AGENDA D-2
JANUARY 2003

MEMORANDUM

TO: Council, SSC, and AP

FROM: Chris Oliver
Executive Director

DATE: January 27, 2003

SUBJECT: Staff Tasking

In December you directed me to carry over any staff tasking discussions, and proposals received, for consideration at this meeting.

Over the past several meetings the Council has initiated a limited number of new amendments or analyses, due to the press of other, ongoing business. Attached (Item D-2(a))is a summary of the status of Council projects, a three-meeting outlook, and an updated list of Council Committees and their status. In addition to reviewing the list of ongoing projects and their status, I would like for the Council to review the status of the various Committees, as they represent a significant investment of staff resources. Several Committees associated with Crab Rationalization, which have been very active over the past few months, may no longer be necessary as the Council finalizes actions on several trailing amendments. As I mentioned under the ED report, the Council may want to consider reactivating the MSA Reauthorization Committee.

Also attached (Item D-2(b)) are letters/proposals received which are requesting the Council to initiate new plan or regulatory amendments. There are two letters related to IFQ 'fish-up/fish-down' provisions among vessel classes, suggesting allowing fishing down in Area 2C, and fishing up from C to B class in all areas. Given that there are existing amendments to the IFQ program already in the hopper (awaiting staff resources or prioritization), I suggest these be forwarded to the IFQ Implementation Committee for consideration, relative to other proposed amendments. There is also a letter from CBSFA requesting the Council to initiate a Community IFQ purchase program for St. Paul and St. George, similar to the program recently approved for the Gulf of Alaska.

There is a letter from Terry Haines, Kodiak, requesting the Council to establish a fishermen's insurance fund from a 12% share of each rationalized fishery, and another letter, from Norman Stadem citing additional support for his previous letter (recently included in a Council mailing), suggesting "compensation for disenfranchised halibut fishermen" (who were excluded from the halibut IFQ allocations or received limited QS).

Relative to the Council's regulations defining halibut subsistence fisheries, there is a letter from Mr. David Tyner requesting the Council to add Ninilchik to the list of eligible communities for purposes of halibut subsistence. Since the Council's action on this issue, the Federal Subsistence Board has established a C&T finding for that area. According to the Council's program, a community receiving such a designation could then petition the Council for inclusion. It appears that a regulatory amendment will be required to accomplish this inclusion, for Ninilchik or any other community, rather than a simple adjustment to the regulations now being prepared. The Council is scheduled to review the proposed rule for the subsistence

package at their April 2003 meeting in Anchorage. The Council could wait until April to address this and any other subsistence related issues, or you could initiate a regulatory amendment at this time.

As I mentioned under the ED report, there is a letter from Jeff Stephan (Item D-2(c)), Chair of the Council's IFQ Implementation Committee, suggesting expedited action on previously tasked halibut/sablefish IFQ amendments, as well as a Call for Proposals after this meeting, with a target date of October 2003 for final Council action. The previously tasked IFQ amendments are summarized under Item D-2(d).

Council Project Summary Updated January 21, 2003

	Mandated Actions	Projected Weeks	Council/ NMFS %	Comments
1	Programmatic Groundfish SEIS (revision)	16	20/80	Identify draft preferred alternatives in June 03 (Diana E/ Diana S.)
2	FMP Updates	3	90/10	Concurrent with DPSEIS (Diana S./Jane)
3	EFH EIS	20	20/80	Major project through mid 2003 (David/Cathy)
4	Crab FMP EIS	8	50/50	Initial review in April/June (Jane, Mark, Chris)
5	Pribilof Blue King Crab Rebuilding	2	30/70	Initial review in April (David/Diana S./ADF&G)
	Council Priorities *Bold =Highest priority			
6	**GOA Rationalization***	?	90/10	Discuss in Feb - Council direction (Jane,Mark+contract help) Major Project
7	**BSAI Crab Rationalization Trailing Amendments***	5	90/10	Review in December/February. (Mark/Darrell)
8	**Halibut Subsistence (new reg amendments/BOF mtgs)***	1	95/5	Review proposed regulations in April (Jane).
9	**IR/IU flatfish adjustments**	2	80/20	Final action in October to delay implementation
10	**IR/IU flatfish trailing amendments* (includes bycatch coops)**	8	50/50	Initial review in February/April (Jon/Contract)
11	**AI Pollock**	2	20/80	Discussion paper in April
12	**SR/RE retention***	2.5	80/20	Not started. (Jane/NMFS)
13	Halibut Charter IFQ/GHL	3	100/0	Preparing for SOC submittal (Jane)
14	Other Species (non-target, CDQ aspects, sharks/skates)	8	40/60	Further analysis required (NMFS/Council Staff) Review spring of 2003. (Jane)
15	Additional P. Cod sideboards (Prichett proposal)	2	100/0	Final action in February (Jon)
16	Observer Program (long-term)	?	50/50	Committee report in February (Nicole/Chris)
17	Community based QS (GCCC buy in proposal)	1	90/10	Requires finalizing for SOC submittal. (Nicole)
18	CDQ Amendment (policy committee)	2	50/50	Further work required for SOC submittal. (Nicole)
19	Discussion paper on BSAI rockfish management	?	10/90	Report in February

AGENDA D-2(a)
JANUARY 2003

Other Projects Previously Tasked

20	BSAI Amendment 77 - P.cod fixed gear allocations	6	90/10	Am 64 sunsets 12/31/03 - Initial review in April (Jon/Darrell/Nicole)
21	GOA Salmon Bycatch Caps	8	80/20	Tasked but on hold pending GOA rationalization progress.
22	TAC Setting Process	2	10/90	Discuss alternatives in February (Jane)
23	Opilio VIP	2	50/50	Not started
24	Catch/bycatch disclosure (vessel level)	2	70/30	Discussion paper - Postponed
25	Scoping paper on fee/loan program for IFQ Charter (NMFS?)	1	10/90	Pending SOC review of program
27	Independent Legal Review	2	100/0	Clarification pending (Chris).
28	Groundfish overfishing definitions	3	10/90	MSST status still under review

