

North Pacific Fishery Management Council

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Certified Richard B. Lauber
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MINUTES

**113th Plenary Session
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
June 8-11, 1994
Hilton Hotel
Anchorage, Alaska**

The North Pacific Fishery Management Council met June 8-11, 1994 at the Hilton Hotel in Anchorage, Alaska. The Advisory Panel began meeting on June 5, and the Scientific and Statistical Committee began meeting on June 6. The following members of the Council, staff, SSC and AP attended the meetings.

Council

Richard Lauber, Chairman
Alan Millikan for Robt. Turner
RADM Rufe/CAPT Bill Anderson
Linda Behnken
Oscar Dyson
Bob Mace for Randy Fisher
Dave Hanson

Robert Alverson, Vice Chair
Ron Hegge
Steve Pennoyer
Wally Pereyra
Steve Rideout for W. Steiglitz
Robin Samuelsen
Carl Rosier

NPFMC Staff

Clarence Pautzke, Executive Director
Darrell Brannan
Marcus Hartley
David Witherell
Jane DiCosimo

Chris Oliver, Deputy Director
Judy Willoughby
Helen Allen
Gail Bendixen
Linda Roberts

Support Staff

Ron Berg, NMFS-AKR
Earl Krygier, ADFG
Steve Meyer, NMFS Enforcement
Lisa Lindeman, NOAA-GC
Jay Ginter, NMFS-AKR
Jeff Passer, NMFS-Enforcement

Seth Macinko, ADFG
Sue Salvesson, NMFS-AKR
Phil Smith, NMFS-AKR
Sally Bibb, NMFS-AKR
Kim Spittler, NMFS-AKR

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Scientific and Statistical Committee

Terrance Quinn, Chair
Jim Balsiger for Bill Aron
Doug Eggers
Susan Hills
Dan Huppert
Richard Marasco

Keith Criddle, Vice Chair
Marc Miller
Phil Rigby
Jack Tagart
Harold Weeks

Advisory Panel

John Bruce, Chairman
Dave Benson
Al Burch
Bruce Cotton
Michael Jones

Stephanie Madsen
Pete Maloney
Hazel Nelson
Dean Paddock
John Roos

John Sevier
Harold Sparck
Michael Stevens
Beth Stewart
Robert Wurm

General Public

Over 100 people attended the meeting. The following members of the public signed the attendance register, and/or testified before the Council:

Dave Allison
Nels A. Anderson, Jr.
Richard Arnel
Mike Atterberry
Fran Bennis
Jeff Benson
Brian Bigler
Chris Blackburn
Joe Blum
Chris Chavasse
Walt Christensen
Larry Cotter
Vince Curry
Steve Davis
Roseann Demmert
Fred File
Steve Fogg
Lennie Gorsuch
Norm Gorsuch
Shari Gross
John Gruver
Roxanne Guthrie
A. W. Hall

Gary Haugen
James Heffernan
John Henderschedt
Jack Hill
Andrew Hillstrand
Jonathan Hillstrand
Krys Holmes
Steve Hughes
John Iani
Aaron Isaacs
Michael Johnson
Mark Kandianis
Robert Keith
Frank Kelty
Linda Kozak
Michael Lake
Thomas Lang
Denby Lloyd
Paul MacGregor
Nancy Munro
Jerry Nelson
Donald Nielsen
Kris Norosz

Jim O'Connell
Kevin O'Leary
Brent Paine
Joe Plesha
Perfenia Pletnikoff
Ron Rogness
James Salisbury
Bud Samuelson
Karen Samuelson
Thorn Smith
Norm Stadern
Jeff Stephan
Walter Suomela
Tom Suryan
Debby Swenson
Jim Sykes
Arni Thomson
Joan Travestino
Dick Tremaine
Jed Whittaker
Sinclair Wilt
Ed Wolfe
Fred Yeck

Note: A list of those testifying on Council agenda items is found in Appendix I to these minutes.

**A. CALL TO ORDER, AGENDA, AND APPROVAL OF MINUTES
OF PREVIOUS MEETING(S)**

Chairman Lauber called the meeting to order at 8:07 a.m. on Wednesday, June 8, 1994.

Agenda. The agenda was approved as drafted.

Minutes of the April 1994 meeting were not yet available for review.

B. REPORTS

B-1 Executive Director's Report

Executive Director Clarence Pautzke introduced new Council staff plan coordinator Jane DiCosimo who will handle the Gulf of Alaska groundfish FMP and halibut management as well as other issues.

Chairmen's Meeting/Magnuson Act Reauthorization. Council members received a draft report on the recent Chairmen's meeting where considerable time was spent on possible amendments to the Act. Rod Moore, of the Republican Fisheries Staff for the House Committee on Merchant Marine and Fisheries, briefed the Council on the various proposals received for reauthorization of the Act. He does not expect the final bill to be approved until shortly before Congress adjourns sometime in October. Council members expressed concern over the possibility that user fees and IFQ "royalties" could be assessed in addition to the new fees under the Research (Observer) Plan. The Council did not have time to take up reauthorization issues because of the abbreviated meeting.

Meetings. Council members asked that the September 1994 Council meeting be rearranged to accommodate members travelling to an international meeting in early October. The AP and SSC will begin on Tuesday, September 27, and the Council will begin on Wednesday, September 28 and probably continue into the following week, finishing by October 5 at the latest.

Council members agreed to hold the June 1995 meeting in Dutch Harbor, Alaska. They asked staff to try to schedule the April and June meetings earlier in the month in the future. For 1995, the weeks of April 3 and June 5 would be preferred. The following tentative dates and locations were approved for 1996: (weeks of) January 8 (Anchorage), April 1 or 8 (Anchorage), June 3 or 10 (Alaska, but not Anchorage), August 5 (possible summer mtg, if necessary), September 16 (Portland), and December 9 (Anchorage). Bob Mace suggested that the meeting in Seattle be varied, rather than always being scheduled for the September meeting.

Chairman Lauber suggested that the Council and/or NMFS-Alaska Region could start a "master calendar" of fishery-related events of interest to the Council to help better avoid conflicts when planning Council meetings. Steve Pennoyer will provide information of interest from a comprehensive list the Region routinely receives.

Pacific Pelagics. This subject was deferred to the September agenda. Council members agreed with the suggestion of the Western Pacific Council that two or three members from the Pacific, North Pacific, and Western Pacific Councils should meet in conjunction with our September meeting to discuss the issue. Bob Alverson

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requested information be gathered on the amount of swordfish taken outside the U.S. EEZ, where it's being harvested, and where it's being landed.

Call for Proposals. At the June meeting the decision is normally made whether or not to call for amendment proposals for the groundfish plans and halibut regulations. The Council did not indicate that they wish to issue a call for proposals.

Nominations for Marine Mammal Regional Scientific Groups. The Council affirmed the SSC's nomination of Dr. Sue Hills to serve on a regional scientific group being established under the Marine Mammal Protection Act.

Law of the Sea Convention. Chairman Lauber said that several issues of interest to the Council may be addressed in the near future and suggested that he appoint a small committee of Council members to track and advise the Council the issues. There was no objection to this suggestion.

B-2 ADF&G Report

Earl Krygier provided the Council with a written report on activities in crab, salmon and demersal shelf rockfish fisheries since the last Council meeting.

