MEMORANDUM

TO:

Council and AP Members

FROM:

Chris Oliver

Executive Director

DATE:

November 12, 2002

SUBJECT:

Reauthorization of Amendment 64

ACTION REQUIRED

Review discussion paper on Amendment 64 and finalize alternatives for analysis

BACKGROUND

On the list of new projects is a renewal of BSAI Amendment 64, which apportions the fixed gear share of the BSAI Pacific cod TAC among the fixed gear sectors (hook-and-line catcher processors, hook-and-line catcher vessels, hook-and-line and pot vessels <60' LOA, and pot vessels). This amendment sunsets on December 31, 2003. In October, the Council initiated a new plan amendment to retain or alter these allocations, but requested time on the December agenda to review and finalize the alternatives for analysis. Initial review of the analysis is scheduled for April 2003, with final action scheduled for June.

A discussion paper on Amendment 64 and a proposed list of draft alternatives and options are attached as Item D-1(f)(1). Included in this list is an alternative to create separate allocations for pot catcher processors and pot catcher vessels, as the Council also deferred action on these allocations to this amendment package in June 2002. The Council may also want to review and approve a problem statement for this amendment at this time.

ESTIMATED TIME 16 HOURS (for all D-1 items)

BSAI Amendment 64 – Fixed Gear Pacific Cod Allocations Discussion paper November 8, 2002

Beginning in 1997, BSAI Amendment 46 allocated 2% of the total allowable catch (TAC) for non-CDQ BSAI Pacific cod to vessels using jig gear, 47% to trawl gear, and 51% to fixed gear (hook-and-line and pot). In April 1999, the Council initiated an analysis of the effects of further splitting the 51% allocated to the fixed gear sector (BSAI Am. 64). The following problem statement guided the analysis of alternatives for BSAI Amendment 64:

The hook-and-line and pot fisheries for Pacific cod in the BSAI are fully utilized. Competition for this resource has increased for a variety of reasons, including increased market value of cod products and a declining acceptable biological catch and total allowable catch.

Longline and pot fishermen who have made significant long-term investments, have long catch histories, and are significantly dependent on the BSAI cod fisheries need protection from others who have little or limited history and wish to increase their participation in the fishery. This requires prompt action to promote stability in the BSAI fixed gear cod fishery until comprehensive rationalization is completed.

In October 1999, the Council approved BSAI Amendment 64 to split the fixed gear allocation of Pacific cod among the hook-and-line catcher processors, hook-and-line catcher vessels, and pot sectors in the BSAI as follows:

80% Hook-and-line catcher processors 0.3% Hook-and-line catcher vessels

18.3% Pot vessels

1.4% Hook-and-line or pot catcher vessels <60 feet LOA

The percentages approved under Amendment 64, effective since September 2000, represented divisions of the hook-and-line or pot gear TAC after a deduction of estimated incidental catch of Pacific cod in other groundfish fixed gear fisheries. Based on these percentages, the 2002 Pacific cod allocations were as follows: hook-and-line catcher processors - 75,080 mt; hook-and-line catcher vessels - 282 mt; pot vessels - 17,175 mt; hook-and-line or pot catcher vessels <60' - 1,314 mt. While seasonal apportionments were established only for the hook-and-line catcher processor sector under Amendment 64, seasonal apportionments were subsequently established for all fixed gear vessels fishing BSAI Pacific cod, with the exception of catcher vessels <60' LOA, under the 2002 Steller sea lion measures.

Amendment 64 sunsets on December 31, 2003, meaning that the regulations implementing the allocations established for the BSAI hook-and-line and pot cod fishery will expire at that time. Continuing the allocations of Pacific cod among the hook-and-line and pot gear sectors (or selecting new allocation percentages) in the BSAI after the sunset date will require Council and Secretarial approval of a new amendment.

Originally, four options (plus suboptions) to split the portion of the BSAI Pacific cod TAC allocated to fixed gear vessels were considered by the Council, in addition to the status quo. The options were based on various catch history combinations from the years 1995-1998:

Option 1: 1996, 1997 Option 2: 1997, 1998 Option 3: 1996, 1997, 1998 Option 4: 1995, 1996, 1997, 1998

While the Council's preferred alternative fell within the range of options for consideration, it did not mirror any one of the options exactly. The final allocations most closely related to having chosen Option 3 (1996-98) or Option 4 (1995-1998). In addition, the Council provided for a separate allocation for hook-and-line and pot vessels <60' LOA. Note that 1999 catch history was not included in the options for Amendment 64 because the data was considered preliminary. The Council's final action also appeared to base the final allocations on Pacific cod catch histories *excluding* any quota reallocated from the jig or trawl sectors to the fixed gear sectors. Including fixed gear catch resulting from reallocated quota would have increased the allocation to the hook-and-line sector by about 1% and decreased the allocation to the pot sector by the same amount. The Council's final action also specified that any reallocated quota from the jig and trawl sectors (available in the B season) should be apportioned according to the actual harvest of reallocated quota from 1996-98: 95% to hook-and-line catcher processors and 5% to the pot fleet ≥60' LOA.

