

# North Pacific Fishery Management Council

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## NEWSLETTER

5/6/94

### North Pacific Fishery Management Council Meeting Summary for April 1994

The North Pacific Fishery Management Council met in Anchorage, April 19-24, 1994. Issues concerning comprehensive rationalization of the groundfish and crab fisheries, adjustments of the sablefish and halibut IFQ program, scallop management and moratorium, and several groundfish items, including a trawl closure around the Pribilof Islands, topped the agenda, and are reported here. Several agenda items had to be deferred to later meetings because the Council could not address them before adjourning at about 7:30 p.m., Sunday. Among the items deferred was the halibut charter boat issue which was postponed until December. Joint Council management of Pacific Pelagics was deferred until June as was opilio bycatch, electronic communications, total weight measurement, and trawl mesh restrictions.

The June meeting of the Council will be held in Anchorage beginning Wednesday, June 8, and ending by Saturday afternoon, June 11. The Advisory Panel tentatively will start on Sunday at 1 p.m., and the Scientific and Statistical Committee will begin on Monday at 8 a.m. The Council will focus mainly on items other than comprehensive planning. That issue will be the centerpiece of the late September or early October meeting in Seattle. A draft agenda for the June meeting should be available to the public on May 20th.

### Halibut Charter Issue Deferred to December

Discussion of the halibut charter issue, including a proposed moratorium, was deferred to December. The Council first addressed this issue in September and announced a control date of September 23, 1993 to notice the industry that a moratorium on the guided sport fishery might be implemented in the future, and that individuals or vessels not participating by then would not be guaranteed future access. The Council also established a working group to identify potential alternatives for managing this fishery. A report of the Halibut Charter Working Group, which is available at the Council office, summarizes the group's discussions regarding State legislation, export limits, logbooks, harvest and creel surveys, annual harvest limits, license trends, regional fleet characteristics, and moratorium evaluation. (Staff contact is David Witherell.)

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## Council Seeks Emergency Action to Reduce Chum Bycatch

The Council reviewed a discussion paper on reducing salmon bycatch using hot-spot authority to close predefined areas based on high chum salmon bycatch in the pollock "B" season trawl fishery. Though an expanded economic and social analysis will not be available until October, the magnitude of the chum salmon bycatch last year in August compelled the Council to request NMFS take emergency action to control salmon bycatch this coming August to protect Arctic-Yukon-Kuskokwim stocks. When the bycatch of 'other' salmon (mostly chums) in the Catcher Vessel Operational Area (CVOA) reaches 42,000 fish, the Regional Director will close a specific area to all trawling for the remaining pollock "B" season. The area encompasses five 30-mile by 30-mile blocks within the CVOA (Figure 1). NMFS also is anticipating that two observers and satellite communication capability will be needed on each of the four motherships operating in the CVOA to provide for complete coverage and daily reports of salmon bycatch. The additional observers would remain on the motherships until either (1) the 5-block area is closed, or (2) NMFS determines that salmon bycatch rates are sufficiently low that daily reports are no longer needed.

In October, the Council will examine additional alternatives for bycatch management. These alternatives will focus on protecting both chinook and chum stocks in the Bering Sea and Aleutians (BSAI). The Council also reviewed other proposed changes in observer coverage for trawl vessels, motherships, or shoreside processors during the BSAI pollock "B" season fishery, but recommended no additional changes for 1994.

Among the provisions of the Council's salmon bycatch control policy is an endorsement of the Salmon Research Foundation, a non-profit corporation. The purpose of the Foundation is to use income generated from salmon bycatch assessment payments to develop a salmon bycatch avoidance program for the BSAI trawl fisheries, and to fund research on stock origin of salmon taken as bycatch. Recent regulatory changes allow the release of individual vessel bycatch data on a haul-by-haul basis,

