

North Pacific Fishery Management Council

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Certified Richard B. Lauber
Richard B. Lauber, Chairman *hea*

Date March 4, 1996

MINUTES

**119th Plenary Session
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
September 27-October 2, 1995
Radisson Hotel
Seattle, Washington**

The North Pacific Fishery Management Council met September 27-October 2, 1995 at the Radisson Hotel in Seattle, Washington. The Advisory Panel met September 25-28, and the Scientific and Statistical Committee met September 25-27 at the adjacent Quality Inn. The following members of the Council, staff, SSC and AP attended the meetings.

Council

Richard Lauber, Chairman
Morris Barker for Robt. Turner
CAPT Bill Anderson for RADM Riutta
Linda Behnken
Wm. Dilday
David Fluharty
Dave Hanson

Walter Pereyra, Vice Chair
Bob Mace for R. Rosen
Kevin O'Leary
Steve Pennoyer
Dave Benton/Earl Krygier for Frank Rue
Robin Samuelsen
Clem Tillion

NPFMC Staff

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

Chris Oliver, Deputy Director
Helen Allen
Gail Bendixen
Linda Roberts

Support Staff

Lisa Lindeman, NOAA-GCAK
Ron Berg, NMFS-AKR
Earl Krygier, ADFG
Steve Meyer, NMFS Enforcement
Seth Macinko, ADFG
Sue Salveson, NMFS-AKR
Ken Griffin, ADFG
Loh-lee Low, NMFS-AFSC
Sandra Lowe, NMFS-AFSC

Kim Rivera, NMFS-AKR
John Lepore, NMFS-AKR
Bill Karp, NMFS-AFSC
Joe Terry, NMFS-AFSC
Kaja Brix, NMFS-AKR
Dave Ackley, ADFG
Jay Ginter, NMFS-AKR
Galen Tromble, NMFS-AKR

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Scientific and Statistical Committee

Terry Quinn, Chair
Bill Aron
Doug Eggers
Sue Hills
Doug Larson
Rich Marasco

Keith Criddle, Co-Chair
Marc Miller
Phil Rigby
Jack Tagart
Al Tyler
Hal Weeks

Advisory Panel

John Bruce, Chair
Ragnar Alstrom
Dave Benson
Al Burch
Bruce Cotton
Dan Falvey
Dave Fraser

Arne Fuglvog
Spike Jones
Stephanie Madsen
Pete Maloney
Hazel Nelson
Dean Paddock
Joh Roos

Beth Stewart, Vice Chair
John Sevier
Mick Stevens
Gary Westman
Robert Wurm
Lyle Yeck

Other Attendees

The following people signed the attendance register:

Vince Addington
Vince O'Shea
Kent Lind
Norman Cohen
Erin Lillie
Linda Kozak
Jack Hill
Don Lane
Joe Kyle
Arni Thomson
Phillip Lestenkof
Melanie Gundersen
Alvin Osterback
Thorn Smith
Ed Glotfelty
Jacob Stepetin
Karl Hellberg
Ron Phipps
Doug Dixon
Dennis Montgomery
Jo Seel
Fred Phillip
Steve Hughes
Kelly Kunta
Mark Lundsten
Denby Lloyd

Eugene Asicksik
Scott Matulich
Jack Foster, Jr.
Matt Doherty
George Capacci
Thomas Parks
Tom Hanlon
Paul Roduk
John Svensson
Tim McEnosy
Ruel Holmberg, Sr.
Craig Cross
Hwee Jangt
Lon Fleming
Rich Wilson
Mary McBurney
David Wilson
Fred Holmberg
Paul Holmberg
John Iani
Chris Blackburn
Phyllis Carnilla
Mike Atterberry
Kris Norosz
Bob Mikol
Mark Dierking

Steve Fish
Steve Galovin
Mark Chandler
Corey Wilson
Robert Harrington
Carl Merculief
Terry Leitzell
Alvin Pedersen
Meg Mulvihill
Teresa Laxfess
Eric Cox
Art Goddard
Daniel Cunningham
Bill Jacobson
Fred Munson
Jeff Thomas
Robert Czeisler
Roman M. Idaras
Pete Knutsen
Steve Toomey
Thor Olsen
Tracey Mayhew
Jerry Nelson
Steve Finley
Michael Lake
Joe Plesha

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Dick Tremaine
Ken Kadlee
Greg Baker
Paul Niemeier
Dan Waldeck
Mark Kandianis
Robert Walker
Thomas Tilon
Christina Mormorunni
Kristin Stahl-Johnson
David Harville
Stuart Ferris
Shari Gross
Amanda Merklein
Gary Haugen

Ann Touza
John Henderschedt
Bill Hayes
Rob Gudmundson
Dave Olney
Dave Batker
Amy Foster
Tom Suryan
Jeff Stephan
David Allison
Don Braun
Alvin Pedersen
James Ruhle
Vince Curry
Denise Fredette

Harold Jones
Brian Bigler
Matt Shadle
Jennifer Bucher
Alvin Pedersen
Gordon Blue
Chuck Meecham
Paul MacGregor
Teresa Turk
Stephen Copps
Debby Ross
S.L. Coleman
Cheri Hanneman
Dayna Hakies
Alvin Pedersen
John Cleveland
Erin Lillie

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

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

The meeting was called to order at approximately 8:10 a.m. on Wednesday, September 27, 1995, by Chairman Lauber. NMFS Regional Director Steve Pennoyer administered the Oath of Office to newly-appointed Council member Kevin O'Leary and to Linda Behnken, who was reappointed to a second term.

Agenda. The agenda was approved as drafted.

Election of Officers. Rick Lauber and Wally Pereyra were unanimously re-elected as Chair and Vice Chair, respectively, for another one-year term.

Minutes. The Council did not consider approval of minutes from previous meetings.

B. REPORTS

B-1 Executive Director's Report

The Council was brought up to date on the Council Chairmen's meeting held in July. Bill Dilday, State Department representative for the Council, provided a review of the recent session of the U.N. Conference on Straddling Fish Stocks and Highly Migratory Fish Stocks.

A video presentation on ocean circulation in the Gulf of Alaska and possible impacts on pollock stocks was provided to Council members by Dr. Jim Ingraham of NMFS-AFSC.

Meeting Locations. Council members discussed possible meeting locations in light of the difficulty in finding meeting space in downtown Seattle. They agreed to the possibility of meeting in Bellevue, Washington, if suitable space can be found. Council members also agreed to change the date of the June 1996 meeting in Portland, Oregon, to the week of June 10 because of meeting space difficulties.

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SSC Reports. Council members agreed to try to provide the SSC Chair more flexibility to fulfill professional commitments by receiving the balance of the SSC report on agenda items not yet taken up when the SSC Chair finds it necessary to leave before the end of the Council meeting.

Committee Memberships. Council members were asked to review the membership on various Council committees and workgroups and provide input to the Executive Director.

Plan Team Personnel. ADF&G Commissioner Frank Rue recommended the Council appoint Tory O'Connell to the Gulf of Alaska groundfish plan team to replace Barry Bracken who recently retired. Mr. Rue also recommended the addition of Bill Bechtol to the GOA plan team and Ivan Vining to the Bering Sea/Aleutian Islands groundfish plan team. The Council approved these recommendations.

The Council also received a recommendation from the Alaska Marine Conservation Council that a seabird biologist be added to the groundfish teams. The plan teams and the Council agreed to this request and a qualified candidate will be sought in time for the 1996 summer team meetings on the preliminary SAFE documents.

Advisory Committee Nominations. The Executive Director told Council members that nominations for the AP, SSC and PNCIAC will be called for in the next Council newsletter. New appointments will be made in December.

B-2 Domestic Fisheries Report by ADF&G

Bering Sea/Aleutian Islands King and Tanner Crab Fisheries. The 1994/95 Adak brown king crab fishery closed on August 15, with a preliminary harvest of over 6 million pounds; thirty vessels participated in the fishery. The 1995/96 season for Adak red and brown king crab will open November 1. All vessels participating in these fisheries are required to have 100% observer coverage. The Dutch Harbor brown king crab fishery opened September 1. The catch as of September 27, 1995, was 452,000; average catch for the fishery for the past five years is 1.4 million pounds. Vessels participating in this fishery also must have 100% observer coverage. The 1995/96 season for Bristol Bay red king crab will not open for lack of adequate mature female numbers to meet the 8.4 million crab threshold established by ADF&G. This closure will also require closure of the area east of 163°W longitude to the taking of *C. bairdi*.

