ADVISORY PANEL C4 MOTION

OCTOBER 2021



C4 BSAI PCOD TRAWL CV LAPP

The AP recommends the Council take final action on the BSAI Pacific Cod Trawl Catcher Vessel Cooperative Program at this meeting. There is sufficient analysis to determine the impacts of the various alternatives to all stakeholders. This motion works from the June Council motion with the "staff recommended changes to improve consistency to the language" (which begins on page 507 of the analysis):

- The strikethroughs and underlines are from the staff recommendations.
- The bold language is the Council's PPAs from June.
- The AP Final Preferred Alternatives (FPA) are highlighted in yellow.
- The language that is written in blue are AP recommended language changes from Council's June PPA. If the blue text is highlighted yellow it is included in the FPA recommendations. AP recommended changes that were not ultimately included in the FPA are indicated with blue text and strikeout.

ELEMENT 1 COOPERATIVE STYLE SYSTEM

Voluntary harvester cooperatives.

Holders of qualified trawl <u>catcher vessel</u> (CV) <u>License Limitation</u>

<u>Program (LLP)</u> licenses under Element 2 must join a cooperative annually in association with an eligible licensed processor (Federal Fisheries Permit (FFP) or Federal Processing Permit (FPP)) to harvest <u>their</u> trawl CV allocations of Pacific cod <u>cooperative quota</u> (CQ). Harvesters may change cooperatives and cooperative associations may change annually without penalty.

No limitation on the number of LLP license holders or eligible qualifying catch history (legal landings) needed to form a cooperative.

No limitation on the number of cooperatives that may form. Intercooperative formation is allowed.

Option: A minimum of three LLP licenses are needed to form a cooperative.

ELEMENT 2 INITIAL ALLOCATION TO LLP LICENSES (1/5)

Catch history to determine <u>initial quota share (QS)</u> allocations under this management action will not be considered beyond December 31, 2019.

2.1. Eligibility – Any LLP license assigned to a vessel that made qualifying catch history (legal landings) of targeted trawl CV catcher vessel BSAI Pacific cod during the qualifying years (or an LLP license as of December 31, 2019 assigned to an American Fisheries Act (AFA) trawl CV that had BSAI Pacific cod catch in 1997) and any transferable Aleutian Islands (AI) endorsement is eligible to receive QS harvest shares.

Option: Establish a minimum threshold percentage range of 0.25%-1% by LLP holder for eligibility to receive QS harvest shares. Partial ownership of LLP licenses counts toward the minimum threshold using the individual and collective rule. Does not apply to those 8 LLP licenses with a transferable AI endorsement.

ELEMENT 2 INITIAL ALLOCATION TO LLP LICENSES (2/5)

2.2. Harvester Allocations – Eligible LLP licenses must be assigned to a cooperative for the cooperative to receive annual Pacific cod CQ Cooperative Quota. The initial allocation of QS harvest shares will be made to eligible LLP licenses or transferable AI endorsements, with each LLP license's or transferable AI endorsement's QS harvest shares based on the Pacific cod qualifying catch history (legal landings) of targeted BSAI Pacific cod authorized by that LLP license or a transferable AI endorsement during the following qualifying years:

Option 2.2.1: 2014 - 2019
Option 2.2.2: 2009 - 2019

Option 2.2.3: 2004 –2019

Option 2.2.4: Allocations based on a blend of catch history and AFA sideboard history

Suboptions to credit catch history/sideboard at:

Suboption 2.2.1: 50%/50% Suboption 2.2.2: 80%/20% Suboption 2.2.3: 20%/80%

Suboptions (applicable to Options 2.2.1 – 2.2.4):

Suboption 2.2.1. Drop 1 Year ²Suboption 2.2.2. Drop 2 Years



ELEMENT 2 INITIAL ALLOCATION TO LLP LICENSES (3/5)

2.3. For the initial allocation of <u>QS</u> harvest shares, <u>qualifying</u> catch history is attached to the LLP license at the time of harvest. If multiple <u>LLP</u> licenses authorized catch by a vessel, in the absence of an agreement provided by the <u>LLP</u> license holder at the time of application, <u>qualifying catch</u> history will be:

Option 2.3.1: divided equally between those <u>LLP</u> licenses.

Option 2.3.2: assigned to an LLP license by the owner of the vessel that made the catch.