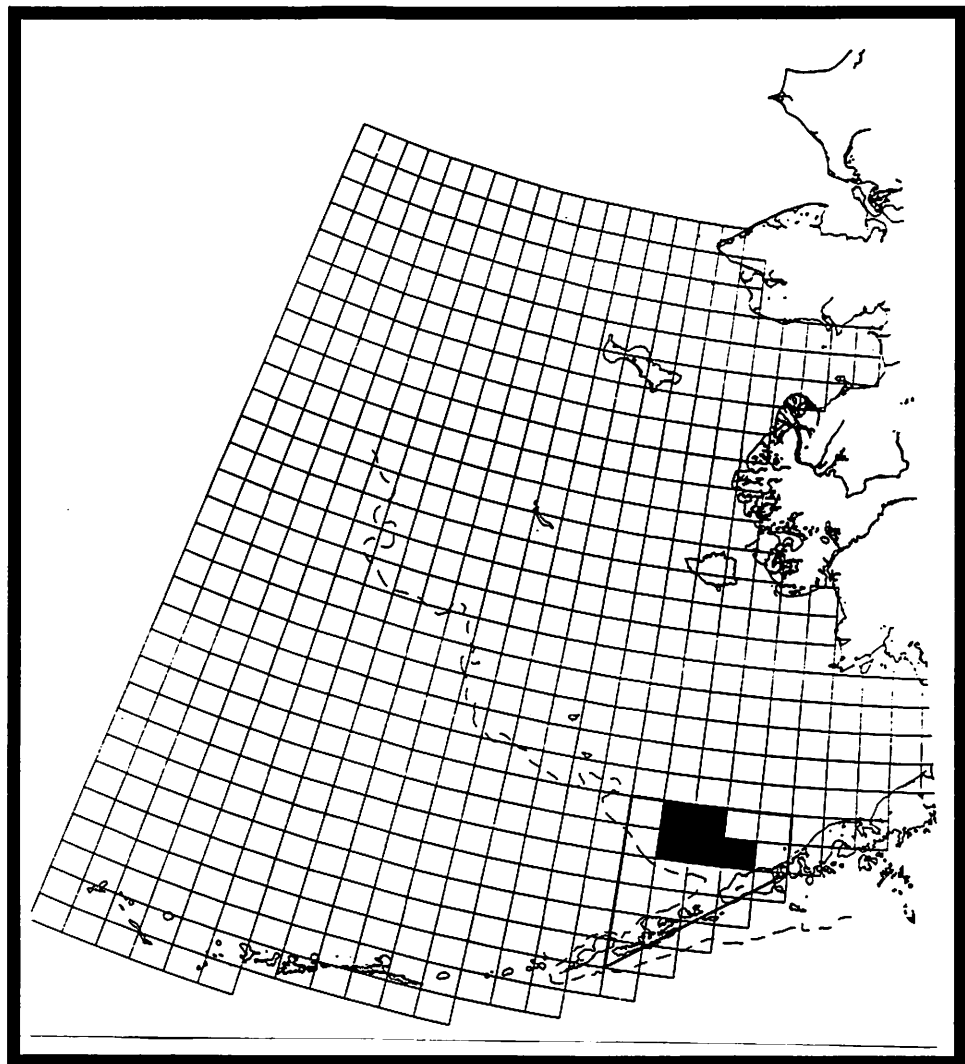


Figure 1. Location of the five-block area within the CVOA that will close to all trawling if high chum salmon bycatch is observed.

and regulations requiring retention of salmon until examined by a NMFS-certified observer. John White, President of the Salmon Research Foundation, and directors and industry representatives reported on Foundation activities, including a review of pollock "A" season salmon bycatch, the bycatch avoidance pilot program, in-season feedback of salmon bycatch information, status of the stock identification research, and other developments to date. A full report is available from the Council office. (Staff contact is David Witherell.)

**Pribilof Islands**  
**Trawl Closure**  
**Approved**

The Council reviewed alternatives to curtail trawl activities around the Pribilof Islands to protect blue king crab and Korean hair crab stocks so they may rebuild to and be maintained at exploitable levels. The Council adopted the closed area in Alternative 8 (Figure 2), which provides the most benefit to crab populations and habitat, while least affecting trawl fisheries. All trawling in this area will be banned year-round starting in 1995 if approved by the Secretary of Commerce. (Staff contact is David Witherell.)

