

# North Pacific Fishery Management Council

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Certified Richard B. Lauber  
Richard B. Lauber, Chairman

Date 10/12/98

## MINUTES

**133rd Plenary Session  
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL  
June 10-15, 1998  
Grand Aleutian Hotel  
Dutch Harbor, Alaska**

The North Pacific Fishery Management Council met June 10-15, 1998, at the Grand Aleutian Hotel in Dutch Harbor, Alaska. The Scientific and Statistical Committee met June 8-10, and the Advisory Panel met June 8-12, also in Dutch Harbor. The following members of the Council, staff, SSC and AP attended the meetings.

### Council

Richard Lauber, Chairman  
Dennis Austin for Bern Shanks  
RADM T. Cross/CAPT Vince O'Shea  
Linda Behnken  
David Fluharty  
Dave Hanson  
Joe Kyle

Walter Pereyra, Vice Chair  
Doug DeHart for J. Greer  
Kevin O'Leary  
Steve Pennoyer  
H. Robin Samuelsen, Jr.  
Dave Benton for Frank Rue

### NPFMC Staff

Clarence Pautzke, Executive Director  
Jane DiCosimo  
David Witherell  
Darrell Brannan

Chris Oliver, Deputy Director  
Helen Allen  
Gail Bendixen  
Linda Roberts

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**Support Staff**

Lisa Lindeman, NOAA-GCAK  
Lauren Smoker, NOAA-GCAK  
Earl Krygier, ADFG  
Sue Salveson, NMFS-AKR  
Jay Ginter, NMFS-AKR  
John Lepore, NMFS-AKR  
Lowell Fritz, NMFS-AFSC  
Steve Meyer, NMFS Enforcement

Phil Smith, NMFS-RAM Division  
Kent Lind, NMFS-AKR  
Cindy Hartmann, NMFS-AKR  
Tim Ragen, NMFS-AKR  
Rich Ferrero, NMFS-NMML  
Grant Thompson, NMFS-AFSC  
Peggy Murphy, ADFG

**Scientific and Statistical Committee**

Richard Marasco, Chair  
Milo Adkison for Al Tyler  
Keith Criddle  
Sue Hills  
Doug Larson

Seth Macinko  
Jack Tagart, Vice Chair  
Terry Quinn  
Hal Weeks

**Advisory Panel**

John Bruce, Chair  
Dave Benson  
Tim Blott  
Al Burch  
Craig Cross  
Dan Falvey  
Kris Fanning

Stephanie Madsen, Vice Chair  
Dave Fraser  
Arne Fuglvog  
Steve Ganey  
John Henderschedt  
Spike Jones  
John Lewis

Hazel Nelson  
Dean Paddock  
Jeff Stephan  
Lyle Yeck  
Grant Yutzenka

**Other Attendees**

The following people signed the attendance register:

Frank Kely  
Brian Bigler  
John Iani  
Lennie Gorsuch  
Tammy Fowler Pound  
Ole A. Mathisen  
Jim McManus  
Joe Plesha  
R. Miller  
Shirley Marquardt  
Aimee Kniazowski

Stephen R. Toufen  
Dave Williams  
Dan Bean  
Matthew Weber  
Salvador Alvarado  
Chris Blackburn  
Arni Thomson  
Bryce Morgan  
Steve Joner  
Jude Henzler  
Sinclair Wilt

John Gruver  
Mike Downs  
Janet Smoker  
Steve Hughes  
Ed Glotfelty  
Shari Gross  
Rick Kniazowski  
Jim Paulin  
Jim Salisbury  
Joe Sullivan

**NOTE: Many more people attended, but did not sign in. A list of those who gave public comment during the meeting is found in Appendix I to these minutes.**

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

Chairman Rick Lauber called the meeting to order at 8:10 a.m. on Wednesday, June 10, 1998.

Agenda and Minutes. The agenda was approved as written. The minutes of the April 1998 meeting were not yet available for approval.

Plan Team Member. The Council approved the appointment of Dr. Mark Hermann, University of Alaska Fairbanks, to replace Dr. Josh Greenberg on the BSAI King and Tanner Crab Plan Team.

**B. REPORTS**

The Executive Director's Report (Agenda item B-1) was provided in written form. Fishery progress reports were provided by the Alaska Department of Fish and Game and National Marine Fisheries Service (NMFS) (Agenda items B-2, B-3), and enforcement reports were provided by the Coast Guard and NMFS Enforcement (Agenda item B-4). RADM Terry Cross presented a video presentation on recent enforcement activities relating to illegal driftnet fishing by Chinese vessels south of the Aleutian Islands.

**DISCUSSION/ACTION RESULTING FROM REPORTS**

Enforcement. The Council directed the Executive Director to prepare and send a letter to the appropriate Congressional delegations commending the Coast Guard and stressing the importance of their mission, particularly off the coast of Alaska, and particularly commending them for a job well done on the recent incident involving Chinese vessels caught driftnetting. The letter should urge Congress to make the necessary resources available for patrols and other equipment and resources to fulfill their mission. The Council also directed that a letter be sent to the U.S. Secretaries of Commerce, State, and Transportation urging that port privileges for the Chinese be denied because of the recent driftnet infractions.

Kevin O'Leary asked Steve Meyer, NMFS Enforcement, about the situation brought to the Council's attention at the last meeting regarding the six-hour notice of landing requirement in the IFQ fisheries, with particular reference to the port of Homer. Mr. Meyer indicated that with limited staff it is necessary to continue with their current practice. Mr. Kyle pointed out that when the program originally was approved the six-hour notice was envisioned to allow time for an agent to be dispatched to monitor offloading at outlying ports with no resident agent.

NMFS Management Report. Mr. Benton inquired about the status of skipper reporting requirements. Ms. Salveson indicated that beginning in 1999 recording of skippers on all catcher vessels and, to some extent, on catcher processor vessels, will be required. However, because of vessels using multiple skippers, to accomplish the Council's intent an electronic haul-by-haul reporting system would be needed. She pointed out that the long-term goal of NMFS is to implement a comprehensive electronic reporting system and eliminate the need for logbooks.

Regarding a proposed requirement for applicants for federal fisheries and processor permits to indicate whether or not they are considered a "small entity" for purposes of the Regulatory Flexibility Act, Council members indicated that this may not be the most accurate way of obtaining such information unless there are clear guidelines as to what constitutes a "small entity." Ms. Salveson said that NMFS will work with the Council's Socioeconomic Data Committee to develop standards. The Council recommended that a determination of "small entity" status should be made based on information collected during socioeconomic data collection rather than allowing an entity to determine its own status.

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Linda Behnken asked NMFS to provide in October the number of people, and the amount of quota share, involved in the use of the "loophole" in the IFQ program allowing practices that amount to leasing.

**FORMAT FOR COUNCIL MEETING MINUTES:**

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

**C. NEW OR CONTINUING BUSINESS**

C-1 Inshore-Offshore 3

**ACTION REQUIRED**

**Final decision on pollock allocations in the Gulf of Alaska and Bering Sea/Aleutian Islands**

**BACKGROUND**

In April you reviewed the draft analysis of alternatives, provided direction to staff on additions to the analysis, and released it for a public review period prior to the final decision scheduled for this meeting. In addition to general revisions suggested by the SSC, and several minor additions suggested by the AP, the Council requested the following additions to the analysis:

1. Further discussion of potential spillover effects in other fisheries (pages 258-282);
2. Further information on marine mammals requested in April, including an examination of alternatives and options which would limit CVOA area removals, including additional alternatives for categories of vessels which might be excluded from fishing in the CVOA (Chapter 6);
3. Additional discussions regarding prices, exchange rates, markets, and market control issues (pages 100-120 and pages 246-248);
4. Additional options for defining and managing a 'true' mothership allocation (pages 147-151);
5. Inclusion of a new allocation alternative which would provide a set aside for small catcher vessels (with no delivery mandates), and would eliminate a direct allocation to the 'true' mothership category (pages 170-173);
6. Additional discussion of 'excessive share' issues as they pertain to I/O3 (pages 241-246);
7. Revision to the Impact Assessment, Inc. analysis of social/community level impacts (Appendix II) as requested by the SSC and Council (this consisted primarily of more adequate documentation of the study methodologies, in order to underpin the findings from that study); and,
8. Revisions to the McDowell Report on CDQ linkages and CDQ program impacts (Appendix III) as requested by the SSC/AP/Council (this consisted primarily of further substantiation of the

conclusions drawn by the authors, including reconciliation of the actual survey responses with those conclusions).

Council staff will provide a summary of the new information in the main document, while Dr. Mike Downs of Impact Assessment, Inc. will provide a summary of the revised Appendix II. For your reference, the Council's Problem Statement and list of alternatives are included below:

**GOA Problem Statement:**

Allowing the current Gulf of Alaska Inshore/Offshore allocative regime to expire December 31, 1998, would allow the same preemption of resident fleets by factory trawlers in the pollock and Pacific cod fisheries which occurred in 1989. It was this dramatic preemption which triggered the original proposal for an inshore/offshore allocation. In 1989, there was still pollock available in the Bering Sea when the preemption occurred when vessels moved into the Gulf to take advantage of fish with high roe content.

A rollover of the current Gulf of Alaska inshore/offshore program which allocates 100% of the pollock and 90% of the Pacific cod to inshore operations is a proactive action to prevent the reoccurrence of the original problem.

**BSAI Problem Statement:**

The current inshore/offshore allocation expires at the end of 1998. The Council thus faces an inevitable allocation decision regarding the best use of the pollock resource. Many of the issues that originally prompted the Council to adopt an inshore/offshore allocation (e.g., concerns for preemption, coastal community dependency, and stability), resurface with the specter of expiration of the current allocation.

The current allocation was made on the basis of several critical assumptions including utilization rates, foreign ownership, the balance between social gains and assumed economic losses to the nation, and the nature of progress on the Council's Comprehensive Rationalization Program (CRP) initiative. Many of these assumptions have not been revisited since approval of the original amendment. It is not clear that these assumptions hold or that the Council and the nation are well-served by continuing to manage the pollock fishery without a reexamination of allocation options. The Magnuson-Stevens Act presents the Council with a new source of guidance to evaluate national benefits. In the context of Council deliberations over Inshore-Offshore 3, this includes enhanced statutory emphasis on increased utilization, reduction of waste, and fishing communities.