Potential New Projects or Lower Priority Projects

29	AFA s/b caps to quotas and trawl LLP recency	10	80/20	Pending further Council direction and staff availability
30	IFQ amendments (1999)	4	90/10	Pending Staff availability
31	Charter IFQ Community Set-Aside	4	90/10	Pending Council Direction
32	Industry proposal for pollock bycatch	?	90/10	Pending proposal and Council Direction
33	Other SSL Trailing Amendments	?	50/50	Pending Council Direction
34	NAS Steller sea lion report	?	?	Discuss next steps in April (T)
35	Response to F_{40} Independent Review	1	90/10	Discuss next steps in April (T)
36	CDQ review process	?	50/50	Pending Council Direction

DRAFT NPFMC Three Meeting Outlook

January 27th, 2003 Seattle	March 31, 2003 Anchorage	June 9, 2003 Kodiak
	Halibut Subsistence Program: ***Review Proposed Rule***	
Crab Rationalization: ***Committee reports and identification of preferred alternatives for trailing amendments***		
Crab EIS: ***Discussion/Direction***	Crab EIS: ***Action as necessary***	Crab EIS: ***Action as necessary***
		Pribilof Blue King Crab Rebuilding: ***Initial Review***
GOA Rationalization: ***Finalize alternatives for EIS***	GOA Rationalization: ***Action as necessary***	GOA Rationalization: ***Action as necessary***
EFH: ***Progress Report***	EFH: ***Action as necessary***	EFH: ***Preliminary review (T)***
AFA Coop Reports: ***Review***		
P. cod Sideboards: ***Final Action***	P. cod allocation (Am 77): ***Initial Review***	P. cod allocation (Am 77): ***Final Action***
	AI Pollock Closure: ***Initial Review***	AI Pollock closure: ***Final Action (T)***
	DPSEIS: ***Progress report and action as necessary***	DPSEIS: ***Action as necessary***
Flatfish IRIU Trailing Amendments (C&D): ***Initial Review***	Flatfish IRIU Trailing Amendments (C&D): ***Final Action***	
	Flatfish IRIU Trailing Amendments (A&B): ***Initial Review (T)***	Flatfish IRIU Trailing Amendments (A&B): ***Final Action (T)***
Observer Program: ***Discussion/Direction***	Observer Program: ***Action as necessary***	Observer Program: ***Action as necessary***
	NAS SSL Report: ***Discuss future actions***	
DSR retention: ***Final Action***	Non-Target Species Management: ***Progress report***	Non-Target Species Management: ***Initial Review (T)***
BSAI Rockfish: ***Discussion Paper***	F40 Report: ***Discuss future actions***	
TAC-setting Process: ***Discussion of Alternatives***	TAC-setting Process: ***Initial Review (T)***	TAC-setting Process: ***Final Action (T)***
Research Priorities: ***Review***		

TAC - Total Allowable Catch
BSAI - Bering Sea and Aleutian Islands
IFQ - Individual Fishing Quota
AFA - American Fisheries Act
HAPC - Habitat Areas of Particular Concern
LLP - License Limitation Program
PSC - Prohibited Species Catch

MSA - Magnuson Stevens Act
GOA - Gulf of Alaska
SSL - Steller Sea Lion
GHL - Guideline Harvest Level
SEIS - Supplemental Environmental Impact Statement
CDQ - Community Development Quota
IRIU - Improved Retention/Improved Utilization

SAFE - Stock assessment and fishery evaluation
VMS - Vessel Monitoring System
CV - Catcher Vessel CP- Catcher Processor
MSST - Minimum Stock Size Threshold
FMP - Fishery Management Plan
PGSEIS - Programmatic Groundfish SEIS
(T) Tentatively scheduled

BSAI Crab Binding Arbitration Committee

Appointed: 4/18/02 Status: Active Staff: Mark Fina	**Co-Chair: John Garner** **Co-Chair: Jake Jacobsen** Gordon Blue Walt Christensen Lance Farr	Terry Leitzell Garry Loncon Gary Painter Joe Plesha Joe Sullivan

BSAI Crab Data Collection Committee

Appointed: 4/18/02 Status: Active **Discussion Leaders:** Darrell Brannan Mark Fina	Terry Cosgrove John Garner Kevin Kaldestad Terry Leitzell	Gary Painter Joe Plesha Glenn Reed Doug Wells

BSAI Crab Captain QS Committee

Appointed: 7/9/02 Status: Active Staff: Mark Fina	**Chair**, Stosh Anderson Tom Suryan Rick Shelford Coleman Anderson Barney Olsen Dan Jansen	Walt Christensen David Hillstrand John Klemzak Tom Gibson Kevin Kaldestad

BSAI Crab Community Protection

Appointed: 10/29/02 Status: Active Staff: Mark Fina	**Chair**, Dave Hanson John Garner Steve Minor Frank Kelty Linda Freed Pat Carlson	Jeff Steele Jon Hickman Bob Juettner Max Malavansky

Updated: January 15, 2003

BSAI Crab Rationalization Committee

Appointed: 12/15/00 Last update: 10/25/01 Status: Deactivated pending analysis and further Council direction. Staff: Mark Fina	**Chair:** Dave Hanson Gordon Blue Paula Brogdan Tom Casey Terry Cosgrove John Garner Don Giles Leonard Herzog Kevin Kaldestad Frank Kelty Linda Kozak	Steve Minor Brent Paine Gary Painter Joe Plesha Dale Schwarzmiller Jeff Steele Jeff Stephan Tom Suryan Arni Thomson Karen Wood-Dibari