Salmon Troll Fishery. On September 7, a Western Washington U.S. District Court judge issued an injunction prohibiting the further retention of chinook salmon in the Southeast Alaska troll salmon fishery through September 30, 1995. Approximately 175,000 fish were caught from the 250,000 fish quota. The State plans to open the winter troll fishery on October 11, 1995.

Southeast Alaska Demersal Shelf Rockfish Fishery. DSR remains closed until November due to the IFQ fishery for halibut. The Chatham Strait blackcod fishery opened on September 13 with a guideline harvest level (GHL) of 3 million pounds, dressed weight. There are 122 permit holders who have one month to harvest the quota; each is eligible to harvest 24,500 pounds dressed weight.

B-3 NMFS Management Report

Ron Berg reported on groundfish fisheries and bycatch to date for the Gulf of Alaska and Bering Sea/Aleutian Islands groundfish fisheries and the current status of amendments and regulations in progress.

Council members remain concerned about discards of turbot and rockfish in the sablefish IFQ fishery. Ron Berg

advised that NMFS will be reviewing the data and by the December Council meeting may have recommendations for management of these species in 1996.

B-4 Enforcement Reports

U.S. Coast Guard Enforcement

International. In expectation of increased foreign trawl activity close to the U.S. EEZ during the mid-summer and late fall months, the Coast Guard increased patrol efforts along the Convention Line. By early September approximately 15 Russian trawlers had been identified in the area as well as a few former U.S. pot boats now reflagged as Russian. In response to U.S. industry reports in mid-September the Coast Guard increased its frequency of flights and rescheduled a cutter to the Convention Line.

The Coast Guard continues to monitor the Donut Hole with occasional patrols with no activity observed, and has primarily been preparing for when fishing does resume in the area.

The threat of high seas driftnetting has not completely disappeared. The Coast Guard has received reports of high seas driftnetting from U.S. pelagic longliners operating in the North Pacific. In July the Coast Guard pursued and detained a vessel identifying itself as the *FF/V Luyan Bu* under a People's Republic of China flag. The vessel was equipped for conducting large scale pelagic driftnetting in violation of the U.N. moratorium. The PRC refuted the vessel's registry claim saying that the "real" *FF/V Luyan Bu* was tied up in port. The vessel was then assimilated to "stateless" making it subject to U.S. jurisdiction. The catch of squid, tuna, marlin and shark fin was seized and sold and the Taiwanese master was arrested. The USCG will continue to monitor activity in 1996, expanding patrol areas to align with a changing pattern of fishing activity to the warmer waters.

US Coast Guard and Canadian enforcement officials met in June in anticipation of the fishing effort in the Dixon Entrance area. Canadian officials predicted there would be increased Canadian effort along the disputed boundary because of fewer openings further south. The Coast Guard augmented its three patrol boats for the peak fishing period. One vessel, seized for fishing in U. S. waters, was escorted to Ketchikan and forfeited its catch before being released following a \$10,000 settlement.

Domestic Fisheries

Concentrated patrol efforts in the GOA and BSAI in the pollock, yellowfin sole, and flatfish fisheries resulted in two major cases. One vessel was seized for major observer coverage and logging violations in 1993 and 1994 and another vessel was cited for fishing for pollock in the catcher vessel operating area. No violations of the salmon savings area, Pribilof Islands no-trawl zones, or the EEZ scallop closure were observed.

At-sea Coast Guard patrols report high compliance in the halibut and sablefish IFQ fisheries. Preliminary trends indicate that fishermen have been less likely to fish in bad weather conditions than under the derby system.

NMFS Enforcement Report

During the reporting period June 9 through September 19, 1995, NMFS initiated 450 investigations and took further action on 176 pending cases. Forty-two investigations were closed as unfounded, three were closed due to lack of enforcement resources, four were closed due to lack of evidence, and two were dismissed for other reasons. Three cases were suspended and 21 were referred to other Regions or agencies. Twenty-nine cases were handled with written warnings and 15 were handled with summary settlement payments totaling \$7,819. Thirty-

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two cases were settled through voluntary abandonment with forfeited proceeds and property valued at \$23,945, and 14 cases were referred to NOAA General Counsel. General Counsel issued six Notices of Violation, assessing a total of \$138,000 in penalties. Four Notices of Violation were settled by General Counsel with penalties totaling \$6,450, and one District Court case was settled for \$10,000. In addition to the two major cases mentioned in the Coast Guard report, a Juneau-based fish processor was recently indicted for fraud and conspiracy in halibut fishing, culminating a three-year investigation.

Steve Meyer reported that NMFS is instituting a "fix-it ticket" program designed to foster voluntary compliance with fisheries regulations. This is to be a first step toward a wider effort in forging and promoting partnerships between NMFS and the commercial fishing industry. The goal is to maintain a rational and effective stewardship of living marine resources in the North Pacific while imposing the least burden on society. Regulations to be included in this program fall into the general category of minor permit, recordkeeping and reporting, and gear violations. The program will provide first-time offenders the opportunity to direct their time and energy toward correcting the problem instead of paying possible penalties and if the problem is corrected with a reasonable time period, the offense will not be considered a prior in penalty assessments in any future incident.

B-5 Steller Sea Lion Report

Dick Merrick, of the Alaska Fisheries Science Center's Marine Mammal Lab, gave a brief report on the status of the Steller sea lion which was listed as threatened under the Endangered Species Act in 1990. Based on an indication of continuing decline, the Recovery Team recommended the species be listed as endangered. The 1994 survey indicates that the Western stock (primarily Prince William Sound to end of Western Aleutians) continues to decline while the Eastern stock (southeast Alaska down to California) increased somewhat, but not sufficiently enough to recover the population. At their November 1994 meeting, the Recovery Team recommended to NMFS that the Eastern stock retain its current status of threatened and that the Western stock be listed as endangered. NMFS has not yet made a formal determination. A "status of the stocks" report on the species should be available from NMFS shortly.

C. NEW OR CONTINUING BUSINESS

C-1 Community Development Quotas

The Council received an oral report on the progress of the six pollock CDQ operations since the inception of the program in 1992 and recommendations for apportionment of CDQ pollock for 1996-98. The Council also received a recommendation from the State of Alaska to add Akutan to the list of eligible CDQ communities, and a request from industry to appoint a CDQ Implementation Committee to act as an industry sounding board for CDQ issues under the sablefish and halibut IFQ program. Neither the SSC nor the Advisory Panel addressed this agenda subject. There were no AP or SSC reports on this agenda subject.

The recommendation of the State for apportionments for 1996-98 were as follows:

Coastal Villages Fishing Cooperative	25%
Norton Sound Economic Development Corp.	22%
Bristol Bay Economic Development Corp.	20%
Aleutian Pribilof Island Community Dev. Assn.	16%
Central Bering Sea Fishermen's Assn.	4%
Yukon Delta Fisheries Development Assn.	13%

COUNCIL DISCUSSION/ACTION

David Benton moved to adopt the recommendation of the Aleutian Pribilof Island Community Development Association, and endorsed by the State, to include Akutan in the list of eligible CDQ communities. The motion was seconded by Linda Behnken and carried without objection.

Mr. Benton pointed out that exclusion of Akutan in the original program was based on incomplete and erroneous information on the extent of the Trident plant's involvement in Akutan which does not really afford the local community opportunities to enter into the groundfish fisheries and related industries. The community has no significant infrastructure such as a harbor or airport and participation in a CDQ group can give them the opportunity to develop opportunities for the residents to become more involved in the fisheries.

NMFS advised they will proceed with the appropriate rulemaking for this recommendation and forward it directly to the Secretary for review.

Linda Behnken moved to endorse the CDQ allocations as recommended (above) by the State of Alaska, and that the Council forward those recommendations to the Secretary. The motion was seconded by Clem Tillion and carried without objection. Dr. Pereyra abstained from the vote.

C-2 Sablefish and Halibut IFQs

The Council was scheduled to receive reports from the IFQ Industry Implementation Team, a report from the NMFS RAM Division on the status of IFQ fisheries, and a report from the IFQ Research Planning Team. A regulatory amendment for an extended sablefish opening in the Aleutian Islands was up for final review, and IPHC Area 4 suballocations were also a topic for Council discussion.

Report of the Scientific and Statistical Committee

The SSC commended the RAM Division for their plans for extensive evaluation of the IFQ Plan and recommended that any evaluation be compared to the problems identified in the EA/RIR for the Plan. Regarding the early or extended sablefish opening in the Aleutian Islands, the SSC found that the alternatives provide additional flexibility to harvesters in the area without any substantial biological impacts. The SSC pointed out that extension of the season may result in a small increase in halibut mortality unless sablefish harvesters are required to hold IFQ shares for the bycaught halibut.

