


MEMORANDUM

TO: Council, SSC and AP Members

FROM: Clarence G. Pautzke  
Executive Director 

DATE: October 7, 1999

SUBJECT: Observer Program Status Report

ESTIMATED TIME 1 HOUR
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BACKGROUND

It's been a while since this has been a major agenda item for the Council, so an update on major program developments is in order. Several things are happening, including the independent program review being conducted by Marine Resource Assessment Group (MRAG) under contract to NMFS. This and other initiatives are summarized under Item C-5(a). Regarding recent shortages in NMFS-certified observers, Item C-5(b) is a September bulletin from NMFS noticing their intent for short-term adjustments which will allow observer coverage requirements to be covered over a 6-month period instead of the quarterly requirement. This allowance is scheduled to expire at the end of this year.

The Council's last direction to staff and the Observer Advisory Committee (OAC) was to begin re-development of some type of fee-based funding mechanism for the program. For reference, the OAC report from last September is included under Item C-5(c). Following completion of the independent program review the Council may be in a better position to provide additional direction.



FM AK REGION

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

AGENDA C-5(a)  
OCTOBER 1999

October 4, 1999

RECEIVED

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N.P.F.M.C

Mr. Richard B. Lauber  
Chairman, North Pacific  
Fishery Management Council  
605 West 4<sup>th</sup> Avenue, Suite 306  
Anchorage, Alaska 99501

Dear Rick,

We would like to provide the North Pacific Fishery Management Council (Council) with a status of activities related to the North Pacific Groundfish Observer Program (NPGOP). The enclosed report addresses ongoing staff work on analyses, a NMFS-funded program review, staffing, and program development and focus. We assume this information may be of interest relative to the scheduled discussion by the Council on this subject during the upcoming October meeting. NMFS staff will be available at the October meeting to provide additional information and respond to Council questions.

Sincerely,

Steven Pennoyer  
Administrator, Alaska Region

Enclosure



Status of National Marine Fisheries Service Activities Associated  
with the North Pacific Groundfish Observer Program (NPGOP)  
As of September 1999

Analyses of Council's October 1998 recommendations for short-term measures to improve the NPGOP: At its October 1998 meeting, the Council requested staff to pursue analyses of several short term measures that included:

1. Establishment of regulations prohibiting contractors from distributing personal information on observers;
2. Establishment of minimum housing standards for shoreside observers;
3. Limitations on an observer having to cover more than one 100 percent plant or more than two 30 percent plants when those plants are participating in the pollock fishery;
4. Allowing NPGOP staff to be employed at NMFS's discretion in lieu of, or in addition to, a vessel's or plant's regular observer (See NMFS Observer Cadre, below);
5. Revision of shoreside coverage requirements based on weekly rather than monthly time periods; and
6. Clarification of the definition of a fishing day for pot vessels.

NMFS staff have been pursuing analyses to support the Council's request. However, staff focus on these analyses has had to compete with ongoing program development issues associated with the American Fisheries Act (AFA) and the Community Development Quota (CDQ) program. We anticipate that staff work will resume on these and other NPGOP issues so that a draft analyses may be available for Council review in April 2000.

At its June 1998 meeting, the Council also requested staff to continue to work on the development of a fee-based funding mechanism and other long term adjustments to the NPGOP. At its October 1998 meeting, NMFS informed the Council of its intent to pursue an independent review of the NPGOP and that staff and time resources necessary to pursue fundamental changes to the NPGOP may be more effectively focused pending the results of the review (See NPGOP review, below). As a result, no further efforts have been expended to develop an alternative funding mechanism.

NPGOP review: The Alaska Fisheries Science Center, NMFS, has awarded a contract with a private consulting company, MRAG Americas Inc., to conduct a program review of the NPGOP. MRAG currently is conducting widespread interviews with government, industry, private, and special interest groups to collect information on the NPGOP. MRAG representatives will be at the October Council meeting and have scheduled a Seattle workshop on Monday evening, October 11, 1999, at the Seattle airport Doubletree Hotel to present the intended scope of their review

and solicit public input. MRAG staff also will be available to meet individually with Council members to the extent they have not done so already.