Main motion included replacement text for Section 2.3; Amendment¹ - to return 2.3 to original Council PPA language - passed 10-9



ELEMENT 2 INITIAL ALLOCATION TO LLP LICENSES (4/5)

2.4. Annual <u>CQ</u> cooperative quota will be issued to each cooperative license by NMFS based on the aggregate QS attached to LLP licenses that are assigned to the cooperative by the LLP license holder. <u>QS</u> allocations will not be designated for harvest in a management area (i.e., BS or AI) but may be harvested from either area.

NMFS will issue CQ by season as a tool to ensure that the season limits are not exceeded and allow for seasonal limits to be effectively enforced:

- NMFS would issue CQ and rely on coop agreements to ensure the seasonal limits are not exceeded
- Rollovers from A to B season may occur
- Individual issuance of season CQ would limit the fleet's potential to fish their
 CQ entirely in one season



ELEMENT 2 INITIAL ALLOCATION TO LLP LICENSES (5/5)

2.5. Option to allocate A and B season BSAI trawl CV Pacific cod only:

A and B season <u>trawl CV Pacific cod sector allocations</u> TACs (after deduction of the ICAs) will be allocated to cooperatives as CQ. Annual <u>CQ cooperative</u> allocations attributable to each LLP license will be that LLP license's proportional share of the total <u>QS qualifying Pacific cod history</u>.

The C season trawl CV Pacific cod allocation will remain 15 percent and remain a limited access

trawl <u>CV</u> fishery <u>and will be available</u> to any <u>trawl CV</u> <u>vessel</u>-with an eligible groundfish LLP license with an applicable area endorsement. The C season limited access fishery will be managed as currently by NMFS, including management of incidental catches of Pacific cod in other directed fisheries. C season <u>trawl CV sector apportionments</u> (<u>including A</u> and B season ICAs and CQ <u>remaining after June 10</u>) that NMFS projects to go unused are subject to reallocation to other sectors under current reallocation rules.

- 2.6. All groundfish species not allocated to cooperatives will be managed by maximum retainable amounts (MRAs), as under current management.
- 2.7 The BSAI Pacific cod sideboard limit for AFA trawl CVs at 50 CFR 679.64(b)(3)(ii) is removed upon implementation of this program.



ELEMENT 3 PSC LIMITS (1/2)

The annual crab and halibut PSC <u>limits</u> available to the BSAI trawl <u>CV</u> catcher vessel Pacific cod sector will be as follows:

Option 3.1: Crab PSC <u>limits</u> will be maintained at the BSAI trawl limited access sector level.

Option 3.2: Establish separate PSC limits for the BSAI trawl CV Pacific cod sector. Halibut PSC limit will be based on historical use (using qualifying years selected under Element 2) between the trawl CV sector and the AFA catcher processor (CP) sector. Crab PSC limits will be based on the proportion of BSAI Pacific cod allocated to the trawl CV sector and the AFA CP sector.

Option 3.3: Reduce PSC limit to BSAI trawl CV Pacific cod sector.

⁴Suboption 3.3.1: Reduce halibut PSC limit by 10%; 15%, **25%**; <mark>35%</mark> ⁵

³Suboption 3.3.2: Reduce crab PSC limit by 10%; 15%, 25%; <mark>35%;</mark> 45%, the 3-year phase in does not apply to the crab PSC reduction.

Suboption 3.3.3: Phase in PSC limit reduction over 3 years. One-third of the total reduction is implemented each year.

Amendment³ to select 35% for suboption 3.3.2 and add "the 3-year phase in does not apply to the crab PSC reduction" passed 11-8

Amendment ⁴ (as amended by Amendment ⁵) to select 35% for suboption 3.3.1 passed 10-9

Amendment ⁵ to amend amendment 4 and strike "the 3-year phase in does not apply to the halibut PSC reduction" passed 14-5

ELEMENT 3 PSC LIMITS (2/2)

Option 3.4: If Element 2.5 is selected, establish separate C season halibut and crab PSC apportionments (5-15%) before applying PSC limit reductions for the PCTC program.

Each cooperative will receive annual <u>CQ</u> allocations of Pacific cod and apportionments of PSC <u>limits</u> based on members' qualifying catch histories (and processing histories, if applicable) to be harvested in accordance with the harvest cooperative agreement. The sector's PSC <u>limits</u> will be apportioned to cooperatives in proportion to <u>its initial</u> their members' Pacific cod <u>CQ</u> apportionment qualifying catch histories (and processing histories, if applicable). PSC limits are transferable between cooperatives based on the same rules established for Pacific cod <u>CQ</u>.