The SSC received a review by Bill Clark and Steve Hare from the IPHC describing a proposed revision to the halibut bycatch compensation procedure used by the IPHC. The SSC suggests that the Plan Teams review the model and examine the potential consequences that the proposal may have on Council fisheries.

Report of the Advisory Panel

The AP had the following recommendations with regard to the halibut and sablefish IFQ program;

- Adopt Implementation Team recommendation regarding the Aleutian Islands sablefish season opening, i.e., delay action until more information is available. The AP also requested that the Council ask the IPHC to resolve the issue of halibut retention in the Aleutian Island sablefish fisheries at its January meeting.

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- Request that the IPHC retain the historical allocation in Area 4 for the 1996 season while alternatives are developed into an EA/RIR and a permanent allocation is established. Include an alternative to separate the CDQ portion of Areas 4C, D, and E halibut TAC from the overall area TAC formula and allow the distribution of the CDQ halibut to be done through the State of Alaska.
- Initiate action in December on the following issues and request Implementation Team review and comment:
 1. Establish a working overage plan for small IFQ landings (i.e., 400 lbs or 10% of the trip, whichever is greater).
 2. Establish provisions allowing IFQ deliveries to tenders.
 3. Allow quota share to be used on vessels in the same size class or smaller.
 4. Adjust the 12-hour unloading period annually to meet the needs of different regions.
 5. Allow immediate transfer of IFQ to a surviving spouse, with leasing provisions for a period of three years.
 6. Examine and consider the emergency transfer provisions contained in the Commercial Fisheries Entry Commission's statutes and regulations.
 7. Eliminate the requirements for QS holders to remain on board when waiting to unload.
 8. Consider higher BSAI ownership caps.

With respect to the Block Amendment, the AP requested the Council to consider the following changes:

- Increase the sweep-up provisions as follows: Halibut: 3,000-20,000 lbs; Sablefish: 5,000-20,000 lbs.
- Apply the 10% leasing provisions to blocks.
- Delete the block provisions in all or some areas.

COUNCIL DISCUSSION/ACTION

Linda Behnken moved to initiate regulatory action to eliminate the requirement for owners to remain on the vessel until it is unloaded. This would apply to all vessels. The motion was seconded by Clem Tillion and carried without objection.

The Council received testimony regarding the difficulty this requirement is causing for small boat fishermen, especially those in skiffs who have in some cases had to spend the night in the skiff during inclement weather because of the rule requiring the owner to remain on board until the catch is unloaded. Ms. Behnken also said that in some cases fishermen are changing their fishing patterns to avoid having to spend the night on board, sometimes fishing during less than favorable conditions.

NMFS staff pointed out that this requirement is an interpretation of the owner-on-board regulations and that it may be possible to change the requirement without regulatory action. Ms. Behnken stressed that the Council and industry have expressed concern over the requirement in the past and no action has been taken to alleviate the problem. Council members agreed that owners could be required to call in upon arrival and let officials know where they can be located until the catch is unloaded the next morning. The owner would still be required to be present when the catch is unloaded.

Linda Behnken moved to initiate analysis for raising the sweep-up provisions, as follows: halibut to 3,000 lbs, and sablefish to 5,000 lbs. The motion was seconded by Earl Krygier.

Ms. Behnken said she thinks there are a lot of small blocks that haven't yet changed hands because people are still trying to determine where and how they will fish. In addition, many find that they do not have enough

poundage to make it worthwhile. Increasing the sweep-up provision limits by a small amount may make it easier to sell smaller blocks and also easier for new entrants to get financing to buy them.

Wally Pereyra moved to amend to add options of 5,000 lbs and 7,500 lbs for halibut and 10,000 lbs and 20,000 lbs for sablefish for analysis. The motion was seconded by Kevin O'Leary.

Ms. Behnken said that if the Council considers the high end of the ranges there would be no advantage to having the block restrictions now in force and basically eliminate the opportunity for new entrants to the fishery.

Earl Krygier moved to amend the amendment to include the following ranges: halibut - 3,000 lbs and 5,000 lbs; sablefish - 5,000 lbs and 7,000 lbs. The motion was seconded by Linda Behnken and carried, 6 to 4, with Fluharty, O'Leary, Pereyra and Lauber voting no and Mace abstaining.

Kevin O'Leary suggested other possible components for the analysis, including keeping block sizes low, but increasing the number of blocks that an individual could have in order to make a fishery viable for people; if blocks were transferred they would revert to the smaller blocks. Ms. Behnken stressed that it would be better to keep the analysis narrow and fairly simple at this point and move it quickly while exploring possible refinements after the year-end reports on the program are completed.

Earl Krygier moved to encourage NMFS to add a provision for transferring shares to a surviving spouse, with leasing provisions for three years, unless the owner had made other provisions. The motion was seconded by Linda Behnken and carried without objection.

NMFS staff indicated this provision would be sent directly to the Secretary for review without coming back for further Council action.

Clem Tillion moved to initiate analysis for a provision to allow quota shares to be used on vessels in the same size class or smaller. The motion was seconded by Bob Mace.

Wally Pereyra moved to amend to include current actions on the sablefish/halibut IFQ program to be included in the Council discussion of staff tasking and priorities later in the meeting. The motion was seconded by Bob Mace and carried without objection.

The main motion, as amended, carried without objection.

Linda Behnken moved to initiate analysis of provisions to allow IFQ deliveries to tenders. The motion was seconded and carried without objection.

Ms. Behnken said that smaller boats can't go as far out because they must deliver onshore and this is having a dramatic effect on traditional methods of fishing. Smaller boats are forced to stay closer to shore, causing conflicts among charter, recreational fishermen, as well as concentrating harvest in a smaller area. Ron Berg said that the main goal is to keep a handle on IFQ transactions in a timely manner so that fishermen don't exceed their quotas; they need fast and accurate reporting to do that.

A motion to adjust the 12-hour unloading period annually to meet the needs of the different regions was withdrawn after Council discussion. It was agreed that the issue needs to be addressed because of the variations in tides which don't always coincide with the NMFS hours for unloading and call-in. However, it was determined that the issue could be dealt with by NMFS staff in the field, based on regional needs.

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The Council discussed **overage provisions** which are causing some concern for smaller vessels. Regulations originally allowed a 400 lb exemption, or 10% over the IFQ. The 400 lb regulation was originally included to be consistent with the Canadian IFQ program, but NMFS determined that overfishing could occur if vessels were allowed the 400 lb exemption even though they had only a few pounds of IFQ left. NMFS has dropped the 400 lb exemption and is using the 10% rule. Mr. Krygier said there is concern within the small boat fleet because estimating 10% of small catches is more difficult than with larger catches where there might be some room for error. The Council asked that this issue be addressed again by the IFQ Industry Implementation Team to try to find alternative solutions.

Clem Tillion moved to approve Alternative 3, Option B, for the extended sablefish season opening in the Aleutian Islands: Allow a year-round IFQ sablefish fishery in the Aleutian Islands, beginning with the regular IFQ fishery; retention of halibut would be required by sablefish IFQ holders, limited to their remaining halibut IFQ, and observers would be required. The motion was seconded by Wally Pereyra and carried without objection.

IPHC Area 4 Suballocations

The IPHC has asked that the Council consider a change in apportioning halibut TACs in IPHC Area 4 for 1996 and beyond. Commission staff has recommended distributing halibut quotas in subareas of Area 4 according to the proportion of biomass in each area, which was calculated in 1994 based on habitat area estimates. Commission staff has recommended moving toward the biomass method for Areas 4A and 4B given the considerable stock separation in those areas; however, there is no conservation basis noted for catch limits in Areas 4C-E. Commission staff has recommended the Council consider apportioning catch limits based on biomass distributions for Areas 4A and 4B, and combined Areas 4C-E, with the Council making subarea allocations for the combined areas.

Council members discussed the issue of allocation within Area 4. Mr. Tillion stressed that he would like to see additional quota allocated to Area 4E if there is a larger biomass and made a motion to that effect. However, the motion was withdrawn to allow the CDQ groups fishing the areas to meet and try to come up with a recommendation before the Council considers action. The Council had decided to defer any action on a catch-sharing plan until after the IPHC's annual reports, possibly at the April Council meeting. However, later in the meeting Steve Pennoyer told the Council that the IPHC will need some indication from the Council on allocations for 1996 by the January IPHC annual meeting.

