

North Pacific Fishery Management Council

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Certified Richard B. Lauber
Richard B. Lauber, Chairman
Date April 27, 1998

MINUTES

**130th Plenary Session
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
December 9-12, 1997
Hilton Hotel
Anchorage, Alaska**

The North Pacific Fishery Management Council met December 9-12, 1997 at the Hilton Hotel in Anchorage, Alaska. The Scientific and Statistical Committee met December 7-9 and the Advisory Panel met December 8-11, 1997 at the same location. The following members of the Council, staff, SSC and AP attended the meetings.

Council

Richard Lauber, Chairman
Dennis Austin for Bern Shanks
RADM Cross/CAPT Vince O'Shea
Linda Behnken
David Fluharty
Dave Hanson
Joe Kyle

Walter Pereyra, Vice Chair
Bob Mace for J. Greer
Kevin O'Leary
Steve Pennoyer
Everett Robinson-Wilson for David Allen
H. Robin Samuelsen, Jr.
Dave Benton for Frank Rue

NPFMC Staff

Clarence Pautzke, Executive Director
Jane DiCosimo
David Witherell
Darrell Brannan

Chris Oliver, Deputy Director
Helen Allen
Gail Bendixen
Linda Roberts

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Support Staff

Lisa Lindeman, NOAA-GCAK
Earl Krygier, ADFG
Sue Salvesson, NMFS-AKR
Jay Ginter, NMFS-AKR
John Lepore, NMFS-AKR
Jim Hale, NMFS-AKR
Rich Ferrero, NMFS-NMML

Al Spalinger, ADFG
Phil Smith, NMFS-RAM Division
Grant Thompson, NMFS-AFSC
Loh-lee Low, NMFS-AFSC
Sandra Lowe, NMFS-AFSC
Tamra Faris, NMFS-AKR
Lowell Fritz, NMFS-AFSC

Scientific and Statistical Committee

Keith Criddle, Chair
Doug Eggers
Sue Hills
Dan Kimura for Jim Balsiger
Doug Larson
Seth Macinko

Jack Tagart, Vice Chair
Richard Marasco
Terry Quinn
Al Tyler
Hal Weeks

Advisory Panel

John Bruce, Chair
Ragnar Alstrom
Dave Benson
Al Burch
Bruce Cotton
Craig Cross
Dan Falvey
Kris Fanning

Stephanie Madsen, Vice Chair
Dave Fraser
Arne Fuglvog
Steve Ganey
Justine Gundersen
Spike Jones
Hazel Nelson
Dean Paddock

John Roos
Jeff Stephan
Teresa Turk
Robert Ward
Robert Wurm
Grant Yutrzenska

Other Attendees

The following people signed the attendance register:

Dr. Bruce Leaman
Denise Fredette
Lennie Gorsuch
Bob Mikol
Kris Norosz
Brent Paine
Steve Hughes
Brian Bigler
Jim Stone
Eric Nyhammer
Glenn Mikkelsen
Mike Atterberry
Sinclair Wilt
Walt Christensen

Tom Suryan
Andrew Trites
Toby Sullivan
Micahel Lake
Frank Kelty
Bill Jacobson
Joe Bereskin
John Iani
Rebecca Baldwin
Steve Grabacki
Tom Okey
Jack Hill
Shari Gross
Mark Edward Springer

F. Gregory Baker
Denby Lloyd
Thomas Quass
Debby Swenson
Thorn Smith
John Pipkin
Gerald Leape
Shirley Marquardt
Rick Kniazowski
Terry Shaff
Glenn Reed
Bryce Morgan
C. Lowenberg
Arni Thomson

John Henderschedt
Janet Smoker
Peter VanTuyn
Gerry Cooper
Jerry Brennan
Marcus Hartley
Mark Buckley
Henry Olson
Charles Bingham

hillip Lestenkof
Jim McManus
Susan McNeil
Ron Rogness
Stephan Hall
Ray Cesarini
John Cleveland
Dick Tremaine
Gordon Blue

yle Hogrebe
Gerald Ensley
Roger Woods
Steve Drage
Steve Joner
Mark Coles
Denis P. Cox, Sr.

A list of those who gave public comment during the meeting is found in Appendix I to these minutes.

A. CALL TO ORDER/APPROVAL OF AGENDA/MINUTES OF PREVIOUS MEETING(S)

Chairman Rick Lauber called the meeting to order at 8:10 a.m. on Tuesday, December 9, 1997.

Agenda. With the addition of a marine mammal report by Dr. Trites, North Pacific Universities Marine Mammal Research Consortium, the agenda was approved as printed.

B. REPORTS

The Executive Director's Report (Agenda item B-1) was provided in written form. Fishery progress reports were provided by the Alaska Department of Fish and Game (Agenda item B-2) and the National Marine Fisheries Service (NMFS) (Agenda item B-3), and an enforcement report was provided by the Coast Guard. (Agenda item B-4). Dr. Trites, provided a report on recent research relating to Steller sea lions and their diets.

DISCUSSION/ACTION RESULTING FROM REPORTS

Executive Director's Report

Council Operating Procedures. Responding to a memo to Council members from Bob Mace suggesting that the Council discuss ways to streamline meetings, the following motion was made by Dave Benton:

The following guidelines are established in order to improve the efficiency of Council meetings and deliberations:

- 1. During agency and staff reports at the beginning of each meeting Council members are limited to one question each (amended to read "2" questions each);**
- 2. During public testimony Council members will be limited to 2 questions; and**
- 3. Halibut and sablefish IFQ issues will be placed at the end of the Council agenda.**

The motion was seconded by Linda Behnken and carried without objection.

Council members discussed limiting debate but agreed that each issue is unique and some may require more discussion and debate than others, but members agreed to use judgement when discussing and debating Council issues.

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Wally Pereyra later moved that:

It is the sense of the Council that the Chair exercise more authority over the conduct of Council meetings in all aspects presented in Mr. Mace's motion, to improve the quality of Council debate and enhance the overall time efficiency of Council meetings in general.

The motion was seconded by Dave Benton and carried without objection.

During discussion, the Council also agreed that the starting day for normal Council plenary sessions will be Wednesday of the meeting week, going through the following Monday, if necessary. Council members felt this will allow adequate time for the AP and SSC lead time to complete their recommendations for the Council. Council members also requested that presenters of standard reports such as the NMFS and ADF&G fishery reports only review new information that may impact Council decisions, rather than reviewing the entire written reports.

ADF&G Report

Dave Fluharty asked ADF&G staff to provide information on the total amount of cod harvested by area and by gear, prior to exclusive registration and after. He noted that the original intent of the exclusive registration area was to give advantage to smaller vessels and it appears that may not be the case. He also asked for information on how localized depletion is being monitored. ADF&G staff responded that they would try to obtain the information for the Council.

Dave Benton advised the Council that the State is recommending to the Secretary of Commerce that the Coastal Villages CDQ allocation be terminated. This is being done because the community development group and their CDQ partner have not been able to fulfill portions of their plan, and in the event of legal proceedings the State wants to protect the pollock allocation for other coastal communities.

NMFS Management Report

Sue Salvesson reported that the implementing regulations for the License Limitation Program (LLP) are being prepared in several segments. The crab CDQ program, groundfish CDQ reserve, and the Southeast trawl closure need to be implemented as soon as possible. The groundfish CDQ reserve will need to be specified in the TAC-setting process. NMFS anticipates an early 1998 implementation of these regulations. Implementation of the LLP program itself will be prepared next, with the actual effective date dependent on availability of the infrastructure to support the program; NMFS is projecting an implementation in the year 2000. The groundfish CDQ program will be implemented last, probably mid-year, 2000, also dependent on funding.

Council members noted that the moratorium expires at the end of 1998. With implementation of the LLP delayed until 2000, it will be necessary to extend the moratorium. NMFS staff indicated that extending the moratorium should not require an extensive analysis.

Other Subjects Discussed

Pacific Pelagics. The Council received a letter from the Pacific Fishery Management Council suggesting the formation of an inter-council coordinating committee to enhance communication and coordination of efforts for Pacific highly migratory species. Council members agreed that there is a need for such a committee and recommended that meetings be held in conjunction with Council Chairmen's meetings.

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Halibut Charterboat Committee. In response to an inquiry from the Council regarding implementation of the guideline harvest level approved in September, NMFS Regional Administrator Pennoyer advised that establishing regulations at this time would be problematical because no specific management measures have been developed. He recommended that a notice of the Council's intent with regard to the GHL be published in the Federal Register and that an industry committee be formed to begin developing management measures that would take effect if the GHL is exceeded. The Council approved this recommendation which was made into a formal motion. The Chair was tasked with appointing a committee with the following make-up: 3 guided sports representatives, 3 non-guided sports representatives, 1 representative from the Alaska Board of Fisheries, 1 Council member (Joe Kyle). Dave Hanson agreed to serve as the committee chair. The committee will be tasked, in the short-term, with developing measures to slow down the fishery should the GHL be approached. When those measures have been developed, the committee would be asked to continue with discussions of a moratorium or limited entry for the fishery. Council members suggested an initial report from the committee in April.

Ecosystem Committee Report. Dr. Fluharty reviewed the recent activities and recommendations of the Ecosystem Committee. Council members approved the recommendations of the committee and tasked Dr. Fluharty to coordinate completion of the recommendations.

Halibut Subsistence. Robin Samuelsen suggested that this issue be removed from the Council's agenda pending resolution of the Federal/State subsistence issue. It was agreed that the Council would not address this issue again until December, 1998, at the earliest.

Finance Committee Report. The Finance Committee met and approved the 1998 budget.

FORMAT FOR COUNCIL MEETING MINUTES:

Each agenda item requiring Council action will begin with a copy of the original "Action Memo" from the Council meeting notebook. This will provide a "historical" background leading up to the current action. This section will be set in a different type than the actual minutes. Any attachments referred to in the Action Memo (e.g., C-1(a), etc.) will not be attached to the minutes, but will be part of the meeting record and available from the Council office on request. Following the Action Memo will be the reports of the Scientific and Statistical Committee, Advisory Panel, and any other relevant committee or workgroup on the subject. Next will be a section for **discussion and motions** on the subject. Finally, there will be a brief summary of actions taken, unless there is only one action and it is self-explanatory.

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C. NEW OR CONTINUING BUSINESS

C-1 Observer Program

ACTION REQUIRED

- (a) Review draft analysis of third party, joint project agreement (JPA) observer program structure.
- (b) Discussion of observer unionization and 1998 fisheries.