CDQ Policy Committee

Appointed 2/16/01 Status: Action Complete. Still necessary? Staff: Nicole Kimball/Sally Bibb	**Chair:** Rick Lauber Ragnar Alstrom Eugene Asicksik Greg Baker John Bundy Jeff Bush Morgen Crow Phillip Lestenkof John Moller Robin Samuelsen

Community QS Purchase Implementation Team

Status: Pending Appointment

Council/Board of Fisheries Joint Protocol Committee

Last update: 10/25/01 Staff: Chris Oliver	Dennis Austin Grant Miller Russell Nelson Hazel Nelson Stosh Anderson

Updated: January 15, 2003

Crab Interim Action Committee

[Required under BSAI Crab FMP]

Dennis Austin, WDF Jim Balsiger, NMFS Kevin Duffy, ADF&G

Ecosystem Committee

Last update: 10/25/01 Status: Meet as necessary Staff: David Witherell	**Chair:** David Fluharty Stosh Anderson Dorothy Childers Tony DeGange Dan Falvey George Hunt, Jr. Patricia Livingston Donna Parker	Other Staff Support Steve Davis Doug Eggers

Enforcement Committee

Last update: February 2000 Status: on hold pending reconstitution Staff: Jane DiCosimo	**Chair:** Dave Hanson Garland Walker Rich Preston Jeff Passer Al Cain John Gavitt Dan Ito Sue Salveson	Other Staff Support Lisa Lindeman Jay Ginter John Lepore Gregg Williams

Essential Fish Habitat Committee

Appointed: 5/15/01 Last Update: 10/25/01 Status: Active Staff: Cathy Coon	**Chair:** Linda Behnken **Vice Chair:** Stosh Anderson Gordon Blue Ben Enticknap John Gauvin Earl Krygier Heather McCarty Glenn Reed Michelle Ridgway Scott Smiley John Kurland

Updated: January 15, 2003

Finance Committee

Last Update: 10/25/01 Status: Meet as necessary Staff: Gail Bendixen/Chris Oliver	**Chair:** David Benton Dennis Austin Jim Balsiger Kevin Duffy Dave Hanson Roy Hyder Richard Marasco

GOA Working Group

Appointed February 2002 Last Update: 2/20/02 Status: Active Staff: Jane DiCosimo	**Co-Chairs:** Stosh Anderson Stephanie Madsen	Julie Bonney Dorothy Childers Dan Falvey Beth Stewart

Halibut Charter IFQ Implementation

Status: Pending Appointment

Halibut Subsistence Committee

Status: Meet as necessary Last Update: 1/7/02 Staff: Jane DiCosimo	**Chair:** Robin Samuelsen David Bill Theodore Borbridge Arne Fuglvog Adelheid Herrmann	Jennifer Hooper Brett Huber Dan Hull Matt Kookesh Flore Lekanof

IFQ Implementation & Cost Recovery Workgroup

Status: Reconstituted as shown (October 2001). Staff: Jane DiCosimo	**Chair:** Jeff Stephan Bob Alverson Beau Bergeron Norman Cohen Arne Fuglvog Dennis Hicks	Don Iverson Jack Knutsen Don Lane Gerry Merrigan Kris Norosz Paul Peyton

Updated: January 15, 2003

IRIU Technical Committee

Appointed: 07/12/02 Status: Active Staff: Chris Oliver, Jon McCracken Marcus Hartley, Northern Econ. Bob Trumble, MRGA Americas	**Chair**, Dave Hanson Michelle Ridgway Susan Robinson John Henderschedt Donna Parker	Teressa Kandianis Matt Doherty Bill Orr Geoff Shester

Magnuson-Stevens Act Reauthorization Committee

Status: Pending appointment of additional members. Staff: Chris Oliver	**Chair:** David Benton Dennis Austin

Observer Advisory Committee

Last update: August 2002 Status: Active Staff: Chris Oliver/ Nicole Kimball	**Chair:** Joe Kyle Julie Bonney Pete Risse Kim Dietrich [Alt: Gillian Stoker] John Gauvin LeeAnne Beres Rocky Caldero	Trevor McCabe Bob Mikol Kathy Robinson Susan Robinson Jeff Stephan* Arni Thomson Jerry Bongen *Pending replacement

Pacific Northwest Crab Industry Advisory Committee

Last Update: 12/12/01 3/5/02-Election of Officers Staff: David Witherell	**Chair:** Gary Painter David Benson Keith Colburn Lance Farr Phil Hanson Larry Hendricks Kevin Kaldestad	Garry Loncon Rob Rogers Clyde Sterling Gary Stewart Arni Thomson, Secretary [non -voting]

Updated: January 15, 2003

Socioeconomic Data Committee

Last update: 10/25/01 Status: Idle pending Council direction Staff: Mark Fina	**Chair:** Dennis Austin Keith Criddle John Gauvin	Jeff Hartman Seth Macinko Richard Marasco Ed Richardson

Steller Sea Lion Mitigation Committee

Appointed: 2/10/01 Updated: October 2001 Pending membership adjustment [formerly SSL RPA Committee; renamed at Feb 02 meeting) Staff: David Witherell	**Chair:** Larry Cotter David Benson Jerry Bongen Shane Capron David Cline Tony DeGange Doug Demaster Wayne Donaldson Steve Drage John Gauvin	Sue Hills Gerry Leape Terry Leitzell Matt Moir Alan Parks Fred Robison Bob Small Beth Stewart Jack Tagart John Winther

Steller Sea Lion Steering Committee

Appointed: 12/13/00 Staff: Chris Oliver	**Chair:** David Benton Dennis Austin Jim Balsiger Kevin Duffy

U.S.-Russia International Committee

Status: Pending reconstitution. Staff: Chris Oliver	**Chair:** David Benton Dennis Austin David Fluharty

VMS Committee

Appointed: 06/02 Status: Active Staff: Jane DiCosimo	**Chair**, Earl Krygier Capt. Rich Preston Al Burch Ed Page	Bob Mikol Lori Swanson Guy Holt

PFMC

7-24-02

Dear David Benton:

To be equitable, fishing down IFQ's for sablefish and halibut should be allowed in the east Yakutatat and 2C areas as it is in other areas of the state. My proposal is that such be the case. Please reference this to other proposals recommended for areas 3B 4A & 4B in 1999 by the IFQ implimentation committee.