Steve Pennoyer moved to adopt a proposed catch-sharing plan for Area 4 halibut, with percentages of the biomass to be assigned to each area and implemented by IPHC when it sets the 1996 levels. Council staff should work with IPHC staff to develop necessary data for the analysis. The alternatives to be explored should include: (1) Do nothing--no catch sharing plan--and allow the Area 4 allocations to be set according to IPHC's biomass-based catch limits; (2) Prepare a catch sharing plan apportioning the percentage allocations by Area 4 subareas that existed in the 1995 season.

The motion was seconded by Clem Tillion.

Clem Tillion moved to amend to add another alternative to explore an option that, in the event of an increase in the Bering Sea halibut quota for 1996, the Area 4E allocation would be increased from 120,000 lbs up to 200,000 lbs before any additional excess is divided up among the other areas, using the percentages set by the Council. The motion was seconded by Linda Behnken and then added to the main motion with the permission of Mr. Pennoyer.

The motion, as amended, carried without objection.

Bob Mace expressed concern over the continuing necessity for the Council to consider changes to the IFQ program at every meeting and stressed that the Council needs to discuss priorities and explore ways to allow NMFS to handle minor changes without Council action.

C-3 Comprehensive Rationalization

The Council was scheduled to receive a status report on implementation of the moratorium, receive reports on the groundfish and crab license limitation programs, and receive a staff report on pollock ITQ alternatives.

Report of the Scientific and Statistical Committee

The SSC discussed only the pollock ITQ portion of this agenda item. After the staff presentation on the workplan for preparing an EA/RIR, the SSC stressed the need for the Council to simplify, to the extent possible, the list of proposed features, or decision points, for the detailed analysis. They pointed out that it is highly unlikely that rigorous quantitative analyses of the many issues associated with such an analysis could be concluded in time for public review in June 1996. Extensive comments and suggestions regarding a detailed analysis are found in the SSC Minutes, Appendix II to these minutes.

Report of the Advisory Panel

Regarding clarification of license limitation issues, the AP reaffirmed its June recommendations to the Council for issues where the Council's action differed from the AP's recommendations. The AP also made the following additional recommendations:

- Use June 17, 1995 to define "current owners," with transfer of rights to be recognized.
- No additional special exceptions for "lost vessels."
- A federal permit requirement be added to the license limitation eligibility requirements for the EQP.
- Initiate an industry implementation workgroup for License Limitation program.

The AP understood that a problem of equity may have been created in the attempt to provide for crossovers and reiterated their recommendation from the June meeting: "The AP also recognized that moratorium crossovers on or before December 11, 1994 were allowed for all legal gears and that crossovers using "pot gear only" may continue through the moratorium period. The 6/15/95 date prevents vessels from crossing into groundfish or crab and receiving a license after this date. The AP also extended the EQP to 6/15/95 to allow vessels which receive a general license to qualify for endorsements and to recognize current participation."

With regard to the pollock ITQ program, the AP recommended the Council include an analysis of a one-pie system which would include allocation to both harvesters and processors, and a one-pie system which incorporates inshore/offshore allocation with the pollock ITQ analysis.

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COUNCIL DISCUSSION/ACTION

License Limitation Program

Definition of "Current Owner"

When reviewing Council action from the June meeting, staff noted that using the date of final Council action (6/17/95) as the date determining current ownership, and thus the license recipient, will create an inconsistency between the License Limitation Program and the moratorium. Moratorium permits will be issued to owners at the time of application. There is some confusion among staff and industry whether Council intent was to have the license issued to the current owner as of 6/17/95, or as of the date of application for a license. Staff also requested clarification regarding transfers or reservations of fishing history and fishing rights which are expressly included in vessel purchase agreements and other contracts.

Dave Benton moved to reaffirm Council intent that the "current owner" be the owner as of the date of final Council action, June 17, 1995, and that transfer of rights be recognized. The motion was seconded by Linda Behnken and carried without objection.

Dave Benton stressed that the Council's intent is that there be only one license issued per qualified owner; the Council does not intend for one owner to generate two licenses by splitting endorsements, or by other methods.

Qualification of Lost Vessels Under the Moratorium and License Programs

Under the moratorium, qualified vessels which were lost are given two years to reenter the fisheries and receive a moratorium permit; under the groundfish and crab license programs, vessels which were lost are allowed to qualify for endorsements in the Central Gulf/West Yakutat and Southeast Outside area with reduced landings requirements, but no other provisions were included. The Council reaffirmed their intent that qualifying dates for groundfish endorsements would be January 1, 1992 - June 17, 1995 and for crab endorsements between January 1, 1992 and December 31, 1994, indicating that they felt enough time had elapsed since the final decision on the moratorium that vessel owners have had ample time to re-enter the fishery and earn endorsements under the groundfish and crab license programs. The Council clarified its previous action regarding hardship provisions for vessels which were lost, sunk or otherwise out of the fishery following qualifying landings in the Base Qualifying Period. These vessels, or their replacements, may qualify for an area endorsement with one landing in the Endorsement Qualifying Period, but only if the vessel could not have otherwise qualified. **A motion to adopt the AP's recommendation that no additional special exceptions be made for lost vessels carried without objection.**

Crossovers

In June the Council chose to allow vessels which crossed over from crab into groundfish after the base qualifying period to receive groundfish endorsements and stipulated that groundfish endorsements were to be issued only in the FMP area or areas in which the vessels participated during the base period. However, at this meeting staff pointed out that vessels which crossed over from crab are problematic because they may not have had groundfish landings in either the GOA or the BSAI in the base period and therefore have nothing upon which to base their endorsements. The issue is whether vessels which fished only BSAI crab in the base period should receive endorsements for GOA groundfish, as well as BSAI groundfish endorsements.

Council members stressed that the intent of the crossover provision was to allow the BSAI crab fishermen to cross over into groundfish fisheries, but was never meant to allow increased effort in the GOA.

Linda Behnken moved to require the 23 BSAI crabbers who crossed over into both the BSAI and GOA groundfish fisheries during the endorsement period to relinquish their GOA endorsements and receive only a BSAI license and endorsements. The motion was seconded by Kevin O'Leary and carried with Barker and Pereyra objecting.

David Benton moved that for vessels under 60 ft which could qualify in the under-60' category, or under the endorsement rule, the Council's intent would be that the owner must choose which rule they will apply under, the crossover rule, or the under-60 ft rule. The motion was seconded and carried with Pereyra objecting.

Landings in State Waters

Steve Pennoyer, in a letter dated September 22, 1995 addressed to the Council, asked for additional clarification with regard to the issuance of licenses to vessels that fish exclusively in State waters but satisfy the minimum landing requirements for a general license and area endorsement.

Wally Pereyra moved to approve the AP recommendation that a federal permit requirement be added to the license limitation eligibility requirements for the Endorsement Qualifying Period (EQP). The motion was seconded and failed, 6 to 5, with Barker, Fluharty, Mace, Pennoyer and Pereyra voting in favor.

Members voting against the motion stressed that landings from state waters qualified for moratorium rights and this provision, if approved, would be inconsistent with the moratorium and unfair to small boat fishermen operating under a Council-imposed TAC.

Mr. Samuelson asked the State to provide a report at the next meeting on how the State plans to manage the groundfish fisheries in State waters under the Council's license limitation program.

Landing Requirements for Endorsement Qualifications

NMFS requested Council clarification of endorsement qualifications, pointing out that some endorsement areas and vessel classes are more stringent than other endorsement areas and vessel classes.

Council members pointed out that the different qualifications for different areas were chosen because of the unique operational characteristics in the fisheries in different geographical areas. Also, the Council took into account concurrent seasons between the Bering Sea and the Western Gulf with pollock, problems with stocks in the Western Gulf during some of the qualifying years, and a less stable environment because of regulatory changes, and market conditions.

It was also clarified that there was an error in the Council's June newsletter regarding Western Gulf landing requirements in the Endorsement Qualifying Period (EQP). The one landing requirement during the EQP is meant to apply only to catcher vessels; catcher processors from 60-125' would still be subject to landings in two of the four EQP years (1/1/92 through 6/17/95), or four landings in 1995.

NMFS staff also pointed out that there is an overlap between the general qualifying period and the endorsement qualifying periods during the period 1/1/92 through 6/27/92. Council members acknowledged the overlap, but felt that choosing anything other than the beginning of a calendar year could cause inequities because of differing season openings.

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CDQ Issues

NMFS requested clarification of the Council's intent with regard to closure of CDQ fisheries when the allocation of a species has been taken, but that some species may be incidentally harvested in other CDQ fisheries.

Mr. Benton said that staff from the State, NMFS, and representatives of CDQ groups will meet to discuss the best way to approach this issue.

The Council verified that pollock would not be included in the license limitation CDQ program.