ELEMENT 4 GOA SIDEBOARDS

Option 4.1: All AFA non-GOA exempt CVs and AFA LLP licenses will be sideboarded (in aggregate for all GOA groundfish fishing activity and halibut PSC (on the annual amount of the total trawl halibut PSC limit)), except for vessels when participating in the CGOA Rockfish Program, based on their GOA catch history during the BSAI Pacific cod qualifying period.

Prohibit directed fishing in regulations for the GOA non-exempt AFA CVs and LLPs for Southeast Outside pollock, Western shallow-water flatfish, and both Central and Eastern deep-water flatfish, and Eastern Pacific Ocean perch.

Option 4.2: AFA GOA-Exempt and non-AFA CVs assigned to LLP licenses and under 60' LLP licenses with AI transferable endorsements that receive annual BSAI Pacific cod CQ will not be permitted to lease their BSAI Pacific cod CQ as a condition of benefiting from GOA sideboard exemption. If the vessel assigned to the qualified GOA exempt LLP license does not fish the GOA during the calendar year, except for the Central GOA Rockfish Program, the BSAI Pacific cod CQ generated by the LLP license can be leased that calendar year. Cooperatives will be required to monitor GOA AFA exempt and non-AFA vessels to ensure they do not lease their BSAI Pacific cod CQ and implement a penalty structure for violations. Cooperatives will be required to report leasing activities and penalties issued in the BSAI Pacific cod cooperative annual report.

Suboption 4.2.1: AFA GOA Exempt and non-AFA CVs with LLP licenses of less than 200 mt, 400 mt, or 600 mt of average annual qualifying BSAI Pacific cod history may lease their BSAI Pacific cod CQ history and benefit from the GOA sideboard exemption.

ELEMENT 5 PROCESSOR AND COMMUNITY PROVISIONS (1/3)

- 5.1 No closed class of processors; all processors with an eligible FPP or FFP are eligible to process BSAI Pacific cod <u>CQ</u> under this program (subject to eligibility requirements under BSAI FMP Amendment 120 to limit catcher processors <u>CPs</u> acting as motherships).
- **5.2 Limit (sideboard) on directed BSAI Pacific cod <u>CQ</u> that can be delivered by trawl CVs to eligible CPs acting as motherships.** The sideboard would be based on BSAI Pacific cod processing history by eligible CPs during qualifying years under Element 2.

Option 5.2.1: Each eligible CP acting as a mothership may process up to the higher of 1) 7125% of the eligible CP's processing history (percentage based on qualifying years selected in Element 2.2); or 2) the history (percentage based on qualifying years selected under Element 2.2) from LLP licenses that are owned (in excess of 75%) directly or indirectly by the owner of a CP catcher processor LLP eligible for the offshore sector of the target non-CDQ BSAI Pacific cod trawl CV fishery (as of December 31, 2019), not to exceed 125% of the eligible CP's processing history.

ELEMENT 5 PROCESSOR AND COMMUNITY PROVISIONS (2/3)

Option 5.2.2: Each eligible CP acting as a mothership may process up to the eligible CP's processing history (percentage based on qualifying years selected in Element 2.2).

- 5.3 Limit number of trawl CVs in the directed BSAI Pacific cod fishery that can deliver to eligible CPs acting as motherships. Trawl CVs can qualify for the offshore sector in one of two ways:
 - 1. An LLP license that is owned (in excess of 75%) directly or indirectly by the owner of a <u>CP</u> catcher processors LLP eligible for the offshore sector of the target non-CDQ BSAI Pacific cod fishery (as of December 31, 2019)
 - 2. An LLP license in which a) 90% or b) 75% or more of the quota arising from the history of the LLP license qualifying for the non-CDQ BSAI trawl CV Pacific cod fishery was delivered offshore during the qualifying years selected in Element 2.2.

Only initial quota arising from the history of an LLP license qualifying for the offshore sector will be permitted to be delivered offshore. Only vessels that are assigned LLP licenses that qualify for the offshore sector will be permitted to make offshore deliveries. Vessels using LLP licenses that are permitted to deliver offshore may also deliver any or all of the quota derived from the LLP license to shore based or floating processors.