At this time, a final review report is scheduled for this spring 2000. Upon completion of the report, a presentation to the Council will be scheduled. We hope that the results of the review will provide NMFS and the Council with guidance and direction on where to take the NPGOP in terms of pursuing long term changes.

Observer Cadre: NMFS is committed to having a functional Observer Cadre by the end of 2000. The NPGOP is taking steps necessary to implement the Cadre, given the current staffing and budgetary uncertainties. The Observer Cadre will focus primarily on communication and outreach to industry and observers. We anticipate that the enhanced education and information exchange that will occur as a result of Cadre activities will facilitate industry compliance with regulations associated with observer safety, working conditions and sampling. We also anticipate that these outreach initiatives will improve communications with contractors and NPGOP's ability to support observers and resolve problems in the field. Cadre members will also provide assistance to NMFS Enforcement personnel in documentation of compliance concerns. Cadre staff will be located in Anchorage, but will travel frequently among Alaska fishing ports, Anchorage, and Seattle in the conduct of their duties.

NMFS believes that the ability to place staff on board fishing vessels at sea is essential to the effectiveness of the Cadre. A number of issues, however, must be resolved before we can develop the regulatory infrastructure that would be required to support this function. Even under the least complex scenario, which would provide for placement of staff to collect data on otherwise unobserved vessels, or to gain field experience by substituting for contract observers under the mandatory coverage requirements, concerns regarding authority, compensation, and competition with contracting companies must be resolved. Issues associated with placing staff in compliance monitoring roles on board vessels or at shoreside plants are much more complex. Significant interaction with fishing companies, observer contractors, NMFS Enforcement and General Counsel will be required before proceeding. We do not believe we can implement these types of Cadre functions before 2001. Early in 2000, we plan to initiate discussions with industry, observer contractors, NMFS Enforcement and General Counsel to identify appropriate at-sea operations for the Cadre. We will then initiate the necessary program development and rulemaking activities.

New Regional Coordinator position: The Sustainable Fisheries Division, Alaska Region, NMFS, created a new staff position to

focus on observer program issues and serve as liaison between the NPGOP Office and the Region. Bridget Mansfield was hired this past summer to fill the position and has worked with several observer programs nationwide, including the NPGOP. She currently is on maternity leave and will return to work in November.

New Task Leader: As the Council was informed in June, Dr. Bill Karp has left the NPGOP and taken a new position with NMFS as Program Manager of the Midwater Assessment and Conservation Engineering (MACE) section at the AFSC. Dr. Dan Ito has been hired as the new Program Leader of the NPGOP. Prior to his new position, Dr. Ito had worked as a stock assessment scientist at the AFSC for over 15 years. His scientific background and knowledge of North Pacific fishery resources will be an asset to the Program.

Review of application(s) for certified contractors: During late summer and fall of 1998, NMFS received two applications from new or existing companies for certification as observer contractors. NMFS declined to process these applications due to the anticipated review of the structure of the NPGOP and uncertainty about how the outcome of the review could influence the role of certified observer contractors. Since then, we have reconsidered this approach and instead are proceeding to review submitted applications. Although the NPGOP review still is ongoing, results are not anticipated until early next year. Further, we have encountered the unfortunate situation of an insufficient number of observers to meet current industry demands. We believe that certification of an additional qualified contractor(s) may help alleviate this shortage in the future.

Program development - MSCDQ, Halibut CDQ, AFA: Significant staff resources associated with the NPGOP have been focused on issues associated with the ongoing challenge to observer requirements established for the halibut CDQ and MSCDQ fixed gear fisheries. This is a separate topic scheduled for Council discussion at the October meeting. As anticipated, we continue to work with the NPGOP in the development of the monitoring program for the American Fisheries Act mandates. Recent crab management decisions by the Alaska Board of Fish have had an impact on observer availability for groundfish operations, leading to our decision to pursue a short-term adjustment in observer coverage requirements for vessels required to have 30 percent coverage (See September 16 Information Bulletin, attached).