BSAI King and Tanner Crab. The Adak brown king crab fishery is the only fishery open under the FMP. To date, 2 million pounds have been landed by 19 vessels; the fishery is expected to continue until August 15.

Salmon Troll Fishery. The winter chinook troll season closed on April 14, with a total catch of 55,400 fish; catches in the Alaska hatchery fishery were low. ADF&G is currently conducting experimental fisheries throughout Southeast Alaska several times a week.

Southeast Alaska Demersal Shelf Rockfish. Most directed demersal shelf rockfish fisheries in Southeast Alaska were closed during the months of April and May. The directed fishery will open at 8:00 a.m. on June 15 and close at 8:00 p.m. on June 17. Region 1 DSR catches totalled 22 mt through May.

B-3 NMFS Management Report

Ron Berg reported on catch and bycatch activity in the groundfish fisheries and provided an update on regulatory actions in progress. Mr. Berg advised the Council that preliminary bycatch data on the recent sablefish fishery indicate that there may not be sufficient halibut PSC for hook and line fisheries in the Gulf for the remainder of the year, with the exception of demersal shelf rockfish. A conference call later this summer may be necessary to address the problem if final data corroborate the preliminary data.

The moratorium and IFQ block amendments have been submitted for Secretarial review. The Proposed Rule for the North Pacific Fisheries Research Plan (Observer Plan) was published in the *Federal Register* on May 6, and the Proposed Rule for the moratorium was published on June 3. The Final Rule for the GOA halibut PSCs and to change the BSAI flatfish season is being prepared in the Regional office as are the experimental fishing permits approved at the last Council meeting. The control date notice for the scallop fishery is being reviewed in Washington, DC. Several amendments and regulations will become final in the near future: Observer regulations (30% coverage on pot vessels) - July 1; CDQ total weights - August 15; Superexclusive Registration in Norton

Sound crab fishery - June 27, 1994; 15% halibut reserve in Area 4B (Atka) - June 6, 1994; Appeals and Determinations for the IFQ program - July 1, 1994.

B-4 Enforcement Report

U.S. Coast Guard Report

High Seas Driftnets. As of June 1, 105 cutter days and 115 aircraft hours had been used to cover the high-threat areas of the North Pacific. There was no activity observed in violation of the UN moratorium on high seas driftnetting. International cooperation has been the key factor in ensuring success in both 1993 and 1994.

Donut. Coast Guard patrols also have observed no activity this year in the Central Bering Sea "donut" area. The Coast Guard is working with NMFS to develop standard boarding and reporting procedures in support of an ad referendum agreement on fishing in the area.

Domestic Fisheries. During the GOA sablefish opening 84 boardings were conducted; two vessels had catches seized for major violations, and 11 boardings resulted in fisheries violations. USCG noted that the fleet continues to show high compliance with major lifesaving equipment regulations; no voyages were terminated for safety violations in this fishery.

Enforcement Statistics. During the period April 1 to May 31, 1994, 287 patrol days were logged by USCG cutters and patrol boats, in addition to 727.8 hours of aircraft surveillance. Six foreign vessels were sighted with no boardings or violations noted, and 2,941 domestic vessels were sighted, with 273 boardings resulting in 17 fishery violations.

NMFS Enforcement Report

During April 1 through May 31, NMFS initiated 115 investigations. Further actions were taken on 395 pending cases; 118 investigations were closed as unfounded, 49 were closed due to lack of enforcement resources, and 96 cases were handled with written warnings. Four cases were settled with summary settlements totalling \$4,150, 37 were settled through voluntary abandonment with property valued at \$20,671, and 48 were referred to NOAA General Counsel. NOAA General Counsel issued 15 Notices of Violation assessing a total of \$71,216 in penalties; an additional 28 Notices of Violation were settled by General Counsel with penalties totalling \$179,208.

After a three-year investigation, NMFS Enforcement has concluded a second major fraud investigation resulting in a \$2,000,000 fine, the largest in NMFS history. The fine, the result of a plea bargain by Pacific King, was related to Pacific King submitting false documents to NMFS regarding pollock roe retention in the 1991 pollock "A" season fishery. Tsunemi Teneda, Vice President of the company, was sentenced to 11 months and 20 days in a Federal correctional facility followed by one year of home confinement, and a \$15,000 fine. The master of the vessel involved was also sentenced to imprisonment followed by home detention.

NMFS Enforcement also advised that two of the four new Special Agent fraud investigators for the IFQ program have been hired; the remaining two positions should be filled by July 30. Positions for nineteen enforcement officers will begin soon, with training scheduled to begin in October.

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NEW AND CONTINUING BUSINESS

C-1 North Pacific Fisheries Research Plan

The Proposed Rule for the North Pacific Fisheries Research Plan (Observer Plan) was published on May 6. The Council was scheduled to comment, if necessary, on the Proposed Rule, receive a report from the Observer Oversight Committee, and approve for public review a preliminary fee percentage for 1995. The Council received a briefing from NMFS staff on the fee assessment and collection aspects of the Plan.

Report of the Scientific and Statistical Committee

The SSC noted that costs for 1995 include amounts necessary to fund the program for the first 1.25 years; in subsequent years only annual costs will be necessary and the fee percentage could be lower if prices and costs are stable. The SSC focused its attention on the methods of determining standard exvessel prices used in the assessment of recoverable fees. If the Council prefers this method, the data collection system needs to be enhanced and modified because of concerns over data quality. Further, linkage of fees with prices could result in misreporting of price data. [For more detailed comments, see SSC Minutes, Appendix II to these minutes.]

Report of the Advisory Panel

The AP recommended that the Research Plan be tabled until there is more information about possible user fees in connection with the MFCMA reauthorization. The AP further identified the following concerns that need to be addressed before implementation of the Observer Plan.

1. That during the Reauthorization of the Magnuson Act, the North Pacific Fisheries Research Plan be renamed the North Pacific Fisheries Observer Plan.
2. The AP opposes the proposed rebate plan and instead strongly recommends that a company or vessel owner simply deduct observer payments from Research Plan fees dues on a bimonthly basis.
3. The AP recommends that there should be a single integrated observer program and training program for all crab and groundfish programs. The AP asks that NMFS prepare a budget that demonstrates all efficiencies such a program would provide.
4. The AP recommends that an annual independent (non-governmental) audit of the program be required.
5. The AP recommends that fisheries subject to new user fees like those proposed in Commerce's Magnuson Act Amendments, be exempted from the Observer Program fees.
6. The AP also recommends:
 - * Looking at the use of differential prices by various sectors, at least for some species. The following specific recommendations were made: (1) for pollock and rock sole in the BSAI, different prices for shorebased, mothership, and catcher/processors, (2) differential prices for

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GOA pollock and BSAI pollock, (3) seasonal differences for pollock and rock sole, (4) differential prices for Pacific cod by gear type, and (5) differential prices for red king crab by area.

- * In setting standardized prices, some of the seasonal variations would be more accurately captured by using six month standards (as with the VIP program) instead of annual standards.
 - * Meal plant fish should be treated as non-retained catch and considered exempt from assessment at this time.
 - * The methodologies employed in making the fish price projections should be reviewed by the SSC.
7. The AP recommends that the industry members of the *Observer Oversight Committee* also be members of the *agency work group*.
 8. The AP recommends that industry members be part of the budget committee.
 9. The AP finally recommends that a technical committee be set up to address the issue of insurance for observers.