ELEMENT 5 PROCESSOR AND COMMUNITY PROVISIONS (3/3)

5.4 Allocation of harvest shares QS to processors (this option is only applicable to Bering Sea processors and eligible CPs if AI provisions are selected under element 6):

Onshore and offshore processors with an eligible FFP or FPP (subject to eligibility requirements under BSAI FMP Amendment 120 to limit CPs catcher processors acting as motherships) that have history of processing in the federal BSAI Pacific cod trawl CV fishery will be eligible to receive a percentage of total QS harvesting shares based on each onshore processor's and offshore processor's processing history. To be used, the processor's CQ harvest shares would be transferred to the CV cooperative.

Option: A cooperative cannot assign a greater proportion of the <u>CQ</u> resulting from processor held <u>QS</u> harvest shares allocated to a processor to an LLP license owned by that processor for harvest by a vessel owned by that processor than the LLP license would have brought into the cooperative absent any processor held <u>QS</u> shares. The cooperative will monitor this provision and include reporting on allocation and harvest of <u>CQ</u> resulting from processor held <u>QS</u> shares in the BSAI Pacific cod cooperative annual report.

ELEMENT 5 PROCESSOR AND COMMUNITY PROVISIONS (3/3)

Percent of <u>QS</u> harvest shares to be allocated to eligible processors:

Option 5.4.1: 5%

Option 5.4.2: 10%

Option 5.4.3: 15%

Option 5.4.4: 20%

Option 5.4.5: 22.5%

Option 5.4.56: 25%

Option 5.4.67: 30%

Processing history years to receive <u>QS</u> harvest shares are the same as harvester years in Element 2. Processors that are no longer active (no longer hold an FPP) would not be issued <u>QS</u> harvester shares. The processing history associated with those processors would be deducted from the total amount of eligible processing history during the qualifying years when calculating the distribution of <u>QS</u> harvester shares to processors.

ELEMENT 6 AI PROCESSOR PROVISIONS (1/4)

Options 6.1 and 6.2 are mutually exclusive.

Under this element:

An <u>Aleutian Islands</u> (AI) shoreplant is defined consistently with vacated Amendment 113 regulations.

An <u>AI</u> shoreplant operating under the provisions of this element is exempt from the processing facility use cap in element 8.4.

All cooperatives will be required to establish an intercooperative agreement that describes how ¹¹either the set-aside provision in option 6.1 ¹¹ or the annual <u>AI</u> community shoreplant <u>QS</u> allocations in option 6.2 will be administered by the cooperatives to ensure that harvests in the ⁸Bering Sea <u>BSAI</u>-do not exceed the minimum set aside or shoreplant allocation amounts. This intercooperative agreement should establish how the cooperatives intend to harvest the set-aside ¹¹or shoreplant allocation amounts <u>QS</u> in years when it applies. This intercooperative agreement must be provided as part of the annual cooperative application and is required before NMFS can issue <u>CQ</u>.

Amendment ⁸ to add BSAI failed 9-9



Amendment ¹¹ to remove reference to 6.2 language from the FPA passed 18-0 with 2 abstentions

ELEMENT 6 AI PROCESSOR PROVISIONS (2/4)

Option 6.1: In any year when the community of Adak and/or Atka files a notice of intent to process, require the cooperative(s) to reserve a set-aside for delivery to an Aleutian Islands shoreplant. The amount of the set-aside will be 10% to 25% of the BSAI CV trawl directed A season CQ harvest amount and is in effect only during the A and B season. Any remaining portion of the set-aside will be reallocated to cooperatives in the same proportion as the initial CQ allocation QS if Adak and/or Atka withdraws its intent to operate notice 9[during the A season], or after the end of the A season, whichever comes first.

The intercooperative agreement must establish how cooperatives would ensure that CVs < 60 feet LOA assigned to an LLP license with a transferable AI trawl endorsement have the opportunity to harvest a percentage of the Aleutian Islands set-aside for delivery to an AI shoreplant. Option 1: 50%, option 2: 25%, or option 3: 10% of the A season Aleutian Islands community set-aside.

Amendment ⁹ to remove bracketed language from the FPA passed 10-8

ELEMENT 6 AI PROCESSOR PROVISIONS (3/4)

Option 6.2: In any year when the community of Adak and/or Atka files a notice of intent to process, annual harvest quota OS shall be issued to the plant operator designated in that notice of intent. In the event, one community issues a notice (option 1: 5.5%, option 2: 10%) of the total BSAI trawl <u>CV</u> catcher vessel Pacific cod <u>CQ</u> quota (prior to allocations **QS** based on harvesting or processing histories) shall be issued to the plant. In the event both communities issue a notice, the <u>CQ allocation</u> shall be divided equally between two plants. Adak or Atka may withdraw its intent to operate notice during the season if necessary. In that case, the unharvested portion of the <u>CQ</u> allocation will be reissued to the other AI shoreplant if it is operating.