A transcript of the license limitation discussion by the Council has been prepared and is on file as part of the official record for this subject.

Pollock IFQs

Council staff provided a preliminary outline of an EA/RIR which would examine two basic alternatives (1) status quo; and (2) IFQs for BSAI pollock. Staff plans to produce two documents that will comprise the EA/RIR: a general analysis of the alternatives, and a supplemental analysis of IFQ allocation options.

Individual Bycatch Quota Program

An option for an individual bycatch quota program was included in the original proposal for a pollock IFQ program initiated in June. NMFS staff provided a discussion paper which focused on implementing and monitoring programs of individual accountability.

C-4 Observer Program

NMFS staff provided a discussion paper outlining steps taken (or options requiring Council guidance) relative to each of the previously stated concerns regarding the Research Plan. A letter from the Regional Director indicated that the current impasse with implementation of the Research Plan threatens to compromise the viability of the Observer Program and requested the Council to decide at this meeting whether to proceed with the Research Plan or to develop an alternate program.

The Advisory Panel did not have the opportunity to address this agenda item.

Report of the Scientific and Statistical Committee

The SSC expressed serious concern over future data quality. Regardless of the funding mechanism chosen, the SSC stressed several elements essential to an effective program:

1. Observer placement must be flexible, in order to be representative of the fleet.
2. Compensation and treatment of observers must be sufficient to retain experienced and well-trained personnel.
3. There is need for flexibility in establishing coverage levels and distribution of coverage across the fleet. Although well distributed observer coverage at 20 to 30% may be adequate for stock assessment, bycatch estimation levels for some species are closer to 90%, and management programs requiring individual compliance will require 100% (or more).
4. The Observer Program should undergo a periodic, independent evaluation of objectives, methodologies and data collected.

5. Annually, data needs and priorities should be assessed and provided to the observer program managers.

The SSC encouraged a proposed examination of the current commercial fishery data collection system by NMFS and ADF&G to determine if management needs are being met and if improvements can be made. The SSC also expressed interest in receiving a report describing the results of a NMFS-funded contract to examine observer program procedures for the collection of data necessary for stock assessments and management. More specific comments on this agenda topic can be found in the SSC Minutes, Appendix II to these minutes.

Report of the Observer Oversight Committee

The Observer Oversight Committee (OOC) felt there were no overwhelming technical issues impeding the implementation of a fee system. However, the redistribution of costs among the fleets and processors was an overriding consideration which prevented the committee from reaching consensus. Many committee members indicated the fee system would be more acceptable if the Council, in the FMP, would cap the potential fee at 1%. The minutes of the OOC meeting (Appendix III to these minutes) contain more detailed comments regarding the necessary elements of a fee system.

The OOC pointed out that a pay-as-you-go system lacks some of the flexibility of a fee-based system but avoids the redistribution of costs among segments of the industry. The OOC had two specific recommendations if the Council chooses to go with a pay-as-you-go system (see Appendix III).

COUNCIL DISCUSSION/ACTION

The Council heard a considerable amount of public comment regarding the Research Plan and current observer program and spent several hours discussing how to proceed. During public comment a group of industry representatives presented a suggested alternative to the Research Plan which would use a third party, umbrella organization to administer whatever program the Council decided upon.

Bob Mace moved that the Council request the Pacific States Marine Fisheries Commission to submit an alternative research proposal in addition to the status quo and the National Marine Fisheries Service Plan for consideration and final action at the December Council meeting. This proposal will include, among other provisions, an administrative procedures framework, analysis of funding options, bonding requirements, uniform salary schedules, and insurance provisions. To assist the PSMFC in preparing the proposal the Chairman will appoint an advisory workgroup consisting of representatives from NMFS, ADF&G, our SSC, observer contractors, catching and processing industries and such other representatives considered appropriate by the Chairman. The motion was seconded by Wally Pereyra.

Mr. Mace complimented NMFS staff on the work they've accomplished to date on the Research Plan but expressed concern that there are still many things to be resolved before industry will feel comfortable in supporting the plan, including timely response, equitable assessments, overhead costs, and staffing needs.

Steve Pennoyer moved a substitute motion to continue toward implementation of the Research Plan. The motion was seconded by Robin Samuelsen.

Mr. Pennoyer stressed that the Council, NMFS and the State of Alaska's Board of Fisheries depend on the observer programs to manage the fisheries and that all of the concerns expressed by industry and the Council can be addressed under the Research Plan and annually reviewed. He also pointed out that without action by the

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Council at this meeting it was uncertain whether NMFS could continue to hold funds collected under the Research Plan.

The substitute motion failed, 6 to 5, with Behnken, Benton, Pennoyer, Samuelsen, and Tillion voting in favor.

Linda Behnken moved to amend the motion to state that the intent of the Council would be for NMFS to hold on to the money collected through the fee system, if possible, so if in December the Council should decide to continue with the Research Plan, they would still have that option. Mr. Mace accepted this as a friendly amendment to be incorporated into the main motion.

The main motion carried with Robin Samuelsen objecting.

There was discussion about whether a new committee needs to be appointed as a result of the motion or whether the OOC could be used to accomplish the intent of the motion. Mr. Mace said that the Chair should have the flexibility to handle it as he feels appropriate.

There was a question of whether other agencies beside the Pacific States Marine Fisheries Commission should be included in the request for a proposal. Mr. Pennoyer pointed out that the Council is not in the contracting business; if contracts are let at a later date, other entities need to be included. For this purpose, Council members felt that the short time frame in which to respond to the Council's request would probably preclude any other entity from becoming involved with the project at this stage. Council members agreed that if the OOC found other entities who may wish to submit a proposal and have the expertise, they can solicit a proposal.

C-5 Full Utilization and Discard Reduction

The Council was scheduled to discuss the subjects of full utilization, improved retention, and harvest priority, as well as rock sole seasonal apportionments, and give further direction to staff for analysis of alternatives. The Council received working papers on a harvest priority program for the rock sole fishery and on implementing increased retention and utilization in the BSAI rock sole and pelagic trawl pollock fisheries. However, because of the lengthy agenda, the Council did not have time to address this agenda item. Ms. Behnken requested the subject be set early in the Council's September agenda.

Report of the Scientific and Statistical Committee

The SSC received reports on these issues at its April 1995 meeting. With regard to harvest priority, the SSC suggested in September 1994 that the approach should be experimented with on a small scale prior to full implementation, to assist in avoidance of potential design flaws before a larger-scale program is attempted. Once the Council is ready to have analyses developed for full utilization and discard reduction, the SSC will comment on study content as necessary.

Report of the Advisory Panel

The AP recommended that the Council continue to move forward with improved utilization and improved retention as a means for reducing bycatch and discards. The analysis should include a species-by-species approach to improving utilization. The analysis should first focus on the following discarded species in three fisheries:

- (1) pollock and cod in the midwater BSAI/GOA pollock fishery,
- (2) rock sole, pollock and cod in BSAI/GOA rock sole fishery, and
- (3) pollock, rock sole and cod in the BSAI/GOA cod fishery.

The AP also believes that the analysis should include a range for full utilization and full retention. Further, the AP remains concerned about NMFS's ability to implement any of the proposals to date that may reduce bycatch and discard. The AP recommends the Council establish an industry work group to begin to develop methods to address those issues.

COUNCIL DISCUSSION/ACTION

Although the Council did not take up this agenda item, during the discussion of staff tasking, the Council briefly discussed the analysis for rock sole seasonal apportionments. **Wally Pereyra moved to drop the rock sole apportionment proposal from further review because of bycatch issues, other projects in progress, and the bankruptcy of the company originally proposing the amendment. The motion was seconded by Dave Benton and carried without objection.**

It was clarified at the end of the meeting, under Staff Tasking, that staff would proceed with Full Retention and Utilization based on the AP's recommendations.

C-6 Council Operations

In April 1995 the SSC offered comments on Council operations and asked that the Council, through a Policy and Planning Committee, address their concerns and recommendations. The Council did not have the opportunity to discuss this agenda item at this meeting and indicated that it would be on the January agenda for discussion.

D. FISHERY MANAGEMENT PLANS

D-1 Crab Management

The Council received a written report on the status of crab stocks and a report on the Crab Plan Team's August 30, 1995 meeting. The Council was advised that the annual meeting with the Alaska Board of Fisheries will be scheduled for Tuesday, January 9, 1996, the day before the Council's January meeting begins. The Council did not formally take up this agenda item.