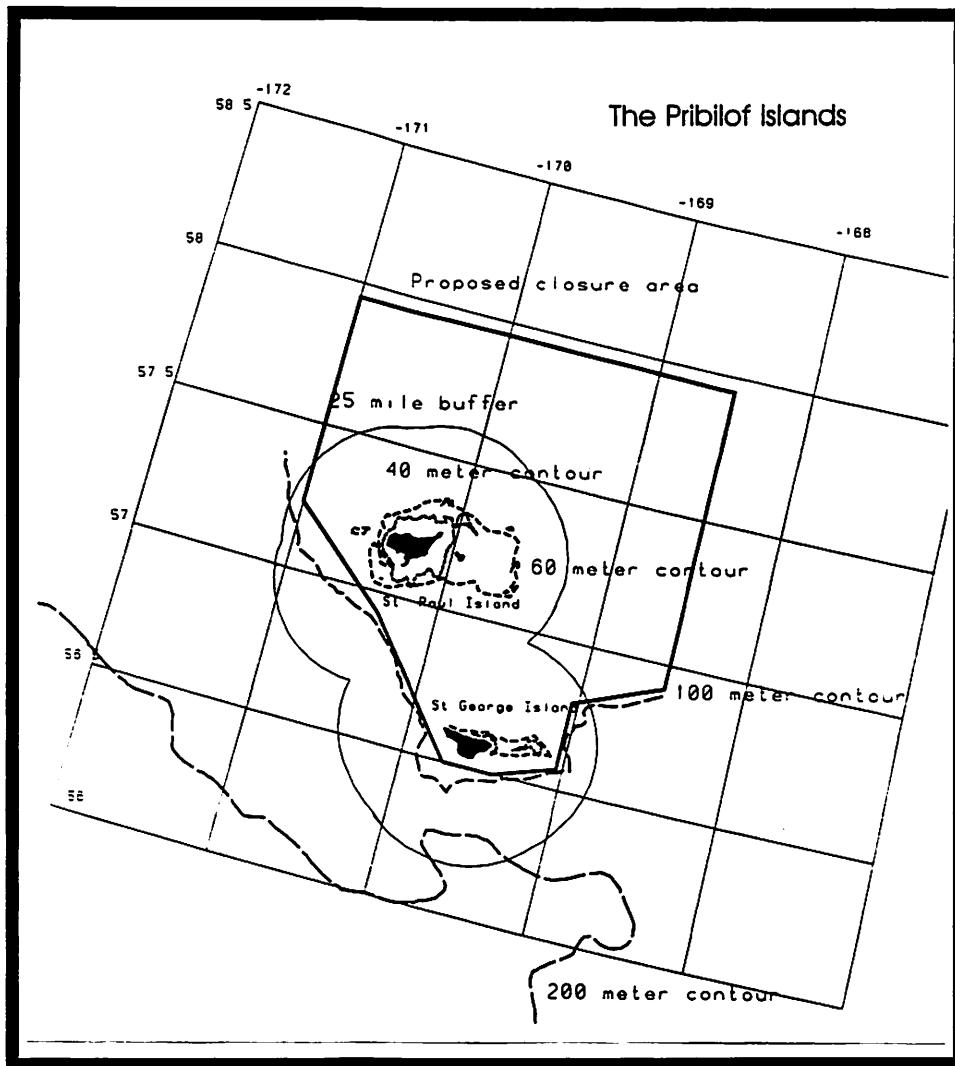


Figure 2. Area around the Pribilof Islands to be closed to all trawling.

**Experimental Fishing Permits**

The Council reviewed a request for an experimental fishing permit from Terra Marine Research and Education to allow trawlers using pelagic gear in the pollock fisheries and bottom gear in the cod fisheries to retain salmon caught as normally non-retainable bycatch in the Bering Sea and Aleutian Islands. The catch would be processed on vessels, then delivered by Terra Marine to Second Harvest for distribution to food banks. This permit was requested as a feasibility study to assess whether sufficient quantities of salmon taken as bycatch in the pollock fisheries can be voluntarily donated to foodbanks. The Council recommended that the NMFS Regional Director issue a short-term experimental permit to Terra Marine Research and Education at his discretion, but noted that this will be the last time the Council recommends issuance of such a permit without a regulatory amendment allowing PSC retention. The

Council also has requested NMFS to obtain an IRS opinion on the tax implications of donating discard salmon to charity.

A request from the Coastal Villages Fishing Corporation (CVFC) for an experimental fishing permit to determine the feasibility of commercial groundfish fisheries near Kuskokwim Bay and Etolin Strait was also approved. CVFC is one of the six groups that received community development quota pollock during 1992-1994. According to their application, up to 500 mt of groundfish would be taken, consisting primarily of yellowfin sole and other flatfish. Pacific cod, pollock, Pacific herring, sculpins, saffron cod, halibut, and invertebrates are also expected to be taken in lesser amounts. Bycatch of prohibited species is expected to be low, and would not be retained. The survey is to be conducted by F/T *Rebecca Irene* (Golden Age Fisheries) during the period May 1 to September 30, 1994. (Staff contact is Clarence Pautzke.)

### Miscellaneous Groundfish Items

The Council recommended that the NMFS Regional Director extend the emergency rule apportioning GOA halibut PSC among trawl fisheries. This emergency rule also prohibits the use of arrowtooth flounder as "ballast" for purposes of directed fishing standards and further modifies the way that directed fishing standards are applied. A regulatory amendment analysis is in the works to examine impacts of this apportionment, and will be completed in time for regulations to be implemented in 1995.

The Council also initiated analysis of several new regulatory amendments. Among these are the start of the pollock 'A' season in the BSAI, PSC rollover, and minimum mesh size for the cod trawl fishery. More information on minimum mesh regulations for trawl fisheries, particularly for Pacific cod, will be provided at the June meeting. At that time, the Council may initiate an analysis for a regulatory amendment to specify minimum mesh sizes.

Concerning the 'A' season starting date, the Council requested further analysis, not only of last year's proposal to framework the setting of the season opener (at the September/December Council meetings) but to add a new alternative that would change the start date for the offshore component only, from January 20 to February 1. An option to all alternatives would be that vessels participating in any open access trawl fishery in the BSAI or GOA (beginning January 20) would be prohibited from participating in the 'A' season that year. Vessels fishing in CDQ fisheries prior to the 'A' season would not be subject to this provision, however. The Council may take final action on this amendment at its June meeting.

A regulatory amendment will also be developed to modify PSC apportionments. One part of the amendment would allow changes in the way non-trawl PSC is apportioned among trimesters. The change would allow some or all leftover PSC from one trimester to be designated to other trimesters, rather than by rollover. Currently, leftover PSC in one trimester must be rolled over into the following trimester. Another initiative involves examining potential impacts of allowing separate apportionment of BSAI halibut PSC for jig gear, or allowing jig gear to be exempted from the hook and line gear PSC caps. If approved, these regulatory changes could be implemented in 1995. (Staff contact is David Witherell.)

### Scallop Plan and Moratorium Approved

The Council adopted a Federal fishery management plan for the scallop fishery in the Gulf of Alaska (GOA) and Bering Sea/Aleutian Islands (BSAI) areas. The plan covers all scallop species and the fishery will be managed by cooperative agreement between State and Federal agencies. Federal management authority will encompass permit requirements, Federal observer requirements, limited access, and bycatch limits in the Bering Sea. The State will retain authority over legal gear, minimum size limits, reporting requirements, guideline harvest levels, in-season adjustments, districts and sections, seasons, State observer requirements, registration areas, bycatch limits in the GOA and Aleutian Islands areas, efficiency limits, and other necessary management measures consistent with the plan. It is the Council's intent that management measures will apply to all vessels fishing for scallops off Alaska, regardless of whether a

vessel is registered with the State. Authority over closed waters will be shared by both agencies. Optimum Yield will range from zero to 1.8 million pounds of shucked scallop meats. The plan will be implemented in 1995.