Sincerely,

Gary Mulligan

GARY MULLIGAN
PO Box 8082
PORT ALEXANDER, AK
99836
907-568-2237

Sept. 20, 2002

NMFS
Council Members
Chairman Dave Benton
605 W. 4th Ave.
Anchorage, AK 99501

Dear Council Members

The Councils recent action that allows communities (CD) to purchase QS, for which the vessel class designations to not apply has compounded previous action when the Council allowed the fishing down regulation. We would like to recommend to Council to consider adding an analysis allowing "fish up" on vessel class B from class C. We would like to recommend that Council add this analysis to the suit of proposed IFQ changes recommend for analysis.

We are a B class vessel, B class vessels are the only class fishing vessel that is locked into one class of quota. We have a harder time finding shares to buy. The new proposed regulation for the communities to purchase QS has the versatility to fish all vessel classes from one vessel. We only want a fair playing field. We have crewmen wanting to come aboard our vessel to fish their quota but we are unable to hire them as they have class C quota. The B class shares are harder to find to purchase and they are most costly, because a B, C, or D class vessel can fish them. The B class vessel can only fish B quota. The C class vessel can fish B & C quota class The D class can fish B, C or D class quota. As a B class vessel owner we are appealing to you to let the B class vessel owner have the versatility that the other class vessels have and now the communities (CD) have. We are the most down trodden Class of vessel for all of the regulation imposed to date regarding Fish Down and not Up. Please consider the "Fish Up" from C to B class. This new action for the communities (CD) only compounds this for us.

We do not have legal representation, but would ask the Council to understand we are a viable part of this industry. We are not highly educated, but are grounded in our livelihood of commercial fishing; please consider this in your recent actions.

Thank you,

Thomas D. Branshaw Thomas D. Branshaw
Denise J. Branshaw Denise J. Branshaw
PO Box 571
Cordova, Alaska 99574
907-424-7344
F. V. Northern Mariner
northernmariner@hotmail.com

SPECIAL NOTICE

To All Holders of Catcher Vessel Individual Fishing Quota (IFQ)

"FISH-DOWN" AMENDMENT FINALIZED

Notice Revised March 31, 1997

Please be advised that the regulations for IFQ fishing [50 CFR, Part 679] have changed. Effective immediately, and with the exception noted below, persons who hold IFQ in catcher vessel categories "B" or "C" may harvest their IFQ halibut or sablefish on vessels with a length overall that is equal to, or less than, the maximum length overall (LOA) permitted under the prior regulations. The following table displays this change.

Catcher Vessel IFQ Category	To Harvest (Species)	May Now be Fished on a Vessel of the Following Maximum LOA
"B"	Halibut	B, C, or D category vessel (**No LOA limit**)
"C"	Halibut	C or D category vessel (**60 feet LOA limit**)
"D"	Halibut	D category vessel only (**35 feet LOA limit**)
"B"	Sablefish	B or C category vessel (**No LOA limit**)
"C"	Sablefish	C category only (**60 feet LOA limit**)

EXCEPTION FOR AREA 2C HALIBUT AND AREA SE SABLEFISH

Under the new rules, certain "B" category IFQ may NOT be fished down. The exception is the Area 2C halibut fishery and the Area SE "Outside" (East of 140° W. Longitude) sablefish fishery. In those fisheries, Vessel Category "B" IFQ derived from unblocked QS, or blocks of catcher vessel QS that yield 5,000 pounds or more of 1996 IFQ (i.e., blocks of QS that are equal to or greater than 33,320 halibut QS units and equal to or greater than 33,270 sablefish QS unit(s) may NOT be "fished down". Such IFQ must be fished on the vessel category for which it has been issued.

Questions about these changes may be directed to the Alaska Region, National Marine Fisheries Service (NMFS), Restricted Access Management (RAM) Division. The Division can be reached at the address and telephone/facsimile numbers set out below.

Restricted Access Management (RAM) Division • P.O. Box 21668 • Juneau, AK 99802-1668
Tel: 800-304-4846 • Fax: 907-586-7354• Internet: http://www.fakr.noaa.gov

W170°

CENTRAL BERING SEA FISHERMEN'S ASSOCIATION

Post Office Box 288 ▲ St. Paul Island, Alaska 99660 ▲ Phone (907) 546-2597 ▲ Fax (907) 546-2450

November 18, 2002

Chris Oliver, Executive Director
North Pacific Fishery Management Council
605 West 4th, Suite 306
Anchorage, AK 99501

Dear Mr. Oliver:

For the past several years, the Central Bering Sea Fishermen's Association (CBSFA) has been working to stabilize the local economy of St. Paul Island by attempting to expand our local halibut fishery. With the exception of the 2002 season due to slow fishing, our local fleet has landed entirely all of the CBSFA CDQ halibut allocations since the program began in 1995. CBSFA has also increased the local IFQ ownership (and landings) through loans to our fishermen to purchase halibut IFQ quota shares.

However, it is not easy for many of our local fishermen to secure large loans to purchase significant amounts of IFQ quota shares. Also, the IFQ Program has quota share block and vessel category regulations that restrict the amounts of quota shares available in Area 4C to our local fishermen.