In the analysis for the proposed reauthorization of Amendment 64, the Council may choose to either mirror or modify the original alternatives and options. One potential modification would be to include 1999 data in the options to calculate the split among the fixed gear sectors. As this action was effective in 2000, using catch history from the most recent years would obviously be the same as maintaining the existing allocations.

Another potential modification would be to provide options to further split the portion of the fixed gear Pacific cod TAC allocated to the pot sectors (18.3%). The Council considered splitting the 18.3% between the pot catcher processor sector and the pot catcher vessel sector in June 2002 (BSAI Amendment 68) but ultimately selected the no action alternative. The Council noted in that decision the pending expiration of Amendment 64 and suggested that a further split between the pot sectors could be considered as an alternative under reauthorization of that amendment if desired. As related in the problem statement for Amendment 68, the proposal to split the pot sectors' allocation is spurred by a concern that pot catcher processors who have made significant long-term investments, have substantial catch histories, and are significantly dependent on the BSAI cod fisheries need protection from pot catcher vessels who want to increase their Pacific cod harvest. The original intent of Amendment 64 was to stabilize the Pacific cod fixed gear fishery in a way that preserves the historical character of the fishery, by basing the allocations on historical harvests by the respective gear sectors. The pot catcher processor sector asserts that the same split is necessary in the pot sector as was established in the hook-and-line sector under Amendment 64.

Recall also that Amendment 67 was approved by the Council in April 2000 and will be effective January 1, 2003. Amendment 67 is a continuation of the License Limitation Program, in that it requires Pacific cod species endorsements and establishes the qualifications for those endorsements for vessels \geq 60' using fixed gear in the BSAI Pacific cod fisheries. Upon implementation, a Pacific cod endorsement, specific to the (hook-and-line or pot) gear used by the vessel, must be specified on a person's LLP groundfish license for that person to participate in the fixed gear BSAI Pacific cod fisheries. The intent of this amendment is to address concerns of excess fishing capacity and protect fishermen who have long-term investments and catch histories in the fishery from those with no or limited history. The implication is that, beginning in 2003, the number of fixed gear vessels fishing the allocations established in Amendment 64 will be substantially reduced, particularly the pot catcher vessels.

In October 2002, the Council tasked staff with the analysis for reauthorizing BSAI Amendment 64, but scheduled a further review of the alternatives for consideration in December. Initial and final review of the analysis is currently scheduled for April and June 2003, respectively. Thus, the Council's action at this

meeting is to review and approve the initial suite of alternatives for Amendment 64. The Council may also want to review the problem statement for Amendment 64, which was originally developed in 1999, as well as the problem statement for Amendment 68 (approved in February 2001) to ensure that the problem statement for this new amendment encompasses both issues and reflects them accurately. A suggested revision to combine the problem statements is included on page 5.

Alternatives for Consideration

In addition to the no action alternative, there is an alternative proposed to continue the current allocations, and another proposed to modify those allocations by including 1999 harvest history. A fourth alternative, which is applicable in conjunction with either alternative to make the split among the fixed gear sectors, would further split the pot gear share of the BSAI fixed gear TAC between pot catcher processors and pot catcher vessels.

An initial draft suite of alternatives/options for AP and Council consideration for BSAI Amendment 64 is as follows (brief explanations of the alternatives are in italics):

Alternative 1: No action. BSAI Pacific cod allocations for the fixed gear sectors (hook-and-line catcher processors, hook-and-line catcher vessels, pot vessels, and hook-and-line and pot vessels <60') under Amendment 64 would expire December 31, 2003.

Alternative 1 means that starting in 2004 all of the above sectors would compete for the share of the BSAI Pacific cod TAC (51%) allocated to vessels using hook-and-line and pot gear.

- Alternative 2: Status quo. Continue the current BSAI Pacific cod allocations among the fixed gear sectors as originally determined under Amendment 64 (these allocations relate closely to catch histories during 1995-1998, with an additional provision for vessels <60' LOA):
 - 80% hook-and-line catcher processors
 - 0.3% hook-and-line catcher vessels
 - 1.4% pot or hook-and-line catcher vessels <60'
 - 18.3% pot vessels

Any unharvested portion of the hook-and-line catcher vessel and the <60' pot and hook-and-line vessel quota that is projected to remain unused by a specified date shall be reallocated to the hook-and-line catcher processor fleet.