BACKGROUND

(a) Third Party/JPA Program

In June, after further researching the 'third party', modified pay-as-you-go observer program alternative, NMFS recommended, and the Council concurred, that further efforts be directed at developing such a program with the Pacific States Marine Fisheries Commission (PSMFC) as the third party entity. At that meeting you also took action to keep the existing observer program structure in place through 1998 to allow time to develop the third party program. Recall that this would establish the PSMFC as the interface between vessels/plants and the observer contracting companies, and industry would now go to, and pay, the PSMFC for their observers.

NMFS would enter into a joint partnership agreement (JPA) with the PSMFC to bring this program on line - PSMFC would in turn contract with independent observer contracting companies to provide observers to the fleet - the fleet would go to the PSMFC to pay for and receive their observer coverage. Within this basic structure there are several potential variations in the respective roles of the PSMFC and the observer contracting companies. Based on Council direction from the June meeting, staff efforts have been concentrated on further development of this program structure with the goal of full implementation beginning in 1999. In your notebooks is the draft EA/RIR, prepared by NMFS and PSMFC, for the third party, JPA observer program structure. While some of the administrative and logistical details of the JPA will remain to be resolved by NMFS and PSMFC, the document describes the main features of the JPA program including: total costs projections; updated projections of relative costs to various industry sectors; respective roles of NMFS, PSMFC, and contracting companies; and, how industry will go about procuring observer services.

While the document contains three alternatives for the JPA structure, and options for assignment of work among the contractors, 'Preferred Alternatives' have been identified for both. The Council's Observer Advisory Committee (OAC) met in September and again in November to review the JPA program - their report is under Item C-1(a)(1). While the Council has always emphasized that the cost equalization issue would have to be addressed under the JPA structure, the OAC is now specifically recommending re-development of a fee-based funding mechanism, which would begin immediately and dovetail with the JPA structure. NMFS and PSMFC staff will present the EA/RIR, and the JPA alternatives and options, followed by the OAC report from Chair Chris Blackburn.

Recent comments received are under Item C-1(a)(2).

(b) Observer Unionization Efforts and 1998 Fisheries

Since the unionization vote earlier this fall, and with union contract negotiations ongoing, there has been keen interest in the implications of this process for the 1998 fisheries - more specifically, the possibility of an observer strike in 1998 has been raised and industry has sought clarification from NMFS regarding the impacts of an observer strike.

Item C-1(b)(1) is a letter from the attorney for the Alaska Fishermen's Union alerting the Council to the provisions of the National Labor Relations Act, and the potential implications of Council discussions to the collective bargaining process. As of December 2, we have learned that one observer contracting

company has reached an agreement with the union. Representatives of the union may be on hand to update the Council on this process.

The SSC did not address this agenda item.

Report of the Advisory Panel

The AP recommended postponing release of the EA/RIR until an additional alternative and additional information could be incorporated into the document. The additional alternative recommended by the AP is as follows:

Alternative 4: Modified Research Plan

- option on obtaining start-up funds from Congress
- identification of the best sampling plan using available resources
- advance notice requirements for getting an observer
- resolve questions on ADF&G request of priority use of fees for crab program
- examination of potential cost recovery plan
- define baseline coverage and sideboards on supplemental programs

The document should include a side-by-side comparison of the modified research plan and JPA.

The AP also recommended that the Council direct NMFS to initiate a rollover of the existing observer plan and request additional funds from NMFS to augment those provided by industry because of significantly increased costs for the observer program and the economic condition of the industry.

The AP also recommended that the Council request the Secretary of Commerce and the NLRB to clarify and initiate appropriate policy and regulatory action to permit and authorize vessel and plant owners to fully and equally participate in three-party negotiations between the observer's union, vessel/plant owners and observer contractors that addresses observer activities in processing plants and on fishing vessels.

Report of the Observer Advisory Committee

The Observer Advisory Committee recommended approval of JPA Alternative 3, with Option 3 regarding assignment for work, for implementation as soon as possible for the groundfish fisheries. The OAC also recommended that development of a blended fee plan begin concurrently although it was recognized that the two programs would be approved separately and may not be implemented concurrently. The Committee recommended that a blended fee program be limited to a 2% cap, with supplemental observer coverage being potentially available through the PSMFC for programs such as CDQs, IFQs, or VBAs. Inclusion of crab fisheries in the fee plan would be optional, pending implementation of their cost recovery plan. In addition, the committee recommended that a TAC-based cost recovery mechanism (similar to the State's proposed BSAI crab plan) also be explored for groundfish.

DISCUSSION/ACTION

Steve Pennoyer moved to support the Joint Partner Agreement between NMFS and the Pacific States Marine Fisheries Commission to provide observer procurement services as set out under Alternative 3 of the draft analysis on a third-party procurement program, and send the analysis out for public review. In addition, NMFS will begin to work as soon as possible with the Observer Oversight Committee to develop a fee collection program with the goal of implementing the program by the year 2000. The motion was seconded by Kevin O'Leary.

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David Benton asked that NMFS and the Observer Advisory Committee (OAC) be instructed to take into consideration the recommendations of the OAC (as stated in their minutes of November 24, 1997), and the Advisory Panel's recommended Alternative 4. Mr. Pennoyer accepted this as a friendly amendment to the motion, understanding that the Committee and NMFS would not be limited to just those recommendations.

The motion carried without objection.

Bob Mace moved to approve the AP recommendation to request clarification from the National Labor Relations Board with regard to industry participation in negotiations over observer contracts. The motion was seconded by Wally Pereyra and carried, 6 to 2. Citing their positions with government, Council members Austin, Benton and Pennoyer abstained from the vote. Council members Fluharty and Kyle voted no.

Council members had a discussion regarding the costs of observer coverage and the ability of industry to continue to pay escalating fees. It was pointed out that the issue of catch estimation of all species and the statistic and data collection methods being employed is being pursued by NMFS and a report is expected in February. At that time, there may be recommendations for further action.

Joe Kyle moved to state for the record the Council's acknowledgment of the vital and valued part that observers play in the fishing industry. The motion was seconded by Bob Mace and carried without objection.

SUMMARY

The Council approved release for public review of an analysis for a third-party, modified pay-as-you-go observer program based on a joint partnership agreement between NMFS and the Pacific Sates Marine Fisheries Commission. The Council also asked NMFS, working with the Council's Observer Advisory Committee, to begin re-development of fee-based system patterned after the previous Research Plan.

C-2 Groundfish/Crab License Limitation Program

ACTION REQUIRED

- (a) Treatment of vessels foreign owned on June 17, 1995.**
- (b) Timing of EGOA trawl closure and reallocation of trawl sablefish set-aside.**

BACKGROUND

Two issues related to the license limitation program (LLP) have recently come to our attention which require consideration by the Council. The first is a loophole in the proposed LLP regulations that may allow foreign-owned vessels to come back into the fishery. The second is the disposition of the five percent sablefish TAC in the Southeast Outside Gulf of Alaska that will no longer be needed as bycatch for trawlers once the license limitation program is implemented in 1999.

(a) Qualification of foreign-owned vessels

The Council's final motion for LLP contained a provision that licenses would be issued to vessel owners as of June 17, 1995, and further that such owners must be eligible to document a fishing vessel under Chapter 121, Title 46, U.S. Code. This language is reflected in the plan amendments upon which the Secretary of Commerce based the September 12, 1997 approval of the LLP. The intent of this language was to prevent LLP qualification, regardless of catch history, by vessels which were foreign-owned at the time of the Council's LLP approval (June 17, 1995). While the Council was advised by NOAA GC and Coast Guard representatives that they could not prevent qualification, and re-entry into

North Pacific fisheries, by U.S. -owned vessels operating overseas, it was understood that foreign-owned vessels could be precluded from LLP qualification. Related excerpts from the transcript of the June 1995 and April 1996 discussions on this issue are in item C-2(a)(1).

While the Plan Amendment language appears to be consistent with Council intent, it has come to our attention that the proposed regulations allow for a vessel's catch history to be transferred, and if the recipient of that catch history could have legally documented a vessel as of June 17, 1995, they could be granted a license and endorsements which were earned by a vessel which was foreign-owned on June 17, 1995. The net effect would be to circumvent the intent of the license recipient provisions of the program by allowing this capacity back into the fisheries. Item C-2(a)(2) contains the 'Definitions' section of the proposed rule, specifically the definitions of 'eligible applicant' and 'qualified person', which allow this potential loophole.

While the Council recognized that transfers prior to June 17, 1995 (if strictly documented through a notarized contract) would be honored, their intent appeared to be to draw a line at the June 17 date and disallow such transfers of catch history relative to this situation (see April 1996 transcripts). A possible solution would be to say that transfers would be recognized, *except those that occurred after June 17, 1995, and where the owner on June 17, 1995 was unable to document a vessel under Chapter 121, Title 46, U.S. Code*. This might properly convey the Council's intent and would close the potential loophole by not allowing this capacity to be 'transferred' back into the fisheries.

Though the formal comment period on the proposed regulations has passed, this may be an issue of extreme concern to Council members and the regulations should be clarified prior to publication as a Final Rule. The Council has the opportunity now to state its position, and to initiate an amendment if necessary to fix this potential loophole.

(b) Southeast trawl closure

A second set of issues relates to the trawl quota for sablefish in Area 650, Southeast Outside District of the Eastern Gulf of Alaska. Five percent of the sablefish TACs in West Yakutat (140-147 W) and Southeast Outside (east of 140 W) has been set aside for trawler bycatch since amendment 14 was implemented in 1985. The trawl set-aside in Southeast Outside amounted to 247 mt in 1996 and 192 mt in 1997. If the Council adopts the plan team's 1998 recommended ABC for its TAC, then the five-percent set aside would be 183.5 mt. At a longline exvessel price of about \$1.94 per pound (from PacFIN for 1996), this amounts to roughly \$785,000.

There are two issues that require Council consideration. The first has to do with the timing of the SEO closure to trawling. The second is what to do with the unused trawl sablefish quota once the closure occurs. Turning first to the timing issue, NMFS has stated that it is possible to implement the LLP-related trawl closure east of 140 W in 1998, a year ahead of the LLP program slated for 1999. It appears to me, however, after having reviewed the record of Council discussions on LLP, that the closure is tightly bound with the use of endorsements and the whole LLP system. It was acted upon as option 9000 under license designations at our June 1995 meeting, specifically: "In the Eastern Gulf (EY + SO), an additional designation allowing the use of legal fixed gear only will be assigned, regardless of the gear used to qualify for the endorsement." Therefore, I believe that NMFS would need further guidance from the Council to move ahead with the trawl closure one year ahead of the LLP.