In addition, the AP requested that the Council send a letter to the Secretary of Commerce that directs the Secretary to consider Magnuson Reauthorization language that guarantees that the Research Plan fees are deducted up front from any future user fee assessments under section 305d(2) for observer coverage, industry capital buybacks, management fees, etc. considered during any reauthorization process.

Report of the Observer Oversight Committee

Briefly, the OOC noted the following points and concerns:

- The "rebate" system for first-year fee payments will impose a financial burden on fishermen and processors. The current proposal could also result in inequities because of the "standardized cost reimbursement per coverage day" concept.
- Projected fish prices are an integral part of the overall fee calculation and present some concerns. A more formal definition of ex-vessel prices needs to be formulated; differential prices by various sectors should be investigated; consider using six-month standards in setting standardized prices instead of annual standards; meal fish should be treated under the Plan as non-retained catch and considered exempt from assessment at this time; and the methodologies employed in making the fish price projections should be reviewed by the SSC.

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- Use of differential rates in determining direct observer costs should be investigated to take into consideration the varying costs of placing observers in the BSAI vs the GOA, differential costs of the groundfish vs the shellfish programs, and variable travel costs.
- The OOC would like more consideration by NMFS and ADF&G with respect to combining the groundfish and shellfish observer programs.

The OOC notes that even with the full 2% assessment that additional observer coverage in the future looks fairly unlikely. In looking at ways to get the most out of the 2% fee, the OOC discussed the fact that the fee cannot be assessed on landings from inside three miles (other than halibut). The OOC also pointed out that assessing the fee on discards is still an option for the future and would help build funding for the program. [For more specific comments, see the OOC Report, Appendix III to these minutes.]

COUNCIL DISCUSSION/ACTION

The Council discussed the method NMFS devised for collection of fees during the first year of the program which would require vessels currently paying for observers directly to continue to do so as well as paying the Research Plan fee, with a rebate of any amount paid in excess of the total Plan fee. NMFS came up with this method because they felt they could not bill on an ongoing basis. There was concern that processors and vessels will have to borrow money to pay the Plan fees "up front." The Council also discussed the Advisory Panel recommendation to delay implementation of the Plan until after Magnuson Act reauthorization because of the additional user fees being proposed. The Council did not want to delay the program but will comment to the Secretary on fees, both under the Research Plan and in connection with reauthorization of the Act. Regional Director Steve Pennoyer said the Secretary would take any Council comments and recommendations into serious consideration.

Al Millikan moved to request the Secretary remand final action on the Research Plan until after the Council's September meeting. In the interim, the Council requests NMFS to determine whether it is possible to collect enough fees without using the "rebate" program, and requests that NMFS or Council staff analyze the advantages and disadvantages of a single vs two observer programs and whether there would be cost savings with a single program operated by NMFS. The Council asks the Observer Oversight Committee to meet again to review the budget for costs savings, and, at the September meeting the Council would make a final recommendation to the Secretary. The motion was seconded by Bob Alverson.

Council members weren't inclined to request the plan be pulled back, but discussed asking the Secretary to extend the comment period. Steve Pennoyer said that the Council could send the fee percentage out for public review for final action in September. NMFS will try to work on an acceptable solution on the fee collection concerns. With regard to combining the observer programs, that is an ongoing subject and can be dealt with after the plan is implemented.

Linda Behnken moved a substitute motion:

That the Council recommend that the Secretary move ahead with the Research Plan, with a sunset clause which would take effect if amendments are made to the Magnuson Act which would duplicate fees being charged in the Research Plan. The motion was seconded by Robin Samuelson.

Steve Pennoyer moved an amendment: That the Secretary consider how best to structure the fee collection system considering the Council's desire that it not be a rebate program; NMFS should consider either a deduction system or a system where vessels that currently pay for observers are not charged, and that an annual independent audit be included in regulations, if necessary. The motion was seconded, but then was determined a friendly amendment by Ms. Behnken.

Wally Pereyra moved to amend to instruct NMFS to combine the observer and shellfish observer programs, as recommended by the Advisory Panel in point #3 of their recommendations. The motion was seconded and failed, 6 to 5, with Alverson, Mace, Millikan, Pereyra and Lauber voting in favor.

The substitute motion carried, 6 to 5, with Alverson, Mace, Millikan, Pereyra and Lauber voting against.

Regarding the AP recommendation that NMFS prepare a budget for a combined observer program and analyze the efficiencies such a program would provide, Steve Pennoyer agreed they would work with ADF&G to prepare something for review by the Observer Oversight Committee.

Regarding the AP's recommendation that representatives of the OOC should sit on the Research Plan technical committee, Council members felt that a closer coordination of the two groups would solve the concerns of the Advisory Panel and the memberships on the groups should remain as they are.

With regard to the AP's recommendation to investigate ways of reducing insurance costs, Steve Pennoyer moved that the Council Chairman appoint a technical committee to address this concern. The motion was seconded by Robin Samuelsen and carried without objection.

Linda Behnken moved to approve the AP's recommendation that staff investigate the use of differential prices by various sectors (see AP recommendation #6). The motion was seconded and carried without objection. An analysis or discussion paper will be prepared and sent out for public review before the Council considers final action in September.

Linda Behnken moved that the Council send a letter to the Secretary conveying the Council's intent that any fees collected under the Research Plan should be deducted from any future user fee assessments, i.e., no "double dipping." The motion was seconded and carried without objection. A copy of the letter is to be sent to the appropriate Congressional contacts in connection with the reauthorization of the Magnuson Act.

The Council also agreed to ask the Observer Oversight Committee to continue to discuss the feasibility of assessing fees on discards.

C-2 Sablefish and Halibut IFQ Program

The Council received a progress report from NMFS on implementation of the sablefish/halibut IFQ program and from Council staff regarding progress on recent Council actions to clarify or amend the plan. The Council received discussion papers prepared by NMFS on the following issues: (1) Owner-on-board restrictions in Southeast Alaska; (2) Use of catcher vessel IFQ on freezer vessels; (3) Hardship provisions for lost vessels during last half of 1987; (4) Vessel use limitations; (5) Early season allowance for the Aleutians sablefish fishery; (6) Hail weight accuracy and notification; and (7) Partnerships and eligibility for initial allocation of quota shares.

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The Council also received a report from the IFQ Implementation Team on issues referred to them by the Council at the April meeting.

The SSC did not address this agenda item.

Report of the Advisory Panel

The Advisory Panel recommended the Council approve the recommendations in the IFQ Implementation Team's report, with minor exceptions and additions: (1) the AP wishes to reserve comment on deletion of the longline PSC cap in the GOA until an analysis is available; (2) the AP wishes the Council to advise the Secretary of Commerce that the block proposal is unworkable and should not be implemented; (3) the AP recommends formation of a central title/lien registry for QS transactions; and (4) the AP recommends that a representative of the Western Alaska Fisheries Development Association be appointed to the IFQ Implementation Team.

Report of the IFQ Implementation Team

The Team discussed and made comments or recommendations on the following issues: Overage/underage program, hailing in and hailing out requirements, out-of-state vessel clearance, Canadian delivery ports, allowing fishing in only one regulatory area, fishing outside the EEZ, deletion of the longline PSC cap in the GOA, partnership/ownership issues, BSAI halibut ownership and vessel cap, season length and opening date for BSAI sablefish, freezer issues, CDQ issues, the block amendment, administrative issues, and hardship provisions. This extensive report is found in Appendix IV to these minutes.