Suboption 6.2.1: If no AI shoreplants are operating, the amount of annual CQ allocation equivalent to unharvested portion will be reissued to cooperatives (holders of LLP licenses with BS and/owl 18 harvest history in proportion to their annual initial CQ allocations).

ELEMENT 6 AI PROCESSOR PROVISIONS (4/4)

Annual <u>AI</u> community shoreplant allocations shall be transferable ¹⁰ only in the event of an emergency in-season closure of the AI shoreplant to any cooperative(s) (and between cooperatives) for harvest by member vessels that are assigned an AI trawl CV LLP license eligible under this program. <u>CQ</u> shall be harvestable exclusively in the AI and landed in the AI management region. ¹⁰ Inseason transfers due to plant closures will only be allowed in 2 of every 5 years.

Suboption 6.2.2: If the community of Adak and/or Atka files a notice of intent to process, annual CQ harvest quota-should be issued to an entity representing the community designated in the notice of intent.

Suboption 6.2.3: AI trawl <u>CVs</u> <u>vessels</u> less than 60' assigned to an LLP license with a transferable AI endorsement will be eligible under the program to be assigned to a cooperative annually in association with the Adak and/or Atka plant regardless of whether they otherwise qualify for the program. Option 1: 50%, option 2: 25%, or option 3: 10% of the Annual Aleutian Islands community shoreplant allocation must be harvested by these vessels.



ELEMENT 7 TRANSFERABILITY (1/2)

7.1 Catch histories Initially issued QS are attached to trawl CV LLP licenses and are non-severable from the LLP licenses. Transfer of an LLP license eligible for this program results in the transfer of any program eligibility and QS catch history/harvest shares associated with the LLP license.

⁴²Suboption 7.1.1: For the LLPs licenses associated with the non-exempt AFA vessels, within ninety (90) days of initial issuance of QS harvest quota shares, the owners of the LLP licenses that are associated with AFA non-exempt CVs catcher vessels that had engaged in fish transfer agreements during the qualifying periods may transfer the QS between other LLP licenses associated with AFA non-exempt vessels. After these transfers are approved by NMFS, the BSAI Pacific cod QS harvest quota share will no longer be severable from the LLP license to which it was reassigned.

A dispute resolution process ¹³should shall be developed and implemented which may exempt transfers from the 90-day deadline.

Amendment¹² to remove suboption 7.1.1 and the new language from the Council's PPA failed 4-16

ELEMENT 7 TRANSFERABILITY (2/2)

- 7.2. <u>QS</u> allocations based on processing history are issued as separate permits, and the permit is only transferable to another processor. Permits issued to shoreside processors can only be transferred to other shoreside processors that hold an FPP. The <u>QS</u> history is non-severable from the permit except in the case that transfer of the permit to another eligible processor would result in exceeding the use cap under Option 8.3. In that case, the portion of the <u>QS</u> history over the cap is allowed to be severed from the permit and transferred to another eligible processor permit or shoreside processor that holds an FPP.
- 7.3. Annual allocations of Pacific cod <u>CQ</u> and PSC <u>limits</u> (whether derived from harvesting or processing histories) are transferable between cooperatives.
- 7.4. Post-delivery transfers of CQ are permitted, but must be completed by December 31st (i.e. prior to annual CQ expiring).

ELEMENT 8 OWNERSHIP AND USE CAPS (1/2)

8.1 Harvester-issued QS cooperative shares. Processor-issued QS cooperative shares do not count toward this use cap. No person may hold or use more than option: 5%- 10% of the Pacific cod QS CQ issued:

Option 8.1.1: using the individual and collective rule or

Option 8.1.2: using 10% ownership threshold or management and control for assigning QS quota to a holder's/entity's cap.

Suboption 8.1: Persons over the cap at the time of **QS** quota share issuance are grandfathered.

8.2 No vessel may harvest more than option: 3%; 4%; 5% of the annual Pacific cod CQ issued in the fishery.

Option 8.2.1: Vessels over the cap at the time of **QS** quota share issuance are grandfathered.