Whenever the eastern Gulf is finally closed to trawling, the second issue arises of how to dispose of the five-percent trawl set-aside. I have heard various suggestions that include: (1) somehow transferring the set-aside from SEO to West Yakutat so it is still available to trawlers; (2) adding it to the existing IFQ fishery; (3) earmarking it as bycatch or IFQs for trawlers who decide to use their SEO endorsement with fixed gear; and (4) giving it as IFQs to displaced trawlers to be sold as compensation for lost fishing opportunities.

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Just about anything may be possible, but I believe the record argues against the last alternative, i.e. using it as compensation. It is clear from discussion in June 1995, that the Council intended to compensate trawlers for lost opportunities resulting from the SEO trawl ban. However, they intended that this compensation would come in terms of an eventual ITQ system for groundfish, and the species for which they would be compensated were Pacific cod, pollock, POP, flatfish, rockfish, i.e., groundfish species other than sablefish. I can find no mention of compensation for sablefish. Sablefish has been a bycatch species for trawlers in Southeast ever since Amendment 14 was passed in May 1985. In all the written testimony from LLP decisions in June 1995, and in Council transcripts, there was never any mention of sablefish compensation for lost opportunities in the eastern Gulf (C-2(b)(1)).

In any case, it appears that the next step is to start an amendment to dispose of the five percent trawl set aside in Southeast Outside. The Council needs to determine which alternatives should be examined. The amendment would have to be extremely fast-tracked to be in place for 1998, but could go on a normal cycle of initial review in April, final in June, if the closure is implemented with the LLP in 1999.

The SSC did not take up this agenda item.

Report of the Advisory Panel

Qualification of foreign-owned vessels. The AP recommended that the Council initiate an EA/RIR to amend the program to recognize transfers of vessel history under the LLP except those that occurred after June 17, 1995, and where the owner on that date was unable to document a vessel under Chapter 121, Title 46, U.S. Code.

Moratorium. Recognizing that the LLP program may not be implemented before the expiration of the vessel moratorium, the AP recommended the Council initiate action to extend the moratorium.

The AP also took up several other LLP-related actions which were not specified in the agenda and provided extensive recommendations for possible amendments to the program. See the AP Minutes (Appendix II to these minutes) for their recommendations.

DISCUSSION/ACTION

(a) Foreign Ownership Issue

Linda Behnken moved to develop an EA/RIR to amend the LLP as follows: Transfers would be recognized except those that occurred after June 17, 1995, and where the owner on June 17, 1995 was unable to document a vessel under Chapter 121, Title 46, U.S. Code. The motion was seconded by Dave Benton.

Council members discussed whether or not it is critical to start work on the amendment at this time since it won't have any effect until the LLP is implemented. Also, it was pointed out that this action will not solve the issue of preventing a foreign flagged vessel from re-entering the fishery if they qualify. Dave Benton asked whether NMFS can identify vessels that qualified just in 1995 and those that qualified in 1996 to determine whether they would qualify to re-enter.

Dave Benton moved to amend the motion to include analysis of a requirement for vessels over 125 feet to have fished in 1995 and 1996. This was accepted as a friendly amendment to the motion.

Steve Pennoyer suggested that staff prepare a discussion paper for the February meeting outlining the tasking involved in developing an EA since they do not have the staff time right now to begin the amendment. Council members agreed with this approach and did not vote on this motion.

(b) Southeast Trawl Closure

Steve Pennoyer moved that the sablefish ABC for the Eastern Gulf be treated as one 5,960-ton unit for the purposes of the trawl allocation and that the 5% deduction that previously went to trawling would be available to trawlers as bycatch wherever they are allowed to trawl in the Eastern area. This would not change the sablefish IFQ allocations in either the West Yakutat or Southeastern Outside areas. This would remain in effect until changed by the Council. The motion was seconded by Linda Behnken and carried without objection.

Linda Behnken pointed out that with regard to the compensation issues that have been alluded to in letters and public comment, she believes that after reviewing the record, the issue does not have to do with the implementation of the license program, but with some kind of subsequent program, like IFQs, that the Council may move into.

Moratorium

After receiving information that the LLP will not be implemented until the year 2000, while the moratorium will expire at the end of 1998, the Council determined that an extension of the moratorium will be required. Steve Pennoyer indicated that rolling the moratorium over should not be a complicated task and that he does not think extensive analysis will be required.

Other License Limitation Issues Raised by Advisory Panel

Although the AP discussed several possible amendments to the LLP (see AP Minutes, Appendix II to these minutes), the Council was unable to take any action because those issues were not on the published agenda. Council members indicated that they would undertake a general discussion of these issues at their February 1998 meeting.

SUMMARY

The Council approved making available to trawlers in the West Yakutat area the 5% trawl set aside for sablefish bycatch in the Southeast Outside area of the Eastern Gulf of Alaska when the area is closed to trawling under the License Limitation Plan. This particular element of the LLP will be implemented in 1998. The Council also requested staff to provide more information in February on the extent of the loophole identified in connection with the transfer of catch history by owners of vessels which were fishing outside U.S. waters on the June 17, 1995 cut-off date. The Council has also asked staff to agenda a general discussion of license limitation issues for the February meeting, particularly those identified by the Advisory Panel.

C-3 Sablefish & Halibut IFQs

ACTION REQUIRED

- (a) **Receive RAM Division report.**
- (b) **Review IFQ proposals and give direction to staff.**

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BACKGROUND

(a) RAM Division Report

Phil Smith, Chief of the NMFS Restricted Access Management Division, will provide a season wrap-up report for the 1997 IFQ fisheries (Item C-3(a)(1)).

(b) IFQ Proposals

In September 1997, the IFQ Industry Implementation Team reviewed IFQ proposals submitted during the summer. The Team's minutes and the proposals are attached as Items C-3(b)(1&2). Sixteen IFQ amendments were submitted. Four proposals recommend the same action, so the IFQ proposal review package is reduced to thirteen. A summary worksheet and three late proposals are included in the package.

The Council's IFQ cycle calls for initial review in April, final action in June, and implementation for the following IFQ season. Any proposals approved for analysis at this meeting would be for implementation in 1999. The Council deliberately left each February meeting free of IFQ-related issues so that those people with interests solely in IFQ fisheries would not have to attend every meeting.

In addition to the above proposals, NMFS is seeking clarification on the issue of indirect ownership of QS and the use of hired skippers. You will recall that in September the Council took action then to require a 20% minimum interest in vessels for quota share holders wishing to hire skippers. QS holders who had employed a hired skipper on or before April 17, 1997 were allowed to continue to use a hired skipper at the ownership level they had used prior to April 17, 1997. Any QS holder grandfathered under this provision would lose those grandfather rights if they purchase or otherwise acquire ownership or control of additional QS after September 23, 1997.

An ancillary issue now at hand is how literally to interpret FMP and regulatory language as it pertains to ownership and the definition of "person." The issue was raised in September, but never addressed. Phil Smith will explain it in more detail, but the gist of it is as follows.

FMP Language. The FMPs state that "Persons . . . who receive initial catcher vessel QS may utilize a hired skipper to fish their quota providing the person owns the vessel upon which the QS will be used." Implementing regulations at 50 CFR 679.42(i) and (j) accurately reflect the FMP language. Further, the regulations and FMPs define the term "person" to mean an individual, corporation, partnership, association, or other entity.

Literally interpreted, the regulations would require that, in the case of a corporation using a hired skipper, the corporation must itself be named as the owner the vessel and, likewise, in the case of an individual using a hired skipper, the individual must be the named owner of the vessel. In no case would a corporation be allowed to hire a skipper to fish its corporation-held QS on a vessel owned by an individual, even if that individual was a member of that corporation. Nor would an individual be allowed to hire a skipper to fish his or her individually held QS on a vessel owned by a corporation in which that individual was a shareholder.

Past Practice. During the 1995, 1996, and 1997 IFQ seasons, the RAM Division broadly interpreted the regulations and FMP language to allow holders initially allocated QS to hire skippers to fish their IFQ on vessels owned by other "persons," provided that the QS holder could show an "indirect" ownership link to the vessel (such as an individual QS holder's membership in the corporation or partnership that owned the vessel). This policy allowed individual QS holders to hire skippers to fish their IFQ on vessels owned by corporations in which they were shareholders, and also allowed corporate holders of QS to fish the corporate QS on a vessel owned not by the corporate QS holder, but by a shareholder in the corporation or partnership.

At the beginning of the 1997 IFQ season, NMFS announced to the IFQ fleet that this policy of broadly interpreting the term "person" as it pertained to IFQ hired skipper provisions would continue in effect for the 1997 season, until the Council makes a determination on whether the policy comports with Council intention. The RAM Division estimates that such "indirect" ownership of vessels exists in fewer than 25% (approximately 125 instances) of approved applications for hired skipper cards.

Solutions. NMFS sees two alternatives in resolving this issue. Should the Council wish the 1997 policy to continue, an FMP amendment to that effect would be necessary to redefine the term "person" to allow for "indirect ownership" in the IFQ hired skipper provisions. On the other hand, if the Council wishes for the regulations and FMP language to be literally interpreted, no amendment would be necessary and NMFS would make the appropriate policy adjustments for 1998 and beyond.

The SSC did not take up this agenda item.

Report of the Industry IFQ Implementation Team

With regard to the proposals for amendments to the IFQ program, the Team recommended development of the following:

- Proposal #3 - Change halibut and sablefish use and vessel caps from pounds to QS units.
- Proposal #5 - Redefine the regulatory language describing 'a change in the corporation or partnership' and require that non-individual QS holders provide annual updates of ownership information.
- Proposal #17 - Rescind the January 2, 1998 sunset date of the 10% leasing provision.

Report of the Advisory Panel

The AP recommended the Council initiate an EA/RIR for the following IFQ amendment proposals recommended by the IFQ Implementation Team.

The AP also requested that the Council, at this meeting, act on the AP recommendation on indirect ownership, as excerpted below from the September 1997 AP Minutes:

The AP requests the Council direct staff to develop an EA/RIR on direct and indirect ownership consideration for initial review in December 1997. The AP further recommends the Council request NMFS to continue to use the same interpretation on this issue until final action.

DISCUSSION/ACTION

Linda Behnken moved to approve the AP recommendations, with the exception of development of IFQ proposal #17. The motion was seconded by Dave Benton.