In summary, we are looking forward to the conclusion of the NPGOP review being conducted by MRAG Americas Inc. We and the Council can take advantage of objective guidance and recommendations for future changes to the NPGOP upon which management of the North Pacific fisheries will be based.



UNITED STATES DEPARTMENT OF COMMERCE AGENDA C-5(b)  
 National Oceanic and Atmospheric Administration OCTOBER 1999  
 National Marine Fisheries Service  
 P.O. Box 21668  
 Juneau, Alaska 99802-1668

INFORMATION BULLETIN (99-110)  
 Sustainable Fisheries Division  
 907-586-7228

September 16, 1999  
 1:35 p.m.

RECEIVED  
 OCT 4 1999  
 N.P.F.M.C.

NMFS INTENT FOR SHORT-TERM ADJUSTMENT TO OBSERVER  
 COVERAGE REQUIREMENTS

The National Marine Fisheries Service (NMFS) announces its intent to enact under 50 CFR 679.50(e) a short-term adjustment to existing observer coverage requirements to respond to unanticipated events that have led to a shortage of NMFS-certified observers necessary to meet current regulatory requirements, according to Steven Pennoyer, Administrator, Alaska Region, NMFS. Under the anticipated adjustment, existing observer coverage requirements set out at § 679.50(c)(v)-(vii), which are based on a calendar quarter compliance period, would be adjusted to be based on a 6-month compliance period during the period of July 1, 1999, through December 31, 1999. This would allow vessel owners/operators to satisfy the coverage required by 679.50(c)(v)-(vii) at any time during this six month period instead of being constrained to meet these coverage requirements on a quarterly basis.

According to observer contractors, the current shortage of observers can be attributed to several factors, including increased observer coverage required by the Alaska State Board of Fisheries for trawl vessels intending to participate in the Bristol Bay red king crab fishery and unanticipated closure of other crab fisheries that has resulted in increased participation in the Pacific cod pot gear fishery by crab vessels. This short-term adjustment intended by NMFS would allow vessels requiring 30% coverage more flexibility in coordinating with observer contractor companies to obtain required observer coverage. It is the intent of NMFS that this short term adjustment would terminate at 0001 hours A.l.t. on January 1, 2000, and all vessels would again be required to meet the requirements of 679.50(c)(v)-(vii) on a quarterly basis.

Please contact the Sustainable Fisheries Division at the number listed above for more information.



Report of the  
Observer Advisory Committee

September 24-25, 1998

The OAC met on September 24-25 in Seattle with the following in attendance:

OAC members: Chris Blackburn (Chair), John Iani, Arni Thomson, Don Goodfellow, Paul MacGregor, Greg Morgan (for Paula Cullenburg), Gary Westman, Lauri Bowen, John Winther, Nancy Munroe, Michael Lake, Doug Wells

Agency: Chris Oliver, Bill Karp, Sue Salvesson, Martin Loefflad, Seth Macinko, Kent Lind, Bridgette Mansfield, Shannon Fitzgerald, Gary Stauffer, Galen Tromble

Public: Bob Alverson, John Gauvin, Liz Mitchell, Brian Belay, Mike Symanski

OVERVIEW

The OAC first reviewed and discussed the September 22, 1998 letter from NMFS regarding their plan of action with regard to the observer program development. This letter proposes that the agency conduct a comprehensive review of the observer program over the next year, including the use of outside review panels. This process will examine overall program goals and objectives, authorities, organizational structure, and cost and coverage levels, and will incorporate input from the Council and industry. The OAC concurs with this approach and feels that it is consistent with the industry and Council's desire to resolve these same issues, though the implications are that the first year implementation of a fee-based funding mechanism will likely be delayed beyond the Council's year 2000 target date.