We have watched with great interest as the Council developed and approved the Gulf of Alaska IFQ Purchase Program. We are in support of the basic principles of the GOA program and now ask that the Council consider a similar program specifically for the communities of St. Paul and St. George. CBSFA is submitting a proposal requesting that the NPFMC (Council) allow Area 4C Halibut IFQ Quota Share Purchase by our communities to expand halibut fishing jobs, landings and local processing in our communities to work towards developing sustainable economies.

I have attached the CBSFA proposal and ask that you add it to the Council's current list of proposals to be added to the Councils agenda and that it be included under staff tasking on the agenda at the December 2002 meeting for consideration. Thank you.

Sincerely,

Phillip Lestenkof, President

CENTRAL BERING SEA FISHERMEN'S ASSOCIATION

Post Office Box 288 ▲ St. Paul Island, Alaska 99660 ▲ Phone (907) 546-2597 ▲ Fax (907) 546-2450

November 18, 2002

CBSFA Proposal for Purchase of Area 4C Halibut IFQ Quota Shares by Communities

CBSFA proposes that the North Pacific Fishery Management Council (Council) allow the Pribilof Island communities of St. Paul and St. George to purchase and hold Area 4C halibut IFQ quota shares for use by community residents as defined by the following elements and options.

Element 1. Eligible Communities

The Pribilof Islands communities of St. Paul and St George.

Element 2. Ownership Entity

The CDQ Group representing the eligible community.

Element 3. Halibut Regulatory Area

Area 4C

Element 4. Purchase and Sale Restrictions

1. Exempt Quota Shares Block and Ownership Cap Restrictions

   a. Allow CDQ Group to purchase blocked and unblocked quota shares.

   b. Exempt CDQ Group from the quota shares ownership block and cap restrictions.

   c. Quota shares block restrictions are retained if the CDQ Group sells quota shares.

2. Exempt Vessel Category Restrictions

   a. Quota shares purchased and held by CDQ Group under this program will be exempt from vessel category restrictions.

   b. Vessel category restrictions are retained if the CDQ Group sells the quota shares.

3. Sale Restrictions

   CDQ organizations may only sell their quota shares for one of the following reasons:

   a. Financial hardship to be determined by the CDQ group board of directors.

   b. Transfer quota shares to residents of eligible community.

Element 5. Performance Standards

CDQ Group participating in the program must adhere to the following performance standards:

1. Use of quota shares purchased under this program shall be limited to residents of the eligible CDQ community.

2. Quota shares acquired under this program must be landed in Area 4C community.

3. CDQ Groups must manage the use of quota shares in compliance with the program guidelines to be developed by the Council.

4. Insure that quota shares are equitably distributed to community residents.

Element 6. Program Oversight

The Council will develop program oversight.

Element 7. Program Review

The Council will review the program after 5 years of implementation.

Proposal Re: Rationalization of Crab and Groundfish
Fishermans Insurance Fund

Attn: Stosh Anderson and the NPFMC. I would like to respectfully request the opportunity to present this very short proposal to the Council. I realize the need for you to work quickly to move through all of your business. Since I work at sea ten months out of the year, I've only just been able to speak with enough of my peers to form something of a concensus. We miss the meetings because we are working, and can't afford to pay for a lobbyist. I'll be spending my own money to be at the next meeting. Please, this is the only sparse representation deckworkers are likely to get: me, a political novice at my very first meeting. I know it will be easy to sweep us under the rug. I just want to be able to say that you let me speak for two minutes first. Thanking you in advance,

Terry Haines
P.O. Box 8112
Kodiak, AK 99615
907-486-4759

FISHERMAN'S INSURANCE FUND- A PROPOSAL

My proposal is to create a fisherman's insurance fund from a 12% share of each rationalized fishery. This fund would have two kinds of participants: shareholders and qualified customers.

Shareholders would be awarded shares, like shareholders in a native corporation. They would receive shares based upon participation in the fishery during the qualifying years. So, for five qualifying years, one share for one year's participation would be the minumum, five shares for five years the maximum. In this way, a crewman who participated in different winter fisheries (i.e. opilio crab, Pacific cod, Oregon dungeness) could be awarded appropriate shares as each fishery is rationalized, based on participation.

Documentation for shareholders would consist of a form filled out by the applicant specifying the boat worked for and the years worked. The boat owners would then be sent a form to certify the information. If contested, tax documents could be easily obtained which would show who was paid, and when, and clear up any haziness.

The mandate of the fund would be to provide insurance, and eventually low cost loans, to the fishing community at large. Qualified clients (commercial fishers) would get low-cost insurance, subsidized by the fund. Shareholders would receive a yearly dividend based on the performance of the fund, minus the cost of providing insurance. Or they could simply receive a package of zero-cost insurance products.

Fishers (shareholders and clients) for each fishery would qualify as soon as his fishery was rationalized, and thus contributing to the fund.

Three factors make this plan fair and viable. It is simple: shareholders would be identified on the basis of "Was I there?", and, once identified, the paperwork would be over. It is fair: shareholders would be rewarded based on past participation and inclusion in the insurance program should be offered to all commercial fishermen presently participating in the rationalized fishery. Fifty percent of the fund's revenues should be reserved for subsidizing insurance for <u>every</u> fisher in the fishery. And lastly it spreads the benefit of privatization of the resource more evenly, and will better assure a stable, healthy fishing community.

This fund could take the burden of providing liability insurance on the boat from the owners. A deckhand with his own insurance from the fund would be one less thing for the owner to worry about. And the taxpayer won't have to foot the bill if he's hurt on land.

The fund could be administered by a professional with experience managing a native corporation or perhaps rural electric association. The resource would be harvested by commercial boats through a bid process, just like C.D.Q.s.