Any quota reallocated from the jig or trawl sectors will be apportioned 95% to the hook-and-line catcher processor sector and 5% to the pot sectors.

This split was based on the actual harvest of reallocated quota from 1996 - 1998.

Alternative 3: Modify the current BSAI Pacific cod allocations among the fixed gear sectors according to catch histories to be determined as a percentage of cumulative catches of BSAI Pacific cod by gear type for: 1995 - 1999.

Alternative 3 includes 1999 data to determine the split among fixed gear sectors. At the time the analysis for Am. 64 was developed, 1999 data was considered preliminary. As the allocations under Am. 64 were implemented in mid-2000, using catch history from 2000 or 2001 would be the same as maintaining the existing allocations.

Option 1: Include a 1.4% allocation to pot and hook-and-line catcher vessels <60', to be subtracted from the overall fixed gear allocation before the split is made.

Under Am. 64, the Council provided a 1.4% allocation to vessels <60', even though that sector's percentage of the historical catch was much lower. Option 1 provides for the same small vessel allocation.

Alternative 4: (Applicable in combination with Alternatives 2 or 3). Apportion the pot share of the BSAI Pacific cod fixed gear TAC between pot catcher processors and pot catcher vessels according to catch histories to be determined as a percentage of cumulative catches of the BSAI Pacific cod TAC by pot sector for:

 Option 1:
 1996, 1997

 Option 2:
 1997, 1998

 Option 3:
 1996, 1997, 1998

 Option 4:
 1995, 1996, 1997, 1998, 1999

 Option 5:
 1995, 1996, 1997, 1998, 1999

 Option 6:
 1996, 1997, 1998, 1999

Review of Am. 68 in June 2002 showed that there is less than a 1% difference in the resulting allocations among these options. Thus, the Council may want to consider paring down the options and focusing on those that reflect the most recent years, for example:

Option 1: 1995 - 1999 Option 2: 1996 - 2001 Option 3: 2000, 2001

Suboption 1: Any portion of the Pacific cod pot catcher processor or pot catcher vessel quota that is projected to remain unused by a specified date shall be reallocated as follows:

- a) Unused quota from either pot sector would be reallocated to the other pot sector before it is reallocated to the other fixed gear sectors.
- b) Unused quota from the pot catcher vessel sector would be reallocated to the hook-and-line catcher vessel sector before it is reallocated to the pot catcher processor sector.

Suboption 1 mirrors the option approved for Council consideration under Am. 68.

Problem Statements for Consideration

The following problem statement was adopted by the Council in April 1999 for BSAI Amendment 64:

The hook-and-line and pot fisheries for Pacific cod in the BSAI are fully utilized. Competition for this resource has increased for a variety of reasons, including increased market value of cod products and a declining acceptable biological catch and total allowable catch.

Longline and pot fishermen who have made significant long-term investments, have long catch histories, and are significantly dependent on the BSAI cod fisheries need protection from others who have little or limited history and wish to increase their participation in the fishery. This requires prompt action to promote stability in the BSAI fixed gear cod fishery until comprehensive rationalization is completed.

The following problem statement was developed in December 2000 and revised in February 2001 for **BSAI** Amendment 68 (Pacific cod pot gear split):

The catcher processor and catcher vessel pot fisheries for Pacific cod in the Bering Sea/Aleutian Islands are fully utilized. Competition for this resource has increased for a variety of reasons, including increased market value of cod products and a declining acceptable biological catch and total allowable catch.

Pot catcher processors who have made significant long-term investments, have long catch histories, and are significantly dependent on the BSAI cod fisheries need protection from pot catcher vessels who want to increase their Pacific cod harvest. This requires prompt action to promote stability in the BSAI pot cod fishery until comprehensive rationalization is completed.

Because the new amendment package to allocate Pacific cod among the fixed gear sectors includes alternatives that would split the pot share of the TAC among pot catcher processors and pot catcher vessels, both issues should be addressed in the problem statement guiding analysis of this proposed action. In addition, the original problem statement for Amendment 64 could be revised to better express the exact nature of the problem this amendment is intended to address. Limiting individual vessel participation in the fixed gear cod fishery is not addressed in this amendment package, contrary to what the original problem statement for Amendment 64 may imply. That issue, specifically, the need to protect those with long catch histories and dependency on the cod fisheries from others who have limited history and wish to increase their participation, is addressed under BSAI Amendment 67 (Pacific cod endorsement requirement). This amendment, which would potentially continue Pacific cod allocations among the fixed gear sectors, speaks to protecting the relative historical catch distribution among the fixed gear sectors by apportioning the TAC accordingly; it does not propose alternatives to limit the number of individual vessels entering the fishery.