There have also been substantial changes in the structure and characteristics of the affected industry sectors including number of operations, comparative utilization rates, and outmigration and concentration of capital. These changes are associated with several issues, including: optimization of food production resulting from wide differences in pollock utilization; shares of pollock harvesting and processing; discards of usable pollock protein, reliance on pollock by fishing communities; and decreases in the total allowable catch of pollock. In addition, changes in fishing patterns could lead to local depletion of pollock stocks or other behavioral impacts to stocks which may negatively impact Steller sea lions and other ecosystem components dependent upon stock availability during critical seasons.

Therefore, the problem facing the Council is to identify what allocation would best serve to ensure compliance with the new Act and address the issues identified above.

**Alternatives Being Considered**

**Alternative 1: No action.**

**Alternative 2: Rollover existing inshore/offshore program, including:  
GOA pollock (100% inshore) and Pacific cod (90% inshore) allocations  
BSAI pollock (35% inshore, 65% offshore) allocation  
suboption a: 1-year rollover  
suboption b: 3-year rollover**

**Alternative 3: Allocation range (BSAI only) of following percentages:**

<b>Option:</b>	<b><u>A</u></b>	<b><u>B</u></b>	<b><u>C</u></b>	<b><u>D</u></b>
Inshore sector	25	30	40	45
True Motherships	05	10	10	15
Offshore sector	70	60	50	40

**Option:** Establish a reserve set aside for catcher vessels less than 125 feet. The range considered for this set aside is 40-65% of the inshore and "true mothership" sector quotas. This range is based on the percentage of harvest that these smaller catcher vessels accounted for between 1991 and 1996.

Allocations would be analyzed such that the True Motherships (which could operate in the BSAI only) would be looked at as a sub-component of either the inshore or offshore component or as a separate component.

**Option:** Nine to 15% of the offshore quota shall be reserved for catcher vessels delivering to catcher processors. This is in addition to the allocation that catcher vessels may receive under the "True Motherships" and Inshore sectors.

**Alternative 4: "Harvester's Choice" for Catcher Vessels Less Than 125' LOA (added in April 1998).**

Establish a set-aside for catcher vessels less than 125' LOA. The set-aside would be based upon a combination of:

- 40 to 60% of the inshore quota, plus
- 9-15% of the offshore (catcher processor) quota, plus
- 100% of the true mothership sector quota.

This alternative would use the main allocation percentages and small vessel set-aside sub-options, considered under Alternative 3, to determine the amount of pollock allocated to small catcher vessels (<125' LOA). Once their allocation percentage is determined, each of the small catcher vessels would be allowed to develop markets and deliver their pollock to the inshore, true mothership, or catcher processor sectors. Larger catcher vessels would only be allowed to sell their allocation to the inshore sector. Catcher processors would still be allowed to harvest some or all of the catcher processor quota depending on the option selected.

Under the Status Quo allocation percentages, this options reduces the pollock guaranteed to all of the processing sectors. However, any processing sector could increase the amount of pollock they process if they are relatively more successful in developing contracts with small catcher vessels.

**Alternative 5: "Harvester's Choice" for Catcher Vessels 155' LOA and Shorter.**

This alternative is the same as Alternative 4 except that the set-aside also includes catcher vessels from 125' through 155' LOA.

The definitions provided by staff for the Inshore, Offshore, Catcher Vessel, and True Mothership sectors will be used in this analysis. These same definitions were used in the sector profiles developed for the Council, and presented at the September meeting. Those breakdowns include:

**Catcher Vessels:**

- < 125' Length Overall (LOA)
- 125' through 155' LOA
- > 155' LOA

**Inshore Processors:**

- Surimi Capability
- No Surimi Capability

**Catcher Processors:**

- Surimi Capability
- No Surimi Capability

**True Motherships:**

A vessel that has processed, but never caught, pollock in a "pollock target" fishery in the BSAI EEZ.

Also included as options under Alternative 2 and Alternative 3:

1. Catcher vessel operational area (CVOA) Issues:
  - a. Keep the CVOA as currently defined.
  - b. Restrict catcher/processors from operation in the CVOA during both the A & B season with an examination of allowing motherships to operate in the CVOA exclusively as well as excluding them from CVOA.
  - c. Restrict larger catcher vessels (>155' or >125') fishing in CVOA (added in April 1998).
  - d. Repeal the CVOA.
2. Sunset Issues:
  - a. No sunset date, but intended to serve as an interim measure until the Comprehensive Rationalization Program has been completed.
  - b. 3-year sunset.
3. The analysis will identify and examine potential conservation impacts on fish stocks, marine mammals and other marine resources that may result from status quo, or any changes in the structure of the fishery as well as other recommendations made by the SSC in their June 1997 meeting.

**Item C-1(a)** is the current Executive Summary of the Council/NMFS staff analysis. **Item C-1(b)** contains all memos and correspondence regarding the audit process for the price and employment data submitted by At-sea Processors' Association (APA). **Item C-1(c)** contains public comments received on this issue, and **Item C-1(d)** are the transcripts of public testimony and Council discussion from the April 1998 meeting.

**Report of the Scientific and Statistical Committee**

The SSC made no recommendation with regard to a preferred alternative, but did determine that the EA/RIR and accompanying appendices present a great deal of information that provides a reasonable basis for a Council

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decision regarding a pollock allocation. They did, however, reiterate earlier cautions that both the biological information on abundance and exploitation rates in and near the CVOA, and the economic information on markets, gross values, and utilization rates are snapshots of performance at a point in time, with no assurance that they will persist into the future.

**Report of the Advisory Panel**

The AP made the following recommendations:

*Bering Sea and Aleutian Islands*

The AP recommends the Council adopt Alternative 3 with the following:

Inshore sector	40%
True motherships	10%
Offshore sector	50%

Additionally, the AP recommends:

1. 5% of the TAC allocated to the inshore sector quota would be set aside for catcher vessels less than 125 feet. This set aside would be harvested immediately following the "A" season.
2. The A/B season will be: A season 40%; B season 60%.
3. True motherships would have to declare for the duration of the allocation.
4. No change to the CVOA and any future change in the CVOA would be sector neutral.
5. Duration of allocation would be for 5 years.

*Gulf of Alaska*

The AP recommends the Council adopt Alternative 2 (rollover GOA pollock at 100% inshore; Pacific cod 90% inshore).

**DISCUSSION/ACTION**

At the beginning of this agenda item, after staff reports and before public comments commenced, a group of industry representatives presented for Council consideration a negotiated agreement with particulars for the inshore-offshore allocation for the Bering Sea/Aleutian Islands. Representatives included Paul MacGregor (At-sea Processors Assn); Brent Paine (United Catcher Boats), Berndt Bodal (American Seafoods), Doug Christiansen, Terry Schaff, Doug Forsyth (Premier Pacific), Greg Baker (Westward Seafoods), David Stanchfield (UCB), Jeff Hendricks (M/S Alaska Ocean/Ariga/Aurora), and Frank Bohannon (UCB). The agreement was revised several times during the three days of Council deliberation. The final version of the negotiated agreement is attached as Appendix II to these minutes.

A major point of concern during discussion of the agreement was the provision to allow the offshore sector to form a co-operative to better utilize their reduced allocation. Some Council members felt it equated with a IFQ-type program and that with the current moratorium on IFQ programs, the Council should not sanction it. Others felt that it could disadvantage industry members not participating in the co-op.



Wally Pereyra moved the following:

- (1) **Allocations of Bering Sea/Aleutian Islands (BS/AI) Pollock.** Beginning with the 1999 fishing year, the allocations of BS/AI pollock shall be divided between three separate sectors and apportioned as follows (after 7.5% CDQ allocation):

**In the Bering Sea.**

- a. Inshore Sector: 40%
- b. Catcher Processor Sector: 50.5%
- c. True Mothership Sector: 9.5%

**In the Aleutian Islands.**

- a. Inshore Sector: 40%
- b. Catcher Processor Sector: 60%
- c. True Mothership Sector: 0%

- (2) **Catcher Vessel Operational Area (CVOA).** The rules and regulations pertaining to the CVOA shall remain the same.
- (3) **"A" Season / "B" Season Split.** The apportionment of pollock between the BS/AI "A" and "B" seasons shall remain at 45/55 unless specifically changed by the North Pacific Fishery Management Council during its annual specifications process each year at the December meeting.
- (4) **True Mothership Declaration.** Vessels wishing to participate in the groundfish fisheries of the BSAI during the duration of the FMP amendment must declare themselves to be in the inshore sector, true mothership sector, or offshore sector prior to participating in any BSAI groundfish fishery. Processor declarations pertain to all BSAI groundfish fisheries and will remain in effect for the effective period of the FMP amendment. Once a processor makes a sector declaration, that processor is ineligible to participate in any other sector for the effective period of the FMP amendment.
- (5) **Term of the Amendment.** The amendment shall be reviewable at the end of three (3) years to see if any changes and/or modifications are necessary to better address management issues associated with the BS/AI pollock fishery. The three (3) sector split shall be subject to annual renewal. In the event of non-renewal, the allocations revert to a two (2) sector split (inshore and offshore sector at 40/60 respectively, with the true motherships included in the off shore sector).
- (6) **Small Vessel Set Aside.** One half (1/2) of the five (5) percent increase to the Onshore Sector, which is 2.5% of the BS/AI Pollock TAC, shall be made available for vessels under 125' for delivery to the Onshore Sector, prior to the 'B' season starting on August 20.

The motion was seconded by Kevin O'Leary.

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**David Benton moved a substitute motion with the following allocations for the Bering Sea/Aleutian Islands:**

**40% inshore; 60% offshore, with a 2.5% set-aside for vessels under 125 ft for delivery to the onshore sector prior the 'B' season, starting on August 25; the term of the amendment would be three years - 1999, 2000, and 2001.**

The motion was seconded by Joe Kyle.

Mr. Benton cited better utilization rates, taxes, and higher net benefits to the nation by the inshore sector as the reason for the increased allocation to inshore.