The Council also approved a three-year moratorium on the entry of new vessels for all scallop species. To qualify under the moratorium, vessels must have made at least one landing in 1991 or 1992 or 1993, or must have made landings in four years during the period January 1, 1980 to January 20, 1993. A total of 18 vessels qualify under these criteria. Permits will be issued to the owner of each vessel at the time of qualifying. If two owners qualify for a single vessel, the most recent owner qualifies, such that each vessel generates only one license. Vessels that made landings from Cook Inlet only would receive permits for that area only, and no crossovers between Cook Inlet and other areas will be allowed unless a vessel qualifies for both areas. The Council approved moratorium elements are listed in Table 1. The Council also announced a Control Date of April 24, 1994 for a possible cutoff date for IFQ history or licenses in areas outside Cook Inlet, in anticipation of a future rationalization program for this fishery. (Staff contact is David Witherell.)

### Comprehensive Rationalization Plan

At this meeting, the Council reviewed a draft analysis of the groundfish and crab License Limitation alternatives established at the January meeting. The Council reaffirmed its direction from January by directing staff to continue development of the License Limitation alternatives, with further development of IFQ alternatives to follow later this year. A proposal from the State of Alaska was presented to the Council at the April meeting which contained an integrated, step-wise approach to comprehensive rationalization consisting of a license limitation program, followed by an IFQ program. The License Limitation portions of their proposal will be incorporated into the draft analysis which will be completed later this summer for Council review at the fall meeting, either in late September or October. A copy of the full suite of current License Limitation alternatives is attached to this newsletter.

In June, time permitting, the Council will review progress on the License Limitation analysis. Discussion of the IFQ alternatives also may occur. Along with License Limitation and IFQ alternatives, the Council is looking at proposals to reduce bycatch and discards in the groundfish fisheries. These will be developed on a parallel track for further Council consideration this fall. IFQ alternatives as listed in the January newsletter are still intact, but have expanded with the addition of the State of Alaska's proposed IFQ system and Council adoption of industry proposals regarding QS calculations/weighting mechanisms. The full suite of IFQ alternatives will be synthesized and provided for Council and industry review at the June meeting.

The other major issue within the overall CRP process is consideration of the inshore/offshore allocation currently in effect, but scheduled to expire at the end of 1995. The Council originally hoped to have some type of comprehensive plan in place by the first of 1996. However, it is now apparent that complete development and implementation of either an IFQ or a License Limitation program will not occur until 1997. Therefore, the Council will be considering an extension of the inshore/offshore allocation until a comprehensive plan is in place. This could include an extension of the Community Development Quota (CDQ) program currently in place for pollock. Council action on this issue is not expected until sometime in early 1995. (Staff contact is Chris Oliver.)

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### Advisory Panel Elects John Bruce and Beth Stewart

The Advisory Panel voted to re-elect John Bruce and Beth Stewart as Chairman and Vice Chairman, respectively, for 1994. Mr. Bruce, Executive Director for the Deep Sea Fishermen's Union of the Pacific (Seattle), has been a member of the Panel since 1991. He also serves on the Council's IFQ Implementation Team. Ms. Stewart is Executive Director for the Aleutian East Borough (Juneau) and has also been an AP member since 1991.

**Table 1. Scallop fishery moratorium elements adopted by the Council.**

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**Qualifying Criteria:** Vessels must have participated (made at least one landing) in 1991 or 1992 or 1993, or must have participated for at least four years between January 1, 1980 and January 20, 1993. Vessels that were in the "pipeline" to fish for Alaskan scallops (i.e., under construction, being refitted, relocated, etc.) but had not made a required landing, would not qualify under the moratorium.

**Length of Moratorium:** The moratorium will remain in effect until the Council rescinds or replaces; not to exceed 3 years from date of implementation, but Council may extend for two years if a permanent limited access program is imminent.

**Crossovers:** Crossovers to other fisheries (groundfish, crab, or halibut) during the moratorium will not be allowed, except for vessels that were qualified under both the scallop and groundfish moratoria.

**Reconstruction:** Vessels may be reconstructed during the moratorium. If physical reconstruction started on or after January 20, 1993, the new size is restricted to a 20% increase in vessel length. Only one upgrade is allowed.

**Replacement:** Qualifying vessels can be replaced with non-qualifying vessels as often as desired so long as the replaced vessel leaves the fishery or bumps another qualifying vessel out in the case of multiple transactions. Vessel size can be increased as many times as desired, but is restricted to a 20% maximum increase in original qualifying vessel length. For vessels lost or destroyed before or during the moratorium, qualifying vessels can be replaced with non-qualifying vessels subject to a 20% maximum increase in vessel length. Replaced vessels cannot be salvaged and come back into the fishery.