COUNCIL DISCUSSION

Staff provided a memo to Council which briefly reviewed subjects for clarification, discussion, or as an update of previous action. The items were separated into three categories - (1) information on previous Council action taken; (2) items on which the Council had requested additional information or analysis, and (3) items referred to the IFQ Implementation Team for discussion and/or recommendations. These minutes will follow the format of the staff memo.

(1) Previous Council action taken:

1. **Business entities in Southeast.** In April the Council clarified that the entity which existed in 1991 will be used for purposes of determining the nature of the business entity receiving an allocation of QS in IPHC Area 2C (Southeast Alaska for sablefish). This was done to ensure that the owner on board provisions for these areas cannot be circumvented by incorporating now. Regulations to implement this intent have not been initiated.

Linda Behnken moved to reaffirm Council intent that for business entities (i.e. corporations) in Southeast Alaska Area 2C formed after 1991, QS must be harvested by the vessel owner or lessee who operated during the qualifying period. The motion was seconded and carried 10-1, with Pennoyer objecting.

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The Council wishes to ensure that the owner-on-board provisions specific to this area not be circumvented by incorporation after the provision was approved. Steve Pennoyer said he understands the Council's intent, however this may be difficult to put into regulation and enforce.

2. Sablefish CDO compensation. In April, the Council voted to use the average of the 1988-1994 TACs, as opposed to only 1994, for purposes of calculating the CDO compensation formula. This is a regulatory amendment which needs to be in place by October. Regulations are being drafted by NMFS. [Information only, no action taken at this meeting.]

3. Catcher-vessel IFQ use on freezer vessel. The Council clarified in April that the use of sablefish catcher vessel QS/IFQ on freezer vessels is allowed, so long as no processed IFQ product is on board during that trip (size categories still pertain). This will allow for freezing of rockfish and cod for example. However, the Council did not vote to extend this to halibut. Currently the regulations do allow for halibut QS/IFQ to be used on freezer vessels. A Plan Amendment is required to allow freezing of non-IFQ species, which will be undertaken after the June meeting. A regulatory amendment is needed to make the allowance to use catcher vessel IFQ on freezer vessels applicable only to sablefish and not halibut. **The Council reaffirmed this is consistent with their intent.**

4. Personal use fish. The Council clarified that personal use fish must be counted against IFQs. This was always the intent of the program and the regulations; however, to ensure that this is always done would require additional regulations for persons to weigh their entire load at first point of landing, or at a registered buyer in the case of persons selling directly off their vessel. A rule clarification, on the other hand, which would allow IPHC biologists to inspect IFQ landings, may accomplish the intent. At this time, it is the understanding of NMFS that the Council wishes to proceed with both. **The Council reaffirmed that is consistent with their intent.**

(2) Items on which the Council has requested additional information/analyses:

1. Hardship provisions. In April the Council requested examination of a 'hardship' amendment to the IFQ program which would allow for IFQ qualification to vessel owners who lost a vessel during the second half of 1987 and did not fish as a vessel owner during the original qualification period, but remained 'active' during this period. In their discussion paper on this subject, NMFS cautioned that careful consideration should be given to allowing special dispensation for hardship claims. The current proposal might not appear to open the IFQ program to many new claimants, however once the possibility is there, it may be difficult to "stem the tide" of hardship claims. The current proposal is very specific as to the type of hardship cases that would be allowed, but if challenged in court, it may be difficult to justify why one type of hardship deserves consideration while others do not.

The Council had considerable discussion on this subject. Although they wish to accommodate the specific situation presented to them in April, they were also aware of the various problems that could arise from such a provision.

Robin Samuelsen moved to provide hardship provisions for vessel sinkings only, consistent with the Council's action at the April 1994 meeting. The motion was seconded by Linda Behnken.

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Bob Alverson moved to amend to add: where a vessel owner that participated in the blackcod and halibut fishery beginning in 1984-85 through the 1987 season, but during the 1988 season had participated only in one fishery or the other because of a lost vessel, that owner would qualify for poundage in 1988 and back to when he began in 1984. The amendment was deemed a friendly one.

During Council discussion, Mr. Mace cautioned that the Council is in essence handling appeals before the program is implemented, and that there is an appeals procedure contained in the plan. Mr. Pennoyer felt this action could open the program to many appeals. The original intent of setting a 3-year participation window was to avoid dealing with hardship cases.

The motion carried, 6 to 5, with Alverson, Dyson, Mace, Millikan, and Pennoyer voting against.

It was clarified that this motion applies only to halibut.

The motion was subsequently brought up for reconsideration. The vote to reconsider carried, 9-2, with Alverson and Mace voting no.

Wally Pereyra moved that the previous motion be prepared as a regulatory amendment. The motion was seconded and carried, 6 to 5, with Alverson, Dyson, Mace, Millikan, and Pennoyer voting no.

Later in the meeting the motion was again brought up for reconsideration. The motion to reconsider carried, 6 to 5, with Alverson, Behnken, Pereyra, Samuelsen, and Lauber voting no.

Ron Hegge moved a substitute motion:

That the Council request an analysis from NMFS-RAM Division and/or NOAA General Counsel as to the adequacy to which the Council has addressed hardship and whether the Council has authority to limit hardships to specific circumstances. Also, for the analysis to include, to the extent possible, the number of cases of loss of vessel with inability to replace, and/or catastrophic illness. The motion was seconded and carried, 9 to 2, with Alverson and Mace voting no. It was clarified that the motion applies to both halibut and sablefish.

[After Mr. Hegge made the substitute motion, Mr. Pereyra withdrew his original motion, leaving Mr. Hegge's motion as the main motion on the floor.]

Mr. Pennoyer said the RAM Division will try to prepare a "scoping" paper for Council review. Mr. Hegge expressed the intent that the paper be available for Council review at the September meeting.

2. Ownership/use caps in BSAI The Council requested examination of a proposal to relax the ownership and vessel use caps in the BSAI. This amendment may no longer be necessary in the immediate future because vessel owners are grandfathered in the initial allocation.

Bob Alverson moved to initiate an amendment that would examine ownership caps, i.e., status quo as well as 1% and 2% caps (of Bering Sea quotas) for second generation ownership of IFQs in the BSAI. The motion was seconded and carried without objection. Mr. Alverson noted this is not a high priority at this time since it has no effect on implementation of the program.

3. Underage/overage. The Council, at the suggestion of the IPHC, requested that an underage provision be incorporated into the IFQ program, in addition to the overage provision already in place. This amendment will be initiated after the June meeting and would be in place by the end of 1995 when it will be necessary. The Council confirmed their intent to have underage as well as overage provisions in the plan.

4. Season opening in Aleutians. The Council requested an examination of possible changes in the season opening date for the Aleutian Island sablefish fishery (i.e., whether it could open earlier than the other IFQ fisheries). Longline fishing for sablefish in this area traditionally begins on January 1; the IFQ program is not scheduled to begin until about March 1995. The small number of participants in this fishery feel that delaying the opening until March will be detrimental to their fishery for several reasons. NMFS provided a discussion paper on the various aspects of this proposal and provided several options for Council consideration.

Bob Alverson moved to prepare a regulatory amendment which would allow IFQ sablefish fishing in the Aleutian Islands area for 1995 only to begin in January on 25% of the preliminary sablefish TAC to be specified in September. The motion was seconded by Linda Behnken and carried without objection.