With regard to the August 25 start date for the 2.5% set-aside, it was clarified that NMFS will have to work with the date as an intent, but for reporting reasons it may vary. With regard to overages or underages of the 2.5% set-aside at the beginning of the 'B' season, it was clarified that NMFS would deal with it in the best way for regulatory efficiency. Any underages would go back into the onshore sector, since it is part of that allocation.

**Linda Behnken moved to amend the substitute motion to change the percentage that can be taken between the 'A' and 'B' seasons to 40% during the 'A' season and 60% during the 'B' seasons. The motion was seconded by Dave Benton and failed, 6 to 5, with Behnken, Benton, DeHart, Kyle and Lauber voting in favor.**

Ms. Behnken made the motion with the understanding that the shift of 2.5% may have some effects on the CVOA and that this action would alleviate the concerns previously expressed by NMFS.

Mr. Pereyra pointed out that he didn't think that any effects of this action are covered in the analysis. In addition, he suggested that it could exacerbate the Steller sea lion problem by taking five percent out of the 'A' season and putting it into the summer period when the pollock are more dispersed to the north, and at a time of the year when may be important for the sea lions to be bulking up prior to the onset of the winter season.

**The substitute motion (Benton's) failed, 7 to 4, with Behnken, Benton, Kyle and Lauber voting in favor.**

**Robin Samuelsen moved a substitute motion, as follows:**

**Adopt an allocation for BSAI pollock (after the 7.5% CDQ allocation) as follows:**

**39% inshore  
61% offshore**

**That portion of the inshore B season allocation in the Bering Sea that is equivalent to 2.5% of the overall BSAI pollock TAC shall be made available only to vessels under 125 ft for delivery to the inshore sector, prior to the Bering Sea 'B' season (there is no 'B' season in the Aleutian Islands), starting on or about August 25. Any overages or underages will be subtracted/added as part of the inshore open access quota.**

**The length of the amendment would be 3 years: 1999, 2000, and 2001.**

**The rules and regulations pertaining to the CVOA shall remain the same, except that during the 'B' season, operations in the CVOA will be restricted to catcher vessels delivering to the inshore sector.**

The motion was seconded by Wally Pereyra and carried, 7 to 4, with Austin, Behnken, DeHart, and Kyle voting against.

**Kevin O'Leary moved that for the Gulf of Alaska, the inshore-allocation be rolled over at current rates: GOA pollock - 100% inshore; GOA Pacific cod - 90% inshore; 10% offshore; The motion was seconded and carried without objection. It was clarified that the duration of the amendment would be for three years.**

A transcript of Council discussion on this subject is included as Appendix IV to these minutes.

## SUMMARY

The Council approved an allocation split of 61% offshore and 39% inshore for Bering Sea/Aleutian Islands pollock, and for the Gulf of Alaska approved a rollover of the current allocations: pollock - 100% inshore; Pacific cod - 90% inshore; 10% offshore. For the Bering Sea, 2.5% of the combined BSAI pollock TAC, adjusted for the 7.5% CDQ) will be set aside for vessels under 125 feet for delivery to inshore processors; harvest of this allocation will take place before the Bering Sea 'B' season, starting on or about August 25. The CVOA regulations will remain the same except that only catcher vessels delivering onshore, not mothership operations, will be allowed to fish in the CVOA during the "B" season. These allocations will remain in place for three years - 1999, 2000, and 2001.

### C-2 Essential Fish Habitat

#### ACTION REQUIRED

- (a) Final review of essential fish habitat amendments.
- (b) Final review of Cape Edgecumbe Pinnacle closure.

#### BACKGROUND

##### (a) Essential Fish Habitat Amendments

The Magnuson-Stevens Act amendments emphasized the importance of habitat protection to healthy fisheries and strengthening the ability of the National Marine Fisheries Service (NMFS) and the Councils to protect and conserve habitat of finfish, mollusks, and crustaceans. This habitat is termed essential fish habitat (EFH), and is broadly defined to include "those waters and substrate necessary to fish for spawning, breeding, feeding, or growth to maturity". The Councils are required to amend their fishery management plans by October 1998 to:

- identify and describe EFH for species managed under a fishery management plan;
- describe adverse impacts to that habitat from fishing activities;
- describe adverse impacts to that habitat from non-fishing activities;
- recommend conservation and enhancement measures necessary to help minimize impacts, protect, and restore that habitat; and
- include conservation and enhancement measures necessary to minimize to the extent practicable, adverse impacts from fishing on EFH.

Once the FMPs are amended with this EFH information, NMFS and the Councils can be more proactive in protecting habitat areas by alerting other federal and state agencies about areas of concern. Federal agencies engaging in activities that may adversely affect EFH must consult with NMFS regarding those activities. NMFS and the Council may make suggestions on how to mitigate any potential habitat damage. The Council will be required to comment on any project that may affect salmon habitat or habitat of any other anadromous fish (smelt, steelhead, etc.). However, the interim final rule encourages

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coordination between NMFS and the Councils, and may allow for the Council to delegate the consultation process to NMFS.

At this meeting, the Council will make a final review of the analysis to amend all fishery management plans (groundfish, scallops, crab, and salmon) to include definitions of EFH. The alternatives analyzed in the EA/RIR were the following:

**Alternative 1:** Status Quo.

**Alternative 2 :** (NMFS AK Region Recommendation) EFH is defined as all habitat within a general distribution for a species life stage, for all information levels and under all stock conditions. A general distribution area is a subset of a species range. For any species listed under the Endangered Species Act, EFH includes all areas identified as "critical habitat".

**Alternative 3:** For stocks deemed to be in healthy condition, EFH is defined as a subset of all habitat within a general distribution [e.g., areas of known concentration] in the case of level 2 information or greater for a species life stage. For level 0 and 1 information, EFH is defined as all habitat within a general distribution for a species life stage. For stocks deemed to be in an "overfished" condition, EFH would be defined as the area of general distribution, regardless of information level. For any species listed under the Endangered Species Act, EFH includes all areas identified as "critical habitat".

An executive summary of the analysis is attached at Item C-2(a). Item C-2(b) contains NMFS's recommendations for identification and description of EFH for the Council's FMP species. The Council will take final action on EFH identification and description at this meeting.

In April, the Council requested that the EFH core team prepare a discussion paper to assist the public with plan amendment proposals to identify Habitat Areas of Particular Concern (HAPC). A draft discussion paper is attached as Item C-2(c) for your review. We would like to distribute this document with our call for proposals this summer.

**(b) Cape Edgecumbe Pinnacle Closure**

Included in Section 12.5 of the analysis is an alternative to implement a no fishing closure to address potential impacts of fishing gear on a habitat area of particular concern (HAPC). A 4 square mile pinnacle area off Sitka has been proposed as a no fishing and no anchoring area to protect a rare and ecologically important habitat for juvenile rockfish and lingcod. Recall the video of this pinnacle area shown by Tory O'Connell (ADF&G) at the April meeting. There are two options for the closure, and these are as follows:

Option 1: Close the pinnacle area to anchoring and fishing for all species.

Option 2: Close the pinnacle area to anchoring and fishing for groundfish and scallops, but allow fishing for salmon within the area.

The Council is scheduled to take final action on this closure area at this meeting.

**Report of the Scientific and Statistical Committee**

The SSC verified that the revised analysis responded to SSC comments in April, but did not make a specific recommendation on a preferred alternative. They did, however, point out that there is a great deal more to be accomplished to meet the goals set forward in the Act and stressed the need for a well-defined research plan and

funding to improve current knowledge of EFH. With regard to HAPC, the SSC provided several recommendations to guide evaluation of proposals (see SSC Minutes, Appendix II to these minutes, for detailed recommendations).

### **Report of the Advisory Panel**

The AP recommended the Council adopt Alternative 2 and direct NMFS habitat personnel to begin work on Phase II of the process: further identification of HAPC and evaluation of possible habitat protection needs.

With regard to the Cape Edgecumbe Pinnacle closure, the AP reported that they do not believe the closure is an appropriate action under EFH and that the action should be separated from the EFH analysis and proceed as a separate amendment. The AP recommended the Council approve Alternative 2, Option 2, with the addition of halibut, and a prohibition on possession of lingcod and rockfish by vessels fishing in the area as a method to assist the Alaska Board of Fisheries' efforts to control lingcod harvest and bycatch in the area.

### **DISCUSSION/ACTION**

#### Essential Fish Habitat Amendments

**Linda Behnken moved to approved the AP recommendation: Alternative 2, and to direct NMFS to begin work on Phase II of the process: further identification of HAPC and evaluation of possible habitat protection needs.**

**Alternative 2: EFH is defined as all habitat within a general distribution for a species life stage, for all information levels and under all stock conditions. A general distribution area is a subset of a species range. For any species listed under the Endangered Species Act, EFH includes all areas identified as "critical habitat."**

The motion was seconded by Dave Benton.

During discussion of the motion, the following suggestions were accepted as friendly amendments to the motion:

- Subsection 10.1.3, which contains Habitat Conservation and Enhancement recommendations should be augmented to provide supporting rationale and examples, in the context of EFH objectives, for actions to minimize impacts on EFH by non-fishing activities. [Note: as direction to staff, when revising the analysis, stress a more practical or positive approach as to how to deal with activities such as construction of structures such as causeways or breeches.]
- Staff should review areas the Council has already closed to determine qualification as Habitat Areas of Particular Concern (HAPC); use current research underway and be specific about what is known and not known about EFH to guide further Council action, and request proposals regarding actions the Council could take with regard to essential fish habitat.
- Amend the heading of Section 10.1, page 285 of the EA/RIR, to read "Identification of Non-fishing Activities Affecting EFH."

**The motion carried without objection.**

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Cape Edgecumbe Pinnacle Closure

Linda Behnken moved to adopt Alternative 2, option 2: Close the pinnacle area to anchoring and fishing for groundfish scallops, and halibut, but allow trolling for salmon within the area, including recreational, charter, and commercial. Providing it does not slow implementation, separate the pinnacle closure from the EFH document with the understanding that it will be reviewed at a future date as a Habitat Area of Particular Concern under EFH.

The motion was seconded by Dave Benton and carried, 10 to 1, with Kyle voting against.

The Council also agreed to request that the Alaska Board of Fisheries review the effectiveness of their closure of the area to salmon fishing.