D-2 Scallop Management

The Council was scheduled to receive an update on the status of Amendment 1 to the Scallop FMP which closes the EEZ to scallop fishing for up to one year, and to discuss possible emergency action to repeal the action if the Magnuson Act is amended. However, because of limited time and a lengthy agenda, the Council did not address the agenda item. By action memo in meeting notebooks, the Council was informed that regulations to implement Amendment 1 are being prepared by the NMFS regional office.

During the discussion of staff tasking, Dr. Pereyra suggested that an IFQ program for the scallop fishery be included in any further consideration of management alternatives for the fishery. Steve Pennoyer pointed out that there is no staff available to work on the scallop issue at this time; nothing could be done until after the January meeting.

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David Fluharty moved to include IFQ issues as part of the analysis for the scallop fishery. The motion was seconded and failed, 7 to 3, with Fluharty, O'Leary, and Pennoyer voting in favor (Tillion was not present for the vote). The intent would be to not hold up Amendment 1, but to pursue this as a separate action.

Wally Pereyra moved to express the sense of the Council that at some time in the future they will consider IFQs for the scallop fishery. The motion was seconded by David Benton and failed through a 5-5 tie. Mr. Tillion was not available for the vote.

D-3 Initial Groundfish Specifications for 1996

At the September meeting the Council receives the preliminary 1996 Stock Assessment and Fishery Evaluation (SAFE) reports for the groundfish fisheries for the Gulf of Alaska and Bering Sea/Aleutian Islands and sets initial total allowable catches, recommends bycatch rate standards for the Vessel Incentive Program, and preliminary discard mortality rates for halibut in the groundfish fisheries. Twenty-five percent of the initial TACs go forward as interim specifications for management of the 1996 groundfish fisheries until superseded by publication of the Council's final specifications, set in December. The Council received presentations on the status of stocks from Dr. Loh-lee Low, Chair of the Bering Sea/Aleutian Islands Groundfish Plan Team and Sandra Lowe, Chair of the Gulf of Alaska Groundfish Plan Team.

Report of the Scientific and Statistical Committee

GOA. The SSC's recommendations for initial 1996 specifications for Gulf of Alaska groundfish mirrored those of the Plan Team, with few exceptions. With regard to pollock, the Plan Team recommended a range for each of the management areas; the SSC recommended the upper end for each of the ranges. With regard to Pacific cod, the SSC recommended the low end of each range recommended by the Plan Team. With regard to sablefish, the SSC recommended rolling over 1995 rates in the absence of new information, while the Plan Team had recommended lower amounts based on projection of the 1995 biomass ahead to 1996, taking into account 1995 catch and recruitment. For Pacific ocean perch, the SSC does not agree with the Plan Team's method of further reducing the ABC resulting from the rebuilding schedule to provide a buffer between the ABC and OFL (overfishing level). The SSC requested the team to report on the feasibility of running the synthesis model for POP separately for the Western/Central and the Eastern areas of the Gulf, providing two ABCs for POP in the Gulf. For Atka Mackerel, the SSC continues to recommend a more conservative approach because of uncertainty of the abundance of Atka mackerel and concerns for marine mammals. **Please see the SSC Minutes (Appendix II to these minutes) for detailed comments on each individual species.**

BSAI. The SSC's recommendations differed from those of the Plan Team in only two instances. For Bogoslof pollock, the SSC's recommendation of 100,000 mt was derived using a more conservative exploitation rate than that used by the Team, which recommended an ABC of 265,000 mt. Both agreed that it is no longer necessary to recommend a bycatch-only status for the Bogoslof area. For Greenland turbot, the SSC continued to recommend a conservative ABC of 7,000 mt because of the downward biomass trend and lack of strong recruitment. The recommendation may be reevaluated when an updated analysis is provided in December. **Please see the SSC Minutes (Appendix II to these minutes) for detailed comments on each individual species.**

Halibut Discard Mortality Rates. Pending a review by IPHC of bycatch rates in the various fisheries, the SSC concurred with the IPHC's recommendation to use the average of the 1993-94 mortality rates in each fishery as initial specifications for 1996.

Report of the Advisory Panel

BSAI SAFE/'96 Specifications

TACs. The AP recommended that the Council rollover the 1995 BSAI TACs with the following changes and notes: Atka mackerel should be reapportioned consistent with the Plan Team's findings as follows:

Western	51.9%	=	41,520 mt
Central	14.0%	=	11,200 mt
Eastern	34.1%	=	27,280 mt

The AP also expressed the following concerns:

The AP recommendation to rollover 1995 TACs for initial 1996 is convenient because it does not address any potential adjustments of individual species TACs that might be appropriate (recognizing the need to stay within the 2 million mt cap). The most recent scientific data indicate a significant increase in the area 518 pollock biomass for which an ABC has been recommended by the Plan Team. A substantial increase in the area 518 pollock TAC for 1996 and the initial TAC for management purposes at the beginning of 1996 will have to be addressed at the December meeting.

Concerns exist relative to the pollock ABC related to the higher exploitation rate used in the BSAI in the 1990s relative to the GOA and 1980s in the BSAI. A further concern relates to uncertainty about the strength of the 1992 year-class as a component of the ABC based on the chart which shows a strong 1992 year-class in the 1994 hydro acoustic survey which does not appear in the 1995 trawl survey.

Crab PSC. The AP recommended that the Council rollover 1995 Crab PSC limits, but noted that any zone closures in the rock sole fishery that may cause redistribution of crab bycatch will probably result in changes at the December meeting.

Halibut PSC. The AP recommended a rollover of the Halibut PSC amounts from 1995, except for halibut in the sablefish/turbot/arrowtooth category, where they recommended a zero halibut allocation. The 120 mt would be distributed evenly between other flatfish and yellowfin sole as follows: 40 mt each to Pacific cod, Other flatfish, and yellowfin sole.

GOA SAFE/'96 Specifications

TACs. The AP recommended that the 1996 TACs be set equal to the 1996 ABCs as recommended by the SSC except for POP, where they recommended the proposed 1996 TAC (which is determined by the rebuilding plan) and that the deep water flatfish, rex sole, flathead sole, shallow water flat and arrowtooth be set at 1995 TACs.

Halibut. The AP recommended a rollover of the 1995 halibut apportionments (without seasonal apportionment).

VIP GOA/BSAI. The AP was quite concerned that over half the fleet appears to be exceeding the current 4% VIP rate. Given the changes made two years ago (not allowing vessels to use arrowtooth to dilute the rate and separating the deep and shallow water flatfish fisheries), the AP recommended that the Council raise the GOA VIP rate to 5%, and further recommended that the Council ask staff to begin developing an analysis of an amendment to shift to a VIP rate based on retention and an analysis of appropriate VIP rates under such a program.

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Halibut Mortality GOA/BSAI. The AP recommended that the Council send the IPHC recommendations for 1996 halibut mortality rates out for public comment. The AP noted that the sablefish numbers are based on the fishery before implementation of the ITQ program. The IPHC may have new data at the December meeting which would help reassess that rate.

COUNCIL DISCUSSION/ACTION

BERING SEA/ALEUTIAN ISLANDS

Morris Barker moved to send out for public review the 1996 ABCs as recommended by the SSC (See Appendix IV). The motion was seconded by Wally Pereyra and carried without objection.

Morris Barker moved to send out the 1996 TACs, as recommended by the Advisory Panel, for public review, with the exception of the recommendation for the Bogoslof area, which would be set at a range of 1,000 mt to 100,000 mt. The motion was seconded.

With regard to the Bogoslof area recommendation, Steve Pennoyer said that a range would not be appropriate because the beginning fishery allocation is based on 25% of the Council's initial specifications. The Council discussed the situation with the uncertainty of the new information on the area's stocks and decided to wait until December to make a final decision on a larger TAC even though this would mean any fishery in that area would not begin until after the final specifications are published, sometime in late January or early February.

Council members also discussed the effect of allowing a fishery on Bogoslof stocks in light up upcoming international meetings on the Bering Sea Donut Hole.

Steve Pennoyer moved to amend the motion to set the initial Bogoslof TAC at 1,000 mt with notice to the public that the Council is waiting to make a final decision in December. The motion was seconded by Linda Behnken and carried, 9 to 1, with Pereyra voting no; Mace was not available for the vote.

The main motion, as amended, carried without objection.

Wally Pereyra moved to approve the AP's recommendation for a 45%/55% split between the pollock A & B seasons, respectively. The motion was seconded by Robin Samuelsen and carried without objection.

Wally Pereyra moved to solicit public comment on a possible allocation of the pollock TAC between midwater and bottom trawl fisheries. The motion was seconded by Robin Samuelsen and carried without objection.

The Council agreed by consensus to consider the seasonal apportionments of Pacific cod fixed-gear fisheries at the December meeting.