**Exemptions:** Vessels 26 feet or less in the GOA and vessels 32 feet or less in the BSAI are exempted from the moratorium only if they use gear other than dredges or trawls (hence, diving would be allowed from these vessels).

**Appeals:** The appeals procedures will be similar to those for the sablefish and halibut IFQ program. It would be a two-tier process allowing appeal of an initial administrative determination to the appellate officer, and appeal of the appellate officer's decision to the NMFS Regional Director.

## Observer Program

The North Pacific Fisheries Research Plan, which will establish fees for groundfish, halibut and crab fisheries to support observer coverage, was forwarded to the Secretary of Commerce for review on April 1. Proposed regulations will be published in the FEDERAL REGISTER by the end of May, followed by a 60-day public comment period during which a public hearing will be held in each of the three states represented on the Council. The public hearing for Alaska will be held on Tuesday, June 7th at 7:00 p.m. in conjunction with the Council's June meeting at the downtown Hilton Hotel in Anchorage. Public hearings also will be held in Seattle on Wednesday, June 15th at 10:30 a.m. at the Alaska Fisheries Science Center auditorium, and in Portland on Thursday, June 16th at 10:00 a.m. at the Red Lion Inn/Jantzen Beach. Once approved by the Secretary, the Research Plan would begin in 1995, with full implementation in 1996.

For 1995, the first year of the plan, observer coverage requirements will remain as they are now with those carrying observers required to pay for them directly through observer contractors. These persons will also pay the Research Plan fee, but will receive a mid-year 'rebate' for the payments they make directly for observer coverage. All other vessels and processors covered by the plan will pay the fee as well, which may not exceed 2% of the ex-vessel value of landings. The actual fee percentage for 1995 will be determined by the Council at its coming June meeting in Anchorage.

The Council's Observer Oversight Committee, composed of industry representatives, will meet on May 26-27 in Building 4 of the Alaska Fisheries Science Center (NMFS), 7600 Sand Point Way, Seattle, Washington. They will review preliminary budgets and reports from NMFS and ADF&G and make recommendations to the Council at the June meeting in Anchorage. (Staff contact is Chris Oliver.)

## Sablefish/Halibut IFQ Program

The Council continued to fine tune the sablefish and halibut IFQ program scheduled for implementation in 1995. The Council resolved some lingering issues, initiated regulatory amendments which would potentially modify the program, and referred additional issues for further development by the IFQ Industry Implementation Work Group. The Council took final action on the following issues:

1. Clarified that the entity which existed in 1991 will be used for purposes of determining the nature of the business entity receiving an initial allocation of halibut and sablefish quota shares (QS) in IPHC Area 2C (southeast Alaska for sablefish). This will ensure that the owner-on-board provisions for these areas cannot be circumvented by incorporating now.
2. The Community Development Quota (CDQ) compensation formula will be based on the average of the 1988-1994 Total Allowable Catch (TAC), not 1994 as originally proposed. This change is made to provide a more equitable base for compensating fishermen who will have reduced QS in the Bering Sea and Aleutians because of the CDQ program. Compensation would provide increased QS opportunity in the Gulf of Alaska.
3. The Council maintained its action from the December 1993 meeting allowing use of sablefish catcher vessel QS/IFQ on freezer vessels (but not halibut catcher vessel QS/IFQ) as long as no processed IFQ product is on board during that trip. This will allow for the retention and freezing of rockfish and Pacific cod, for example.
4. Clarified that all personal use fish, as well as that intended for sale, must be deducted from a person's IFQ holdings.

A suite of new actions was initiated by the Council in April which, if approved, would alter the program for the future. These include:

1. An allowance for vessel owners who lost vessels (that were then deemed unsalvageable) during the second half of 1987, and did not fish as a vessel owner during the 1988-1990 qualification period but remained active in the fishery, to qualify for QS. This proposal will be examined and the Council will discuss it once again in June.
2. Relaxing the ownership and use caps in the BSAI. This proposal will examine the effects of increasing the ownership and vessel use caps in the BSAI areas which typically have much smaller overall quotas, causing the current caps to be overly restrictive. The Council may discuss this issue in June as well, if the analyses are available.
3. Establish an underage (as well as overage) provision for the IFQ program. This would allow some amounts of unharvested IFQ in one year to be taken in the next.
4. Examine possible season opening dates for the Aleutian Islands sablefish IFQ fishery which may differ from the general March 1 opening for other areas. This action is contemplated due to the nature of the fishery in the Aleutians, which typically begins early in the year and lasts until the end of the year.
5. Examine effects of suspending the fixed gear halibut PSC cap in the Gulf of Alaska under the IFQ program. This will be provided in September as part of the annual specifications process.
6. Establish a regulation to prevent fishermen from fishing beyond the Exclusive Economic Zone (EEZ) if they also intend to fish under the IFQ program. This will address a potential problem of fishermen falsely claiming their fish were taken from seamounts outside the EEZ.
7. Allow IPHC biologists to inspect halibut IFQ landings.