5. PSC suspension. The Council requested an examination of the effects of suspending the fixed gear halibut PSC cap in the GOA for purposes of the IFQ program. This information will be brought to the Council in September as part of the annual specifications process. In the meantime, a simple regulatory amendment needs to be prepared to ensure the Council has the flexibility necessary to suspend the caps.

Linda Behnken moved to initiate a simple plan/regulatory amendment so the Council has the authority to suspend the halibut PSC cap if necessary. The motion was seconded and carried, 8 to 2, with Hegge and Krygier voting no and Pereyra abstaining.

6. Fish from outside EEZ. In April the Council requested a regulation which would prevent fishermen from fishing beyond the EEZ (seamounts) if they also intend to fish under the IFQ program. NMFS is dealing with this issue outside of the context of IFQs - it is a problem under current management regimes and, according to enforcement, will be further aggravated under IFQs. (See Agenda item D-2(i))

(3) Items Referred to Implementation Team for further development:

1. Hail weight accuracy. In April the Enforcement Committee suggested a requirement for hail weights to be within a certain percentage of actual weight for landings outside Alaska. NMFS provided a discussion paper at this meeting. It pointed out that setting a rigid standard in regulations would force NMFS Enforcement to investigate any violation, no matter how small the amount. Instead, NMFS Enforcement would prefer to exercise the "rule of reason" for investigating potential violations, expending resources on the most serious cases. NMFS recommended changing the requirement for "estimated weight" to one that would require fishers to "accurately report the weight of IFQ species."

Bob Alverson moved approval of the NMFS recommendation - to replace "estimated weight" with "accurately report the weight of IFQ species." The motion was seconded and carried without objection. The specific wording would be as follows:

"Under Section 676.17(A), Require an accurate report of the weight of IFQ species when obtaining clearance at a port in Washington or any other state other than Alaska."

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2. Hail weight notification. Require hail weight for all IFQ landings; the intent was not to necessarily be within any specified percentage, but rather to inform NMFS and IPHC for purposes of inspections. NMFS is not yet proceeding with any regulations to implement this proposal. On a related issue, the IPHC requested the Council to examine a hail out requirement which would require operators to notify NMFS when they are preparing to take an IFQ trip. This is consistent with the Council's original intent.

Linda Behnken moved to require NMFS be notified of an estimated hail weight when a vessel that has IFQ species onboard is making a landing of any species within Alaska. The motion was seconded and carried without objection.

3. Canadian ports for IFQ landings. The Implementation Team recommended the Council identify specific ports in Canada for landing of IFQ species. Without specific designation, IFQ species could be landed anywhere making enforcement and monitoring difficult, if not impossible.

Linda Behnken moved to designate Prince Rupert, Port Hardy, and Vancouver as legal Canadian ports for landing of IFQ species. The motion was seconded and carried without objection.

4. Comprehensive registry for liens, titles, and transfers. This was an issue of significant discussion in April. At this meeting, NOAA General Counsel Lisa Lindeman reaffirmed General Counsel's opinion that the Uniform Commercial Code is adequate to cover security interests in quota shares and said there is also some question as to the legality of NMFS to establish such a system in competition with the UCC. She told the Council that a written opinion on this subject has not been authorized. Steve Pennoyer said that establishing such a entity would be setting a national precedence, and costs of implementing such a program may be prohibitive. Also, this would be an administrative action and would not require a plan or regulatory amendment. Council members felt that it is important to send a message of the importance of having a central registry for titles and liens on QS in order for fishers to obtain loans with a minimum of time and expense.

Wally Pereyra moved to direct NMFS to establish a registry for titles and liens on sablefish/halibut IFQ/QS transactions. The motion was seconded and carried with Pennoyer abstaining.

A suggestion was made that if a IFQ "royalty" is established under the MFCMA, that proceeds from it could be used for funding a central registry.

5. Block Amendment. The Council in April requested the Implementation Team to provide any comments it may have on the Block amendment. However, the comment period for the proposed rulemaking will not be open at the time of this meeting, as originally expected. The Council received a progress report but took no further action at this meeting.

6. Limiting areas per trip. IPHC has requested the Council limit IFQ fishing to only one area per trip. No further action has been taken on this proposal.

7. Partnership issues. The definitions of partnerships has been at the center of Council discussions on the allocation and use of QS/IFQs. NMFS consulted with NOAA-GC on several issues and provided a discussion paper outlining current NMFS guidelines adopted by the Region to aid the RAM Division's interpretation of the partnership issues.

Linda Behnken clarified Council intent that the history for QS would accrue to the owner of the vessel, except when a bonafide lease existed, be it an individual, partnership, or corporation, at the time of landing during the qualifying period. The motion was seconded and carried without objection.

Other Implementation Team Recommendations

One-time transfers between the BSAI and GOA Regulatory Areas.

The Implementation Team received a request from the Central Bering Sea Fishermen's Association requesting consideration of a one-time trade (or paired transfer) of QS between the CDQ areas and non-CDQ areas for those vessel owners or lease-holders who receive compensation. The rationale was that fishers residing in the Bering Sea communities (generally smaller vessels) would like to consolidate their QS/IFQ holdings by transferring or trading their CDQ compensation shares with fishers residing in GOA communities whose QS will be in larger vessel classes, and Gulf residents would like to consolidate by transferring their regular Bering Sea QS to Bering Sea communities. This will allow fishers to consolidate their holdings closer to home. The Team recommended the Council consider the request.

Bob Alverson moved adoption of the Team recommendation. For those vessel owners or lease holders who receive CDQ compensation, a one time trade (or paired transfer) of QS between the CDQ areas and non-CDQ areas will be allowed. Vessel category restrictions would not apply for transactions under this provision, which will sunset after a one-year period following its effective date. QS transfers under this provision will be exempt from the block restrictions that might otherwise apply. The motion was seconded by Earl Krygier and carried without objection.

CDQ-IFQ Discussion Paper.

The Implementation Team requested the Council initiate a discussion paper which would explore the necessity for changes in the sablefish/halibut CDQ program recognizing the differences between the current pollock CDQ fisheries and sablefish and halibut fisheries.

Robin Samuelsen moved to initiate a discussion paper to explore the fact that the pollock fishery and sablefish/halibut fisheries are very different and that it may not be absolutely necessary that the two programs be identical. The motion was seconded by Linda Behnken and carried without objection. Earl Krygier said the State of Alaska would be able to prepare the paper for Council review.

Request to extend CDQs to the Gulf of Alaska.

The Implementation Team noted that communities in the Gulf of Alaska, and in particular in Southeast Alaska, have more economic opportunities and are in a fundamentally different situation than Western Alaska communities where opportunities are limited. The Team felt there was no compelling reason to extend CDQs to the Gulf of Alaska at this time. The Council agreed with this assessment and approved a motion not to consider extending CDQs to the Gulf of Alaska. The motion carried with Robin Samuelsen objecting.

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C-3 Comprehensive Rationalization Planning

The Council received a status report on current CRP alternatives and analytical workplans. They were also scheduled to comment on the Moratorium Proposed Rule, and to begin development of inshore/offshore/CDQ alternatives.

Report of the Scientific and Statistical Committee

The SSC reviewed several documents, received staff reports, and had extensive comments (see SSC Minutes, Appendix II). The SSC pointed out that many of the alternatives in the License Limitation analysis are redundant and should be eliminated. Even if the redundancies are eliminated, the number of elements and options would be excessive. They recommended that the Council specify three or four alternatives for detailed analysis in the EA/RIR.