ELEMENT 8 OWNERSHIP AND USE CAPS (2/2)

8.3 Processor-issued **QS** cooperative shares: No person may hold or use more than option: 15% - 20% of the Pacific cod **QS** CQ:

Option 8.3.1: using the individual and collective rule or

Option 8.3.2: using 10% ownership threshold or management and control for assigning quota to a holder's/entity's cap.

Suboption 8.3: Persons over the cap at the time of **QS** quota share issuance are grandfathered.

8.4 No processing company facility may process more than 20%-30% of the Pacific cod CQ.

Option 8.4.1: Processing facilities over the cap at the time of QS issuance are grandfathered.



ELEMENT 9 COOPERATIVE PROVISIONS

Annual cooperative applications must be filed on or before November 1 of the preceding year.

Cooperatives shall be formed by holders of qualified LLP licenses with trawl CV Pacific cod QS. Each LLP license may be assigned to one cooperative. A list of CVs (both trawl and pot gear vessels, if Element 14 is selected) eligible to harvest a portion of that cooperative's CQ must be identified in the annual cooperative application.

Cooperatives are intended only to conduct and coordinate harvest activities of members and are not Fishermen's Collective Marketing Act (FCMA) cooperatives.

Membership agreements will specify that processor affiliated members cannot participate in any price setting negotiations, except as permitted by antitrust laws.

ELEMENT 10 SHARE DURATION

All <u>QS allocations</u> and allowances under this program are revocable privileges that 1) may be revoked, limited or modified at any time; 2) shall not confer any right of compensation to the Holder, if they are revoked, limited or modified and; 3) shall not create or be construed to create any right, title or interest in or to any fish before the fish is harvested by the holder.

The duration of all QS harvest shares and associated PSC limit apportionments is 10 years. These permits will be renewed before their expiration, unless revoked, limited, or modified.

ELEMENT 11 MONITORING

All vessels harvesting CQ will be in full coverage (100% observer or electronic monitoring coverage category, if applicable). This element is not intended to modify the observer coverage exception provided for CVs delivering unsorted codends to a mothership or the current observer data transmission requirements for non-AFA trawl CVs catcher vessels. NMFS will develop monitoring and enforcement provisions necessary to track quota, harvest, PSC, and use caps. The Council authorizes NMFS to report weekly vessellevel PSC bycatch information as authorized under Magnuson-Stevens Act (MSA) Sec 402(b)(2)(A).

ELEMENT 12 REPORTING AND PROGRAM REVIEW

Each cooperative shall annually produce a report for the Council describing its membership, cooperative management, and performance in the preceding year including use of <u>CQ derived</u> <u>from</u> processor issued <u>QS</u>, if applicable.

Per the MSA, a formal detailed review of the program shall be undertaken 5 years after implementation, with additional reviews, at a minimum, each seven years thereafter.

ELEMENT 13 COST RECOVERY

A fee, not to exceed 3% of the ex-vessel value, will be charged on all program landings to cover the actual costs directly related to the management, data collection, and enforcement of the program.

ELEMENT 14 GEAR 14 CONVERSION FLEXIBILITY

Pacific cod CQ associated with trawl CV LLP licenses may be fished annually by a CV using pot gear. A pot endorsement is not required, but the LLP license used by a CV must have the appropriate area endorsement. Harvest would be deducted from the annual trawl CQ account to which the LLP <u>license</u> is assigned and will not affect sector allocations. <u>CQ cooperative quota</u> harvested by a pot CV is not permanently designated as pot CV <u>CQ quota</u>. If Option 2.5 is selected, gear ¹⁴ conversion flexibility only applies to the A and B seasons based on the start and end dates for the trawl fishery. Pot CVs harvesting CQ would be subject to 100% coverage and PSC use would be deducted from the PSC limit allocated to the cooperative. NMFS will develop monitoring and enforcement provisions necessary to track quota, harvest, PSC, and use caps.

¹⁴Three years after implementation, the Council will review the gear flexibility aspect of the PCTC program and implement any changes needed to help achieve program objectives.

¹⁴The Gear Conversion Element will be dropped from the regulatory package and addressed through a subsequent motion recommending an Exempted Fishing Permit (EFP) process focused on gear flexibility and intended to begin concurrently with the PCTC program in 2023.

Amendment ¹⁴ to replace text passed 11-9 Main Motion as Amended passed 13-7