Proposal #3 was revised to change sablefish use caps from percentages to quota share units.

Ms. Behnken felt that developing proposal #17 would put the Council back into the debate on ownership and leasing the owner-on-board issue, and that the Council had already debated those issues thoroughly. Proposal #17 would rescind the January 2, 1998 sunset date of the 10% leasing provision. The analysis would allow a leasing provision to allow initial QS recipients to lease 10% of their pooled QS across all areas, with an option to restrict this to Area 4 only.

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Wally Pereyra moved to amend to include Proposal #17. The motion was seconded and carried, 7 to 4, with Austin, Benton, Kyle and Lauber voting no.

The main motion carried, as amended, 7 to 4, with Austin, Benton, Kyle and Lauber voting no.

Dennis Austin moved to call for IFQ amendment proposals on a 3-year cycle. The motion was seconded by Joe Kyle and was amended to 2 years on the suggestion of Bob Mace. The motion carried without objection. The next call for proposals will occur in 1999.

With regard to the amendment relating to indirect ownership (see AP recommendation), NMFS was advised to continue their current interpretation until the plan is amended.

SUMMARY

The Council approved development of four IFQ proposals for analysis for initial review at the April 1998 Council meeting, and revised the cycle for calling for amendment proposals to every two years. The next call for proposals will be in the summer of 1999.

C-4 Research Priorities

ACTION REQUIRED

Initial review of research priorities for submission to NMFS.

BACKGROUND

During their November meetings, the Groundfish Plan Teams recommended the research priorities as listed in Item C-4(a). The 1997 list of research priorities is attached as Item C-4(b), as amended. After receiving comments from NMFS and the SSC in February, the Council will forward the priorities to NOAA for use in preparing its annual budget.

Discussion of this agenda item was postponed until the February 1998 meeting, however recommendations of the plan team will be available for public comment prior to the February Council meeting..

C-5 Committee Memberships

ACTION REQUIRED

Approve memberships of the Advisory Panel (AP) and Scientific and Statistical Committee (SSC), and Pacific Northwest Crab Industry Advisory Committee (PNCIAC).

BACKGROUND

Committee appointments will be taken up in Executive Session this week. Terms for both the AP and SSC are one year. PNCIAC appointments are for two years.

Scientific and Statistical Committee

All members have indicated a willingness to continue for the coming year. A list of current SSC members is under item C-5(a).

Advisory Panel

All members of the Advisory Panel have indicated a willingness to be reappointed for another year. In addition to the current 24 members of the AP who wish to be considered for re-appointment, six new nominations were received. Item C-5(b) contains a matrix of current AP members and one for new applicants.

PNCIAC

All current members except one have indicated a willingness to continue, and two new nominations (Casey and Farr) have been received. Item C-5(c) contains the current list of committee members and the nomination letters for Casey and Farr.

A packet containing resumes and other information on committee appointments was mailed to Council members in late November.

APPOINTMENTS

Council members discussed appointments while in Executive Session. The Chairman announced the following appointments:

Advisory Panel: Ragnar Alstrom, Tim Blott, Dave Benson, John Bruce, Al Burch, Craig Cross, Dan Falvey, Kris Fanning, David Fraser, Arne Fuglvog, Steve Ganey, Justine Gundersen, John Henderschedt, Spike Jones, John Lewis, Stephanie Madsen, Hazel Nelson, Dean Paddock, Jeff Stephan, Teresa Turk, Robert Ward, Lyle Yeck, Grant Yutzenka.

Tim Blott and John Henderschedt were added to the panel; Bruce Cotton, John Roos and Robert Wurm were not reappointed. This reduces the number of the Panel by one, and Council members expressed the intent to reduce the Panel back to its original 20 members during the next re-appointment process.

SSC: SSC member Marc Miller submitted his resignation from the committee; all other members were re-appointed: Jim Balsiger, Keith Criddle, Douglas Eggers, Susan Hills, Steve Klosiewski, Douglas Larson, Seth Macinko, Richard Marasco, Terrence Quinn II, Jack Tagart, Albert Tyler, and Hal Weeks.

PNCIAC: Lance Farr was appointed to replace Robert Miller who resigned. The other current members were reappointed for a two-year term: Dave Benson, Phil Hanson, Kevin Kaldestad, Garry Loncon, Gary Painter, Rob Rogers, Clyde Sterling, Gary Stewart, Joseph Wabey, and Arni Thomson (non-voting Secretary).

D. FISHERY MANAGEMENT PLANS

D-1(a,b) Final BSAI Groundfish Specifications for 1998

ACTION REQUIRED

- (a) Review 1998 BSAI Final Stock Assessment and Fishery Evaluation (SAFE) document.
- (b) Approve final BSAI groundfish specifications for 1998:
 - 1. Acceptable Biological Catch (ABC), and Annual Total Allowable Catch (TAC);
 - 2. Division of the pollock TAC into the January 1-April 15 ('A' Season) and September 1-December 31 ('B' Season) allowances;
 - 3. Allocation of the pollock TAC among pelagic and non-pelagic gear;

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4. Seasonal apportionment of the fixed gear Pacific cod TAC; and
5. Bycatch allowances, and seasonal apportionments of Pacific halibut, red king crab, Tanner crab, and herring to target fishery (PSC) categories.

BACKGROUND

At this meeting, the Council makes final recommendations on groundfish and bycatch specifications as listed above. These final specifications will be used for management of the 1998 groundfish fisheries.

(a) BSAI SAFE Document

The groundfish Plan Teams met in Seattle during the week of November 17-21, to prepare the final SAFE documents provided at this meeting. This SAFE forms the basis for groundfish specifications for the 1998 fishing year. Note that there are three sections to the SAFE report: a stock assessment section, a fishery evaluation section ("economic SAFE"), and an ecosystems considerations section.

(b) ABCs, TACs, and Apportionments

During the week of this Council meeting the SSC and AP recommendations will be provided to the Council. Attached as Item D-1(b)(1) are Tables 6 - 8 from the SAFE summary chapter indicating ABCs and biomass levels. The Plan Team's sum of recommended ABCs for 1998 is 2.45 million mt. Overall, the status of the stocks continues to appear relatively favorable, although in some cases biomass is expected to decline because recruitment is below average.

Adopt Seasonal Allowances for the Pollock Seasons

The FMP requires the Council to apportion pollock in the BSAI between the roe (January 1 - April 15) and non-roe (September 1 - December 31) seasons. For the 1991 and 1992 fisheries, the Council recommended a 40/60 percent split between the roe and non-roe seasons, and a 45/55 percent split for the 1993-1997 pollock fishery. Factors to be considered in recommending seasonal allowances of the pollock TAC are listed in the adjacent box; supporting information can be found in the SAFE documents.

In recommending seasonal allowances of the BSAI pollock TAC, the following factors need to be considered:

1. Estimated monthly catch and effort.
2. Expected changes in harvesting and processing capacity.
3. Current estimates of and expected changes in pollock biomass, and conditions of other fish and marine mammal stocks.
4. Potential impacts of seasonal fishing on pollock stocks, marine mammals, and other fish stocks.
5. The need to obtain fishery related data throughout the year.
6. Effects on operating costs and gross revenue.
7. The need to spread fishing effort over the year.
8. Potential allocative effects among users and indirect effects on coastal communities.
9. Other biological and socioeconomic information.

Allocate Pollock TAC among bottom and pelagic gear

The Council can set a limit on the amount of pollock that can be taken in the bottom trawl pollock fishery to control the bycatch of crab and halibut (Amendment 16a). However, for the past 7 years, the Council did not recommend a specific apportionment between pelagic and bottom gears, noting that additional pollock harvests with non-pelagic trawl gear likely would be constrained by halibut bycatch. In recommending apportionment of pollock between gears, the Council would need to consider PSC limits, projected bycatch, costs, and other factors consistent with goals of the FMP (675.24). An analysis of pollock apportionment among gear types is provided as Appendix D of the BSAI SAFE.

Adopt Seasonal Apportionments of the Pacific Cod TAC Allocated to Fixed Gear

Amendment 24 regulations allow seasonal apportionment of the Pacific cod TAC allocated to vessels using hook-and-line or pot gear. Seasonal apportionments will be divided among trimesters and established through the annual specifications process. In recommending seasonal apportionments, regulations require the Council to base its decision on factors listed in the adjacent box.

Seasonal apportionments can be based on the following information:

1. Seasonal distribution of Pacific cod relative to PSC distribution;
2. Expected variations in PSC bycatch rates in the Pacific cod fishery throughout the fishing year, and
3. Economic effects of any seasonal apportionment of Pacific cod on the

Under Amendment 46, two percent of the TAC is reserved for jig gear, 51 percent for fixed gear, and 47 percent for trawl gear. The trawl apportionment will be split between catcher vessels and catcher processors 50/50. Any unused TAC from the jig gear quota will become available to fixed gear on September 15.

For the 1997 fisheries, the Council recommended that 85,000 mt of the fixed gear's allocation be released during the first trimester (January 1 - April 30), 26,500 mt be released for the second trimester (May 1 - August 31), and 5,545 mt for the third trimester.

Adopt bycatch allowances of Pacific halibut, crab, and herring

Halibut PSCs

For the Trawl Fisheries: Amendment 21 established a 3,775 mt limit on halibut mortality for trawl gear. This limit can be apportioned to the trawl fishery categories as shown in the adjacent box. Note that under Amendment 46, the trawl halibut PSC mortality cap for Pacific cod will be no greater than 1,600 mt.

Categories used for PSC apportionment in trawl fisheries.

1. Greenland turbot, arrowtooth flounder and sablefish;
2. rock sole and "other flatfish;"
3. yellowfin sole;
4. rockfish;
5. Pacific cod; and,
6. pollock, Atka mackerel and "other species."

For Fixed Gear Fisheries: A 900 mt non-trawl gear halibut mortality can be apportioned to the fishery categories listed in the adjacent box. Note that under Amendment 46, the hook-and-line halibut PSC mortality cap for Pacific cod will be no greater than 900 mt. Item D-1(b)(2) is a table indicating this past year's PSC allocations and seasonal apportionments for the trawl and non-trawl fisheries. Item D-1(b)(3) is a current summary of PSC bycatch accounting for BSAI fisheries.

Categories used for PSC apportionment in non-trawl fisheries.