Report of the Advisory Panel

The AP recommended staff continue with the current analysis.

COUNCIL DISCUSSION AND ACTION

License Limitation Elements and Options

During the staff review of current options and elements of the license limitation program Council members confirmed that staff interpretations as outlined in the "License System for Groundfish/Crab - June 1994" were correct. This agenda item was taken up late in the meeting and there was a minimum of discussion of the CRP item.

Moratorium Proposed Rule

Industry members brought to the attention of the Council possible inconsistencies in the Proposed Rule with regard to the definition of length. It is possible that a strict interpretation would eliminate eligibility for many who followed the Council's original intent with regard to the definition of length. Mr. Pennoyer said he has been made aware of the situation and that industry will also be sending comments to the Secretary during the comment period.

Bob Alverson moved that the Council reaffirm for the moratorium that the qualifying length will equal length overall (LOA) as of June 24, 1992. The motion was seconded and carried without objection.

During another presentation by members of industry, recommendations were made to further tighten the qualifications under the moratorium to freeze the size of the groundfish and crab fleets at levels that existed on the control date of June 24, 1992, while the Council further analyzes and IFQ program.

Inshore/Offshore and CDQ Analyses

Oscar Dyson moved that the Council direct staff to continue with the analysis for the inshore/offshore program and the license limitation system. The motion was seconded.

Wally Pereyra moved to amend that the Council send to the Secretary the two industry recommendations for changes in the moratorium that would constrain the qualifying criteria for vessels and crossovers between fisheries. The motion was seconded.

Linda Behnken said that this would be a major change in the program and the Council has not had the opportunity to fully consider the effects of the proposal, nor has industry had the opportunity to comment.

The amendment failed, 7 to 4, with Alverson, Millikan, Pennoyer and Pereyra voting in favor.

The main motion carried, 7 to 4, with Alverson, Millikan, Pennoyer and Pereyra voting no.

D. FISHERY MANAGEMENT PLANS

D-1 Salmon Management

In April the Council gave the Regional Director authority to review the State of Alaska's 1994 management plans for salmon to determine whether provisions of the Salmon FMP and the Endangered Species Act have been satisfied. There was no further information at this meeting and because of time constraints, the Council did not address the issue.

D-2 Groundfish Management Issues

(a) Directed Fishing Standards

A revised EA/RIR was released for public review on April 4, 1994, with final Council action scheduled for this meeting. The alternatives were as follows:

Alternative 1: Status quo.

Alternative 2: Provide for minor adjustments based on specific bycatch determinations.

- (A)** In the BSAI trawl fishery the bycatch standard for Greenland turbot would be increased from 10 to 35% relative to sablefish and rockfish. For the hook-and-line fishery the DFS for Greenland turbot would be increased from 20 to 35% of sablefish and rockfish. The existing DFS of 1% for Greenland turbot against other species would remain the same.
- (B)** The DFS for arrowtooth flounder (in both the BSAI and GOA) would be changed to 35% against each species for which directed fishing is open.
- (C)** The DFS based on aggregate groupings of target species would be eliminated and DFS would be established that are specific to each target species. NMFS would provide a matrix of DFS that plots each target species against each other target species. The revised regulations would define directed fishing as being greater than the indicated percent.
- (D)** The DFS for vessels using pelagic trawl gear would be eliminated.

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- Option 1: Revise regulations so that when a fishery category reaches its specified prohibited species bycatch allowance the applicable DFS for the groundfish fishery would not be based on an aggregate grouping but would be consistent with the species-specific DFS proposed.

Alternative 3: Provide for one DFS for each species regardless of gear type and management area.

- (A) The DFS for sablefish would be set at 10% relative to other deepwater species and at 1% relative to all other fish species. This would be consistent with the current DFS for the BSAI but would differ from the current GOA trawl DFS (15% against the aggregate amount of deepwater flatfish, rex sole, flathead sole, and rockfish of the genera Sebastes and Sebastolobus and 5% of the total amount of all other species) and the current GOA hook-and-line DFS (4% of the total amount of all other species).
- (B) The DFS for Greenland turbot would be set at 35% against rockfish and sablefish and at 1% against all other species. This would be a more accurate reflection of the observed bycatch rates.
- (C) The DFS for DSR in the GOA would be set at 1% against deepwater flatfish, rex sole, flathead sole, sablefish and other rockfish of the genera Sebastes and Sebastolobus plus 10% of the amount of each other fish species.
- (D) The DFS for rockfish would be 15% against deepwater species (deepwater flatfish, rex sole, flathead sole, sablefish and rockfish) plus 5% against all other species.
- (E) The DFS for all other fish species would be set at 20%.

Parts C, D and Option 1 under Alternative 2 could also be considered under Alternative 3.

Alternative 4: Provide for five DFSs: 1, 5, 10, 15, and 20%. One of these standards would be specified for each target fishery in each statistical area of both the GOA and BSAI management areas.

The Council's Enforcement Committee reviewed the DFS analysis at the April meeting and provided the following comments.

"If the Council deviates from the status quo on this issue, the Committee recommends adoption of either Alternative 2 or 3, noting that Alternative 3 could encourage further "topping off". Either alternative must be tied back to PRRs. Secondly, the Committee notes that DFSs will be enforced based upon the retained catch of the vessel. This should eliminate concerns that a plant's utilization patterns could alter the DFS attributed to the delivery vessel, as long as it is fully recorded on the fish ticket. The Committee strongly notes that the DFSs do not work unless discards are reported on the fish tickets."

Report of the Scientific and Statistical Committee

The SSC believes that the revisions contained in Alternative 2 reduce complexity and inconsistency in the regulations defining directed fishing and establishing DFS. These modifications coupled with changes in several of the standards should be beneficial in understanding DFS and reducing discards in some fisheries.

Report of the Advisory Panel

The AP recommended the Council adopt Alternative 3 with the following provisions:

1. Include Part C of Alternative 2, with the exception of rockfish, which would remain in the aggregate.
2. Include Part D of Alternative 2.
3. Include Option 1 of Alternative 2, with the exception of rockfish, which would remain in the aggregate.
4. Alternative 3, Part A - change the DFS for sablefish to 15%.
5. Alternative 3, Part B - include deepwater flatfish, flathead sole and rex sole and change the DFS for Greenland turbot to 20%.
6. Alternative 3, Part D - include turbot.

In addition, the AP recommended the Council request the Plan Team to consider breaking flathead sole out from the "Other Flatfish" category in the BSAI and assigning it a separate TAC.

COUNCIL DISCUSSION AND ACTION

Steve Pennoyer moved to adopt the AP recommendation. The motion was seconded by **Carl Rosier**.

Bob Alverson moved to amend point #5, to set the DFS for Greenland turbot at 35%. The motion was seconded by **Robin Samuelsen** and carried without objection.

The amended motion carried without objection. (Behnken was not present for the vote.)

Bob Mace moved that the Council adopt the AP's recommendation to request the Plan Team to consider breaking flathead sole out from the "Other Flatfish" category and assigning it a separate TAC. The motion was seconded by **Oscar Dyson** and carried without objection.