Several issues related to redevelopment of a fee plan are still unresolved and the process proposed by NMFS should address these issues. Foremost among those issues are identification of baseline program objectives and associated coverage levels, by fishery, necessary to meet those objectives. Identification of baseline coverage levels will likely be complicated by ongoing events, such as SB 1221 provisions, and redevelopment of any fee program will require separation of baseline needs from 'supplemental' coverage needs (coverage beyond that supported by a 2% fee). While the OAC discussed several options for a fee program structure, as reflected in the discussion below, the ultimate direction will likely depend to a large extent on the review process proposed by NMFS.

This meeting of the OAC provided an opportunity for initial discussion of many of these issues, and the public Observer Workshop scheduled for November 12-13 appears to be a positive second step in this process. It is expected that results of that workshop will assist NMFS, and the OAC and Council, in this development process. Several information requests were made by the OAC and are expected to be useful to both the Workshop and to further discussions by the OAC and Council. These include: (1) continued work by NMFS in identifying baseline coverage needs (should include assessment of whether and to what extent some current observer coverages may be unwarranted), as well as a hierarchy of program goals and objectives from NMFS perspective; (2) revised cost

estimates, revenue estimates, and fee percentage projections, associated with 1997, 1998, and 1999 (projected) fisheries, both with and without crab fisheries included (for comparison). The objective of this request is to see where we are currently relative to a 2% fee assessment, or, how much of a TAC set aside would be required to fund current coverage levels; (3) a breakout of current, effective, coverage levels by vessel length, as well as by gear type and fishery; and, (4) legal advice on statute changes necessary to implement a TAC-based cost recovery program (as opposed to a direct fee), and on the implications of separate crab and groundfish programs as that relates to statutory fee authority.

The OAC recognizes that not all of this information will be available in time for the November workshop, though the revised cost, revenue, and fee percentage projections will be particularly germane to the Workshop discussions. Our recommendation is to let this process unfold for the remainder of this fall, and convene the OAC once again prior to either the February or April 1999 Council meeting. At that time the process may be evolved to the point where it can be more productively scheduled as a major Council agenda item. While the NMFS review process will not be complete by that time, there may be enough evolution of information to enable the Council to provide some direction and focus to the OAC regarding which type of fee-based program structure appears most viable.

## SUMMARY OF OAC DISCUSSIONS

The OAC reviewed a discussion paper provided by Council staff titled 'Redevelopment of Options to Fund the Domestic Groundfish Observer Program in the EEZ Fisheries off Alaska' - this paper summarized the history of the original Research Plan development, identified the primary issues of concern with that program, and outlined some potential program structures for consideration. While that paper, and the OAC, recognize the Council's existing direction to redevelop a fee-based funding mechanism, a variety of options and alternatives were discussed. These are summarized below.

### Primary issues for resolution

As noted in the discussion paper, the primary issues which caused the demise of the Research Plan remain unresolved and include:

(1) **resolution of necessary baseline coverage levels by fishery-** the OAC received a report from NMFS which provided some initial information relative to this issue. While there have been analyses done in the past, these analyses were largely aimed at specific catch estimation procedures in specific fisheries (such as the Versar Report and NMFS statistical analyses regarding coverage levels for specific goals). Additional information was provided at this meeting which illustrated the current, effective coverage levels by fishery and gear type in the GOA and BSAI. This information was useful and provided the basis for much discussion, but still does not answer the question of what the effective coverage levels should be in these fisheries.

For example, effective coverage in the BSAI Pacific cod trawl fisheries is about 52%, while the same fishery in the GOA has about 15% effective coverage. Is one too high, or is the other too low? The answer depends on the goal of that coverage. For shoreside delivery harvests, the primary goal is likely PSC accounting, while for offshore processing the goal is also total catch accounting (in



addition to stock assessment related data). Further, within the category of vessels for which PSC accounting is the primary goal, there is considerable variability in PSC rates by area and season. This variability in PSC bycatch will likely be a major factor to consider in arriving at appropriate coverage levels by fishery.