1. Pacific cod;
2. Other non-trawl (longline sablefish and rockfish, and jig gear)

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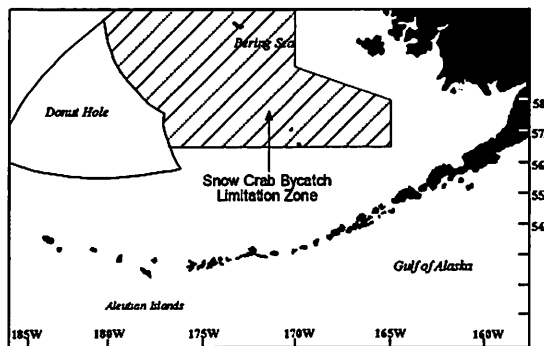
Crab PSCs

Prescribed bottom trawl fisheries in specific areas are closed when prohibited species catch (PSC) limits of C. bairdi Tanner crab, C. opilio crab, and red king crab are taken. Amendment 37 established a stairstep procedure for determining PSC limits for red king crab taken in Zone 1 trawl fisheries. PSC limits are based on abundance of Bristol Bay red king crab as shown in the adjacent table. Given NMFS and ADF&G's 1997 abundance estimate for Bristol Bay red king crab, a Zone 1 PSC limit will be established at 100,000 red king crabs for 1998. Amendment 41 established stairstep PSC limits for Tanner crab. Given current total abundance of 180 million Tanner crab, the 1998 C. bairdi PSC limits will be established at 750,000 Tanner crabs in Zone 1 and 2,100,000 Tanner crabs in Zone 2.

PSC limits for red king crab and C. bairdi Tanner crab.

<u>Species</u>	<u>Zone</u>	<u>Crab Abundance</u>	<u>PSC Limit</u>
Red King Crab	Zone 1	Below threshold or 14.5 million lbs of effective spawning biomass (ESB)	35,000
		Above threshold, but below 55 million lbs of ESB	100,000
		Above 55 million lbs of ESB	200,000
Tanner Crab	Zone 1	0-150 million crabs	0.5% of abundance
		150-270 million crabs	750,000
		270-400 million crabs	850,000
		over 400 million crabs	1,000,000
Tanner Crab	Zone 2	0-175 million crabs	1.2% of abundance
		175-290 million crabs	2,100,000
		290-400 million crabs	2,550,000
		over 400 million crabs	3,000,000

Under recently approved Amendment 40, PSC limits for snow crab (C. opilio) will be based on total abundance of opilio crab as indicated by the NMFS standard trawl survey. The snow crab PSC cap is set at 0.1133% of the Bering Sea snow crab abundance index, with a minimum PSC of 4.5 million snow crab and a maximum of 13 million snow crab. Snow crab taken within the "C. Opilio Bycatch Limitation Zone" accrue towards the PSC limits established for individual trawl fisheries. Upon attainment of a snow crab PSC limit apportioned to a particular trawl target fishery, that fishery is prohibited from fishing within the snow crab zone. The 1997 survey indicated a total population of 4.1 billion crabs. Therefore the 1998 snow crab PSC limit will be established at 4,654,000 crabs.



Location of the C. opilio bycatch limitation zone.

Bycatch data from previous fishing seasons can be useful for apportioning the snow crab PSC limit among trawl fishery targets. Bycatch of snow crab in the 1997 BSAI trawl fisheries is shown in the adjacent table. Data for other years, which were presented in the analysis for Amendment 40, show a similar distribution of snow crab bycatch among fisheries.

Bycatch of 'other' Tanner crab (primarily C. opilio) in the 1997 BSAI trawl fisheries, by category.

<u>Fishery</u>	<u>1997 Bycatch</u>	<u>Percent</u>
Turbot/ arrowtooth/sablefish	6,597	0.13
Rock sole/flathead/other flatfish	1,164,925	22.90
Yellowfin sole	3,190,778	62.72
Rockfish	0	0.00
Pacific cod	489,124	9.61
Pollock/mackerel/other species	147,084	2.89
Pollock (pelagic trawl)	<u>88,860</u>	<u>1.75</u>
TOTAL	5,087,368	100.0

Herring PSCs

Amendment 16a established an overall herring PSC bycatch cap of 1 percent of the EBS biomass of herring. This cap is to be apportioned to the same six PSC fishery categories listed above, plus a seventh group, mid-water pollock. The Alaska Department of Fish and Game has forecast the 1998 herring biomass at 171,450 mt. The PSC limit is set at 1 percent of the biomass in metric tons, or 1,714 mt.

Seasonal Apportionment of PSC

The Council may also seasonally apportion the bycatch allowances. Regulations require that seasonal apportionments of bycatch allowances be based on the following types of information listed in the adjacent box. Additional information on PSC limits and apportionments is presented in BSAI SAFE Appendix C.

Staff will present a worksheet with SSC and AP recommendations for ABCs, TACs, PSC and seasonal apportionments when the Council addresses this action item.

Factors to be considered for seasonal apportionment of bycatch allowances.

1. Seasonal distribution of prohibited species;
2. Seasonal distribution of target groundfish species relative to prohibited species distribution;
3. Expected prohibited species bycatch needs on a seasonal basis relevant to change in prohibited species biomass and expected catches of target groundfish species;
4. Expected variations in bycatch rates throughout the fishing year;
5. Expected changes in directed groundfish fishing seasons;
6. Expected start of fishing efforts; and
7. Economic effects of establishing seasonal prohibited species apportionments on segments of the target groundfish industry.

Report of the Scientific and Statistical Committee

The SSC concurred with the Plan Team's recommendations for ABCs and OFLs for all BSAI groundfish species (see SSC Minutes, Appendix III to these minutes, for comments on various species and general comments relevant to assessments).

Report of the Advisory Panel

The AP recommended approval of the 1998 BSAI SAFE document and the 1998 BSAI groundfish ABCs as recommended by the Plan Team and SSC. Appendix IV to these minutes contains the AP's recommended BSAI groundfish TACS for 1998. The AP also recommended approval of 1998 BSAI trawl and non-trawl fisheries PSC bycatch allowances as recommended by the trawl industry (see Appendix IV to these minutes).

DISCUSSION/ACTION

Bob Mace moved to adopt the recommendations of the SSC for 1998 BSAI ABCs, and the AP's recommendations for 1998 BSAI TACs, and the AP's recommendations for the 45/55T division of pollock TAC between the 'A' and 'B' seasons. In addition, recommend approval of the AP recommendations for the seasonal apportionment of fixed gear Pacific cod TAC and the AP-recommended PSC apportionments and seasonal allowances for trawl and non-trawl fisheries (as found in the AP Minutes, Appendix II to these minutes). This motion does not include allocation between trawl and non-trawl gear. The motion

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was seconded, but discussion was tabled until the Council received the full SSC report in writing, as well as the staff reports on Gulf of Alaska groundfish.

Later, the motion was removed from the table and amended as follows:

Kevin O'Leary moved that when IPHC has completed its analysis of the 1997 season, that NMFS apply the 1997 halibut discard mortality rate retroactively in the 1998 BSAI Pacific cod fishery. The motion was seconded by Dave Benton and carried without objection. Mr. O'Leary stressed that it is critical that NMFS closely monitor and roll over any unused Pacific cod PSC from the trawl fisheries to the longline fisheries as expeditiously as possible because of the expected reduction in the Pacific cod TAC for 1998 which will have a drastic effect on the longline fishery.

Linda Behnken moved to approved the SSC's recommendations for allocating pollock among the Aleutian Islands sub-areas, as follows: In order to mitigate potential impacts to marine mammals, The SSC recommends the ABC be divided as follows: Western - 4,700 mt ; Central - 10,500 mt; and Eastern - 8,600 mt. The motion was seconded.

Steve Pennoyer pointed out that this would most certainly preclude any directed fisheries for pollock in the Aleutians and expressed concern over monitoring effort in the three areas. He suggested that perhaps there isn't sufficient information at this time to make the allocations. Since this issue had not been brought out in previous discussion or reports, the public was given an opportunity to comment on this new issue. Paul MacGregor (ASPA), Brent Paine (UCB), and Gerald Leap (GreenPeace) commented on the issue.

Mr. Pennoyer stressed that while they are looking for ways to deal with the concerns over Steller sea lions, he is not sure this particular measure would be that helpful and at the same time would reduce the commercial fishery by 100,000 mt.

The motion failed, 7 to 4, with Austin, Behnken, Benton and O'Leary voting in favor.

Dave Benton moved to reduce the Eastern Bering Sea pollock TAC to 1 million mt. The motion was seconded by Linda Behnken and failed, 8 to 3, with Austin, Behnken and Benton voting in favor.

Mr. Benton pointed out the uncertainties of the data on the 1996 year class as well as unreliable data on Russian catches in the Western Bering Sea requires a conservative total allowable catch of pollock, particularly with regard to protection of Stellar sea lions.

Steve Pennoyer pointed out that the ABC recommended by the SSC had already taken into consideration the various uncertainties and was already considered a conservative estimate by the SSC. He also stressed that there is not enough information to ensure that this measure would have a positive effect on the status of the Steller sea lion population.

The main motion, as amended, carried unanimously.

Earlier in the meeting Dr. Fluharty had stressed the necessity to pursue an ecosystem approach in pursuing time and area management measures for fishery management and marine mammal protection. Council members agreed that Dr. Fluharty's Ecosystems Committee should continue pursuing those types of options.

SUMMARY

The Council approved the 1998 Stock Assessment and Fishery Evaluation report for the 1998 Bering Sea/Aleutian Islands groundfish fisheries and the acceptable biological catches, total allowable catches, prohibited species catches and seasonal allowances for pollock for the 1998 BSAI groundfish fisheries. Final allocations are found in Appendix V to these minutes.

D-1(c-e) Gulf of Alaska 1998 Groundfish Specifications

ACTION REQUIRED

- (c) **Approve final 1998 GOA Final Stock Assessment and Fishery Evaluation document.**
- (d) **Approve final GOA groundfish and bycatch specifications for 1998.**
- (e) **Halibut discard mortality rates for 1998.**

BACKGROUND

At this meeting, the Council sets final recommendations of groundfish and bycatch specifications. The final SAFE report, groundfish ABCs and TACs, and bycatch apportionments and halibut discard mortality rates need to be approved. These final specifications will be used for managing the 1998 groundfish fisheries and will supersede the Council's preliminary specifications.