Prohibited Species Catches

Steve Pennoyer moved to send out for public comment the 1995 PSC apportionments and seasonal allowances as preliminary apportionments for 1996. The motion was seconded by Linda Behnken and carried without objection.

GULF OF ALASKA

Steve Pennoyer moved to approve the preliminary 1996 ABCs as recommended by the SSC (see Appendix IV). The motion was seconded by Clem Tillion and carried without objection.

Linda Behnken moved to amend the motion to use the ABC for Pacific ocean perch as recommended by the plan team. The motion was seconded and carried without objection.

Ms. Behnken explained that the plan team leaves a buffer between the ABC and the overfishing level and she feels that the Council should take steps to be as conservative as possible with that stock and that having that buffer is advisable. She indicated this is the same approach the Council used last year.

The main motion carried, as amended, without objection.

Steve Pennoyer moved to approve the SSC's recommendation to request that the Plan Team report in December on the feasibility of running the synthesis model for Pacific ocean perch separately for the Western/Central and the Eastern areas of the Gulf of Alaska, providing two ABCs for POP in the Gulf of Alaska. The motion was seconded by Linda Behnken and carried without objection.

Steve Pennoyer moved to send out the AP's recommendations for preliminary 1996 TACs for Gulf of Alaska groundfish (see AP Minutes, Appendix V). The motion was seconded and carried without objection.

Ms. Behnken asked that other slope rockfish be highlighted in public review documents to indicate that the Council may reduce the quota for the directed fishery and asked NMFS to review bycatch data so the Council can set the TAC to accommodate bycatch but eliminate discards. Steve Pennoyer said they will provide the information to the Council in December, however NMFS is not convinced this should be a bycatch only fishery at this point.

PSC for Halibut

Steve Pennoyer moved to send out for public comment the 1995 PSC limits (see Appendix IV) as preliminary 1996 limits. The motion was seconded by Kevin O'Leary and carried without objection.

Halibut/Red King Crab VIP Rates

Steve Pennoyer moved to raise the VIP rate to 5% as proposed by the Advisory Panel. The motion was seconded by Earl Krygier and later withdrawn in favor of further review of the current rates and how the program is working.

Steve Pennoyer moved to roll over the 1995 VIP rate percentages for the Gulf of Alaska and Bering Sea/Aleutian Islands groundfish fisheries (see Appendix VI) to be applicable for the first half of 1996, pending further review. The motion was seconded and carried without objection.

Ms. Behnken pointed out that the Council has received a recommendation from industry that the Council move toward counting VIP rates against retained catch and asked NMFS to provide the Council with information on how that might be accomplished. Sue Salveson said they will explore the possibilities in a discussion paper for the Council at the December meeting.

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Halibut Discard Mortality Rates

Steve Pennoyer moved to send out the IPHC's recommendations for preliminary halibut discard mortality rates for 1996 for final review in December as part of the specifications process. The motion was seconded and carried without objection.

Tables showing Council action on preliminary 1996 groundfish allocations are found in Appendix VI.

D-4 Groundfish Amendments

(a) Initial Review of Grid Sorting Amendment

Analysis of a grid-sorting regulation for Pacific halibut was initiated by the Council in June 1994. The analysis was prepared and revised during subsequent Council meetings. At this meeting the Council was scheduled to approve a regulatory amendment to require grid-sorting of halibut.

There were no AP or SSC reports on this agenda item.

COUNCIL DISCUSSION/ACTION

Clem Tillion moved to send the grid-sorting amendment out for public review after incorporating an additional alternative that all halibut returned over the side to the sea within 20 minutes would not count toward the PSC limit. The motion was seconded and carried without objection.

(b) Pacific Ocean Perch Rebuilding

In 1993 the Council approved a rebuilding plan for Pacific ocean perch in the Gulf of Alaska which sets the POP TAC using an algorithm contained in the FMP. Under this method there is no flexibility in setting the TAC. In considering the TAC for 1995, the Council was concerned that the TAC determined by this method may not be conservative enough and could allow a directed fishery that could potentially jeopardize continued rebuilding efforts. The Council asked staff to explore an amendment which would allow the Council to specify a TAC *at or below* the amount specified in the rebuilding plan.

SSC Report: The SSC recommended several additions to the amendment before releasing it for public review. See the SSC Minutes, Appendix II, for specific recommendations.

The AP did not address this agenda item.

COUNCIL DISCUSSION/ACTION

With regard to the proposed amendment to the POP rebuilding plan, Dave Benton moved to approve the recommendations of the SSC to send the amendment out for public review after incorporation of the following information:

- 1. A statement which notes that harvest at the prescribed rates under the current rebuilding plan is not regarded as jeopardizing the rebuilding of Pacific ocean perch.**

2. Information on the accuracy of catch monitoring, the size of vessels participating in the fishery, and the observer coverage provided. Describe as best as possible the likelihood of exceeding the prescribed TAC when a directed fishery occurs versus a bycatch-only fishery.
3. With respect to the flexibility in setting TAC, note the possibility that ABC could be set lower than TAC under the current rebuilding plan. For example, due to concerns for recruitment, survey accuracy, or other ecosystem considerations, the plan team or SSC may recommend an ABC which is lower than one computed using the optimal fishing mortality. While this outcome may be unlikely it can not be excluded as a possibility.
4. Provide a catch history table reflecting the bycatch and directed fishing history.

The motion carried without objection.

(c) Inseason Flexibility to Adjust Tanner Crab PSCs by Area

In June 1995 the Council directed staff to prepare an analysis to examine impacts of allowing greater flexibility in the management of *C. bairdi* Tanner crab bycatch limits in Zones 1 and 2. Staff provided an initial analysis for Council review, however, because of a lack of time, the Council did not address this agenda item.

(d) Trawl Closures for Red King Crab Bycatch

On January 26, 1995, NMFS implemented by emergency rule (ER) a closure to trawling in a portion of Bristol Bay to protect red king crabs. The closed area encompasses from 162°W to 164°W longitude, 56°N to 57°N latitude. The ER also required observers on trawl vessels targeting flatfish in Zone 1 outside the closed area, and allowed pelagic trawling for pollock within the closed area but with 100% observer coverage. At the January meeting, the Council reviewed the ER and recommended that six alternatives to the status quo be analyzed for a plan amendment.

A draft EA/RIR was reviewed by the Council in June, and released for public review pending SSC approval. The SSC met by teleconference in August and approved the document with some minor revisions.

Alternatives to the status quo all have an eastern border along Area 512, which is permanently closed to all trawling. All six alternatives to the status quo have longitudinal boundaries of 162°W longitude and 164°W longitude. Southern and northern boundaries of each alternative are:

<u>Alternative 1.</u>	status quo.
<u>Alternative 2.</u>	56° 10'N to 57°N latitude.
<u>Alternative 3.</u>	56° 00'N to 57°N latitude (same as emergency rule).
<u>Alternative 4.</u>	55° 45'N to 57°N latitude.
<u>Alternative 5.</u>	56° 10'N to 58°N latitude.
<u>Alternative 6.</u>	56° 00'N to 58°N latitude.
<u>Alternative 7.</u>	56° 45'N to 58°N latitude.

SSC Report: Trawl Closures for Red King Crab Bycatch. The SSC repeated its previous recommendation that the Council address bycatch management in a comprehensive fashion. The widespread distribution of prohibited species in the Bering Sea for which bycatch management measures are in place, and the fully subscribed nature

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of groundfish fisheries which are limited by PSC caps as much as quota attainment, mean that individual bycatch management measures can only be evaluated for efficacy, efficiency and allocative fairness when viewed in a broader context. For example, public testimony indicated that additional trawl closures to protect red king crab will likely have the effect of increasing Bairdi and Opilio Tanner crab and halibut bycatch in other areas and other fisheries. Overall, it appears that Bering Sea trawl fisheries may take 1 - 1.5% of the mature red king crab. However, the actual impact of trawling on red king crab populations is unknown. The SSC did note that the 1995 emergency closure from 20 January through 21 April - effectively a seasonal closure - greatly reduced king crab bycatch in Zone 1. In this sense, the EA/RIR contains information analyzing the efficacy of a seasonal closure. (For more detailed comments on this issue, see the SSC Minutes, Appendix II to these minutes.)

AP Report: The AP recommended that the Council establish a closure to bottom trawling in the area bounded by 56°N to 57°N and 162°W and 164°W for the period January 1 - March 31 annually. The area bounded by 56°00'N to 56°10'N would be removed from the closure parameters during the years in which a guideline harvest level for Bristol Bay red king crab is established.