(b) Pollock A Season Starting Date

At the April meeting the Council initiated analysis of alternative start dates for the Bering Sea pollock 'A' season. A previous analysis of a regulatory amendment to change the dates was revised and sent out for public review prior to this meeting. The following alternatives were examined:

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Alternative 1: Status quo.

Alternative 2: Framework separate opening dates for the inshore and offshore components. The opening dates would be determined annually at the December Council meeting using a non-discretionary procedure based on the annual Bering Sea pollock TAC, the seasonal apportionment of the TAC to the 'A' season, and fishing effort during the most recent 'A' season.

Alternative 3: Change the start date for both the inshore and offshore components from January 20 to February 1.

Alternative 4: Change the start date for the offshore component only from January 20 to February 1.

Option under Alternatives 2-4:

Prohibit any vessel participating in any open access trawl fishery in the BSAI or GOA prior to the Bering Sea pollock 'A' season from participating in the 'A' season for that year. Vessels participating in the CDQ fisheries prior to the 'A' season would not be subject to this prohibition.

Report of the Scientific and Statistical Committee

The SSC reported that regulatory action to delay the offshore 'A' season may have countervailing effects. The value of pollock CDQs depends on access to fish during the peak roe production period. This access could be reduced with a delayed start date. Also, a shift of the opening date for the offshore fleet may be detrimental to the onshore segment of the fishery because the marketing system for pollock roe involves competition between various suppliers. The SSC was unable to conclude with certainty that a delay in the season for only the offshore roe fishery will entail an overall economic improvement and said that there is a need for better information on temporal and spatial distribution of pollock maturation and economic impacts.

Report of the Advisory Panel

The AP recommended the Council change the start date for the offshore pollock 'A' season to January 26 and include a 10-day waiting period for vessels fishing in BSAI or GOA trawl fisheries or in BSAI crab fisheries prior to January 26 so that any such vessels could not enter the 'A' season offshore pollock fishery until after February 5. CDQ vessels fishing before the start of the new 'A' season date would not be subject to the 10-day regulations.

COUNCIL DISCUSSION/ACTION

Wally Pereyra moved adoption of the Advisory Panel recommendations. The motion was seconded by **Bob Mace** and carried, 6 to 4, with **Hegge**, **Rosier**, **Samuelsen**, and **Lauber** voting no. (**Behnken** was not present for the vote.)

(c) Total Weight Measurement

A draft analysis for a proposed regulatory amendment to improve total catch weight estimates in the groundfish fisheries was distributed to the Council on April 15, 1994. Three alternatives were analyzed:

Alternative 1: Status quo.

Alternative 2: All processors with 100% observer coverage would be required to weigh groundfish catch before any discard or processing.

Alternative 3: All processors with at least 30% observer coverage would be required to weigh groundfish catch before any discard or processing.

Option: The option of requiring catcher vessels with 100% observer coverage to weigh groundfish discards is also considered under Alternatives 2 and 3.

Time limitations prompted the Council to postpone discussion and review of this analysis until the June meeting.

The Council's Enforcement Committee reviewed the total weight measurement analysis at the April meeting and provided the following comments.

"The discussion regarding the Total Weight Measurement proposal centered on the issue of necessary levels of observer coverage to ensure compliance (whether scales are on board, whether they are being used, and whether they are properly calibrated). No specific recommendations were made by the Committee; rather, there was a general discussion of issues surrounding this proposal, including the observation that, unless applied fairly and equitably, the program could experience compliance problems."

Report of the Scientific and Statistical Committee

As there was no new information on this issue, the SSC reiterated their recommendations from the April meeting. The following summary is taken from the Council's April 1994 meeting minutes. (For full text of SSC recommendations, see SSC Minutes, Appendix II to these minutes.)

The SSC continues to support investigation of techniques which will lead to more accurate methods for estimating total removals from the ocean ecosystem. Management at the vessel level, such as under individual vessel quotas, will require greatly improved accuracy and precision. The SSC recommended additional alternatives to be considered for analysis:

- I. Status quo.
- II. All catch must be weighted on a scale:
 - a. If weighed at sea, all catch must be taken with an observer on board the vessel,
 - b. otherwise, all vessels must retain all catch, including usual discards except for prohibited species, for subsequent weighing at an observed processor.
- III. Same as Alternative II, but weight may be determined within a specified range of accuracy by any approved procedure, e.g., using volumetric methods.

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Report of the Advisory Panel

The AP recommended the analysis be sent out for public review after inclusion of recommendation III from the SSC Report.

COUNCIL DISCUSSION/ACTION

Bob Mace moved to approve the recommendation of the Advisory Panel. The motion was seconded and carried without objection.

Staff was asked if inclusion of the SSC recommendation would delay sending the document out for public review. Sally Bibb, author of the analysis, said that including other procedures to test scales could be done, but not in a quantitative manner. The recommendation regarding volumetric measures may be more difficult to address thoroughly.

(d) Salmon Bycatch

The Council was scheduled to receive a status report on the emergency rule for a bycatch cap of 42,000 other salmon in the CVOA and associated closures, review alternatives for salmon retention and delivery to food banks, and receive a progress report on the Salmon Foundation.

NMFS staff reported that they have expanded the Council's action on the emergency rule to require two observers on motherships. In order to obtain the information necessary to close the areas in a timely manner, full time observer coverage is necessary. This cannot be accomplished with one observer aboard.

Report of the Salmon Foundation. Joe Sullivan reported on current activities of the Salmon Foundation. A condition of the Council's approval of the salmon bycatch initiate was that it be supported by a "critical mass" of the Bering Sea pollock and cod fleet, i.e., by vessels representing approximately 70% of the fleet's harvesting capacity. At this time the number of vessels making payments is less than 70% of the fleet, but industry representatives believe they do represent a "critical mass" of the pollock and cod fleet's harvesting capacity. As a result of lower than expected participation, the amount of assessment payments received by the Foundation is much lower than projected based on the NMFS 1993 chinook bycatch estimates. The written report included several hypotheses why this has happened. The Foundation is proceeding with development of a "B" season bycatch avoidance program that addresses problems identified during the "A" season. The efforts will be based on improving the quality and timeliness of bycatch "hot spot" information; distributing that information to the fleet in formats that are accessible to the varying needs of the vessels, and assisting the fleet in applying peer pressure to encourage vessel operators to use all available techniques to reduce salmon bycatch.

Report of the Scientific and Statistical Committee

The SSC notes that information on the origin of chum salmon in trawl bycatches is lacking and recommends that research be conducted to determine the origin of chum salmon bycatches. With regard to the salmon retention issue, the SSC noted that this is a policy issue and therefore had no additional comments on the document.

Report of the Advisory Panel

The AP recommended the Council send the EA/RIR out for public review.

COUNCIL DISCUSSION/ACTION

Bob Mace moved to send the analysis for retention of salmon out for public review. The motion was seconded by Bob Alverson and carried without objection.

(e) IPHC Report on Sorting/Survival Experiment

Steve Hughes reviewed the written report on the recent experiment involving sorting and discarding halibut from groundfish catches more rapidly than is currently done, and estimating the savings in halibut discard mortality rates. As a result of the experiment, IPHC has submitted a formal request for a regulatory amendment to require that all groundfish trawl catch that would otherwise be dumped directly below decks be sorted through a sorting grid over the hold, and halibut, and other prohibited species as appropriate, be discarded directly over the side. The proposal contends that this will increase the survival rates for bycaught halibut.

Report of the Scientific and Statistical Committee

The SSC recommends that an amendment package be developed in response to the request by the IPHC.