(c) **GOA SAFE Document**

The groundfish Plan Teams met in Seattle during November 17-21, to prepare the final GOA SAFE report mailed to you in late November. This SAFE forms the basis for final groundfish specifications for the 1998 fishing year. The final GOA SAFE contains the Plan Team's estimates of biomass, ABCs, and overfishing levels for all groundfish species covered under the FMP and information concerning PSC bycatch to provide guidance to the Council in establishing PSC apportionments. The attached tables from the SAFE list the Plan Team's recommended 1998 ABCs and corresponding OFLs for each of the species or species complexes. Draft minutes of the GOA plan team meeting are attached (Item D-1(c)(1)). Joint team minutes are attached as Item D-1(c)(2).

(d) **Preliminary ABCs and TACs**

A summary worksheet of Plan Team, SSC, and AP recommendations from this meeting will be provided to the Council. Tables 1-4 from the SAFE summary chapter listing groundfish ABCs and biomass levels are attached as Item D-1(d)(1). The Plan Team's sum of recommended ABCs for 1998 is 550,830 mt, an increase of nearly 58,000 mt (roughly 12%) from the total 1997 ABCs of 493,050 mt.

Overall, the status of the stocks in the Gulf of Alaska continues to appear relatively favorable. ABC recommendations remain essentially unchanged from 1997 for flatfish and rockfish. Pollock increased from 79,980 mt to 131,800 mt (65%) for 1998. Pacific cod dropped from 81,500 to 77,900 mt (4%) for 1998. Sablefish declined by about 6% from 14,520 mt to 14,120 mt for 1998. The demersal shelf rockfish ABC declined from 960 mt to 560 mt for 1998 as a result of new stock assessment methodology. The Atka mackerel ABC declined from 1,000 mt to 600 mt for 1998 to better match bycatch needs.

State Waters Pacific Cod fishery

The BOF initiated state water fisheries for Pacific cod in the GOA at its meeting in October 1996. The BOF action set the 1997 state Pacific cod fishery at 15% of the federal TAC for the Western and Central Gulf and 25% of the Eastern Gulf TAC. The Central Gulf fishery was apportioned: Cook Inlet 15%, Kodiak 50%, and Chignik 35%. These apportionments and equivalent tonnages are shown in Table 1

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below. The State Western and Central Gulf fisheries will increase to 20% in 1998 and 25% in 1999, without further BOF action, if state landings meet the harvest guideline in the previous year. For 1997, the Council decreased the federal TAC for GOA P. cod by the state harvest guidelines.

On November 1, 1997, the State of Alaska released 400 mt (900,000 lb) of the Cook Inlet P. cod GHL and 180 mt (400,000 lb) of the Prince William Sound GHL to the federal fishery. NMFS will augment the total allowable catch in the Central and Eastern Gulf of Alaska Pacific cod fisheries, respectively. The fishery for the inshore component in the Central Regulatory area was closed on October 27, 1997. NMFS did not reopen the directed fisheries because of the relatively small size of the releases, the lateness of the fishing year, and the capacity of the fleet to harvest these amounts in about one day.

ADF&G certified in their State fisheries report under Agenda item B-2 that the Kodiak subarea of the Central GOA area and the Alaska Peninsula subarea (Western GOA) will reach their respective guideline harvest level. As a result, the Kodiak subarea will increase from 7.5% to 10% (the Kodiak subarea apportionment increases from 15 to 20%). The Western area will increase from 15% to 20% for 1998. The new apportionments and tonnages (rounded to the nearest 10 mt) are shown in Table 2, using the plan team's recommended ABC/TAC.

Table 1. 1997 Gulf Pacific cod ABC, TAC and State guideline harvest level (mt).					Table 2. 1998 Gulf Pacific cod ABC, TAC and State guideline harvest level (mt).				
Quota	Western	Central	Eastern	Total	Quota	Western	Central	Eastern	Total
*ABC/TAC	28,500	51,400	1,600	81,500	*ABC/TAC	27,260	49,080	1,560	77,900
BOF GHL	4,275	7,710	400	12,385	BOF GHL	5,450	8,590	390	14,430
(%)	15	15	25	15.2	(%)	20	17.5	25	18.5
Remaining TAC	24,225	43,690	1,200	69,115	Remaining TAC	21,810	40,490	1,170	63,470
Central area: Cook Inlet					Central area: Cook Inlet				
		1,157	2.25%				1,100	2.25%	
		Kodiak	3,855	7.50%			Kodiak	4,910	10.00%
		<u>Chignik</u>	<u>2,699</u>	<u>5.25%</u>			<u>Chignik</u>	<u>2,580</u>	<u>5.25%</u>
			7,710	15%				8,590	17.50%

Initial PSC Limits for Halibut

The PSC limits for halibut in the Gulf of Alaska are set by gear type and may be apportioned seasonally over the fishing year. In recommending seasonal allocations, the Council will consider its objective to promote harvest of as much of the groundfish optimum yield as possible with a given amount of halibut PSC.

Since 1995, the combined halibut PSC limit for all fisheries and gear types has been 2,300 mt. This cap was reduced from 1993 and 1994 levels after the sablefish IFQ fishery was exempted from the halibut PSC requirements. Halibut PSC mortality applies only to the bottom trawl and hook-and-line fisheries. The sablefish hook-and-line fishery, the pot fishery (primarily Pacific cod), and the midwater trawl fishery (primarily pollock) have all been exempted from bycatch-related closures.

Trawl gear			Hook and Line		
1st quarter	600 mt	(30%)	1st trimester	250 mt	(86%)
2nd quarter	400 mt	(20%)	2nd trimester	15 mt	(5%)
3rd quarter	600 mt	(30%)	3rd trimester	25 mt	(9%)
4th quarter	400 mt	(20%)	DSR	10 mt	
	2,000 mt			300 mt	

Beginning in 1994, PSC limits for trawl gear were further apportioned by specific fishery. The Council may apportion PSC limits by fishery during the annual specification process. Apportionments of the overall cap may be made to a 'shallow water complex' and a 'deep water complex.' Species in the shallow water complex are: pollock, Pacific cod, shallow water flatfish, Atka mackerel, and other species. Deep water complex species include: deep water flatfish, rockfish, flathead sole, sablefish, and arrowtooth flounder. The following apportionments were made for 1997:

<u>Quarter</u>	<u>Shallow water Complex</u>	<u>Deep water Complex</u>	<u>Total</u>
1	500 mt	100 mt	600 mt
2	100 mt	300 mt	400 mt
3	200 mt	400 mt	600 mt
4	No apportionment		400 mt

Bottom trawling for flatfish in shallow water was prohibited between May 6, when the available data indicated that the first and second quarter allowance of 600 mt had been reached, and July 1, when the fishery opened for the third quarter apportionment. The third quarter closed on August 11. The fourth quarter opened on October 1. Bottom trawling in deep water was closed on March 15 when the first quarter PSC cap was reached. The second quarter opened on April 1 and closed on April 14. The third quarter opened on July 1 and closed on July 20. No fourth quarter apportionment occurs for flatfish.

The hook-and-line fisheries are directed primarily at sablefish and Pacific cod, with minor effort on rockfish. The PSC halibut mortality limit of 300 mt for the hook-and-line fisheries was apportioned seasonally by trimester. The 300 mt allocation included 10 mt for the demersal shelf rockfish fishery in Southeast Alaska. For the first trimester, 250 mt was allocated. For the second trimester, 15 mt was allocated. The remaining 25 mt was allocated to the rest of the fishing year. The sablefish hook-and-line fishery is managed as an IFQ fishery. The season runs from March 15 to November 15, simultaneous with the halibut IFQ fishery. Through November 1, 1997, 215 mt of halibut mortality was estimated for the hook and line fisheries. There were no halibut PSC closures of GOA hook-and-line fisheries.

(e) Halibut Discard Mortality Rates

Pacific halibut bycatch discard mortality rates (DMR) in the Alaskan groundfish fisheries are routinely estimated from viability data collected by NMFS observers. These data are analyzed by IPHC and NMFS staff, which results in recommendations to the Council for managing halibut bycatch in the upcoming season. Item D-1(e)(1) lists the IPHC recommendations for setting discard mortality rates for the 1998 fishery.

Report of the Scientific and Statistical Committee

The SSC agreed with the Plan Team's recommended OFLs and ABCs for 1998 Gulf of Alaska groundfish, with one exception. With regard to pollock, the SSC reiterated that they are unconvinced that the Prince William Sound pollock fishery exploits a resource that is independent of the assessed GOA pollock population. Therefore, the SSC recommended deducting the State's guideline harvest level from the ABC, and distributing the deduction proportionately throughout the subareas. This would provide a total Gulfwide ABC of 130,000 metric tons, allocated as follows: Western area 61=29,790 mt; Central area 62=50,045 mt, and Central area

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63=39,315 mt. Please see the SSC Minutes (Appendix III to these minutes) for comments specific to each species.

With regard to halibut discard mortality rates, the SSC stated support for continuing efforts to use observer data to further understand those elements of fishing practices which influence halibut discard mortality rates.

Report of the Advisory Panel

The AP recommended approval of the 1998 GOA SAFE document and ABCs as recommended by the SSC. The GOA 1998 TACS recommended by the AP are found in Appendix IV to these minutes. For the 1998 trawl gear and hook and line PSC halibut limits, the AP recommended using the same apportionments as those used for 1997 (see page 6 of the AP Minutes). In addition, the AP recommended approval of the IPHC recommendations for pre-season assumed discard mortality rates (Attachment 3 to the AP Minutes). The AP also recommended that the Council request IPHC to prepare a report explaining changes in halibut mortality estimates, particularly factors contributing to the increase by haul size, processing mode, seasons, and other factors relevant to differences between vessels and fisheries.

DISCUSSION/ACTION

Bob Mace moved to approve the final 1998 SAFE document for Gulf of Alaska groundfish, the SSC's recommendations for 1998 GOA groundfish ABCs, and the AP's recommendations for 1998 TACs, trawl and hook and line gear PSC limits, and the IPHC's recommendations for pre-season halibut discard mortality rates (see AP Minutes, Appendix II to these minutes), and to approve the AP's request that IPHC prepare a report explaining changes in halibut mortality estimates, particularly factors contributing to the increase by haul size, processing mode, seasons, and other factors relevant to differences between vessels and fisheries. The motion was seconded by Steve Pennoyer.

Linda Behnken moved to retain the Other Slope Rockfish fishery to a bycatch-only because of high discard rates in the fishery when it is a target fishery. NMFS would, as in the past three years, calculate the bycatch needs for the other fisheries and that the other slope rockfish TAC be set to cover those bycatch needs, but to prevent a directed fishery. The motion was seconded by Kevin O'Leary and carried without objection.