SUMMARY

The Council approved amendments to the Bering Sea/Aleutian Islands and Gulf of Alaska groundfish, Bering Sea/Aleutian Island king and Tanner crab, and Scallop and Salmon fishery management plans to incorporate information on essential fish habitat, as required by recent amendments to the Magnuson-Stevens Act. The Council also approved a closure of a 4-by-4 mile pinnacle area off Sitka to prohibit boat anchoring and fish for groundfish, halibut, and scallops to protect important habitat for rockfish and lingcod.

C-3 Moratorium

ACTION REQUIRED

Approve extension of vessel moratorium beyond December 31, 1998

BACKGROUND

Earlier this year it became apparent that the Council's license limitation program (LLP) would not be implemented until the year 2000. At that time the Council initiated development of an FMP amendment to extend the existing vessel moratorium (currently scheduled to expire on December 31, 1998) to cover the interim period until LLP implementation. In April you reviewed an initial analysis prepared by NMFS staff, and narrowed the alternatives to only include: (1) No Action - allow the moratorium to expire, and (2) extend the moratorium for one year, through December 31, 1999. An option under Alternative 2 would be to limit the application period to 1998; i.e., only those persons who have applied for a permit by the end of 1998 would be eligible to fish in 1999.

Item C-3(a) is a copy of the revised analysis. Final action is required at this meeting to keep the moratorium in place through 1999.

The Scientific and Statistical Committee did not address this agenda item.

Report of the Advisory Panel

The AP recommended the Council adopt Alternative 2, Option A: extend the fishing period only under the vessel moratorium until December 31, 1999.

## DISCUSSION/ACTION

Linda Behnken moved to approve the recommendation of the AP: Alternative 2, Option A: extend the fishing period only under the vessel moratorium until December 31, 1999. [Deadline for moratorium applications remains December 31, 1998.] The motion was seconded by Dave Benton and carried without objection.

### C-4 License Limitation Program

## ACTION REQUIRED

- (a) Review draft analysis of proposed amendments to the LLP.
- (b) Receive status report on general guidelines for vessel buyback programs.

## BACKGROUND

### (a) Proposed LLP Amendments

In February of this year the Council initiated several potential amendments to the LLP scheduled for year 2000 implementation. These proposed amendments are primarily geared towards further capacity reductions in the groundfish and crab fisheries, and include the following:

1. Prevent transfer of permits from vessels that never held a federal fishery permit during the LLP qualifying period and prohibit transfers of fishing histories and subsequent licenses as of February 7, 1998, (applies to all vessels, regardless of size).
2. Prohibit licenses and fishing histories earned by vessels employing non-trawl gear to be used on vessels employing trawl gear and licenses and fishing histories earned by vessels employing trawl gear to be used on non-trawl gear vessels (i.e., if a vessel never used trawl gear during the original qualification periods, that license could not be converted for using trawl gear, and vice-versa).
  - a. Grandfather rights only to persons who can demonstrate significant financial commitment to apply a non-trawl license or fishing history to a trawl operation (and the reverse) as of February 7, 1998, with the following suboptions:
    - (i) has made a landing with trawl gear (or the reverse, non-trawl) by February 7, 1998;
    - (ii) has made a significant investment in conversion of a vessel to deploy trawl (or the reverse, non-trawl) gear by February 7, 1998.
3. Rescind the CDQ vessel exemption portion of the LLP, with grandfather rights to any vessels currently built or operating in an existing CDP under this provision.
4. Clarify that catch history transfers would be recognized, except those occurring after June 17, 1995, and where the owner of the vessel at that time was unable to document a vessel under Chapter 121, Title 46, U.S. Code.
5. Initiate an amendment (possibly a trailing amendment) to the Crab LLP to include a recent participation clause, with the following options:

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- a. **Crab landings in:**
    - i. **1995**
    - ii. **1996**
    - iii. **1997**
    - iv. **through February 7, 1998**
    - v. **any combination of the above (any combination of those single or multiple years)**
  - b. **Analysis will consider:**
    - i. **all vessels**
    - ii. **vessels under 60 ft.**
    - iii. **vessels 60-125 ft.**
    - iv. **vessels over 125 ft.**
- **The recent participation requirement would apply to the general umbrella license only (i.e., if a vessel satisfies the recent participation criteria chosen, it would receive its original umbrella license and species/area endorsements under that umbrella — new species/area endorsements could not be 'earned' during the new qualification period).**
  - **This amendment is not to impede or delay implementation of the LLP program.**
  - **The amendment/regulations should be structured such that interim permits could be issued for the Crab LLP if these changes cannot be fully implemented when the LLP program takes effect, and structured such that permanent permits could then be issued without additional amendments to the plan.**
  - **Council serves notice that the above dates for meeting performance standards are very firm. The Council may examine more recent participation than February 7, 1998, in making its final decision (such as date of final Council action), but cannot now foresee any extraordinary circumstances that would allow the cut-off dates to be advanced past those shown above.**
6. **Proposed amendment would allow limited processing for catcher vessels in the BSAI and GOA under the following options:**
- Option A: Allow processing of bycatch amounts of any groundfish, up to directed fishing standards.**
  - Option B: Allow processing of any species, excluding pollock as a target species, of (a) up to 5 mt round weight per day for vessels <60'; and (b) up to 18 mt round weight per day for vessels >60'.**

**A draft analysis, completed primarily under contract to Northern Economics, Inc., was mailed to you on May 29. Marcus Hartley will present the findings of that analysis. A copy of the Executive Summary is under Item C-4(a)(1), and correspondence received is under Item C-4(a)(2). This issue is currently scheduled for a final decision at the October meeting in Seattle.**

**(b) Buyback Program Guidelines**

**Last October, after reviewing an initial business plan from the Crab Reduction and Buyback (CRAB) Group, the Council sent a letter to NMFS supporting a proposed vessel buyback program for the BSAI crab fisheries. Since that time several events have transpired which will impact development of the crab buyback program. The original business plan has now been revised to include an A and B license concept, under which non-transferable B licenses would be allocated to those vessels which have not made landings in recent crab fisheries (since 1995 for example). Vessels satisfying the recent landings period would be allocated A licenses. This aspect of the current crab buyback program is inconsistent**



with the Council's FMP (LLP program) for the crab fisheries. Under the Magnuson-Stevens Act, one of the primary requirements for a buyback program is consistency with the subject FMP.

A further consideration is that the Council has initiated an amendment to the LLP which would incorporate additional participation requirements for LLP eligibility in the BSAI crab fisheries (though nothing initiated by the Council incorporates an A/B license concept). Because this will not be decided until October 1998, it is unlikely that the specifics of the crab buyback business plan can be finalized until that time (until we know what the FMP is going to be, and how many vessels will in fact qualify, the buyback specifics and details of an industry referendum cannot be finalized). So, at some point after the October decision, the Council's LLP and the CRAB buyback plan specifics will have to be reconciled. Item C-4(b)(1) contains a letter sent from the Council to Gordon Blue of the CRAB Group this past month summarizing these issues, as well as other related correspondence. We have suggested that the October meeting in Seattle is the appropriate time and place for the Council to engage in more detailed discussions of the crab buyback program.

In the meantime, a set of generic guidelines for buyback program development has been in the works at NMFS and will be relevant to further development of any and all buyback programs around the country. An initial draft of the proposed rule is under Item C-4(b)(2). While the specifics of the crab vessel buyback plan may have to await the Council's October decision, it is likely that additional progress on their plan can be made once these guidelines are published. Though the proposed rule has not been published yet, the Council could submit preliminary comments.

#### Report of the Scientific and Statistical Committee

The SSC felt that the draft document needs some revision before it is released for public review. The suggested revisions include:

- (1) Elimination of regressions analyses reported on pages 19-23 and 32-34. These analyses are not essential to the completeness of the EA/RIR and are statistically flawed. The cumulative frequency diagrams should be retained.
- (2) Editing for proper terminology. For example the draft EA/RIR had numerous references to "mode" that should refer to "median."
- (3) Editing for readability.

#### Report of the Advisory Panel

The AP recommended the Council release for public review the EA/RIR on the LLP amendments with the following additions:

1. Proposed Action 1: add an option which would allow transfer of the license with the vessel upon which it was earned, or with vessels which have existing transfers of the permits that were grandfathered.
2. Proposed Action 5:
  - a. Add an alternative requiring participation in at least one year between 1995 - 1998.
  - b. Provide an exception to the additional umbrella landing requirement for:
    - i. any vessel that made landings in the Bering Sea crab fishery in 1998 prior to February 7 and for which the owner acquires license limitation program rights related to a vessel that meets the General Qualifying Period (GQP) and Endorsement Qualifying Period (EQP) landing requirements, or

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- ii. a vessel that is under construction for the Bering Sea crab fishery and whose owner has acquired a crab moratorium qualification for the vessel prior to February 7, 1998.
- c. Add a suboption to each alternative which exempts vessels under 60 feet from recent participation requirements which otherwise qualify under the original crab LLP.
- d. Delete:
  - Alternatives 4, 6, and 7,
  - All alternatives requiring participation in more than two years, and
  - Any alternative requiring a landing in 1998 to receive a license.

The remaining alternatives are the only ones to be analyzed:

Alternative 1 - Status Quo  
Alternative 2 - 1995 and 1996  
Alternative 3 - 1996 and 1997  
Alternative 8 - Once in any year between 1996 - 1998  
Alternative 9 - Twice in any year between 1995 - 1998  
Alternative 10 - (new) Once in any year between 1995 - 1998

- 3. Proposed Action 6: The AP notes that guidelines 3, 4, and 5 used to identify candidate vessels for limited processing upgrade are not valid assumptions.

Additionally, the AP recommended the Council initiate a regulatory amendment to designate a vessel on the license and establish procedures for verifying new ownership upon transfer or change in ownership of the vessel. This should include options for:

- a. frequency of transfers, and
- b. waiting period between transfers.

## DISCUSSION/ACTION

Wally Pereyra moved the AP recommendations, with some minor editorial changes and deleting Alternative 5 under Proposed Action 5 as part of the amendment package. All February 1998 dates in the motion would be changed to read "February 7, 1998." The motion was seconded by Joe Kyle.

Linda Behnken moved to add a section under Section 7.1.2 of the analysis that would allow the severance of a crab license from a joint groundfish/crab license for the sole purpose of retiring the crab license in perpetuity. The motion was accepted as a friendly amendment.

