~c) \$450,000 per year~~

**10% of amount available, subject to an “individual and collective” rule.**

*Motion passed 18/0.*

### **C-1 (h) “Cooling off” and Right of First Refusal for St. George**

The AP recommends the Council send out the analysis for final review with the following modifications and additions:

Alternatives:

#### Cooling off Period

Alternative 1: Status Quo

Alternative 2: Begin a new two year cooling off period with a starting date of October 1, 2009.

Alternative 3: Begin a new one year cooling off period with a starting date of October 1, 2009.

#### Right of First Refusal

Alternative 1: Status quo

Alternative 2: Begin a new ROFR three-year period with a starting date of October 1, 2009 (unless the ROFR can be renewed prior to expiration).

For Alternatives 2 and 3 for the cooling off period and Alt 2 for ROFR, analyze an option to provide relief from the cooling off period and ROFR if NMFS is notified of an agreement between the community entity representing St. George and the owner(s) of the PQS.

*Motion passed 20/0.*

### **D-1 (a) Bycatch Issues**

The AP recommends that the Council approve the staff’s recommended revised alternative structure as presented in the staff discussion paper. The AP further recommends that the Council adopt the following changes to those alternatives:

The AP recommends that non-Chinook and Chinook be bifurcated, and that hard caps for non-Chinook not be considered at this time.

Description of Alternatives:

**Option 1.** The option to begin the accounting period in B season should only apply to the triggered closure option.

**Alternative 2. Hard Cap**

Change the accounting so that only non-Chinook salmon bycatch from the directed pollock fishery would count toward the non-Chinook caps.

**Option 2. Cap set relative to salmon returns**

Information describing how forecasts are determined for the Yukon, Kuskokwim and Nushagak rivers should be included in the analysis. A ten-year time series table should be constructed that would include the following information:

Forecasted returns, actual returns, catches, and escapement for the three river systems. Data from the annual BASIS survey documenting the annual ocean outmigration from AYK rivers should also be provided.

**Option 5. Divide the final cap by sectors based on:**

- i) 10% of the cap to the CDQ sector, and the remaining 90% allocated 50% to the inshore sector, 40% to the offshore sector and 10% to the mothership sector.
- ii) The 1997-2006 10-year average distribution of salmon bycatch between sectors.
- iii) Use the same years as those used to calculate the hard cap.

Add an option that would allow rollovers of unused salmon bycatch to other sectors still fishing.

**Option 6.** Add new second sentence: The analysis should examine monitoring and enforcement requirements as they apply to vessels with 30% observer coverage.

Modify ii. to read: "Purchase salmon bycatch from other cooperatives and cooperatives in other sectors."

Add an option that would roll over unused salmon bycatch to other sectors and coops still fishing.

**Alternatives 3 and 4 Option 2 Area Options, Candidates for Closure (pages 8 and 10)**

For candidate closure areas defined by rate based criteria, add an additional tier rate of 0.15 Chinook/pollock (t).

Delete the part of Option 6 under Alternative 4 that allows trading pollock or salmon in order to avoid area closures.

The AP recommends that industry present additional candidate closure areas at the April 2008 meeting.

*Motion passed 16/4.*

*Alternative 2 Minority Report: A motion to delete from the framework motion Options 1 (vi)-(xi) and Option 4 (i) and to divide the range into four equally spaced numbers passed 11/9*

*Salmon are an extraordinarily important species to subsistence, commercial and sport fishers, as well as an integral component of the BSAI foodweb. The value of these fish to a broad spectrum of individuals has been brought to the Council's attention by the US State Department, residents of the Yukon River region, Tribal and Subsistence organizations, and other concerned citizens of the US and Canadian public for many years. In response to this, the Council adopted a stepwise Chinook bycatch reduction goal of 29,000 chinook in the late 1990's (NPFMC Newsletter February, 1999).*

*The minority recognizes that the bycatch of salmon in BSAI pollock fisheries has more than doubled in the past two years, and has far exceeded acceptable levels. Measures need be implemented as soon as possible to*

reduce bycatch. The current Council problem statement dictates that steps to reduce salmon bycatch be analyzed.

In order to meet the council's stated bycatch reduction goals, and to meet NEPA requirements to craft alternatives consistent with the problem statement, the minority recommends that the Council direct staff to focus the range of hard cap options to lead to an actual reduction in bycatch by eliminating options vi – ix in the draft elements and options for the range of caps which effectively removes any increase over historical bycatch ranges. Signed: Simon Kinneen, John Moller, Chuck McCallum, Michelle Ridgway, Tina McNamee

#### **D-2 (a) Other Species**

The AP recommends the Council send out the analysis for final review. *Motion passed 18/0.*

#### **D-2 (d) BSAI Pcod split**

The AP concurs with the SSC's recommendation. *Motion passed 18/0.*

#### **D-3 (c) Preliminary review of Arctic FMP**

Recognizing that Arctic marine waters support a unique and fragile ecosystem as well as human communities, the AP supports advancing the Arctic FMP development. The AP recommends that analysts continue outreach to engage Arctic Alaskans and other stakeholders in crafting the FMP. Further, the AP recommends that the analysts incorporate the recommendations of the Ecosystem Committee.

*Motion passed 19/0.*

#### **D-4 Staff Tasking**

The AP recommends the Council convey its concern to NMFS that work assignments support the preparation of stock assessments in time for public review prior to the November plan team meeting.

*Motion passed 18/0.*

The AP had a discussion regarding the concern that the availability of socio-economic data from the halibut charter and sportfish halibut sectors may be inadequate. Therefore, the AP recommends that the Council task staff with preparing a discussion paper addressing the availability of socio-economic data from all fisheries under the Council's jurisdiction, including halibut charter and sportfish halibut, to insure that any gaps in data can be addressed by the Council and/or the socio-economic data collection committee.

*Motion passed 19/0.*