The following problem statement is suggested as a draft for Council consideration and revision. It is intended to combine the two issues addressed in this new amendment package and better reflect the nature of the problem being addressed.

The hook-and-line and pot fisheries for Pacific cod in the BSAI are fully utilized. Competition for this resource has increased for a variety of reasons, including increased market value of cod products and a declining acceptable biological catch and total allowable catch.

Longline fishermen who have made significant long-term investments, have long catch histories, and are significantly dependent on the BSAI cod fisheries need protection from pot vessels who want to increase their Pacific cod harvest. In addition, pot catcher processors who have made significant long-term investments need protection from pot catcher vessels who want to increase their Pacific cod harvest. This requires prompt action to promote stability in the BSAI fixed gear cod fishery until comprehensive rationalization is completed.

Reference: BSAI Amendment 64

(BSAI Fixed Gear Pacific cod Allocations)

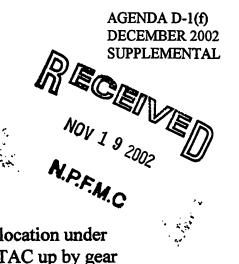
Attention: David Benton, Chairman

North Pacific Fishery Management Council

I am writing in regard to the Bering Sea Pacific cod quota allocation under Amendment 64, which divides the fixed gear portion of the TAC up by gear type, freezer vessel, catcher vessel and vessel size.

Under Amendment 64, vessels less than 60 feet are allocated 1.4% of the fixed gear TAC. With this allocation it has allowed small vessels opportunity to fish in the spring and summer months when conditions are best for small vessels to operate in the Bering Sea. In 2002, this quota was harvested by a small fleet of vessels and will not support many more vessels. Many of Alaska's small boat fleet depends on Pacific cod fisheries to make a living, and there is growing interest in this fishery. If you look at the Pacific cod fisheries in the rest of the state, small vessels harvest a much higher percentage of the quota in all other areas. I see the Bering Sea as different because of how it was managed through the 1990's when Pacific cod fisheries were being developed. The Bering Sea fishery was managed with a halibut bycatch for fixed gear that was set up in trimester allocation. With this, all the bycatch was applied to the 1st and 3rd portion of the trimester. Effectively closing the season in the summer months when small boats can operate in the Bering Sea, even though quota is still available. The Bering Sea Pacific cod quota is very large and prior to this way of making bycatch available this fishery went into the summer months, and as a small boat owner and operator I was able to participate in this fishery.

Most small boat owner/operators that I know are like myself, they don't have the time to make a living fishing and be at all the meetings it takes to manage our fisheries. So many times we end up trying to operate in fisheries that are being managed without much consideration for our segment of the fleet. The Bering Sea Pacific cod fishery is a perfect example of this. Prior to Amendment 64, small vessels were not taken into consideration in the overall management of the fishery. Nor have we since it was implemented. 1.4% does not reflect a fair share of the quota for our segment of the Pacific cod fleet. Also, this was set up as fixed gear vessels under 60ft longline and pot, but there was no separate halibut bycatch set



aside for this fishery, so most of the time this fishery was open, longlining was closed to participation.

Amendment 64 sunsets on 12/31/03, therefore, I am submitting this for consideration. Raising the quota allocation percentage to 5% for vessels under 60ft and to set aside halibut bycatch specific for this allocation. I realize that to raise the small vessel allocation you must lower another. Looking at the present splits, the hook and line catcher processors get the lions share at 80%. Also, they get uncaught trawl and jig quota in the fall and harvest most of the CDQ quota. Considering this, it seems logical that any change in the quota come out of the hook and line catcher processor share. And with the small vessel fishery taking place in the spring and summer, any quota remaining unharvested could roll back to the hook and line processor fleet in the fall.

Since any change to Amendment 64 would not be until the 2004 season, please consider any options possible for making quota available for under 60ft vessels for the 2003 season. Possibly moving some amount of uncaught jig quota earlier in the year. Please give this proposal fair consideration.

Thank You,

Matt Hegge

F/V Ocean Bay

Matt Hegge

United Fishermen's Marketing Association, Inc.

PO Box 1035 Kodiak, AK 99615

Tel: 907-486-3453; Fax: 970-486-8362

November 22, 2002

Mr. David Benton, Chair North Pacific Fishery Management Council

Re: D-1(f); BSAI Amendment 64 (BSAI Fixed Gear Pacific Cod Allocations) Alternatives for Analysis

Dear Dave,

The United Fishermen's Marketing Association, Inc. (UFMA) includes members who harvest Bering Sea/Aleutian Islands (BSAI) Pacific cod (p. cod) under the regulations that implement the Fishery Management Plan (FMP) for BSAI Groundfish. UFMA members use vessels less than 60 feet LOA, and vessels equal to or greater than 60 feet LOA, to harvest BSAI p. cod with hook-and-line and pot gear.