Dave Benton moved to add back in all alternatives for analysis. The motion was seconded and carried, 8 to 3, with DeHart, Kyle, and Pereyra voting against.

Dave Benton moved to amend to recommend to NMFS that if the crab buyback program cannot be implemented before or at the same time as implementation of the LLP, interim permits would be issued upon petition by an applicant with documentation that they would be reasonably likely to prevail for a LLP license, and/or the application is subject to adjudication or the appeals process; interim permits would be non-transferable.

This amendment was also accepted as a friendly amendment to the main motion.

With regard to the last portion of the AP recommendation for a regulatory amendment to record and limit inseason transfers, NMFS indicated that at this time they will only be able to prepare a discussion paper for the October Council meeting. Council members agreed with this suggestion.

The motion, as amended, carried without objection.

Linda Behnken moved that the Council direct staff to write a letter to NMFS headquarters asking that the final rule for the buyback program be expedited and published before the Council's October meeting. The letter should also request that the rule allow for a second referendum if the first one fails, and urge the system for collecting landing taxes should be standardized with the Alaska State system. The motion was seconded by Joe Kyle and carried without objection.

## SUMMARY

The Council approved revisions to the preliminary analysis for proposed amendments to the License Limitation Program, to be released for public review over the summer. Final action will be taken in October. The Council also asked NMFS to provide a discussion paper on options for recording and/or limiting transfers of licenses among vessels during the fishing year.

### C-5 Community Development Quotas

#### ACTION REQUIRED

- (a) Final review of BSAI Amendment 45 - continuation of BSAI Pollock CDQ Program.
  - (b) CDQ Implementation Committee Report.
  - (c) Status of implementation.
- (a) Final review of BSAI Amendment 45 to continue BSAI pollock CDQ program

BSAI Plan Amendment 45 would recommend that the Secretary extend the pollock CDQ program at the existing level of 7.5 percent of the pollock TAC, without a sunset date. BSAI pollock are included in the multi-species CDQ program scheduled for implementation in October 1998. The MSFCMA limits the amount of TAC that may be allocated to a pollock CDQ reserve to not more than 7.5 percent of the TAC through October 1, 2001. In September 1997, the Council decided to limit the alternatives in the reauthorization of the pollock CDQ program to the "no action" alternative and continuation of the pollock CDQ program, without a sunset date, at 7.5 percent. The public review draft was mailed on May 7, 1998.

The alternatives include:

Alternative 1: No action.

Alternative 2: Permanently extend the BSAI pollock CDQ program at 7.5 percent of the total allowable catch.

Staff also seeks Council guidance on the development of plan amendment language for this amendment. The CDQ program is currently described in numerous parts of Section 14 of the FMP (Item C-5(a)(1)). Staff has developed suggested plan amendment language to condense these into a new section 14.4.7.3, Western Alaska Community Development Program (Item C-5(a)(2)).

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(b) CDQ Implementation Committee Report

The CDQ Implementation Committee convened its second meeting on May 1 in Juneau. The committee minutes are attached as Item C-4(b). A third meeting is scheduled for June 18 to develop recommendations to NMFS on whether the small boat halibut CDQ program would be best administered under the RAM program (status quo) or under the Sustainable Fisheries CDQ program, where new reporting requirements would have to be implemented.

(c) Status of Implementation

The final rule for the multispecies CDQ program was published on June 4. The MS-CDQ fisheries are scheduled to commence on October 1. Community development plans will be due to NMFS in early July for review. NMFS will publish the notice approving the community development plans and allocations to specific CDQ groups prior to October 1.

The Scientific and Statistical Committee did not address this agenda item.

**Report of the Advisory Panel**

The Advisory Panel recommended the Council adopt Alternative 2 - to permanently extend the BSAI pollock CDQ program at 7.5% of the total allowable catch.

**DISCUSSION/ACTION**

Linda Behnken moved to permanently extend the BSAI pollock CDQ program at 7.5% of the total allowable catch. The motion was seconded by Dave Benton and carried without objection.

C-6 Observer Program

**ACTION REQUIRED**

- (a) Receive status report on JPA development.
- (b) Final action to extend existing program.

**BACKGROUND**

Over the past year NMFS has been working with the Pacific States Marine Fisheries Commission (PSMFC) to develop a third-party procurement system for obtaining observers, following Council direction after repeal of the Research (fee) Plan. Under a joint partnership agreement (JPA), the PSMFC would become the sole source for obtaining observers, thereby creating an 'arm's length' relationship between industry and observer contracting companies. Previous information had indicated this observer program structure could be implemented in time for the 1999 season, when the existing program structure is scheduled to expire. Item C-6(a) is a recent letter from NMFS informing the Council of the current status of the JPA development. The essence of the letter is that contractual issues, liability issues, and other legal impediments have terminated the JPA between NMFS and PSMFC. Staff from these respective agencies are available to provide further detail on the JPA's demise.

Given that we will not have a replacement program structure next year, the Council will need to take formal action at this meeting to extend the existing program beyond the end of 1998. Item C-6 Supplemental is a document just compiled to allow us to effect that rollover. Because of the timing involved and the necessity to have the observer program requirements in place in January 1999, this document assumes a simple rollover of the existing program. Improvements to the existing program

may well be desired by industry, observers and NMFS, but must be pursued as separate follow-up actions. Depending on which changes (if any) the Council wishes to pursue, staff work on a fee-based program would begin later this summer, with industry input in that process through the Council's Observer Advisory Committee (OAC).

**Item C-6(b)** contains recent correspondence received on observer program issues, including a re-submitted proposal to amend the existing program to institute a contractual arrangement between NMFS and the contracting companies. Also included is a proposal from the Association of Professional Observers (APO) to NMFS requesting several adjustments to the current program regulations.

#### **Report of the Scientific and Statistical Committee**

The SSC recommended that the Council proceed with the extension of the pay-as-you-go observer program indefinitely to assure at-sea monitoring of catch.

#### **Report of the Advisory Panel**

Members of the Advisory Panel expressed a high level of frustration over the cost of the current program and the delay in developing meaningful changes. Although they voted to recommend the Council extend the current program, to expire December 31, 1999, they strongly urged the Council to stress that the necessary personnel and resources be dedicated to re-evaluating the intent of the observer program, duties of the observer, development of statistically based catch estimation and coverage levels for current and future programs. Alternatives for development should be provided to the Council at the October meeting.

#### **DISCUSSION/ACTION**

**Linda Behnken** moved to approve the AP recommendations: to continue the current pay-as-you-go observer program, with a sunset date of December 31, 1999, and to proceed as quickly as possible to re-evaluate the program and bring alternatives to the Council for review in October. Alternatives to be analyzed should include the proposal submitted by Kim Dietrich, an observer and a member of the Observer Committee. The motion was seconded by Dave Benton.

Ms. Salveson noted that October may be optimistic to bring back a fully developed plan. NMFS observer staff and others will be meeting throughout the summer to discuss the program and bring back as much information as possible in October. She also pointed out that the one-year sunset date is not realistic because of the many issues involved and to commit staff and resources to prepare for another extension in one year, if necessary, doesn't make sense.

**Dave Benton** moved to amend the motion to change the sunset date to December 31, 2000. Ms. Behnken accepted this as a friendly amendment with the proviso that every effort will be made to develop and implement a revised observer program as quickly as possible, preferably before December 31, 2000. The motion carried without objection.

#### **C-7 Sustainable Fisheries Act**

#### **ACTION REQUIRED**

**Status report on compliance with provisions of SFA.**

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BACKGROUND

The Sustainable Fisheries Act of 1996 imposed many new requirements on all eight councils including ours. Many of these provisions have deadlines of October 11, 1998, and toward the end of this meeting, we should review our progress on meeting the new requirements. That progress is summarized in item C-7(a).

This agenda item was not addressed due to a lack of time.

D. FISHERY MANAGEMENT PLANS

D-1 Groundfish Amendments With Action Required

(a) *Ban on Trawling for Pollock with a Bottom Trawl*

ACTION REQUIRED

(a) Final review of amendment to prohibit bottom trawl gear for BSAI pollock.

BACKGROUND

The Magnuson-Stevens Act amendments emphasized the importance of bycatch effects on achieving sustainable fisheries. National Standard 9 mandates that conservation and management measures shall, to the extent practicable: (1) minimize bycatch; and (2) to the extent bycatch cannot be avoided, minimize the mortality of such bycatch. In addition, Section 303 of the Act was amended to add bycatch reduction incentives as a discretionary provision of FMPs. This provision reads that any FMP may "include, consistent with the other provisions of this Act, conservation and management measures that provide harvest incentives for participants within each gear group to employ fishing practices that result in lower levels of bycatch or in lower levels of the mortality of bycatch."

To comply with these provisions of the Act, the Council highlighted the need for additional bycatch management measures during the 1997 call for proposals. At the September meeting, the Council initiated development of several of the proposals received. One of these proposals was to eliminate non-pelagic trawling for pollock in the BSAI to reduce halibut bycatch, and examine measures for reducing bycatch in the GOA pollock fishery. This proposal was submitted by the Alaska Marine Conservation Council. There are two parts to the proposal: (1) a plan amendment proposal to prohibit the use of non-pelagic trawls in the directed pollock fisheries of the Bering Sea and Aleutian Islands, and (2) a regulatory amendment to split out pollock from the pollock/Atka mackerel/other species fishery PSC category. Although the action to prohibit bottom trawl gear for pollock fisheries could be taken annually as part of the BSAI TAC specification process, this proposed plan amendment is to make this prohibition a permanent regulation. The alternatives for each amendment are listed below:

Plan Amendment

Alternative 1: No Action. Allocation of BSAI pollock quota among pelagic and non-pelagic trawl gear types can be established for the next fishing year during the annual specification process.

Alternative 2: Prohibit the use of non-pelagic trawls in the BSAI pollock fishery (including CDQ fishery). Only pelagic trawl gear as defined in regulations (together with the performance-based standard) could be used by vessels when engaged in a directed pollock fishery. Total bycatch limits for Prohibited Species (including 7.5% CDQ apportionment) would be reduced to reflect this gear prohibition.