With regard to the Pacific cod allocation, Dennis Austin pointed out that the State of Washington cannot agree to the reduction in the TAC as a result of the State's automatic increase in their allocation of Pacific cod in State waters to 20%. Steve Pennoyer pointed out that the Council needs to take the State's possible allocation into account at this time, and that it is still an item open for discussion. If the State does not increase the allocation, then the Council could re-assess the TAC. However, if they set the TAC higher now, it would be difficult to go back and reduce it in-season.

As a result, the motion was amended to include a provision to direct the Executive Director to prepare a letter to the Alaska Board of Fisheries reflecting the Council's discussion and objection to the State's "automatic" provision for increase the Pacific cod TAC, and that it be put on the agenda for both the joint Council/Board committee meeting and the Joint Council/Board meeting in February.

Linda Behnken moved that Pacific ocean perch and pollock TAC in the Eastern Gulf be set equal to the 1997 TAC. The motion was seconded by Dave Benton and carried without objection.

Ms. Behnken cited the lack of signs of strong recruitment in the Eastern Gulf as in other areas and a lack of confidence in the strength of the year class, as well as indications that the biomass has actually dropped in the Yakutat region as her reasons for this action. She stressed that the action is not intended to limit the Pacific cod harvest in Prince William Sound.

Dave Benton brought up the issue of the increased pollock TACs and Steller sea lions and stressed the need to feel confident that the Council is taking considering all aspects in setting increased TACs.

Steve Pennoyer responded that NMFS does have some concern, particularly with regard to the third season and are recommending the Council consider initiating a regulatory amendment which would reallocate among the first and second season and not allow a substantial increase in the third season. NMFS also recommended that at some future date the Council consider amending the GOA FMP to allow allocations of GOA pollock TAC among the established seasons to be determined during the annual specification process.

Ms. Behnken also moved to amend the main motion to request NMFS to divide the discard mortality rates to for flathead sole into two categories, catcher vessels at 53% and for catcher processors at 78% DMR. After discussion, it was determined that the AP and SSC had not discussed this issue. Gregg Williams, IPHC, responded that the issue was discussed with both the AP and SSC and they did not see any problem with the recommendation; however, the separation was done at the request of industry members and not necessarily an IPHC recommendation. IPHC could, however, implement such a suggestion. Ms. Behnken withdrew her amendment.

The main motion, as amended, carried without objection.

Linda Behnken moved to initiate a regulatory amendment, as recommended by NMFS, to reapportion the pollock TACs in the Western and Central GOA regulatory areas so that the harvest during the third season is not increased significantly as a result of the overall TAC increase. Options to be considered would include a redistribution of pollock harvest from fall months to summer months, such as a seasonal apportionment of 25, 35, and 40% of the TAC across the existing three seasons. The motion was seconded by Bob Mace and carried without objection. A draft EA/RIR would be available for Council consideration in February.

SUMMARY

The Council approve the 1998 Stock Assessment and Fishery Evaluation document for the Gulf of Alaska groundfish fisheries and the 1998 ABCs, TACs, PSC apportionments and halibut discard mortality rates (see Appendix V to these minutes for final specifications). The Council also approved development of a regulatory amendment to seasonally reapportion the pollock TACs in the Western and Central GOA regulatory areas.

D-2 Scallop Management

ACTION REQUIRED

Final review of Amendment 3.

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BACKGROUND

Amendment 3 - Defer Management to State

The Scallop fishery off Alaska is currently managed under a State-Federal management regime established by Amendment 1 to the Scallop FMP. This regime is cumbersome in that each State regulation and management action must be duplicated by a parallel Federal action. In discussing Amendment 1, the Council noted that it could serve as a temporary program to prevent unregulated fishing in Federal waters until changes in the Magnuson-Stevens Act would provide the Council with the authority to delegate to the State authority to manage the scallop fishery in Federal waters.

Amendments to Magnuson-Stevens Act now enable the Council to delegate to the State, (with a three-quarter majority vote), the authority to manage some or all aspects of the scallop fishery in Federal waters off Alaska. The EA/RIR, which was distributed for public review in October, examines three alternatives that would delegate to the State authority to manage the scallop fishery in the Federal waters off Alaska. An executive summary and relevant tables are attached as Item D-4(a).

Alternative 1: No Action. Under this alternative, ADF&G and NMFS would continue to maintain duplicate regulations and mirror each other's management actions.

Alternative 2: This alternative would delegate to the State authority to manage all aspects of the scallop fishery in Federal waters off Alaska except limited access. Under this alternative, limited access management would remain a Federal responsibility under the FMP, and would require an FMP amendment to change. All other Federal scallop regulations would be repealed and the authority to manage all other aspects of the scallop fishery would be delegated to the State under the FMP, including the authority to regulate any vessels not registered under the laws of the State.

Alternative 3: This alternative would delegate to the State authority to manage all aspects of the scallop fishery in Federal waters off Alaska. Under this alternative, all Federal regulations governing the scallop fishery off Alaska would be repealed and authority to manage all aspects of the scallop fishery would be delegated to the State under the FMP, including the authority to limit access and to regulate any vessel not registered under the laws of the State.

Kent Lind, NMFS Alaska Region, will be on hand to review the analysis.

The SSC did not address this agenda item.

Report of the Advisory Panel

The AP recommended approval of Alternative 2, which would delegate all management of the scallop fishery, except limited entry, to the State of Alaska.

DISCUSSION/ACTION

Wally Pereyra moved to adopt Alternative 2:

Delegate to the State authority to manage all aspects of the scallop fishery in Federal waters off Alaska except limited access. Under this alternative, limited access management would remain a Federal responsibility under the FMP, and would require an FMP amendment to change. All other Federal scallop regulations would be repealed and the authority to manage all other aspects of the scallop fishery would be delegated

to the State under the FMP, including the authority to regulate any vessels not registered under the laws of the State.

The motion was seconded by Bob Mace and carried, 10 to 1, with Samuelsen voting against.

Mr. Samuelsen said he couldn't vote for the motion because he feels the State system will allow too many vessels in the fishery. Mr. Pennoyer pointed out that this issue could be dealt with when the Council takes up a license limitation or other limited entry program for scallops.

Dave Benton asked that staff prepare a discussion paper for February of options for a license limitation program, including options previously considered by the Council and the options of state moratorium qualifications as well as recent participation requirements for 1996-1997. This request was turned into a motion which was seconded by Kevin O'Leary, and carried without objection.

D-3 Groundfish Amendments with Action Required

ACTION REQUIRED

- (a) Initial review of Plan Amendments 52/52 for vessel pre-registration and 24-hr stand-down provision.
- (b) Initial review of amendments to streamline the TAC setting process: This agenda item has been deferred to a later meeting.
- (c) Initial review of an amendment to allocate shortraker/rougheye quota to fixed gear in the BSAI.

BACKGROUND

(a) Vessel registration and 24-hr stand-down provision

In September 1997, the Council received a report from an industry committee formed to examine possible trip limits for western GOA pollock and Pacific cod fisheries. However, the industry committee failed to reach consensus on a trip limit proposal for western GOA fisheries. The Council delayed formal analysis of trip limit options and voted to proceed with formal analysis of only two short term measures for western GOA fisheries: (1) a 48-hour stand down period for vessels switching between the BSAI and GOA and vice versa, and (2) a requirement that vessels register in western and central GOA fisheries before they are allowed to participate. In the longer term, the Council has scheduled a discussion of GOA management measures for pollock and Pacific cod in the western and central GOA for its February 1998 meeting. At that time, the Council intends to develop a problem statement and identify the specific alternatives to be developed further, with the intent of implementing the measures by January 1, 1999.

The following alternatives are considered in this analysis of Plan Amendments 52/52 (Item D-3(a)). Alternatives 2 and 3 are not mutually exclusive and may complement each other. Either or both alternatives could be adopted. However, the Council may wish to framework these types of management actions in the plan amendment and implement those listed below in a regulatory amendment to allow the Council and NMFS greater flexibility.

Alternative 1: No Action.

Alternative 2: Establish a vessel registration program for "at risk" fisheries which meet certain criteria.

Alternative 3: Establish a 48-hour stand down requirement for vessels transiting between specified BSAI and GOA fisheries.

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(b) Streamline TAC setting process

NMFS has requested this subject be delayed until the February 1998 meeting.

(c) Allocation of Shortraker/rougheye TAC in the BSAI -- Proposed Amendment 53

Shortraker/rougheye rockfish in the Aleutian Islands subarea typically are closed to directed fishing at the beginning of the fishing year because the full TAC amount is needed as bycatch in other fisheries. Unfortunately, bycatch rates were higher than anticipated in 1997, and fisheries that take these species as bycatch were closed to prevent reaching the overfishing level. The closure of these fisheries resulted in foregone opportunity to harvest available groundfish TACs and the threat of closure of the sablefish IFQ fishery. These series of events prompted the Council to request staff to develop an analysis of reduced maximum retainable bycatch (MRB) percentages and gear allocations for shortraker/rougheye rockfish. At its September 1997 meeting, the Council voted to establish a separate MRB percentage for shortraker/rougheye of 7 percent relative to deepwater species (rockfish species, sablefish, Greenland turbot, and flathead sole) and 2 percent relative to all other species except arrowtooth flounder, which cannot be used as a species against which shortraker/rougheye may be retained.

At this meeting, the Council will make an initial review of an analysis for an allocation of shortraker/rougheye between vessels using trawl and non-trawl gear. Two separate management alternatives are considered:

Alternative 1: Status Quo. The shortraker/rougheye rockfish TAC would not be allocated between gear groups. MRB constraints would be the only management tool in place to reduce bycatch rates and bycatch amounts in the trawl fisheries would continue to threaten fixed gear fisheries with closures if overall bycatch amounts exceed TAC and result in overfishing concerns.

Alternative 2: The shortraker/rougheye rockfish TAC would be allocated between vessels using trawl and non trawl gear. Options for gear allocations as follows:

30 percent to non trawl gear/70 percent to trawl gear - Industry recommendation
20 percent to non trawl gear/80 percent to trawl gear - Historical catch distribution

Sue Salvesson will be on hand to discuss potential impacts of these alternatives. The executive summary for this amendment is attached.

The SSC did not address these agenda items.