BSAI FMP Amendment 46 provided that the BSAI TAC of Pacific cod (p. cod), after subtraction of reserves, is allocated 2 percent to vessels using jig gear, 51 percent to vessels using hook-and-line or pot gear, and 47 percent to vessels using trawl gear. After deductions are made from the fixed gear sector allocation of BSAI p. cod TAC for the incidental catch of p. cod that occurs in the directed hook-and-line and pot gear fisheries for groundfish (other than p. cod), the fixed gear sector allocation is then distributed as separate directed fishing allowances among the four components of the fixed gear sector; that is, 80% to "catcher/processor vessels using hook-and-line gear"; 0.3% to "catcher vessels using hook-and-line gear"; 18.3% to "vessels using pot gear"; and 1.4% to "catcher vessels less than 60 ft LOA using hook-and-line or pot gear".

When the Council adopted an expiration date for Amendment 64, it determined that 3 years would be sufficient time to evaluate the impact of this Amendment, and to review and consider developments that would occur in the BSAI fixed-gear fishery. There appear to be circumstances that exist with respect to the BSAI p. cod fishery that warrant adjustments to the provisions of Amendment 64.

UFMA requests that the Council analyze several alternatives that increase the allocation of BSAI p. cod TAC to the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component, and to modify the reallocation ("roll over") protocol to more equitably reallocate projected unused amounts of the BSAI p. cod TAC from the jig gear sector, the trawl gear sector and the fixed gear sector components.

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The "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component of the fixed gear sector is in need of an improved opportunity to prosecute a safe, and a more economically efficient, productive and viable fishery than that which is now provided to them. On June 11, 2002, NMFS closed, until September 1, the BSAI p. cod fishery for catcher vessels less than 60 feet LOA using pot gear. This closure precluded these vessels from fishing throughout the summer months when they otherwise could have prosecuted a safe and economically viable fishery. Closing a p. cod fishery to "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" in early June, and opening it again in September, does not make good sense for this segment of the fleet. Several individuals who operate catcher vessels in this category believe that the management regime should be adjusted to permit them to harvest their component-specific directed fishing allowance during the spring and summer months. Moreover, they believe that current allocation levels do not support the current fleet size, or the anticipated growth in this fleet component, by new entrants that are LLP fixed gear qualified for BSAI groundfish; therefore, interest exists to acquire a larger directed fishing allowance than that which they are currently allocated.

The protocol for reallocating projected unused amounts of gear sector allocations and sectorcomponent directed fishing allowances is an element of Amendment 64 that warrants adjustment as the Council considers alternatives and options that update and improve the format and distributional benefits of Amendment 64. The existing roll over" protocol results in the preferential allocation of a significant amount of the BSAI p. cod TAC to the "catcher/processor vessels using hook-and-line gear" component of the fixed gear sector through the reallocation of projected unused amounts of p. cod from several gear sector allocations and sector-component directed fishing allowances. That is, 100 percent of the projected unused amounts from the "catcher vessels using hook-and-line gear" and the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" components, and 95 percent of the projected unused amounts from the jig gear and trawl gear sectors, are reallocated to the "catcher/processor vessels using hook-and-line gear" component. Given the existing and developing needs of the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component, and the original socio-economic objectives of Amendments 24 and 46 with respect to the jig gear allocation, it reasonable to presume that the "roll over" protocol that implements Amendment 64, and the associated rationale for, and distributional benefits and effects of, such "roll over" protocol, are relevant candidates for examination and review by the Council.

With respect to the larger issue of the sector specific allocations (jig gear, trawl gear and fixed gear), we believe that,

- (1) a reduction in the percentage of the BSAI p. cod TAC that is allocated to jig gear, together with a direct reallocation of such reduction to the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component, is justified and reasonable;
- (2) the rationale and protocol that serve as the basis for the roll over of projected unused amounts of the jig gear sector p. cod allocation must be modified; and

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(3) an attempt must be made to realize the original socio-economic objectives of the jig gear sector allocation of BSAI p. cod TAC.