C.D.Q.s have been awarded to communities for the purpose of stablizing them and improving quality of life. Why not award the community of deckhands, a community which has been so intimately connected to the fishing world, a bit of the resource for the same purpose? Terry Haines, (907) 486-4759 e-mail yohaines@alaska.com

Norman Stadem
Louis (Larry) Stadem
dba
Stadem Brothers, Partnership
Alaska Ocean Fisheries, Inc.
1826 E. 26th Ave.
Anchorage, Alaska 99508

(907) 272-0908

October 27, 2002

David Benton, Chairman
North Pacific Fishery Management Council
605 West 4th Avenue, Suite 306
Anchorage, Alaska 99501

Dear Chairman Benton:

Please include the enclosed letters from the fishing families of Dan Higgins and Judy Ken along with the support letters included in our previous letter of October 5, 2002.

Thank you.

Sincerely yours,

Norman Stadem
Economist, Commercial Fisherman

Enclosures: Copy of letters from:
Dan Higgins
Judy Ken

Copy: Chris Oliver, Executive Director, NPFMC
Honorable Ted Stevens, U. S. Senator
Honorable Frank Murkowski, U.S. Senator
Honorable Don Young, U.S. Congressman
Honorable Tony Knowles, Governor, Alaska
Honorable Fran Ulmer, Lieutenant Governor, Alaska

9-16-02

Dan Higgins
F/V Provider
P.O. Box 6362
Sitka, AK 99835

Norm Stadem
1826 E. 26th Avenue
Anchorage, AK 99508

Dear Norm,

We read with interest the article in Alaska Fishermen's Journal regarding your efforts to seek compensation for disenfranchised halibut fishermen. My wife and I began commercially fishing for halibut in S.E. Alaska in 1991. We regularly participated in the fishery until the implementation of the IFQ program. We did not receive IFQ's. We invested many thousands of dollars in gear, training, safety and navigation equipment, and vessel modifications specifically to participate in this fishery. Once the IFQ program began, there was no market for our longline gear. To make up for our income loss in halibut we purchased a salmon troll permit and trolling gear. We currently are trollers although we have never been able to equal the income we earned in the halibut fishery. The equipment we purchased and modifications we made to our boat to longline for halibut were not necessary for trolling. Our investment in federally mandated safety equipment for our 5-6 member halibut crew exceeds the requirements for our 2 person salmon trolling crew.

During our halibut fishing years we were aware of the efforts of the Council and government to limit participation in the fishery. The environmental documents supporting the IFQ plan contained extensive economic analyses that specifically considered the impact of the program under the assumption that "current" participants would receive IFQ's. As I'm sure you are aware, given the number of years it took to approve the program, the actual fishermen at the time of implementation were not the ones to receive the IFQ's. Instead IFQ's were given to fishermen active during the preceding decade regardless of their involvement in the industry at the time of IFQ allocation. The economic impact of this action was not addressed in their analyses.

I support your efforts to get compensation for our investments in this fishery and would appreciate receiving more details on your efforts. At the appropriate time, we can furnish a summary of our investments, if required.

We are just completing our fishing season here in S.E. and will be heading south during the next month. I can best be reached via mail at the following winter address or via e-mail.

Sincerely,

Dan Higgins
307 Vista del Valle
Mill Valley, CA 94941

Cbrown096@aol.com

Subj: IFQ"S
Date: 6/27/2002 3:30:17 PM Alaskan Daylight Time
From: writejudy@hotmail.com (j ken)
To: normstadem@aol.com

Dear Norm: I read your letter to editor in the June issue of Alaska Fishermen's Journal. I tried to e-mail you last month, but it did not go through. So this will be just a quick test mssg to see if I have better luck this time. Please e-mail me back and let me know if you recieve this. Like so many others we too were devestated by the IFQ system. Standing by, Judy

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---------- Headers ----------

Return-Path:
Received: from rly-ye05.mx.aol.com (rly-ye05.mail.aol.com [172.18.151.202]) by air-ye01.mail.aol.com (v86_r1.15) with ESMTP id MAILINYE11-0627193017; Thu, 27 Jun 2002 19:30:17 -0400
Received: from hotmail.com (f42.law14.hotmail.com [64.4.21.42]) by rly-ye05.mx.aol.com (v86_r1.15) with ESMTP id MAILRELAYINYE510-0627193004; Thu, 27 Jun 2002 19:30:04 -0400
Received: from mail pickup service by hotmail.com with Microsoft SMTPSVC;
Thu, 27 Jun 2002 16:30:03 -0700
Received: from 68.6.51.25 by lw14fd.law14.hotmail.msn.com with HTTP;
Thu, 27 Jun 2002 23:29:56 GMT
X-Originating-IP: [68.6.51.25]
From: "j ken"
To: normstadem@aol.com
Subject: IFQ"S
Date: Thu, 27 Jun 2002 16:29:56 -0700
Mime-Version: 1.0
Content-Type: text/html
Message-ID:
X-OriginalArrivalTime: 27 Jun 2002 23:30:03.0679 (UTC) FILETIME=[903B2AF0:01C21E32]

13 November, 2002
This is an additional, by Dave Tyner, to the paper work submitted to the NPFMC on or before 25 September 2002.
Chris Oliver of NOAA requested this after a phone conversation on 12 Nov 2002.

This document will try to define or clarify why Ninilchik Rural Area as defined by the Federal Subsistence Board, (mile 122 falls creek road to Mile 144 Stariski Creek), should be added to the list of rural places found in the table at 50 CFR 300.65(t)(1).

The Council developed the list based on findings of customary and traditional use of halibut by the Alaska Board of Fish or the Federal Subsistence Board.
The Council allows residents who believe that their rural place was inadvertently left out of the table to petition the appropriate body for a customary and traditional use designation before petitioning the Council for inclusion in the table.