What is apparent from these discussions is that the answer lies only partially in statistical analyses, and partially in more practical considerations. Some type of optimization approach which incorporates various goals and objectives, by fishery, is likely the best approach. Because most of the other concerns listed below circle back to the issue of appropriate coverage levels, it remains the fundamental issue for resolution. Because the issue of observer program goals and objectives are related to the observer's duties/priorities at sea, the OAC would have requested that one of the observer trainers be present at the next meeting to provide information in that regard.

(2) **overall cost uncertainty** - There is no guarantee that even baseline needs would now be covered by a 2% fee. Then there is the issue of Supplemental coverage and what observer coverage would have to be obtained and paid for above and beyond the 2% fee. Agency budgets and required coverage levels also relate directly to overall cost and there was a mechanism within the Research Plan to address those annually; however, the first year of that plan did not allow for these issues to be fully addressed as that first year maintained existing coverage levels. As noted above, necessary baseline coverage will define what is 'supplemental', and therefore relates directly to the overall cost issue.

(3) **cost inequity** - some operators do not pay at all, and some operators pay a disproportionately high percentage of gross income in observer costs. The OAC feels that the under 60' category should be part of the observer program, either through payment of costs or carrying some level of coverage, or both. The OAC also recognizes that addressing the cost inequity issue may be next to impossible as long as we are under the pay-as-you-go program, and will simply have to await implementation of some type of fee system.

(4) **use of standard prices** - the use of standard, as opposed to actual, prices was a source of concern by the industry under the original plan and remains. Work being done now with regard to the IFQ/CDQ fee program has some promise for resolving that issue.

(5) **complex and burdensome accounting for processors** - this was and remains a large issue relevant to the accounting and collection structure of any fee-type program. The option of a TAC-based funding mechanism would alleviate this area of concern (see discussion below).

(6) **multiple sources for observers** - with the ADF&G/BOF pursuing a GHL-based set aside to fund the crab observer program, it appears likely that any program developed for groundfish would be separate and result in two different observer procurement sources. The potential Supplemental program coverage could result in yet a third source, though there may be ways to incorporate that within the overall groundfish structure.

(7) **contracting issues** - the most significant remaining contracting issues relate to the 'arms length relationship' which still does not exist between contractors and vessels/plants. As with cost equity, this issue will likely remain under the pay-as-you-go system. A variety of other contracting related

issues were at least partially resolved previously, while some remain and will have to be addressed as this process unfolds.

### Potential program structures for further consideration

(1) **Federally funded program** - the discussion paper provided by staff included summaries of other U.S. observer programs, the most notable aspect being that they are virtually all federally funded (with the exception of the North Pacific which enjoys partial federal support). While other programs may be very specifically aimed at specific biological/marine mammal issues, the OAC is still not convinced of the 'equity' of this situation. One idea raised in our discussion of this issue was the possible use of 'Dinkam-Sands' money in support of our observer/research program.

(2) **Cost recovery program through TAC set-aside** - this is essentially the same approach being developed by ADF&G and the BOF to fund observer coverage in the crab fisheries. The OAC discussed this option at length and feels that it has considerable promise and merits further exploration. One of the primary issues discussed was 'how much of a TAC set-aside would be required to fund the program?' If one assumes that the exvessel price would be bid, then it becomes the same question as 'what fee would be required to fund the program under a direct fee system'? However, while some fisheries may generate bids in excess of the average exvessel price, others may generate bids lower than exvessel, or generate no bids at all. A fundamental question is whether such a program would be limited to 2% of the TAC (is there a cap?), and related to that is what statutory change would be required, if any, to authorize this type of cost recovery.