The Council also received several requests from the International Pacific Halibut Commission (IPHC) for regulatory adjustments to the program, primarily aimed at monitoring and data collection. These and other issues have been referred to the IFQ Industry Implementation Work Group which will meet on May 11-12 in Juneau, Alaska at the NMFS headquarters. The following issues will be discussed, as well as the issues listed above, with recommendations being forwarded to the Council for consideration in June:

1. Require hail weights to be within a specified percentage of the actual weight for landings outside Alaska.
2. Require hail weight when giving landing notice (for any IFQ landings), and establish a hail out requirement.
3. Designate specific Canadian ports for IFQ landings in Canada.
4. Establish a comprehensive registry to record IFQ transfers and to record titles and liens.
5. Discuss the IFQ Block proposal which has been approved by the Council and which will be forwarded to the Secretary of Commerce for review by mid-May. On this issue, the Council will be mailing out a special newsletter regarding the Block Proposal, also by mid-May.
6. Discuss an IPHC proposal to restrict IFQ holders to fishing only one regulatory area per trip.

(Staff contact is Chris Oliver.)



# MEETINGS/HEARINGS

## Committee/Workgroup

**IFQ Implementation Workgroup**  
May 11-12, 1994, 8:00 a.m.  
NMFS Regional Office Conference Room  
709 W. 9th Avenue  
Juneau, AK  
Contact: Kris Norosz (PVOA)  
907-772-9323

**Observer Oversight Committee**  
May 26-27, 1994, 9:00 a.m.  
Alaska Fisheries Science Center  
Building 4, Room 2079  
7600 Sand Point Way N.E.  
Seattle, WA  
Contact: Chris Oliver (NPFMC)  
907-271-2809

## NMFS Public Hearings on North Pacific Research Plan

The National Marine Fisheries Service will hold three public hearings during the 60-day Secretarial review comment period.

**June 7, 1994**  
7:00 p.m.  
Hilton Hotel  
3rd Avenue & E Street  
Anchorage, AK

**June 15, 1994**  
10:30 a.m.  
Alaska Fisheries Science  
Center Auditorium  
7600 Sand Point Way, NE  
Seattle, WA

**June 16, 1994**  
10:00 a.m.  
Red Lion-Jantzen Beach  
909 N. Hayden Island Dr.  
Portland, OR

For more information on these public hearings, contact Kim Spitler or Sue Salvesson, NMFS-Alaska Region, 907-586-7228.

## Tentative Council Meeting Schedules - 1994-95

Week of June 6, 1994  
Week of October 3, 1994\*\*  
Week of December 5, 1994  
Week of January 9, 1995  
Week of April 17, 1995  
Week of June 19, 1995  
Week of August 5, 1995\*  
Week of September 18, 1995  
Week of December 4, 1995

Hilton Hotel-Anchorage, AK  
Red Lion Airport Inn-Seattle, WA  
Hilton Hotel-Anchorage, AK  
Hilton Hotel-Anchorage, AK  
Hilton Hotel-Anchorage, AK  
Undetermined  
Undetermined  
Seattle, WA  
Hilton Hotel-Anchorage, AK

\*\* This meeting may be changed to encompass a portion of the last week in September.

\*Tentative, depending on Council workload. These schedules are subject to change. For information on Council meetings, call the Council office at 907-271-2809.

# LICENSE SYSTEM FOR GROUND FISH

## NATURE OF LICENSES

Note: Shaded options were added at the April 1994 Council meeting and are from the State of Alaska's "Integrated Fisheries Rationalization Program" proposal.

A groundfish license system would not apply to longline sablefish, halibut, or demersal shelf rockfish.

Alternatives include:

**Option A:** A single groundfish license applying to all species/areas.

**Option B:** Licenses for each species.

**Option C:** General license with endorsements for each species/area.

**Suboption A:** separable endorsements.

**Suboption B:** non-separable endorsements

**Option D:** Groundfish license(s) would be issued for each management area. Areas are defined as:

- 1) Bering Sea
- 2) Aleutian Islands
- 3) Western Gulf
- 4) Central Gulf
- 5) Eastern Gulf

**Suboption:** Combine Bering Sea and Aleutian Islands into a single area

Each area license will also be designated by vessel size and industry sector (catcher vessels/catcher processors), with accompanying species endorsements as follows:

1) Separate groundfish license designations for catcher and catcher processor operations. License designations are to be based on activity in the three years prior to June 24, 1992. If more than one operation type was used during this period, the vessel owner must choose one operation designation.

2) Separable endorsements by area for the following list of target species:

**BSAI**

pollock  
Pacific cod  
Atka mackerel  
yellowfin sole  
other flatfish  
rockfish  
squid (fixed gear only)  
rocksole  
turbot

**GOA**

pollock  
Pacific cod  
deep water flats  
shallow water flats  
Atka mackerel

3) Licenses for catcher vessels will be issued by the following size categories: <60', 60' to 125', and 125' and greater.

## LICENSE SYSTEM FOR GROUND FISH

**Suboption A:** Vessel length will be categorized based upon the vessel length as of June 24, 1992, pursuant to the conditions of the moratorium.

**Suboption B:** Vessel length at the date of final Council action.

4) Licenses will be designated inshore or offshore based on 1993 activity.