I'd like to bring to the Council's attention FR 67 No. 26 pages 5889 to 5906, dated Feb. 7 2002. The Federal Subsistence Board in Sec._.24 Customary and traditional use determinations. Part (2) Fish determinations. The following communities and areas have been found to have a positive customary and traditional use determination in the listed area for the indicated species:
In the Cook Inlet area it lists (species) fish other then salmon, Dolly Varden, trout, char, grayling, and burbot.
Then under determination it lists residents of the Cook Inlet area.
The Ninilchik Rural area falls with in the Cook Inlet area.

In Sec._.27 Subsistence taking of fish. Section (17)(ii) reads as follows, except as otherwise provided for this section, if you are not required to obtain a subsistence fishing permit for this area, the harvest and possession limits for taking fish for subsistence uses with a rod and reel are the same as for taking fish under State of Alaska subsistence fishing regulations in those same areas. If the State does not have a specific subsistence season and/or harvest limit for that particular species, the limit shall be the same as for taking fish under the State of Alaska sport fishing regulations.

In the 2002-2003 Alaska Department of Fish and Game subsistence and personal use statewide fisheries regulations, 5 AAC 01.566 customary and traditional subsistence uses of fish stocks and amount necessary for subsistence uses. (a) The Alaska Board of Fisheries finds that the following fish stocks are customarily and traditionally taken and used for subsistence. (4) bottom fish , halibut, and herring in those portions of the Cook Inlet area that are outside the boundaries of the non-subsistence described in 5 AAC 99.015(a)(3).
5 AAC01.550 describes Cook Inlet as a line from Cape Douglas and a line extending south from Cape Fairfield. 5 AAC 99.015(a)(3) describes several sub-distracts that lay North of that line.
So the Alaska Board of Fish has also made a finding customary and traditional use of halibut with in sections of the Cook Inlet area.

5 AAC 01.570 (h) Halibut may be taken only by a single hand-held line with not more then two hooks attached to it.
As other areas of Cook Inlet in the State regulation book are described as non-subsistence the limit for halibut under Sec._.27 Subsistence taking of fish. Section (17)(ii) shall be the same as for taking fish under the State of Alaska sport fishing regulations. That limit would be two halibut a day.

Another point I'd like the Council to consider is the Council itself found a customary and traditional use for halibut in the Cook Inlet area when it listed Alaska Native tribes in the table at 50 CFR 300.65(f)(2). The title says Alaska Native Tribes with customary and traditional uses of halibut within specified halibut regulatory areas.
Cook Inlet falls with in regulatory area 3A.
One of the listings on table 50 CFR 300.65(f)(2) is Ninilchik Village, as Ninilchik Village falls with in the Ninilchik rural area as defined by the Federal Subsistence Board, all rural residents of that area both native and non-native should have access to halibut for subsistence.
Several sections of title VIII of ANILCA refer to an opportunity for subsistence use by rural residents of Alaska, including both natives and non-natives.

The Council also refers to AS 16.05.258 as a list of criteria used by the Council.
The regulations governing the rural determination process adopted by the FSB are listed in the following box. It then refers to Sec.16.05.258 c) items 1 through 13.
I'd like the Council to look at FR 67 No. 88 dated May 7 2002 pages 30559 to 30571.
Sec._15 (a) on page 30568 says the Federal Subsistence Board shall determine if an area or community in Alaska is rural. In determining whether a specific area of Alaska is rural, the Board shall use the following guidelines.
It appears to be an updated version that incorporates some of AS 16.05.258.
I point this out because the FSB seems to have adopted new guidelines. It also seems to give the FSB the right to determine rural areas. This is not to say the NPFMC cannot determine rural areas but I believe it to be relevant when either the FSB or the Council determines a rural area or weather an area it to be listed on 50 CFR 300.65(f)(1) as rural.

If the Council will then look to Sec._23 (a) it will see the FSB has determined all areas to be rural in accordance with Sec._15 except the following.
You will not find Ninilchik listed so the FSB has found Ninilchik to be rural.
I've previously sent a map that shows the Ninilchik rural area as defined by the FSB.

In closing I hope I've sent the Council enough information so it will add Ninilchik rural area as defined by the FSB to the table 50 CFR 300.65(f)(1).

AGENDA D-2(c)
JANUARY 2003

United Fishermen's Marketing Association, Inc.

P.O. Box 1035 Kodiak, Alaska 99615

Telephone 486-3453
Fax: 907-486-8362

January 7, 2003

Mr. David Benton, Chair
North Pacific Fishery Management Council

Re: Halibut and Sablefish IFQ Regulations

Dear Dave,

I respectfully request that you please schedule a Council discussion on your January agenda to consider and possibly establish an ambitious schedule for the Council: (1) to process public proposals that were submitted to the Council in response to the June, 1999, "Call for Proposals"; and (2) to advertise a Call for Proposals for the Halibut and Sablefish IFQ program at your January meeting. Two possible alternatives for addressing these suggestions include:

1. To address public proposals submitted in response to the June, 1999, Call for Proposals

Assign a high priority to proceeding with the analysis of and final Council action on the five proposals that the Council adopted for analysis in June, 2001 (such proposals that were submitted in response to the June, 1999, Call for Proposals for the halibut and sablefish IFQ fisheries).

Begin the staff Analysis, at the earliest possible moment after the January, 2003, Council meeting, of the five proposals that the Council adopted for analysis in June, 2001.

Target October, 2003, for final Council action on this package of proposals so that the possibility would exist for any Council-adopted modifications to be implemented for the 2004 halibut and sablefish IFQ fisheries.