(3) **Fishery specific fee systems** - The OAC discussed the idea of segregating the fleet into subsectors that each fund their own observer requirements through a fee system. While each sector may realize disproportionate costs under such a system, inclusion of the <60' fleet in the lower sector tier would alleviate, to some extent, the high disproportionate costs currently experienced by many in the 30% coverage sector. Definitions of sectors (for example, by size, gear, area, fishery, delivery mode, etc.) would be an important aspect of this type of system. Administratively, both NMFS and the processors would have multiple fee plans to account for. One theme expressed in our discussions was that additional complexities will make it more difficult to develop and implement any type of fee program.

(4) **A fee only on vessels <60'** - The OAC discussed the idea of a fee system on only those who don't carry observers (the under 60' boats) and using that NOT as a subsidy, but as a fund for NMFS to put observers wherever and whenever they feel appropriate. This would be only for observer coverage above and beyond that required by regulation, otherwise there would be contention over who gets the 'free' coverage. This would serve the purpose of providing a mechanism for NMFS to put observers where they want, and would make those who are also benefitting from the observer program contribute to its overall funding. It would not address the cost equity issue, nor would it address a variety of other issues. The main purpose would be to let NMFS put observers where they think they need for scientific reasons. A problem would be that some observers would be Union compensated and these others would fall under the SCA. An additional option discussed was to simply lower the length limit to 55' for 30% coverage, and thereby get some coverage in this sector. There was an OAC consensus that the under 60' fleet should somehow be part of the observer program, either through carrying observers or paying a fee for NMFS to place observers.

(5) **Fee based on observer days** - Another idea discussed which seemed to have a lot of merit is to base a fee not on exvessel value of fish landed, but to base it on observer days for a given vessel. While such an approach may not result in exact proportionality, the OAC agreed that it did address cost equity to some extent and warrants further examination.

(6) **2% Fee (Research Plan type system)** - This is the primary alternative currently being considered by the OAC and Council and warrants continued examination and development. Revised cost and revenue estimates need to be provided, both with and without crab fisheries inclusion for comparison. This basic fee structure could work with or without a Supplemental program.

(7) **Status quo** - The OAC discussed whether a fee program really was where we wanted to go. Is industry going to accept it in the end or will we arrive at another impasse? Different definitions of 'equity' will confound the answer to this question, but the OAC agreed it was worth consideration to simply remain with the status quo, and recognize that disproportionate costs were part of that situation.

Continued status quo may be a viable option for the industry and Council to consider, and we certainly will have this system in place for another year or two at least. The Committee has requested a projection of (roughly) what level of fee would be required to make sure no one pays more than 2%. This is pursuant to the subsidy concept where, for example, the program collects only a .5% fee and redistributes that back to those who pay more than that. This would address the cost equity issue to some extent. Accounting complexities (who gets how much of the subsidy for example) make this a potentially cumbersome approach.

#### Modifications to current pay-as-you-go program

The OAC discussed several proposed changes to the current program, recognizing that cost equity, flexibility, and conflict of interest (data integrity) are still problems under the current program. There was particular discussion on the arms length relationship issue, and whether conflict of interest at that level was real or perceived. Collusion is one issue, while coercion (at the observer level) is yet another, and the latter we cannot address under any program structure. The collusion aspect (between contractors and vessels) is still an issue for NMFS, though members of the OAC do not necessarily agree that it is a real problem. To the extent either form of conflict is an issue, it was noted that it will only get worse as we put observers in the position of individual vessel accounting.

A formal grievance process (which works both ways) is one thing the OAC discussed as a way to help address the related issue of when problems arise between observers and vessels - this is not really the conflict issue, but came up as an ancillary discussion. The following specific proposals were addressed by the OAC (see attached list).

Establish minimum 65% retention rate for observers: the OAC feels that this is being addressed via the union contracts, and does not need to go into regulation, which may adversely affect flexibility. If there is a rule promulgated, industry needs to be involved, but it is now premature.

Distribution on personal information on observers: OAC agrees that it should not be released. NMFS proposes to make their policy into regs, though other federal regs may already be in place to disallow

this. On the related issue of the vessel owner automatically getting copies of the observer's debriefing report (instead of having to file a FOIA request), the OAC recommends that NMFS explore this further with NOAA GC.