In addition to the options above, the Council is considering the following suboptions:

**Suboption A:** Separate licenses for catcher and catcher/processor operations.

**Suboption B:** Licenses for three catcher vessel size categories <60', 60' to 125', and >125'.

**Suboption C:** Licenses would be designated inshore or offshore based on 1993 activity.

Additionally, the Council is considering the following option, which is related to the IFQ alternatives described separately:

Licenses for BSAI Pacific cod fixed gear fishery only; would apply to 45% (or historical split) of the TAC set aside for fixed gear.

### WHO WILL RECEIVE LICENSES

Alternatives include:

**Option A:** Current vessel owner is defined as date of final Council action and must be a U.S. citizen pursuant to Title 46.

**Suboption A:** Vessel owners at the time of landings.

**Suboption B:** Permit holders.

These two suboptions are only relevant if license is not attached to vessel.

Additionally, the Council is considering the two-tier skipper license program. (Under this option, at least one skipper license holder must be on board the vessel when fishing.)

### CRITERIA FOR ELIGIBILITY

Alternatives include issuing a license to any vessel (or person) who made landings between:

**Option A:** January 1, 1978 and December 31, 1993.

**Option B:** January 1, 1990 and December 31, 1993.

**Option C:** Vessel must have fished in the three-year period before June 24, 1992 and/or the three-year period before the date of final Council action. If a vessel is lost during this period, owner at time of loss is still eligible.

In addition to the options above, the Council is considering the following:

## LICENSE SYSTEM FOR GROUND FISH

**Suboption:** Must have made at least 2 landings (per area/species combination) or made total groundfish landings of 5,000, 10,000, or 20,000 pounds (3 options) in any one year. (In addition to #1 or #2 above).

**Option D:** Licenses will be issued to any qualifying vessel owner for each vessel that fished in each year of the three-year period before June 24, 1992 and the year before the date of final Council action. If a vessel is lost during this period, the owner at the time of loss is still eligible. Options for analysis of additional landings requirements include:

**Suboption A:** A minimum of one to four landings per area/target species combination during the three years prior to June 24, 1992.

**Suboption B:** A minimum of one to four landings per area/target species combination in the year prior to final Council action.

**Suboption C:** For fixed gear Pacific cod only, the vessel must have fished in the year prior to June 24, 1992.

### TRANSFERABILITY AND OWNERSHIP

Alternatives include:

**Option A:** Licenses could be transferred (sold or leased) only to "Persons" (as defined by Title 46), i.e., U.S. citizens or U.S.-owned corporations.

**Option B:** Vessels must be transferred with license.

**Option C:** License may be transferred without vessel (can apply to "new" vessel).

**Suboption A:** Non-transferable across size categories identified above (Nature of Licenses).

**Suboption B:** Licenses may be combined in a manner similar to that described in the Pacific whiting fishery.

**Option D:** Licenses are non-transferable across vessel size, mode of operation, inshore/offshore, area, and species. Licenses may only be transferred (sold) to U.S. citizens as defined under Title 46. Species endorsements are separable and transferable within an area. One option would be to require 75% U.S. ownership, with grandfather rights to those with greater foreign ownership.

Each qualified vessel owner may not hold or otherwise control more than 5, 10, or 15 area licenses in total. The initial allocation of groundfish licenses, based on historical participation, may exceed this number, however, the vessel owner would be prohibited from acquiring any control or interest in additional licenses until their aggregate holdings are below the limit.

**Suboption A:** License may only be transferred with the vessel. If a vessel is lost or upgraded, it may be replaced with a vessel of equivalent size and fishing capacity pursuant to the conditions of the moratorium.

## LICENSE SYSTEM FOR GROUND FISH

**Suboption B:** License may be transferred without the vessel. License may only be transferred to a new/replacement vessel of equivalent size and fishing capacity pursuant to the conditions of the moratorium.

Methods for effective license caps will also be examined.

### BUYBACK/RETIREMENT PROGRAM (OPTIONAL)

An industry funded buyback program, using funds collected through a fee assessment of exvessel of groundfish, run by NMFS/RAM, will be initiated to govern all transfers of licenses. This program will have first right of refusal on licenses to be sold. All licenses purchased by the program may be permanently retired to adjust participation levels.

### COMMUNITY DEVELOPMENT QUOTAS

**Option A:** No CDQ allocations.

**Option B:** CDQ set-asides of up to 15% (range of 0% to 15%) of any or all groundfish TACs, but only for BSAI communities meeting current CDQ eligibility requirements, patterned after current pollock CDQ program, with no sunset provisions.

**Option C:** Would grant CDQs in the form of additional, non-transferable licenses (3%, 7.5%, 10% and 15% of initial licenses).

### GENERAL PROVISIONS

In addition, the analysis will include examination of the following general provisions:

- 1) Licenses represent a use privilege, however, the Council could alter or rescind the program without compensation. In particular, the groundfish license program may be converted to an IFQ program without compensation.
- 2) Penalties must be severe for failure to comply with any of the conditions listed under Full Utilization/Bycatch Control Provisions and/or for violations of area restrictions (to be analyzed separately). Licenses may be suspended or revoked for multiple violations.
- 3) Develop and implement a Mandatory Skipper Reporting System. Holders of groundfish licenses would be required to report the skippers' name, address, and dates of service to NMFS. The intent of this option is to build a database for consideration of skipper options under a subsequent IFQ program.
- 4) Analyze the impacts of various rent collection levels and mechanisms. The analysis should include consideration of State and Federal taxes and fees imposed on industry. Management, enforcement, and other costs borne by State and Federal government in support of industry should also be considered.
- 5) An analysis of enforcement and program implementation costs.
- 6) Analyze foreign ownership patterns to the extent possible.