Report of the Advisory Panel

The AP recommends that the Council proceed with an analysis of the IPHC proposal.

COUNCIL DISCUSSION/ACTION

Bob Mace moved to initiate analysis of a regulatory amendment for the proposal submitted by the IPHC. The motion was seconded by Wally Pereyra.

Bob Alverson moved to amend to initiate a plan amendment simultaneously that would address the issue of sharing the savings of halibut mortality from the sorting program. The motion was seconded and failed on a 5-5 tie (Alverson, Hegge, Pereyra, Samuelsen, Lauber voted yes; Dyson, Mace, Millikan, Berg (for Pennoyer), and Rosier voted no; Behnken was not present for the vote.)

The main motion carried without objection.

Ron Berg was concerned about when the amendment could be completed and in place. IPHC recommended for the 1996 season, which is doable. However Clarence Pautzke suggested that staff may try to have something for preliminary review this fall, with approval in January, so the fleet will have time to gear up for the change.

Later in the meeting, Bob Alverson offered another motion:

To initiate a plan amendment to examine various options to lower the halibut cap based on potential lowering of halibut mortality from grid sorting or quick release options which may be adopted in the future, not limited to IPHC's 50/50 sharing proposal, but

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to span a broader spectrum and would not specify at this time where the fish would be used in the trawl fleet. The motion was seconded by Ron Hegge and carried unanimously (Krygier voting for Rosier, Behnken not present).

(f) Opilio Bycatch

The Council received written reports on opilio bycatch in January and April but did not have time to discuss the issue. At this meeting NMFS provided updated information for the Council.

Report of the Scientific and Statistical Committee

The SSC did not take up this issue at this meeting, but their January minutes indicated that the information received to date on opilio bycatch in the crab and groundfish fisheries is not directly comparable because the groundfish fisheries mostly likely take smaller, younger bairdi and opilio crab.

Report of the Advisory Panel

The AP recommended the Council seek further analysis of the issue, including information on: (1) historical bycatch by fishery, (2) breeding habitat, (3) bycatch mortality, (4) percentage of total biomass, (5) percentage of TAC, (6) information on age composition and adult equivalents - distribution by age, (7) bycatch avoidance potential, e.g. the Sea State Program, and (8) observer methodology and identification.

COUNCIL DISCUSSION/ACTION

Linda Behnken moved to approve the recommendations of the AP. The motion was seconded by Robin Samuelsen and carried without objection.

(g) Electronic Reporting & Recordkeeping

NMFS is proposing to implement electronic reporting and recordkeeping requirements. A discussion paper was prepared by NMFS staff for Council review. Because of a lack of time, the Council did not discuss this issue.

The SSC did not have a report on this issue.

Report of the Advisory Panel

The AP recommended the Council refer this subject to a committee to develop additional alternatives before proceeding further.

(h) Trawl Mesh Restrictions

The Council has received several request for analysis of an amendment for mesh restrictions, particularly in the BSAI directed pollock fishery, and more recently in the BSAI trawl cod fishery. The Council expressed a desire last year to await results of a mesh selectivity study being conducted by the Alaska Fisheries Development Foundation, however completion of that study has been delayed.

Report of the Scientific and Statistical Committee

The SSC reiterated their recommendation from the April meeting:

The SSC reviewed preliminary information from AFDF and suggested that if the Council wishes to pursue consideration of mesh sizes, additional research will be required.

Additionally, the SSC noted that there is interest in investigating a 8" mesh for the Pacific cod trawl fishery and pointed out that NMFS data sets do not address performance of this mesh size.

Report of the Advisory Panel

The AP recommended that the Council initiate a regulatory amendment to establish:

1. A single layer, single mesh, 6" minimum mesh size on the top quarter panel of codends used in the BSAI rocksole fishery.
2. A single layer, single mesh, 4" (or comparable) minimum mesh size on the top quarter panel of codends used in the BSAI & GOA pollock fisheries.
3. A single layer, single mesh, 8" minimum mesh size on the top quarter panel of codends used in the BSAI cod fisheries.
4. A single layer, single mesh, 6" minimum mesh size on the top quarter panel of codends used in the GOA cod fisheries.

The AP appointed a subcommittee of AP and industry members and recommended that they meet as soon as possible to review VIP rates and that the amendment package move forward at this meeting.

The AP strongly urged the Regional Director initiate a regulatory amendment to separate rocksole from the Other Flatfish category in order to provide greater flexibility during the semi-annual setting of guidelines under the VIP program.

COUNCIL DISCUSSION/ACTION

Bob Mace moved to adopt recommendations 1-4 of the Advisory Panel, adding the industry compromise of an 8" mesh size for the analysis. The motion was seconded by Carl Rosier and carried without objection.

Stephen Meyer, NMFS-Enforcement pointed out that Enforcement uses a gauge that fits between the knots and any analysis and/or regulations should take that into consideration.

It was pointed out that it will be important to have information to industry as soon as possible so they can begin to change gear. Staff hopes to have a draft for Council review in September.

Bob Mace moved to recommend that NMFS prepare a regulatory amendment to separate rocksole from the "Other Flatfish" category for the Vessel Incentive Program. The motion was seconded by Oscar Dyson and carried without objection.

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(i) Seamount Fisheries

NMFS has identified an enforcement problem that arises when groundfish allegedly taken in international waters are actually illegally taken in the EEZ. NMFS provided a discussion paper of possible regulatory actions to address the problem.

The SSC did not address this agenda item.

Report of the Advisory Panel

The AP recommended that the Council task a workgroup to develop regulations as quickly as possible to regulate U.S. vessels fishing in international waters, using such means as observers, permits, or transponders. They also recommended that NMFS address management issues surrounding the development of fisheries in international waters. This issue needs to be addressed before implementation of the Sablefish/Halibut IFQ program because of the implications on management of those species.

COUNCIL DISCUSSION/ACTION

Steve Pennoyer moved that the Council direct NMFS to prepare a regulatory amendment for Council review in September. The motion was seconded by Linda Behnken and carried without objection.

Other Groundfish Issues

The Council has received several requests recently to consider the exemption of the jig fishery in the Bering Sea from halibut PSC caps. There is concern that the jig fishery will be closed down because of high halibut bycatch in the other longline fisheries.

Robin Samuelsen moved to direct the Regional Director to do everything possible to allow the jig fishery to continue when the new PSC caps become available. The motion was seconded by Carl Rosier.

Ron Hegge moved a substitute motion that for the remainder of 1994 the jig fishery be exempted, by emergency action, from the halibut PSC cap. The motion was seconded by Oscar Dyson.

Bob Alverson moved to amend to add: Of the remaining PSC available for the directed Pacific cod longline operation for 1994, 50 mt be reallocated, by emergency action, to the blackcod hook and line fishery in the Aleutians District. The motion was seconded and carried, 5 to 4, with Dyson, Mace, Pereyra and Samuelsen voting no, and Hegge and Millikan abstaining.

The substitute main motion, as amended, carried, 7 to 4, with Dyson, Hegge, Mace, and Millikan voting no.

E. FINANCIAL REPORT

There was no financial report at this meeting.

F. PUBLIC COMMENTS

There were no further public comments.

G. CHAIRMAN'S REMARKS/ADJOURNMENT

The meeting was adjourned at approximately 4:05 p.m. on Saturday, June 11, 1994.