Safety Policy and refusing to board a vessel: This relates to the national level policy passed earlier this year. No OAC recommendation, except that NMFS continue to work with USGC to clarify these issues, and to recommend that this issue be addressed as part of the USCG boarding school orientations. Question was raised - 'at what point can an observer declare a vessel unsafe?' It appears to be vague and open-ended. The way it is proposed is that an observer can call a coast guard officer if he thinks there is a problem- then it will be worked out between the coast guard and vessel skipper and observer.

Standards for observer housing at shore plants: Should such standards be established in regs? The OAC recommends that yes it should, except use of the word 'quiet' may be a little hard to define/enforce. Transportation should be provided between plants as well.

Sharing of plant observers and monitoring shoreside deliveries: Should observer be limited from covering more than one 100%, or two 30%, plants? Some feel that the plant coverage is often unnecessary, and observer should be doing multiple plants. NMFS feels the observer is necessary, in order to respond to existing regulations to count salmon, for example. The issue is really relevant only to the pollock fisheries, so the OAC recommends to restrict this limitation to pollock.

A related proposal is NMFS recommendation to ensure that shoreside deliveries are adequately monitored. Requiring the vessel observer to stay through the sorting is likely unreasonable. Primary role of vessel observer is at the offload - this discussion is symptomatic of the larger issue of where the observer is best used. It's also related to the proposal to revise basis for shoreside plant coverage requirements. Restructuring of the pollock fishery currently underway may also affect this. So, OAC has no specific recommendation at this time.

Guidelines for observer sampling stations: OAC agrees with NMFS that this is premature. Whatever guidelines or regs are ultimately adopted need to take into account differences by vessel size.

Deployment of observer program staff at NMFS' discretion: This relates to the Observer Corps concept, and so NMFS will need such authority at some point in time. NMFS will continue to work on this concept, as they further develop the 'corps' concept.

Require contractual link between NMFS and contractors: OAC concurs with NMFS that this is not viable under the present system and is part of the much larger issue of program structure.

Revise shoreside requirements from monthly based to weekly reporting period: One disadvantage of this proposal would be the loss of scientific data, on some of the low volume unobserved fisheries, that would no longer be collected. The extra costs to the plants however may not justify this data collection. NMFS may be able to use existing NMFS personnel to make periodic observations on these fisheries. It does not make fiscal sense. Also, there may be instances where short notice for an observer may be difficult to fill. OAC recommends proceeding with this adjustment.

Require catcher vessels to purchase computers for observer: Extra cost may be less than what would be otherwise incurred with extra debriefing time. Good data helps ensure we don't have erroneous closures. On other hand, an additional computer in the wheelhouse may be impractical, or even impossible. It was also noted that perhaps NMFS should provide the computers, or that the contractors or observer themselves should provide their own (tools of the trade argument and that they would likely be better taken care of by the individual owner). The OAC did not reach a specific recommendation on this issue.

Increase coverage requirements for true motherships: Since the OAC does not have a rep from this sector, we declined comment.

Clarify definition of fishing day: Abuse is occurring. NMFS has no specific remedy at this time but is soliciting ideas. The problem is not limited to just pot boats but that seems to be the major problem area. - maybe define a 'day' as having pulled a certain minimum number of pots. No specific recommendation on this proposal from the OAC.

90 day rule: Proposed that some flexibility be built into the regulation that an observer be at sea for no more than 90 days, for cost and practicality reasons. NMFS feels that 90 days in itself is a compromise, and that 90 days is a long time. They also have allowed some flexibility in 'emergency' situations. This however imposes subjectivity into the process and they are more rigidly applying the reg. So, NMFS is opposed to changing this reg. The OAC concurs with NMFS.

The OAC did not address a proposal from FVOA to reduce coverage on the over 60' IFQ fishery vessels.