Note: A general provision regarding inshore/offshore allocations will be considered on a separate schedule with the potential extension of the current inshore/offshore CDQ program.

# LICENSE SYSTEM FOR BSAI KING AND TANNER CRAB FISHERIES

## NATURE OF LICENSES

Alternatives include:

- Option A:** A single crab license applying to all species/areas.
- Option B:** A separate license for each species.
- Option C:** Separate licenses (permits) for each species and each existing crab management area.
- Option D:** A general license with endorsements.

The following two suboptions (to be applied to the above) are being considered:

- Suboption A:** Separate licenses for catcher and catcher/processor operations.
- Suboption B:** Licenses for three catcher vessel size categories <60', 60' to 125', and >125'.  
(These can be matched with pot limits.)
- Suboption C:** Licenses are defined by fishing activity occurring prior to June 24, 1992.

## WHO WILL RECEIVE LICENSES

Current vessel owners as of Council final action. ("Persons" are defined as in Title 46.)

- Suboption:** Permit holders: Each permit holder not receiving a permit, could receive a fractional share of a license. Only full shares may be fished, and these must be utilized on a "moratorium qualified vessel."

Additionally, the Council is considering the two-tier skipper license program. (Under this option, at least one skipper license holder must be onboard the vessel when fishing.)

## CRITERIA FOR ELIGIBILITY

A vessel must have made landings between:

- Option A:** January 1, 1978 and December 31, 1993.
- Option B:** June 28, 1980 and June 27, 1983 to qualify for the Dutch Harbor red king crab fishery;  
June 28, 1985 and June 27, 1988 to qualify for the Pribilof king crab fishery; and  
June 28, 1989 and June 27, 1992 to qualify for all other king and Tanner crab fisheries.  
(These dates correspond to the existing fall/winter crab seasons in the BSAI. The latter dates include the 1989/90, 1990/91 and 1991/92 registration years.)

Additional landing requirements include:

- 1) One landing during the qualifying period in each fishery is required to qualify for a red or blue king crab license for each fishery; and
- 2) Three landings during the qualifying period in each fishery are required to qualify for a brown king crab, *C. opilio* (snow crab), or *C. bairdi* (Tanner crab) license for each fishery.

# LICENSE SYSTEM FOR BSAI KING AND TANNER CRAB FISHERIES

## TRANSFERABILITY AND OWNERSHIP

Alternatives include:

**Option A:** Licenses could be sold only to "Persons" (as defined by Title 46), i.e., U.S. citizens or U.S.-owned corporations. An option would be to require at least 75% U.S. ownership with grandfather rights to initial issuants.

**Option B:** Vessels must be transferred with license.

**Suboption:** Replacement/upgrades will be restricted as per the language in the moratorium regulations.

**Option C:** License may be transferred without vessel (can apply to "new" vessel).

- Suboptions:**
- (a) Non-transferable across size categories identified above.
  - (b) Transferable across size categories.
  - (c) Species/area licenses will be non-transferable.
  - (d) Transfers of vessel license may occur only within the classification of the vessel (Catcher vessel v. Catcher processors). Catcher vessel licenses may be traded to catcher vessels, catcher processor licenses to catcher-processors, catcher processor licenses to catcher vessels (as a catcher vessel only), but not catcher vessel licenses to catcher processors for catching and processing.
  - (e) Replacements/upgrades will be restricted as per the language in the moratorium regulations.

## POT CAPS

Alternatives include:

**Option A:** No caps on the total number of pots.

**Option B:** Caps are established on the total number of pots.

An Individual Transferable Pot (ITP) quota is initiated, such that the number of pots equates to the existing pot limit relative to the number of vessels with licenses for each fishery. An ITP would allow stacking of pots to occur, where a person owning multiple vessels could combine pots and vessels as they wished. Effort reduction could occur in each fishery, if necessary, by reducing some percentage of the number of individual pots over time until an optimal fishery pot cap is obtained.

## LICENSE SYSTEM FOR BSAI KING AND TANNER CRAB FISHERIES

### BUYBACK PROGRAM (OPTIONAL)

An industry funded buyback program, using funds collected through a fee assessment of ex-vessel of crab, run by NMFS/RAM, will be initiated to govern all transfers of licenses. This program will have first right of refusal on licenses to be sold. All licenses purchased by the program may be permanently retired to adjust participation levels.

### COMMUNITY DEVELOPMENT QUOTAS

- Option A:** No allocations to CDQs.
- Option B:** Initially allocate 3%, 7.5%, 10% or 15% of the GHL by species and CDQs: may apply to any or all crab species, but only for BSAI communities meeting current CDQ eligibility requirements, patterned after current pollock CDQ program, with no sunset provisions.
- Option C:** Would grant CDQs in the form of additional, non-transferable licenses (3%, 7.5%, 10% and 15% of initial licenses).

### GENERAL PROVISIONS

No superexclusive registration areas will be developed beyond that in place of the Norton Sound.