The jig gear sector p. cod allocation has never been reasonably utilized by the jig gear sector, and has primarily and practically served as a private and designated reserve account that funds the reallocation of non-fixed gear sector BSAI p. cod TAC (jig gear allocation) for the "catcher/processor vessels using hook-and-line gear" component. It is clear that this is provided for in Amendment 64, and in the associated implementing regulations. Nevertheless, the Council wisely contemplated the necessity and opportunity to revisit the provisions of Amendment 64 when they stipulated the three-year sunset provision. We believe that the sunset of Amendment 64 provides the Council with a propitious opportunity to analyze the provisions of Amendment 64, including, (1) to judge the degree of success that has been achieved with respect to the original socio-economic rationale and objectives of Amendment 64 (and Amendments 24 and 46), (2) to consider the changes that have occurred with respect to the characteristics and performance of the fixed gear sector of the BSAI p. cod fishery during the past three years, (3) to evaluate the actual versus contemplated allocation and distribution of the BSAI p. cod TAC, and (4) to realign some of the provisions of Amendment 64 to more reasonably reflect original objectives, contemporary circumstances and emerging expectations.

It is reasonable at this time to address the fact that the jig gear sector performance has not achieved the expectations that were contemplated in Amendments 24 (June, 1993) and Amendment 46 (June, 1996); therefore, we believe that it is sensible to reduce the jig gear sector allocation of BSAI p. cod TAC, and directly allocate a portion of the jig gear sector allocation to the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component to accommodate the needs of this fleet. Provisions of Amendment 64 are closely associated with the provisions of Amendments 46 and 24; therefore, it is reasonable to consider specific provisions of Amendments 24 and 46 (e.g., jig gear sector allocation) that are imbedded in the rationale, and the management regime, for Amendment 64.

The socio-economic characteristics of the "catcher vessels less than 60 ft LOA using hookand-line or pot gear" component are very similar to those that were originally contemplated as being accommodated in the jig gear sector allocations of Amendments 24 and 46. In adopting Amendments 24 and 46, the Council wisely contemplated, and provided an opportunity for, socio-economic and fleet characteristics and needs that were expected to develop, judged to be important, and supposed to be accommodated by the 2 percent reserve for jig gear. While the realities of markets, safety, weather and technology have supported little growth in the jig gear sector, very similar socio-economic and fleet characteristics and needs have emerged in the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component. The "catcher/processor vessels using hook-and-line gear" have borrowed, and have beneficially utilized, significant amounts of non fixed gear sector BSAI p. cod TAC assets (i.e., jig gear sector allocation) that were clearly and purposefully set aside and allocated to support the

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socio-economic, employment, community, safety, weather related and fleet needs that were expected to occur with the development of a jig gear fleet. The magnitude and economic significance of the actual use patterns of the jig gear sector allocation (catcher processor vessels instead of catcher vessels, large vessels instead of small vessels, offshore/at sea economies instead of inshore economies, etc.) were not contemplated in Amendments 24, 46 or 64.

The promise of a jig gear fleet has not developed as originally contemplated in the 10-year period since the development of Amendment 24. Nevertheless, progress in economics, markets, business, community development, commercial fishing opportunities, technology, etc. during the past three to ten years have resulted in the development of a very similar socioeconomic community to that which was contemplated for a jig gear fleet; that is, small vessels, catcher vessels versus catcher processors, employment considerations, harvest rates, discard performance, bycatch performance, coastal community ties, shore based dependence, economies of scale, safety concerns, weather requirements, technology limitations, etc. The "catcher/processor vessels using hook-and-line gear" component has become very prosperous during the past three years, greatly as a result of their utilization of the non fixed gear assets from the jig gear sector that were originally and primarily put aside for a specific, but very different, socio-economic community, purpose and objective. The "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component, together with the shore-based communities that will benefit from their activity, need access to additional p. cod, and require the opportunity to address their socio-economic and safety needs. The jig gear sector allocation was meant to address and achieve a very similar socio-economic community, development objectives and needs that exist with respect to the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component.

UFMA respectfully requests the Council to include the following alternatives for analysis as you consider the provisions of Amendment 64 to the BSAI Groundfish FMP.

Option 1. Reallocate 50% of the jig gear allocation of BSAI p. cod TAC directly to the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component of the fixed gear sector, and add such reallocation to the current 1.4 % directed fishing allowance for this component. That is,

- (1) decrease the jig gear allocation of BSAI p. cod TAC from 2% to 1%;
- (2) reallocate 1% of the BSAI p. cod TAC directly to the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component of the fixed gear sector (i.e., establish a permanent and direct allocation from the BSAI p. cod TAC to the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component); and
- (3) avoid the reallocation of directed fishing allowances that currently exist among the components of the fixed gear sector.