- Option 1:** Reduce PSC limit for halibut only (50 mt).  
**Option 2:** Reduce PSC limit for halibut (50 mt), red king crab (1,000), C. bairdi crab (5,000), and C. opilio crab (25,000).  
**Option 3:** Reduce PSC limit for halibut (75 mt), red king crab (3,000), C. bairdi crab (50,000), and C. opilio crab (150,000).

#### Regulatory Amendment

**Alternative 1:** Status Quo. Maintain PSC accounting for the pollock fishery within the pollock/Atka mackerel/other species category. Pollock and Atka mackerel fisheries would be exempted from being closed when the PSC limits are attained, as specified in 50 CFR Part 675.21.

**Alternative 2:** Split out pollock from the pollock/Atka mackerel/other species category and account for PSC bycatch separately. The pollock fishery would be closed from fishing in specified areas when PSC limits are reached.

An executive summary of the analysis is attached as Item D-1(a)(1).

#### Report of the Scientific and Statistical Committee

The SSC noted that all suggestions made by the SSC in April have been incorporated into the analysis. Although the SSC did not recommend a specific alternative, they had some comments regarding the analysis. (See SSC Minutes, Appendix III to these minutes, for detailed comments.)

#### Report of the Advisory Panel

The AP recommended the Council take no action on a plan amendment and maintain the status quo with regard to the proposed regulatory amendment (no action). The AP voted on several alternatives but was unable to achieve a majority vote on any of them.

#### DISCUSSION/ACTION

**Dave Benton moved to approve Alternative 2, Option 3, for a plan amendment:**

**Prohibit the use of non-pelagic trawls in the BSAI pollock fishery (including CDQ fishery). Only pelagic trawl gear as defined in regulations (together with the performance-based standard) could be used by vessels when engaged in a directed pollock fishery. Total bycatch limits for Prohibited Species (including 7.5% CDQ apportionment) would be reduced, as follows, to reflect this gear prohibition.**

**Reduce PSC limit for halibut (100 mt), red king crab (3,000), C. bairdi crab (50,000), and C. opilio crab (150,000).;**

**In addition, adopt Alternative 2 for a regulatory amendment: Split out pollock from the pollock/Atka mackerel/other species category and account for PSC bycatch separately. The pollock fishery would be closed from fishing in specified areas when PSC limits, excluding halibut PSC limits are reached.**

The motion was seconded by Linda Behnken.

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**Dennis Austin moved to amend to retain the status quo for the regulatory amendment (i.e., no action and no regulatory change). The motion was seconded by Wally Pereyra and carried, 6 to 5, with Behnken, Benton, Kyle, O'Leary and Lauber voting no. (Salveson voting for Pennoyer)**

**Dennis Austin moved a substitute motion to approve the AP recommendation to retain the status quo - i.e, no action on a plan or regulatory amendment. The motion was seconded by Wally Pereyra and failed, 8 to 3, with Austin, Fluharty and Pereyra voting in favor. (Salveson voting for Pennoyer)**

Sue Salveson stated that she is somewhat concerned that there is no analysis regarding possible displacement of small vessels to the Gulf of Alaska, and because it is difficult to determine the actual amount of use of the bottom trawls and midwater trawls because the fleet only has 30% observer coverage.

**The main motion, as amended, carried, 10 to 1, with Pereyra voting against. (Salveson voting for Pennoyer)**

**SUMMARY**

The Council approved an amendment to the BSAI groundfish FMP to prohibit the use of non-pelagic trawl gear for vessels targeting pollock in the BSAI. Total bycatch limits of prohibited species (including a 7.5% CDQ apportionment) will be reduced to reflect the gear prohibition.

*(b) Seasonal/area Apportionment of Atka Mackerel*

**ACTION REQUIRED**

**Final Review of an amendment to further apportion the Atka mackerel TAC in the Aleutian Islands.**

**BACKGROUND**

In 1990, the Steller sea lion was designated as threatened under the ESA. Critical habitat was designated in 1993 and includes marine areas within 20 nm of all rookeries and major haulouts west of 144°W. In 1997, the species was split into two separate management populations on the basis of genetics information. The listing status of the western population (i.e., west of 144°W longitude) was changed to endangered while the status of the eastern population remained as threatened. The western population of Steller sea lions (i.e., west of Cape Suckling or 144°W longitude) has declined by 80% or more since the mid 1960s.

Since most of the recent fishery removals of Atka mackerel occur within Steller sea lion critical habitat, preliminary analyses have suggested that the fishery is capable of creating localized depletions of an important Steller sea lion prey where sea lions are likely to forage. The purposes of this proposed action are to reduce the probability of fishery-induced localized depletions of Atka mackerel and reduce the probability of adverse modification of Steller sea lion critical habitat as required by the ESA. Several alternatives were examined.

**Alternative 1: No Action: no change in management of the fishery.**

**Alternative 2: Seasonal A:B split (50%:50%) in TAC.**

**Alternative 3: Seasonal A:B split (50%:50%) in TAC, plus additional split of TAC to subareas inside and outside of Steller sea lion critical habitat. Possible variations include:**

**Option 1: Critical habitat split of 40% inside: 60% outside (target split), in areas 542 and 543 during both seasons. Area 541 would not be split for critical habitat because of the 20-nmi no-trawl zone during the A season.**



**Option 2: Critical habitat split, but split achieved in incremental annual changes (e.g., 10-20% per year) from current split (about 80% inside: 20% outside) to target split.**

**Option 3: Critical habitat split of 0% inside: 100% outside.**

**Alternative 4:** Seasonal split in all three regulatory areas, or in critical habitat in management areas 542, 543, or both, plus setting of maximum TAC in any season/area based on estimates of initial biomass and application of a target harvest rate.

**Alternative 5:** Seasonal split and geographic rotation. Establish TAC for each regulatory area, begin with a time-limited season (e.g., 5 days) for 1/3 of TAC in regulatory area 541, then close area 541 and move to area 542 for a second time-limited season on 1/3 of TAC for that area, and then shift to area 543. When all three areas were fished, then return to area 541 and start the cycle again.

**Alternative 6:** Voluntary fleet distribution of effort throughout regulatory areas throughout year.

An executive summary of the analysis is attached as Item D-1(b)(1). Tim Ragen (NMFS-AKRO) will be on hand to discuss his results.

#### **Report of the Scientific and Statistical Committee**

The SSC's comments on this agenda item are quite extensive. Please see the SSC Minutes, Appendix III to these minutes, for their comments and recommendations. Overall, the SSC recommended a seasonal allocation to reduce local depletion but urged caution in implementing any critical habitat allocation at this time. As a long-term goal, the SSC supports the distribution of catch inside and outside of critical habitat in proportion to Atka mackerel biomass, but cannot offer any scientifically based recommendations regarding specific inside/outside harvest splits at this time. The SSC recommended a one-year sunset period so that any actions and their results will be examined.

#### **Report of the Advisory Panel**

The AP recommended that the Council adopt Alternative 3, Option 2, and that any restrictions in the percentage of subarea 542 and 543 TACs for 1999 to reduce catch inside critical habitat be limited to a two-fold increase in the percentage of the specific subarea TAC currently taken outside critical habitat:

<u>Area</u>	<u>Recent</u> <u>Avg</u>	<u>1999</u>
542	5%	10%
543	15%	30%

Additionally, the AP recommended that this action be limited to one year. Any multi-year action should be implemented incrementally. The AP also recommended that the Seguam rookery remain a 20-mile closure for the Atka mackerel fishery throughout 1999.

#### **DISCUSSION/ACTION**

**Joe Kyle moved to approve the AP's minority report: to adopt Alternative 3, Option 2, seasonal A:B split (50%:50%) in TAC, plus additional split of TAC to subareas inside and outside of Steller sea lion critical**

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habitat with incremental shifts of 10% annually in Areas 542 and 543, using 1998 as a baseline, until the target split of 40% inside critical habitat and 60% outside is reached. This would have a target date of 2003 for Area 543 when you would attain 60%, and the year 2004 for Area 542. In Area 541, the sea lion rookery closure around Seguam would be expanded to 20 miles year-round. The motion was seconded by Earl Krygier.

Linda Behnken moved a substitute motion: that the Council reduce the amount of removals in critical habitat by 20 percentage points in the first year and set a goal of 40% taken in critical habitat and 60% taken outside critical habitat, with the goal to be achieved in four years in Areas 542 and 543. For 541, a seasonal A:B split (50%:50%) of the TAC and year-round 20-mile closure around Seguam. The appropriateness of the action would be reviewed on an annual basis. [Note: The recent average catch taken outside critical habitat is 5% in Area 542 and 15% in Area 543. This substitute motion would increase those percentages in the first year to 25% outside in 542 and 35% outside in 543.] The motion was seconded by Steve Pennoyer

The following friendly amendments were offered and accepted and incorporated into the motion:

--A VMS requirement in the Bering Sea/Aleutian Islands for vessels fishing Atka mackerel.

--In concert with the annual review, recommend NMFS will conduct research with other parties and industry to develop a research plan to determine effects of these management measures, by area.

--Exempt the Atka mackerel jig fishery from these actions.

--The CDQ fisheries would be exempted from the A/B season split but they would abide by the critical habitat percentages approved.

**Clarification:** The A/B season dates are the same as the pollock A/B season dates.

The motion carried, 6 to 5, with Austin, Kyle, O'Leary, Pereyra and Lauber voting against.

Later in the meeting, Earl Krygier moved to reconsider the previous action. The motion to reconsider carried, 9 to 2, with Salveson (for Pennoyer) and Behnken voting no.

Earl Krygier moved to amend the motion as follows: for Area 542, 20% (outside critical habitat, instead of 25%) in the first year, reaching the target of 40%/60% inside/outside, in four years. All other aspects of the motion would remain the same. The motion was seconded by Robin Samuelsen and carried without objection.

The main motion, as amended, carried, 7 to 4, with Kyle, O'Leary, Pereyra and Lauber voting no.

Earl Krygier made a motion to ask NMFS to put together a comprehensive plan on Steller sea lion research for the Council in October. Pennoyer responded that their plan was, by the October meeting, to tell the Council "what the plan is" in terms of how they are proceeding, but a truly comprehensive plan would not be available until the December meeting.