COUNCIL DISCUSSION/ACTION

Bob Mace moved to approve the recommendation of the Advisory Panel:

Establish a closure to bottom trawling in the area bounded by 56°N to 57°N and 162°W and 164°W for the period January 1 - March 31 annually. The area bounded by 56°00'N to 56°10'N would be removed from the closure parameters during the years in which a guideline harvest level for Bristol Bay red king crab is established.

The motion was seconded by Wally Pereyra.

Earl Krygier moved a substitute motion to adopt Alternative 3, on an annual basis, allowing pelagic trawling with observer coverage as specified under the current emergency rule. The motion was seconded by Linda Behnken and failed, 6 to 5, with Behnken, Krygier, O'Leary, Samuelsen and Tillion voting in favor.

The main motion carried, 7 to 4, with Behnken, Krygier, O'Leary, and Samuelsen voting against.

(e) Forage Fish Amendment

In January 1995 the Council directed staff to prepare an analysis to examine impacts of prohibiting a directed fishery on forage fish which include capelin, smelt, sandlance, sandfish, and other schooling fishes. The Council was provided with a draft analysis at this meeting but because of time constraints did not address the issue.

SSC Report: The SSC reviewed the draft plan and recommended several modifications to the authors and that a revised plan be returned to the Council and its advisory bodies for further review before sending it out for public comment.

There was no AP report on this agenda item.

(f) Pacific Cod Allocation in the Bering Sea/Aleutian Islands

Amendment 24 to the Bering Sea/Aleutian Islands Groundfish FMP, implemented in 1994, is scheduled to sunset at the end of 1996. The amendment allocates 2% of the BSAI Pacific cod TAC to jig gear, 44% for hook and

line, and 54% for trawl gear, and provides for seasonal apportionment of the fixed gear allocation, as well as a provision allowing the NMFS Regional Director to reallocate in season any unused TAC allocation from one gear group to another. The Council was scheduled to decide whether to direct staff to begin analysis for continuation of the provisions after 1996.

There were no AP or SSC reports on this agenda item.

COUNCIL DISCUSSION/ACTION

Clem Tillion moved to initiate analysis to roll over the current allocation, with the following alternatives: (1) no action--no allocation between gear types; (2) rollover current allocations: 2% to jig gear, 54% to trawl; and 44% to fixed gear; (3) allocate 2% jig, 54% fixed gear, and 44% to trawl; (4) require full utilization and retention for species for which a TAC exists, except skates and sculpins, for all vessels participating in the directed Pacific cod fishery; and (5) include a phase-out of trawl gear over (A) 2 years; (B) 3 years; (C) 5 years. Additionally, with option 4, analyze and require a minimum portion be processed shoreside, analyzing a range from 21% to 35% with the intention that the percentage be reflective of shoreside deliveries. The motion was seconded by Kevin O'Leary but later withdrawn.

Mr. Mace pointed out that the new alternatives suggested by Mr. Tillion are beyond what he thinks can be accomplished in the near term and will confuse the issue with respect to other Council priorities. It was suggested that the newer alternatives could be addressed at a later meeting.

D-5 Other Groundfish Issues

(a) Groundfish Proposals

In June, the Council issued the normal call for amendment proposals. The 42 proposals received were reviewed by the Plan Teams. The Plan Teams did not rank the proposals but divided them into three categories: allocative, efficiency, and biological effects. The Plan Amendment Advisory Group did not meet to review the proposals as PAAG Chairman Bob Mace recommended last December that the advisory group be disbanded and that the entire Council participate in prioritizing proposals. The AP did not address this agenda item.

SSC Report: The SSC did not have time to review the new proposals but indicated that from the Plan Team summary, most of the proposals seem to deal with management and allocative problems. The SSC reiterated their January 1995 recommendation that the Council maintain priority for comprehensive solutions to overcapitalization and bycatch management.

COUNCIL DISCUSSION/ACTION

The Council did not take up the new amendment proposals as a topic of discussion because of a lack of time and other projects already under way. **The Council did vote to direct staff to begin analysis of a trimester allocation of pollock in the Gulf of Alaska.** A draft analysis will be provided to the Council by the December meeting, with a final decision expected in January and implementation by July 1996.

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(b) Trawl Mesh Report/Draft Proposed Rule to Implement Trawl Mesh Regulations

The Council received a presentation from Dr. Ellen Pikitch on the final report of the pollock codend mesh size study conducted by the Alaska Fisheries Development Foundation in 1994. The AP did not address this agenda item.

SSC Report: The SSC pointed out that the results from the trawl mesh study cannot be extrapolated to the NMFS proposed rule since different mesh sizes were used. The SSC affirmed their previous conclusion that further research is necessary to determine if mesh restrictions can reduce the catch of smaller fish.

COUNCIL DISCUSSION/ACTION

Bob Mace moved to approve the trawl mesh regulation for publication in the *Federal Register*. The motion was seconded and carried with Kevin O'Leary objecting.

(c) Draft Proposed Rule to Require Scale Weight Measurements of Catch in the Pollock Fishery

In September 1994, the Council requested NMFS to prepare draft regulations to require all processors in the pollock fishery to weigh pollock catch on a scale. NMFS has prepared a draft proposed rule based on scale evaluation and monitoring procedures recommended by Weights and Measures agency officials. The proposed rule was made available for public comment during this meeting.

The Council did not have sufficient time to address this agenda topic in depth. However, the Regional Director pointed out that NMFS was only going to provide a progress report at this meeting because there are still questions about who's going to do the standardization, monitoring, and about other aspects of the regulation. Council had taken final action on this regulation last year, however, at that time the Council requested that if NMFS had questions in the development of a final rule, that it would be brought back for further clarification. Ron Berg said they feel that it's not really ready to go to the *Federal Register* until industry and the Council have a chance to review it. Neither the SSC nor the AP addressed this agenda item.

COUNCIL DISCUSSION/ACTION

Dave Benton moved to send the draft proposed rule out for public review, along with a cover letter identifying issues NMFS feels need to be discussed; with further Council discussion in December. The motion was seconded and carried without objection. It was clarified that the issue may have to be delayed to the January agenda.

D-6 Staff Tasking

The Council discussed amendments in progress or scheduled to begin. Bob Mace offered the following list of immediate priorities, for discussion and/or action at the December Council meeting:

1. Research/Observer Plan
2. Any necessary work on the license limitation plan
3. Improved utilization/retention
4. Rollover the BSAI Pacific cod allocation
5. Mesh regulations
6. Grid Sorting
7. Individual Vessel Accountability

Mr. Benton stressed his desire to see progress on the improved retention issue as well as the forage fish amendment and the Pacific ocean perch rebuilding plan revision.

Mr. Pennoyer said that the Pacific cod trimester apportionments and the halibut catch sharing plan are musts for December and the Region will have to continue working on the IFQ omnibus Proposed Rule, the Observer Plan, and the Bristol Bay crab closure, but he's not sure that these can all be accomplished by December.

Ms. Behnken requested that the improved utilization issue be placed early on the December agenda and brought up the skipper license program which has been delayed for some time. She also pointed out that the halibut charter issue is scheduled for December and will attract a large turnout for public testimony.

It was the consensus of the Council that staff should concentrate on the priorities suggested by Mr. Mace.

In response to an industry and Advisory Panel request, Steve Pennoyer moved to direct staff to prepare for the December Council meeting the appropriate analysis for public review of combining the Gulf of Alaska 3rd and 4th quarter pollock quotas and releasing the combined quotas September 1st or September 15th. The motion was seconded by Robin Samuelsen and carried without objection.

The intent would be to consider releasing the analysis for public review following the December meeting, with final action in January. The proposal would be to have a January 1st opening for 25% of the pollock TAC in each FMP area in the Gulf of Alaska, open June 1st with 25% of the TAC in each of those areas, and open September 1st or 15th for 50% of each specific area TAC.

Linda Behnken moved to take the halibut charter issue off the December agenda since staff has indicated that the appropriate analyses will not be available at that time. The motion was seconded and carried without objection.

The Council suggested that the Executive Director consult with the Chair, NMFS Regional Director, and ADF&G Deputy Commissioner Benton in setting the January agenda.

E. FINANCIAL REPORT

There was no financial report at this meeting.

F. PUBLIC COMMENTS

There were no further public comments.

G. ADJOURNMENT

A motion to adjourn was made at about 4:25 p.m. on October 2, and failed 6 to 4, with Samuelsen, Mace, O'Leary and Pennoyer voting in favor; Mr. Tillion was not present for the vote. The Chairman adjourned the meeting at approximately 4:33p.m. on October 2, 1995.