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Option 2. Reallocate 50% of the jig gear allocation of BSAI p. cod TAC directly to the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component of the fixed gear sector, and reallocate the current 1.4 % directed fishing allowance for this component to the "vessels using pot gear" component. That is,

- (1) decrease the jig gear allocation of BSAI p. cod TAC from 2% to 1%;
- (2) reallocate 1% of the BSAI p. cod TAC directly to the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component of the fixed gear sector (i.e., establish a permanent and direct allocation from the BSAI p. cod TAC to the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component);
- (3) reallocate 1.4% of the fixed gear sector allocation (i.e., the directed fishing allowance for the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component) to the directed fishing allowance of the "vessels using pot gear" component (i.e., increase the directed fishing allowance to the "vessels using pot gear" component to 19.7% from 18.3%).

Option 3. Adjust the "roll over" protocol to direct the reallocation of the projected unused amount of BSAI p. cod trawl sector TAC to the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component at such time that the current 1.4% directed fishing allowance to the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" is closed (i.e., establish a regulatory priority for reallocation to the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component).

Sub Option 3. Adjust the "roll over" protocol to direct the reallocation of the projected unused amount of "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" directed fishing allowance (some of which may have been previously rolled over to this component from the projected unused amount of the BSAI p. cod trawl sector TAC) as follows: 80% to the "catcher/processor vessels using hook-and-line gear" component, and 20% to the "vessels using pot gear" component.

Option 4. Adjust the "roll over" protocol to direct the reallocation of the projected unused amount of BSAI p. cod jig gear sector TAC to the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component as such time that the current 1.4% directed fishing allowance to the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" is closed (i.e., establish a regulatory priority for reallocation to the "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" component).

Sub Option 4. Adjust the "roll over" protocol to direct the reallocation of the projected unused amount of "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" directed fishing allowance (some of which may have been previously rolled over to this component from the projected unused amount of the BSAI p. cod jig gear sector TAC) as follows: 80% to the "catcher/processor vessels using hook-and-line gear" component, and 20% to the "vessels using pot gear" component.

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Option 5. Adjust the "roll over" protocol to direct the reallocation of the projected unused amount of the directed fishing allowance for the "catcher vessels using hook-and-line gear" and "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" components as follows: 80% to the "catcher/processor vessels using hook-and-line gear" component, and 20% to the "vessels using pot gear" component.

Option 6. Reallocate the projected unused amounts of the BSAI p. cod TAC from the jig gear sector and the trawl gear sector as follows: 80 percent to "catcher/processor vessels using hook-and-line gear" component, and 20 percent to the "vessels using pot gear" component.

Thank you for your consideration of our interest in making revisions to Amendment 64.

Sincerely,

Jeffrey R. Stephan

References (summary of selected pertinent regulatory provisions):

BSAI FMP Amendment 46 provided that the BSAI TAC of Pacific cod (p. cod), after subtraction of reserves, is allocated 2 percent to vessels using jig gear, 51 percent to vessels using hook-and-line or pot gear, and 47 percent to vessels using trawl gear. [679.20 (a)(7)(i)(A)]

NMFS then estimates an amount of p. cod that is taken as incidental catch in the directed fisheries for groundfish (other than p. cod) by vessels that use hook-and-line or pot gear, and deducts such amount from the annual allocation of p. cod to the fixed gear sector.

After the fixed gear incidental catch of p. cod is deducted, the fixed gear sector allocation is then distributed as separate directed fishing allowances among the four components of the fixed gear sector; that is, 80% to "catcher/processor vessels using hook-and-line gear"; 0.3% to "catcher vessels using hook-and-line gear"; 18.3% to "vessels using pot gear"; and 1.4% to "catcher vessels less than 60 ft LOA using hook-and-line or pot gear". [679.20 (a)(7)(i)(C)(1)]

Any p. cod harvest by "catcher vessels less than 60 feet LOA using pot gear" will accrue against the 18.3 percent that is allocated to "vessels using pot gear" when the p. cod fishery for "vessels equal to or greater than 60 feet LOA using pot gear" is open, and will accrue against the 1.4 percent that is allocated to "catcher vessels less than 60 ft LOA using hook-

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and-line or pot gear" when the p. cod fishery for "vessels equal to or greater than 60 feet LOA using pot gear" is closed. [679.20 (a)(7)(i)(C)(4)(i), and 679.20 (a)(7)(i)(C)(4)(ii)]

Any p. cod harvest by "catcher vessels less than 60 feet LOA using hook-and-line gear" will accrue against the 0.3 percent that is allocated to "catcher vessels using hook-and-line gear" when the p. cod fishery for "vessels equal to or greater than 60 feet LOA using hook-and-line gear" is open, and will accrue against the 1.4 percent that is allocated to "catcher vessels less than 60 ft LOA using hook-and-line or pot gear" when the p. cod fishery for "vessels equal to or greater than 60 feet LOA using hook-and-line gear" is closed. [679.20 (a)(7)(i)(C)(5)(i), and 679.20 (a)(7)(i)(C)(5)(ii)]