The Council discussed the necessity for NMFS to develop much clearer criteria on objectives for local depletions of Atka mackerel and a clear research plan in cooperation with industry about how to determine whether those criteria are being met or not. Steve Pennoyer said that although they may not understand all the ecosystem

dynamics, there are needs to understand winter distribution of fish and sea lions, for example, that are more directly applicable and it is their intent to work with the industry to try to do that. They (NMFS) have adopted a plan for things that they want to happen, but that is amendable. They will try to provide information to discuss how that ought to be amended if it should and how it would apply to range-wide questions in the Bering Sea and in the Gulf of Alaska. Any information developed will be shared with the industry and the Sea Lion Recovery Team before it is provided to the Council in October.

**Kevin O'Leary moved to direct staff to write a letter to NMFS/NOAA in Washington, DC apprising them of action taken on Atka mackerel and making in the strongest terms a request to have the funding to complement what the industry's willing to come forward with, given the impacts on their fishery caused by the Council's action.** The motion was seconded by Linda Behnken and carried without objection. Mr. Pennoyer abstained from the vote because the action involves requesting funding from his agency.

## SUMMARY

The Council adopted an amendment that will allocate the Aleutian Islands Atka mackerel TAC on a seasonal basis for all regulatory areas and allocate increasing amounts of the TAC in areas outside of critical habitat for the central and western Aleutian Islands areas over a four-year period in an effort to reduce the probability of localized depletion in critical habitats for Steller sea lions. The Council also approved a year-round closure of 20 miles around the Segum rookery.

More specifically, the amendment will allocate the Atka mackerel TAC on a seasonal basis (50% available January 20, and 50% available September 1) for all Aleutian Island regulatory areas and allocate most of the TAC in areas outside of critical habitat for the central and western Aleutian Islands areas. In Area 543, the proportion of the catch taken outside critical habitat will be increased from the current 15% taken outside to 35% in 1999 (with a corresponding decrease in catch within critical habitat), and will be incrementally increased over four years to reach a target of 40% inside and 60% outside critical habitat in 2002. In Area 542, catch outside critical habitat will be increased from the current 5% taken outside, to 20% in 1999, again with the target of 40% inside and 60% outside critical habitat in 2002. For Area 541, a 20 nautical mile year-round closure will be implemented around the Segum rookery.

(c) *Groundfish Overfishing Definitions*

## ACTION REQUIRED

**Final review of amendment to modify the definitions of the overfishing level and acceptable biological catch.**

## BACKGROUND

National Standard 1 states that conservation and management measures shall prevent overfishing while achieving, on a continuing basis, the optimum yield from each fishery for the United States fishing industry. The Sustainable Fisheries Act (SFA), which amended the Magnuson-Stevens Act in 1996, contained several provisions that affected National Standard 1, though the standard itself was not changed. The SFA added a definition of "overfishing" and "overfished," changed the definition of "optimum," required that each fishery management plan specify objective and measurable criteria for identifying when a fishery is overfished and added a section on identifying and rebuilding overfished fisheries.

To bring our groundfish plans into compliance with the new provisions of the Act, Grant Thompson at the Alaska Fisheries Science Center drafted the EA/RIR that examines alternative definitions of the

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overfishing level and acceptable biological catch, in accordance with the guidelines and revisions suggested by the SSC in April. This plan amendment proposal considers two alternatives:

**Alternative 1:** No change.

**Alternative 2:** MSY is consistently treated as a limit rather than a target.

An executive summary of the analysis is attached as Item D-1c(1).

#### Report of the Scientific and Statistical Committee

The SSC recommended adoption of Alternative 2, which makes some minor modifications to current definitions of ABC and OFL. The SSC further recommended that the Plan Team consider further improvements to ABC and OFL definitions at their September meeting. Potential improvements could include consideration of proxies for biological reference points, adjustments of either biomass or fishing mortality using standard errors, and other approaches to incorporating uncertainty into decision making.

#### Report of the Advisory Panel

The AP recommended the Council adopt Alternative 2 (MSY is consistently treated as a limit rather than a target).

#### DISCUSSION/ACTION

Linda Behnken moved adoption of Alternative 2. The motion was seconded and carried without objection.

*(d) Halibut Discard Mortality Rates*

#### ACTION REQUIRED

Consider changes in halibut discard mortality rates for BSAI Pacific cod fishery for second half of 1998.

#### BACKGROUND

Halibut discard mortality rates (DMRs) are used to monitor the halibut mortality PSC limits for individual fisheries. These DMRs are estimated from viability data collected by NMFS observers. DMRs for individual groundfish fisheries are generally established pre-season during the annual specification process each December. For 1998, the Council recommended a DMR of 12% for the BSAI Pacific cod hook-and-line fishery. It scheduled this agenda item to review an analysis prepared by International Pacific Halibut Commission staff on 1998 in-season observer data for this fishery. This analysis (Item D-1(d)(1)) indicates a DMR of 11% for the first half of the 1998 Pacific cod hook-and-line fishery. This is the third year that the Council has considered a mid-year retroactive adjustment of the halibut DMR for this fishery only.

#### Report of the Scientific and Statistical Committee

The SSC endorsed the change to 11% halibut discard mortality rate for the BSAI Pacific cod hook and line fishery.

### Report of the Advisory Panel

The AP recommended endorsement of the halibut discard mortality rate of 11% for the BSAI Pacific cod hook and line fishery, retroactive to January 1, 1998.

### DISCUSSION/ACTION

Robin Samuelsen moved approval of an 11% halibut discard mortality rate for the BSAI Pacific cod hook and line fishery, retroactive to January 1, 1998. The motion was seconded by Linda Behnken and carried without objection.

(e) *Experimental Fishing Permit*

### ACTION REQUIRED

Provide NMFS with recommendations on experimental fishing permit request.

### BACKGROUND

Groundfish Forum, Inc., has applied for an Experimental Fishing Permit (EFP) as detailed in item D-1(e)(1). The objective of the EFP is to select and test the most promising device that can be placed in a trawl that lowers retention of halibut and reduces halibut bycatch rates without significantly lowering the catch rates of target flatfish species. The test is scheduled to take place over about a 10-day period in August or September of 1998 on the grounds of the deep water flatfish fishery in the Central and Western Gulf of Alaska.

### Report of the Scientific and Statistical Committee

The SSC endorsed the proposal for the experimental fishing permit.

### Report of the Advisory Panel

The AP recommended the Council approve the experimental fishing permit for the testing of a halibut excluder device during the period of August 1, 1998 through May 31, 1999.

### DISCUSSION/ACTION

Linda Behnken moved to endorse the experimental fishing permit request submitted by Groundfish Forum, including the AP's recommendation to extend the effective dates. The motion was seconded and carried without objection.

D-2 Groundfish Issues for Discussion

### ACTION REQUIRED

Receive report from Vessel Bycatch Accountability (VBA), Halibut Mortality Avoidance Program (HAP), and Individual Vessel Checklist Program (IVCP) Committees and provide further direction to staff.

### BACKGROUND

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VBA Committee

In February 1997, the Council appointed an industry Committee to further develop a 'strawman' VBA program for consideration. A related task of the Committee was to identify, and resolve where possible, a variety of monitoring, enforcement, and legal issues surrounding VBA program development. The Committee has met several times to work through these issues. Chairman Steve Hughes reported the Committee's findings to the Council back in February. The Council recommended that the Committee met once more to iron out remaining issues before initiating analysis of a VBA program.

The Committee met again on May 13 to finalize details and options of a strawman VBA program for Council consideration and analysis. A summary of the proceedings from the meeting is attached as Item D-2(a). Chairman Steve Hughes will be available to report on the Committee's findings and recommendations. At this meeting, the Council will provide further direction to staff.

HAP and IVCP

In February 1998, the Council formed a committee to discuss issues related to proposals for a Halibut Mortality Avoidance Program (HAP) and an Individual Vessel Checklist Program (IVCP). The existing VBA committee was used as a forum for these discussions. The HAP/IVCP Committee met on May 14, following the VBA committee meeting. Minutes of the meeting are attached as Item D-2(b). The group elected Beth Stewart as committee chair, and she will be available to report on the Committee's findings and recommendations.

This agenda item was not addressed due to a lack of time.

D-3 Scallop FMP

**ACTION REQUIRED**

Final review of an amendment to revise definitions of overfishing, MSY, and OY for the Alaska Scallop FMP.

**BACKGROUND**

National Standard 1 states that conservation and management measures shall prevent overfishing while achieving, on a continuing basis, the optimum yield from each fishery for the United States fishing industry. NMFS published final National Standard guidelines in the Federal Register on May 1 to assist the Councils with amending FMPs.

An EA/RIR was drafted to examine alternative definitions of overfishing, maximum sustainable yield (MSY), and optimum yield (OY) for the Alaska scallop fishery. Two alternatives were considered:

Alternative 1: Status Quo. The current MSY, OY, and overfishing definitions would not be revised.

Alternative 2 : Redefine overfishing, OY, and MSY, and update the FMP with additional information on bycatch data collection. The definitions proposed under Alternative 2 for weathervane scallops are more conservative than currently in the FMP. The current OY is 0 - 1.8 million pounds, and the overfishing definition is simply landings exceeding OY. The proposed amendment would reduce OY to a maximum of 1.24 million pounds, establish MSY at 1.24 million pounds, and establish overfishing based on fishing mortality rates for weathervane scallops. OY, MSY, and overfishing would not be established for pink, spiny, or rock scallops as these are undeveloped fisheries that are managed through ADF&G via special permit.

An executive summary of the analysis is included as Item D-3(a).

#### Report of the Scientific and Statistical Committee

The SSC concluded that Alternative 2, which redefines overfishing, OY and MSY, should be adopted.

#### Report of the Advisory Panel

The AP recommended the Council adopt Alternative 2.

#### DISCUSSION/ACTION

Linda Behnken moved approval of Alternative 2. The motion was seconded by Earl Krygier and carried without objection.

#### D-4 BSAI Crab FMP

#### ACTION REQUIRED

Final review of an amendment to (1) revise definitions of overfishing, MSY, and OY for the BSAI King and Tanner Crab FMP, and (2) update the FMP.