Report of the Advisory Panel

Western/Central GOA stand-down/preregistration. The AP recommended that the EA/RIR for Amendments 52/52 (vessel preregistration and 48-hour stand-down) be sent out for public review, with the addition of:

1. A range of stand-down alternatives from 48 to 96 hours.
2. Options for calculating the stand-down period:
 - (a) gear up or not fishing
 - (b) delivery or check-in at port
3. Stand-down applicable to
 - (a) all trawl vessels
 - (b) only trawl catcher vessels

The AP recommended that Alternative 3 apply only to pollock and Pacific cod trawl fisheries.

Shortraker/Rougheye - Allocation to fixed gear. The AP recommended the analysis be sent out for public review.

DISCUSSION/ACTION

(a) Vessel Pre-registration and Stand-down Provisions

Linda Behnken moved to send the EA/RIR for Amendments 52/52 out for public review after the inclusion of the AP recommendations. The motion was seconded by Earl Krygier and carried without objection.

For analysis of the stand-down provisions, staff was instructed to use 48, 72, and 96 hours as the parameters. Staff requested clarification of the Council's intent for implementation, indicating that if regulations are to be implemented by the start of the pollock "B" season, alternatives may be more limited. Staff was instructed to identify the feasibility of implementing each of the various alternatives by the start of the "B" season.

(b) Amendment to Streamline the TAC-setting process

This agenda item was deferred to a later meeting.

(c) Amendment to Allocate Shortraker/Rougheye quota to Fixed Gear in the BSAI

Linda Behnken moved to send BSAI Amendment 53, to allocate shortraker/rougheye quota to fixed gear in the Bering Sea/Aleutian Islands, out for public review. The motion was seconded by Bob Mace and carried without objection.

Ms. Behnken stressed her hope that the amendment would be in place by the opening of the fishery on July 1.

SUMMARY

The Council approved sending out two draft amendments for public review and comment. One would amend both the GOA and BSAI groundfish FMPs to require pre-registration for participation in western and central GOA fisheries, and/or require a prescribed stand-down period for vessels switching between the BSAI and GOA (and between the GOA and BSAI for pollock and Pacific cod trawl fisheries). The second amendment would amend the BSAI groundfish FMP to allocate shortraker/rougheye rockfish in the Aleutian Islands area between fixed gear and trawl fisheries.

D-4 General Groundfish Issues for Discussion

DISCUSSION ITEMS:

- (a) Limited processing for catcher vessels: BSAI/GOA
- (b) Overfishing amendments: BSAI/GOA
- (c) Catch reporting accuracy/precision: BSAI/GOA (This item deferred to a later meeting).
- (d) Gear storage/preemption issues: BSAI
- (e) Salmon retention revisions: BSAI (This item deferred to a later meeting).
- (f) Pollock 'B' season adjustments: BSAI
- (g) Report on Groundfish Forum Experimental Fishing Project: Mesh Panel Openings

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BACKGROUND

(a) Limited processing for catcher vessels: BSAI/GOA

When the Council approved the LLP in June 1995 catcher vessel and catcher/processor vessel designations were included, with a cutoff date of June 17, 1995 for qualification as a processor. The intent was to limit the ability of catcher vessels to upgrade into at-sea processing effort. At that time however, the Council directed staff to conduct an initial analysis, as part of the overall IR/IU initiative, of options to allow some limited amount of processing by those catcher vessels. Item D-4(a)(1) is a copy of the agenda item and discussion paper reviewed by the Council in December 1996 on this issue. At that meeting you took no action, but scheduled further consideration of this issue for the December 1997 meeting. A plan amendment would be required to change this aspect of the LLP. No additional analysis has been conducted on this issue, pending further direction from the Council.

(b) Overfishing amendments: BSAI/GOA

The Sustainable Fisheries Act made significant changes to the national standards for fishery management plans. Based on the proposed rule to amend 50 CFR part 600, it appears we may need to revise our overfishing definitions to comply with the guidelines for National Standard 1 (optimum yield). Revisions to the guidelines for national standard 1 center on the Magnuson-Stevens Act's definitions of "overfishing," "overfished," and "optimum yield (OY)"; the requirement for establishment of objective and measurable criteria for determining the status of a stock or stock complex; and the requirement for remedial action in the event that overfishing is occurring or that a stock or stock complex is overfished.

We have until October 11, 1998 to submit FMP amendments to the Secretary. As such, an Environmental Assessment/Regulatory Impact Review amendment package would need to be ready for initial review by the Council at its April 1998 meeting, with final action taken in June. We have requested the help of NMFS, in particular Dr. Grant Thompson, to prepare this amendment package and he, or other NMFS staff may be able to provide an update at this meeting.

(c) Catch reporting accuracy/precision: BSAI/GOA

This item has been deferred to a future meeting. (See letter from Steve Pennoyer, Item D-4 Supplemental.)

(d) Gear storage/preemption issues: BSAI

In December 1996, the Council reviewed a proposal requesting implementation of measures to reduce gear conflicts and minimize lost gear (proposal attached as Agenda Item D-4(d)(1)). These include: establishment of a government fund to replace lost gear; separation of gear types through time/area closures; and, wholesale closures of areas to specific gear types to protect habitat and eliminate gear conflicts. The Council recommended that these issues be further examined, and ADF&G agreed to hold a meeting with industry members to research these issues and possibly develop alternatives for resolution. Earl Krygier will brief the Council on their progress.

(e) Salmon retention revisions: BSAI

This item has been deferred to a future meeting. (See letter from Steve Pennoyer, Item D-4 Supplemental.)

(f) Pollock 'B' season adjustments: BSAI

In 1992, Amendment 14 apportioned the pollock TAC into a roe season ('A' season) and non-roe season ('B' season). The 'B' season opened on June 1 in 1991 and 1992. Beginning in 1993, the opening was delayed until August 15 to increase the size and value of pollock harvested and to allow additional processing of salmon by catcher-processors. In 1996, the 'B' season opening date was delayed to September 1 for both inshore and offshore sectors to further increase these processing opportunities. The opening includes a "stand down" provision, which mandates a seven-day waiting period for those vessels participating in other fisheries a week prior to the September 1 opening. The regulation also included a November 1 cutoff date for pollock fishing, regardless of whether the TAC has been taken.

Number of salmon taken as incidental bycatch in BSAI trawl fisheries, 1990-1997. Note that >95% of the "other" salmon is chum salmon.

<u>Year</u>	<u>Chinook Salmon</u>	<u>Other Salmon</u>
1992	37,372	38,919
1993	45,964	243,246
1994	44,380	96,431
1995	22,461	21,763
1996	63,179	77,926

In setting the September 1 date for the 'B' season opening, the Council considered the tradeoffs between an increase in the value of pollock harvested, processing and harvesting opportunities, and the potential for poor weather, marine mammal interactions, and bycatch problems (see attached executive summary from the last analysis, Item D-4(f)(1)). It was felt that a delay from August 15 to September 1 could potentially reduce bycatch of chum salmon, and increase bycatch of chinook salmon, but not significantly. Salmon bycatch taken in BSAI trawl fisheries in recent years is shown in the adjacent table.

Chum salmon bycatch on the other hand has decreased overall (except when compared to 1995), with the higher rates occurring in the early weeks of the fishery. Item D-4(f)(2) illustrates the weekly bycatch for 1996 and 1997. These 'offsetting' bycatch impacts are consistent with the projections in the analysis for the September 1 opening date, noting once again that salmon bycatch peaks fluctuate significantly and are difficult to project across the two week season variations being considered. Item D-4(f)(3) is a letter from United Fishermen of Alaska supporting the current September 1 opening date.

(g) Report on Groundfish Forum Experimental Fishing Project: Mesh Panel Openings

Last April, the Council reviewed and recommended approval of an experimental permit for Groundfish Forum to test a trawl net design that could reduce bycatch. They tested an open top intermediate trawl net design as a way to reduce pollock catches in the yellowfin sole target fishery. The experiment was conducted last August in the Bering Sea using six head&gut catcher-processors. Preliminary results are provided in a report by John Gauvin and Craig Rose, attached as Item D-4 (g)(1). John Gauvin will be on hand to summarize their findings.

The SSC did not take up any of these agenda items.

Report of the Advisory Panel

The AP addressed only the following two issues:

Limited Processing for Catcher Vessels (BSAI/GOA). The AP recommended the Council initiate an analysis to allow limited processing for catcher vessels in the BSAI/GOA with the following options:

- Option 1: Allow processing of bycatch amounts of any groundfish species up to the directed fishing standards.

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- Option 2: Allow processing of an species, excluding pollock as a target species,
- a. up to 5 mt round weight per day
 - b. up to 18 mt round weight per day for vessels greater than 60 ft

Pollock "B" Season. The AP recommended that the Council retain the status quo of the September 1.

DISCUSSION/ACTION

(a) Limited Processing for Catcher Vessels

Bob Mace moved to approve the AP recommendation to initiate an analysis to allow limited processing for catcher vessels in the BSAI/GOA, including the AP recommendations for options. The motion was seconded and carried without objection.

It was clarified that the analysis for limited processing for catcher vessels would not come back to the Council until the fall of 1998, either September or December.

(b) Overfishing Amendments

This consisted only of a staff report. The Council took no action.

(c) Catch Reporting Accuracy/Precision

This agenda item was deferred to the February 1998 meeting.

(d) Gear Storage/Preemption Issues: BSAI

Earl Krygier reported that a meeting was held with industry and that it appears the issues can be resolved through industry cooperation. No further action was requested at this time. A written report of the industry meeting will be sent out to Council members when it is finalized.

(e) Salmon Retention Revisions: BSAI

This issue was deferred to a later meeting.

(f) Pollock "B" Season Adjustments

After hearing public comments supporting the continuation of the September 1 opening date for the Bering Sea/Aleutian Islands pollock "B" season, **Bob Mace moved to retain the status quo.** The motion was seconded by Linda Behnken and carried without objection.

(g) Report on Groundfish Forum Experimental Fishing Project: Mesh Panel Openings

Groundfish Forum representative John Gauvin provided the Council with a report on the recent experimental fishing project to test a trawl net design to determine whether its use might help reduce bycatch. Results of the experiment were mixed, but Mr. Gauvin expressed the hope that the Council will continue to be receptive to experimental fishing techniques proposed by industry in the pursuit of lowering bycatch rates. This was a report item; no Council action was required.

SUMMARY

The Council approved development of an analysis of an amendment to allow limited processing for catcher vessels in the BSAI/GOA groundfish fisheries and retained the current September 1 opening date for the BSAI pollock "B" season.

ADJOURNMENT

Chairman Lauber adjourned the meeting at approximately 2:22 p.m. on Friday, December 12, 1997.