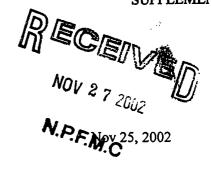
If, during a fishing year, NMFS determines that "catcher vessels using hook-and-line gear", or "vessels less than 60 feet LOA using hook-and-line or pot gear" will not be able to harvest the directed fishing allowance of p. cod that is allocated to those vessels, NMFS may reallocate (roll over) the projected unused amount of p. cod as a directed fishing allowance to "catcher/processor vessels using hook-and-line gear". [679.20 (a)(7)(ii)(B)]

If, during a fishing year, NMFS determines that "vessels using jig gear" will not be able to harvest the entire amount of p. cod in the BSAI that is allocated to those vessels, NMFS, on September 15 of each year, will reallocate ("roll over") any projected unused amount of p. cod in the BSAI that is allocated to "vessels using jig gear" by apportioning such roll over so that "catcher/processor vessels using hook-and-line gear" will receive 95 percent and "vessels using pot gear" will receive 5 percent of any such reallocation. [679.20 (a)(7)(ii)(C)(1), and 679.20 (a)(7)(ii)(C)(2)]

If, during a fishing year, NMFS determines that "vessels using trawl gear" will not be able to harvest the entire amount of p. cod in the BSAI that is allocated to those vessels, NMFS will reallocate (roll over) any projected unused amount of p. cod in the BSAI that is allocated to "vessels using trawl gear" by apportioning such roll over so that "catcher/processor vessels using hook-and-line gear" will receive 95 percent and "vessels using pot gear" will receive 5 percent of any such reallocation. [679.20 (a)(7)(ii)(C)(1), and 679.20 (a)(7)(ii)(C)(2)]

F/V SYLVIA STAR

Ron & Julie Kavanaugh
PO Box 3890 Kodiak, AK 99615
Home(907) 486-5061
Fax (907)486-1496
Email sylstar@ptialaska.net



Attention: Dave Benton, Chairman
North Pacific Management Council

RE: BSAI Amendment 64 (BSAI Fixed Gear Pacific cod Allocations)

This letter is in regards to BSAI amendment 64 which allocates the Pacific cod quota. I understand this amendment is up for review in April of 2003 and would like to address some concerns.

Being a small boat owner/operator, I am very supportive of the 60ft and under Pacific cod allocation. After learning of this fishery in 2001, we actively participated during the 2002 season. From mid April to season's end- May 28th, this fishery kept between four to six vessels working. I feel the economic need of smaller vessels will increase participation. An increase in quota for <60ft is necessary to sustain a viable fishery.

Historically there is under-utilized Pacific cod quota available. This quota is generally rolled over to the catcher/processors in the Fall. Currently the TAC is as follows:

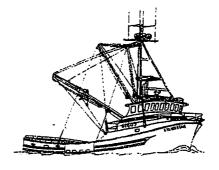
80% Hook and Line Catcher processors 0.3% Hook and Line vessels
18.3% Pot vessels 1.4% Hook and Line or Pot CV's <60ft LOA

I would like to see the TAC split in a manner that would allow the <60ft vessels to participate in a safe and viable manner.

A revised split would create a more fair and equitable distribution of a resource dominated by the hook and line catcher/processors. 5% of the TAC would support the growth of a <60ft fishery. It would allow a fishery to develop prudently and support small vessels currently dependant on Pacific cod. It therefore seems logical to reallocate 3.6% from the Hook and Line c/p quota to the <60ft. Once adjusted with the roll over fish, the impact to the 80% allocation for Hook and Line c/p would be minimal.

Changes to Amendment 64 will not take affect until 2004. Please consider options that would increase quota for 2003, such as making the unharvested quota in both the jig and trawl fisheries available. Thank you for your consideration.

Sinderely



PUBLIC TESTIMONY SIGN-UP SHEET FOR BSA1 AGENDA ITEM D-1 (f) P.cod Split - Am: 64

PLEASE SIGN ON THE NEXT BLANK LINE. LINES LEFT BLANK WILL BE DELETED.		
	NAME	AFFILIATION
X	JEFF STEPHAN	UFMA
×	Matt Hegge Bob Storrs	UFMA F/v Ocean Bay Undaska Notice Fichermanis Assoc
X	Sob Storrs	Undaska Notive Fichermanis Assoc
4.	Dave Benson	Tridat
5	LINDA KOZAK	
6.	THORN SMITH	NPLA
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