#### BACKGROUND

National Standard 1 states that conservation and management measures shall prevent overfishing while achieving, on a continuing basis, the optimum yield from each fishery for the United States fishing industry. The Sustainable Fisheries Act (SFA), which amended the Magnuson-Stevens Act in 1996, contained several provisions that affected National Standard 1, though the standard itself was not changed. The SFA added a definition of "overfishing" and "overfished," changed the definition of "optimum," required that each fishery management plan specify objective and measurable criteria for identifying when a fishery is overfished and added a section on identifying and rebuilding overfished fisheries. On May 1, NMFS published final National Standard guidelines in the Federal Register to assist the Councils with amending FMPs to conform with new provisions of the Act.

The Crab Plan Team has prepared an EA/RIR to bring our Crab FMP into compliance with the new provisions of the Act. The EA/RIR examines alternative definitions of the overfishing level, optimum yield (OY), and maximum sustainable yield (MSY) in accordance with the guidelines. Two alternatives were considered:

Alternative 1: Status Quo. No revisions to the current MSY, OY, and overfishing definitions would be made, and the FMP would not be updated.

Alternative 2: Redefine overfishing, OY, and MSY, and update the FMP. Updates to the FMP include general housekeeping as well as clarifying language on license limitation implementation schedule.

An executive summary of the analysis is attached as Item D-4(a). The Council is scheduled to take final action at this meeting. There are several outstanding issues that require clarification for the record.

Issue 1: Should MSY be established as a number or formula in the FMP? There are several options available for establishing MSY estimates. The amendment EA/RIR as written specifies MSY estimates as outlined in Option 2. However, the SSC suggested another approach be considered, as outlined in Option 1.

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**Option 1 (SSC recommendation):** Specify only the procedure that will be used to estimate MSY, rather than a point estimate. The SSC felt that this was important for crab stocks which tend to be volatile and affected by climate shifts. MSY would be recalculated each year based on new information. The drawbacks to this option are 1) it would require additional NMFS staff time on an annual basis, 2) is less conservative in that it would allow for MSY and minimum stock size threshold (MSST) to decrease with stock declines, and may never trigger a rebuilding plan.

**Option 2 (plan team recommendation):** Specify point estimates of MSY and fixed minimum stock size thresholds. When environmental conditions shift, MSY and MSST can be re-estimated and the plan can be amended at that time. The drawbacks to this option include 1) less flexibility to adjust to increasing stock sizes (such as Bristol Bay red king crab), and 2) would require a plan amendment to revise MSY estimates. The benefit to this option include: 1) MSST is clearly established so that rebuilding plans would be triggered if stocks declined, 2) annual analysis not required, 3) allows for quick determination of stock status.

**Issue 2:** How do GHLS relate to OY and MSY, and can GHLS exceed MSY on an annual basis? The current OY established in the FMP is 0.0 to 200 million pounds of king crab (all species combined), 0.0 to 108 million pounds of *C. bairdi*, 0.0 to 333 million pounds of *C. opilio* crab in the BSAI management area. These OY levels were established based on highest observed catch (king crab) and peak survey abundance levels (Tanner crab) during the 1960 to 1986 period. Note that the current OY ranges in the plan exceed the sum of MSYs estimated for individual stocks; this is no longer allowed under the Act. As shown in the attached table, the OY ranges proposed for these complexes are lower than in the current FMP.

MSY estimates contained in the current FMP are also shown in the attached table. These MSY levels were established based on average catches from the beginning of a directed fishery through 1987. As shown in the table, the MSY estimates proposed for the various crab stocks are lower for some king crab stocks, but significantly higher for most Tanner crab stocks. For example, MSY for EBS snow crab would increase from 35 million pounds to 276.5 million pounds.

The industry has expressed concerns about the Bristol Bay red king crab stock. The stock is rebuilding, with a large year class expected to recruit to the fishery over the next few years. Industry has expressed concerns that the proposed 17.9 million pound MSY would constrain the GHLS in the future (see PNCIAC letter, D-4 Supplemental). Note that last year's GHL was established at 7.0 million pounds, but the catch peaked in 1980 at 130 million pounds. The time period used to estimate MSY (1983 - 1997) does not include the period when this stock was at high abundance (1970's).

The guidelines have created some confusion about whether or not annual harvest limits (GHLS or TACs) can be set at levels higher than MSY. Under a simple interpretation of the Act and Final Rule, maximum GHLS would be established at levels less than or equal to point estimates of MSY. However, the guidelines are written so that annual harvests (GHL's) can be higher than MSY, under certain circumstances. Grant Thompson will be providing a detailed presentation of the guidelines to illustrate this. Hence, GHLS for BSAI crab stocks can exceed MSY in some years.

So for BSAI Crab FMP Amendment 7, it seems to me that the best way to proceed is as follows:

1. Take final action on the amendment this meeting, including the FMP update;
2. Adopt the plan team's point estimates of MSY for each stock;
3. Establish OY for each stock as a range of zero to MSY;
4. Note in the FMP that GHL's can exceed MSY on an annual basis as specified by the guidelines, and clarified by Grant Thompson.
5. Amend the plan in the future if we have signs of another regime shift, and prevailing ecological conditions are different than the time period used to estimate MSY.



Comparison of current and proposed MSY and OY estimates for BSAI king and Tanner crab stocks. Estimated values are in millions of pounds.

Stock	Current MSY	Current OY range	Proposed MSY	Proposed OY range	1997/98 Catch
Adak red king	7	-	1.8	0 - 1.8	0
Bristol Bay red king	35	-	17.9	0 - 17.9	8.8
Dutch Harbor red king	11.2	-	NA	NA	0
Pribilof Islands red king	NA	-	1.3	0 - 1.3	*
Norton Sound red king	1	-	0.5	0 - 0.5	0.09
Pribilof Islands blue king	4	-	2.6	0 - 2.6	0.7
St Matthew blue king	3	-	4.4	0 - 4.4	4.6
St Lawrence blue king	NA	-	0.1	0 - 0.1	0
Aleutian Is. golden king	8.8	-	17.9	0 - 17.9	4.1
Pribilof Is. golden king	NA	-	0.3	0 - 0.3	0.01
St. Matthew golden king	NA	-	0.4	0 - 0.4	0
Aleutian Is. scarlet king	NA	-	NA	NA	*
EBS scarlet king	NA	-	NA	NA	0.007
<b>TOTAL king crab</b>	<b>70</b>	<b>0 to 200</b>	<b>47.2</b>	<b>0 - 47.2</b>	<b>18.3</b>
E. Aleutian Is. Tanner	0.7	-	0.7	0 - 0.7	0
EBS Tanner	27	-	56.9	0 - 56.9	0
W. Aleutian Is. Tanner	0.2	-	0.4	0 - 0.4	0
<b>TOTAL Tanner crab</b>	<b>27.9</b>	<b>0 to 108</b>	<b>58.0</b>	<b>0 - 58.0</b>	<b>0</b>
EBS snow	35	-	276.5	0 - 276.5	240
<b>TOTAL snow crab</b>	<b>35</b>	<b>0 to 333</b>	<b>276.5</b>	<b>0 - 276.5</b>	<b>240</b>
E. Aleutian Is. angulatus	NA	NA	1.0	0 - 1.0	0
EBS angulatus	NA	NA	0.3	0 - 0.3	0
E. Aleutian Is. Tanneri	NA	NA	1.8	0 - 1.8	0
EBS tanneri	NA	NA	1.5	0 - 1.5	0
W. Aleutian Is. Tanneri	NA	NA	0.2	0 - 0.2	0
<b>TOTAL other Tanners</b>	<b>NA</b>	<b>NA</b>	<b>4.8</b>	<b>0 - 4.8</b>	<b>0</b>

### Report of the Scientific and Statistical Committee

The SSC had numerous concerns about the draft amendment as written. The analysts were able to assure the SSC that those concerns will be addressed in the final document. Therefore, the SSC recommended Alternative 2, subject to a satisfactory revision of the document. (See SSC Minutes, Appendix III to these minutes, for specific recommendations for the analysis.)

### Report of the Advisory Panel

The AP recommended adoption of Alternative 2.

### DISCUSSION/ACTION

Linda Behnken moved approval of the AP recommendation, to approve Alternative 2, recognizing that the analysts will revise the document according to SSC comments. The motion was seconded by Earl Krygier and carried without objection.

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D-5 Salmon FMP

**ACTION REQUIRED**

**Final review of an amendment to revise the definitions of overfishing, MSY, and OY for the Salmon FMP.**

**BACKGROUND**

The Magnuson-Stevens Act changed the definition of optimum yield and overfishing. The NMFS issued guidelines (Final Rule published in the Federal Register on May 1) for the Councils to amend their plans to meet these provisions for National Standard 1. National Standard 1 states that conservation and management measures shall prevent overfishing while achieving, on a continuing basis, the optimum yield from each fishery for the United States fishing industry.

An analysis was prepared to examine alternative definitions of overfishing, maximum sustainable yield (MSY), and optimum yield (OY), in accordance with the proposed rule. Several alternatives were considered including establishment of minimum spawning escapement goals, optimum spawning escapement goals, a maximum exploitation rate, and updated management policies. Of these alternatives, only the policy change was deemed to be a reasonable alternative for mixed stock salmon fisheries. Hence, the alternatives examined were as follows:

Alternative 1: Status Quo. Do not revise the FMP with new definitions for overfishing, MSY, and OY.

Alternative 2: Update FMP with new Magnuson-Stevens Act language and State management policies regarding overfishing, optimum yield, and maximum sustainable yield. Since the last time the FMP was amended to define overfishing, the Alaska Board of Fisheries has further refined their policy on sustained yield and rebuilding of depressed salmon stocks.

An Executive Summary of the analysis is attached as Item D-5(a).

**Report of the Scientific and Statistical Committee**

The SSC recommended adoption of Alternative 2.

**Report of the Advisory Panel**

The AP recommended adoption of Alternative 2.

**DISCUSSION/ACTION**

**Linda Behnken moved approval of the AP recommendation, to adopt Alternative 2. The motion was seconded by Robin Samuelsen and carried without objection.**

**E. PUBLIC COMMENTS**

There were no additional public comments.

**F. ADJOURNMENT**

Chairman Lauber adjourned the meeting at 11:50 a.m. on Monday, June 15, 1998.