2. To advertise a Call for Proposals for new public proposals for the halibut and sablefish IFQ fisheries

Advertise a Call for Proposals for the halibut and sablefish fisheries in the February, 2003, Council Newsletter, with a closing date for the submission of such proposals prior to the April, 2003, Council meeting.

Conduct a meeting of the IFQ Implementation and Cost Recovery Committee in April, 2003, on the Sunday of the week during which the Council is scheduled to meet. This meeting would address the consideration of any halibut and sablefish proposals that may be submitted in response to a possible February, 2003, Call for Proposals. This consideration would include combining, blending and prioritizing such newly submitted proposals with those public proposals that the IFQ Implementation Committee prioritized in October, 1999.

The Council could then consider (1) any recommendations that may result from the proposed April, 2003, meeting of the IFQ Implementation and Cost Recovery Committee with respect to the "old" (June, 1999) and "new" (February, 2003) proposals, and (2) reconfirm or modify the Problem Statement and list of five proposals that the Council adopted for analysis in June, 2001.

Target October, 2003, for final Council action on this package of proposals so that the possibility would exist for any Council-adopted modifications to be implemented for the 2004 Halibut and Sablefish IFQ fisheries.

Brief Background

The last biennial "Call for Proposals" for the halibut and sablefish IFQ fisheries was advertised in the June, 1999, Council Newsletter. Ten proposals were submitted to the Council by the August, 16, 1999, deadline for the submission of proposals. All ten proposals were subsequently considered by the IFQ Implementation Committee on October 10, 1999. The IFQ Implementation Committee combined nine of the ten submitted proposals into four proposals, and submitted a prioritization and recommendation to the Council with respect to these four proposals; one of the ten proposals was not recommended for Council action.

In June, 2001, the Council reviewed the October, 1999, recommendations of the IFQ Implementation Committee, and adopted a "Westward Area IFQ Problem Statement", and an associated list of five proposals for analysis ("When staff time becomes available, the Council will initiate analysis of alternatives forwarded by IFQ committee and AP ..."; NPFMC Newsletter, June, 2001).

The next expected biennial Call for Proposals for the halibut and sablefish IFQ fisheries (scheduled for June, 2001) was cancelled by the Council due to the existing Council workload.

On December 2, 2001, the IFQ Implementation and Cost Recovery Committee considered several enforcement, recordkeeping and reporting proposals for the halibut and sablefish IFQ

fisheries that were submitted to the Council by the NMFS Office of Enforcement. The IFQ Implementation and Cost Recovery Committee reviewed and submitted recommendations to the Council with respect to the NMFS proposals.
In February, 2002, the Council reviewed the December, 2001, recommendations of the IFQ Implementation and Cost Recovery Committee, and approved three enforcement, recordkeeping and reporting changes to the halibut and sablefish IFQ regulations.

The next scheduled biennial Call for Proposals for the halibut and sablefish IFQ fisheries is June, 2003.

Summary

There appears to be a need to address several conservation, management and operational aspects of the halibut and sablefish IFQ fisheries.

Prior to proceeding in the near future with an analysis of the five proposals that were adopted by the Council for staff analysis in June, 2001, it may be prudent to solicit any new ideas that may be available from the public with respect to the management of the halibut and sablefish IFQ fisheries. It is probably a reasonable presumption that any public proposals that may be submitted in response to a possible February, 2003, Call for Proposals would include: (1) issues that have been previously addressed in proposals that were submitted to the Council in response to the June, 1999, Call for Proposals, or submitted separately by NMFS, and subsequently considered by the IFQ Implementation Committee (October, 1999, and December, 2001) and by the Council (June, 2001, and February, 2002); and (2) issues that are relevant to new, contemporary and emerging conservation, management and operational needs in the halibut and sablefish fisheries that were not evident either in June, 1999, when the last Call for Proposals was issued, or in June, 2001, when the Council adopted a "Westward Area IFQ Problem Statement" and the associated list of five proposals for staff analysis .

Thank you for your consideration of the pressing need to address the conservation, management and regulatory framework of the halibut and sablefish IFQ fisheries.

Sincerely,

Jeffrey R. Stephan

Jeff Stephan

The Council passed a motion in June 2001:

With regard to the IFQ amendment proposals approved for analysis last year, but not yet tasked, Linda Behnken moved the following problem statement:

> **The halibut/sablefish vessel size classes and block plan were designed to maintain a diverse, owner-operated fleet and provide an entry-level to the IFQ fisheries. Large quota increases, and other factors unique to the 3B/4A areas, suggest that these provisions should be reviewed to determine if changes are needed to ensure program goals are met.**
>
> **When staff time becomes available, the Council will initiate analysis of alternatives forwarded by IFQ committee and AP relative to this issue.**

The following alternatives for the IFQ halibut fisheries in Area 3B, 4A and 4B approved for analysis are:

Alternative 1: Status quo.

Alternative 2: Block program:

- Option 1: Increase number of blocks from 2 to 4
- Option 2: Unblock all quota shares >20,000 lb
- Option 3: Allow quota shares >20,000 lb to be divided into smaller blocks

Alternative 3: Quota share categories:

- Option 1. Allow D category quota shares to be fished as C category shares.
- Option 2: Allow D category shares to be fished as C or B category quota shares
- Option 3: Combine B, C, and D category quota shares
- Option 4: Combine C and D category quota shares

Alternative 4: Sunset hired skipper provisions of initial recipients in all areas.

PUBLIC TESTIMONY SIGN-UP SHEET FOR AGENDA ITEM D-2 STAFF TASKING

PLEASE SIGN ON THE NEXT BLANK LINE.
LINES LEFT BLANK WILL BE DELETED.

	NAME	AFFILIATION
1.	Jeff Stephan	UFMA
2.	Simon Kinneen	NSEDC
3.	Julie Bonney	AEDB
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