North Pacific Fishery Management Council News and Notes



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Charter Halibut

To address overages of the charter halibut guideline harvest level of 1.432 million pounds in Area 2C, the Council selected a suite of management measures to limit charter harvests. In addition to maintaining the current NMFS regulation that one of two fish in the daily bag limit be less than or equal to 32 inches (effective June 1, 2007), the Council *also* recommended that the regulations for **2008 and later** be revised to include: (1) no charter halibut harvest by skipper and crew; (2) line limits of six per vessel, not to exceed the number of paying clients on board; and (3) an annual limit of four fish per angler. This combination of measures is estimated to reduce harvests to stay within the GHL. The first two elements are currently in State regulations for all saltwater charter harvests and would not reduce daily charter halibut harvest further.

The Council selected a <u>second preferred alternative in the event</u> <u>that the GHL is reduced in 2008</u>. Although IPHC staff has reported that it is unlikely that its 2008 estimate for Area 2C will result in the GHL being reduced to 1.217 million pounds as part of the Council's step-down formula, the Council wished to account for its possibility. Proposed measures under a reduced GHL include: (1) No harvest by skipper and crew; (2) line limits; and (3) a one fish daily bag limit for the entire season. The proposed rule, which is planned to be published prior to the January 2008 meeting of the International Pacific Halibut Commission (IPHC), would notice the public of two possible paths the regulations could take. The final rule would implement the appropriate set of regulations, after the GHL is determined by NMFS from the January 2008 IPHC action to set the Area 2C catch equilibrium yield.

After receiving recommendations from its Stakeholder Committee, Advisory Panel, and the public, the Council refined the proposed elements for a Compensated Reallocation Program between the commercial and charter halibut sectors, for any future increases after the initial allocation is set. The proposed program includes three potential entities to hold, fund, and administer commercial QS in trust for the common pool of charter halibut participants: (1) Federal; (2) State of Alaska; or (3) regional private non-profit associations. A fourth entity is also included for analysis—individuals would be allowed to increase their own share of the fishery. An option for a "pro rata" reduction with compensation is included; this would not reduce a person's commercial QS holdings, but instead would reduce the annual IFQs that are allocated for those holdings. Compensation formulas for foregone IFQ poundage will be included in the analysis. Limits on transferability, purchases, and leasing will also be evaluated. The April Council motion for initial allocation options and June Council motion for compensated reallocation are posted on the Council web site. Both actions are scheduled for initial review in October 2007. Final action is scheduled for December 2007.

In October 2007, the Council will take initial review of proposed measures to control charter harvests in 3A to the GHL. Options to be analyzed include: (1) One trip per day; (2) No harvest by skipper and crew and line limits; (3) Annual limit of four, five, or six fish per angler; (4) Reduced bag limits of one fish per day for May, June, July, August, or the entire season; (5) Two fish daily bag limit, with one fish any size and one fish larger than 45" or 50"; (6) Two fish daily bag limit, with one fish any size and one fish less than 32", 34", or 36"; and (7) Two fish daily bag limit, with one fish any size and one fish less than 32" or larger than 45" or 50". Final action is scheduled for December 2007, with the intent that regulations would be implemented for the 2008 season. Staff contact is Jane DiCosimo.

Spectacular Sitka!

What a great week in sunny and scenic Sitka, Alaska! The location offered the opportunity for community members and local fishermen to comment to the Council on issues affecting Sitka, and all sectors of the southeast Alaska fishing community.

The Sitka Chamber of Commerce hosted a reception for the Council family on Wednesday. The USCG held an amazing search and rescue demonstration on Thursday. A fund-raiser basketball game for Sheldon Jackson College on Friday evening had the Flounders (a team comprised of familiar fish folk, and former NBA star James Edwards) getting flattened, bled, and H&Ged by the Sheldon Jackson Golden Seals. On Saturday night, a public reception sponsored by ALFA and other industry supporters was held at Centennial Hall to toast and roast departing Council member Doug Hoedel and Council Chair Stephanie Madsen. Stephanie was presented with the Bob Mace Distinguished Service Award for her years of dedicated service to the Council and commitment to successful fisheries management as well as special recognition awards from NOAA Fisheries and the U.S. Coast Guard. We wish both Doug and Stephanie the best of luck in their future endeavors.

Bering Sea Habitat Conservation

By unanimous decision, the Council adopted new precautionary measures to conserve benthic fish habitat in the Bering Sea. These measures included "freezing the footprint" of bottom trawling in the Bering Sea by limiting trawl effort only to those areas more recently trawled, and an endorsement of efforts by the trawl industry to develop gear modifications that raise the trawl sweeps off the bottom. If approved by the Secretary of Commerce, the new measures would prohibit bottom trawling over 132,000 nm² of area, consisting of a deep slope and basin area (47,000 nm²) and the Northern Bering Sea Research Area that includes the shelf waters to the north of St. Matthew Island (85,000 nm²).

The entire Northern Bering Sea Research Area will be closed to bottom trawling while a research plan is developed for this area. The research plan may include an adaptive management design, which could allow bottom trawling in designated areas to evaluate effects, or research using other experimental fishing approaches. Within the Northern Bering Sea Research Area however, the Council adopted trawl closure areas that would remain closed to bottom trawling regardless of the adaptive management design. These marine protected areas include the nearshore areas of Nunivak Island and Kuskokwim Bay, and around St. Lawrence Island and St. Matthew Island. These closures were established to conserve blue king crab habitat and/or to address subsistence harvesting and small-scale local fisheries in these areas. The research plan will consider and identify additional protection measures as may be necessary for king and C. opilio crab, marine mammals, ESA-listed species, and subsistence needs for Western Alaska communities in nearshore areas.

Although modifications to trawl sweeps (discs that would raise the sweeps off of the seabed) were considered in the analysis, it became apparent that additional field testing of the gear was necessary before these modifications could be regulated. Nevertheless, the Council endorsed efforts by the trawl industry to continue development of workable trawl sweep modifications. Following additional gear testing by the flatfish trawl industry later this year, the Council will provide recommendations to NMFS for the specific gear modifications in June 2008.

Additional information, including maps of the areas and the Council's motion, are available on the Council web site. Staff contact is Cathy Coon.

Upcoming Meetings

Salmon Bycatch Workgroup: Anchorage, August (please check Council website for dates and location TBD)

Crab Plan Team: AFSC, Seattle. September 12-14

Groundfish Plan Teams: AFSC, Seattle September 18-20 (dates subject to change within that week)

SOPPs

In June, the Council approved a revised Statement of Organization, Practices, and Procedures (SOPPs) for the North Pacific Fishery Management Council. The SOPPs were originally published on March 1, 1977, and revisions have been periodically adopted by the Council. The revised SOPPs, includes changes pursuant to requirements of the recently reauthorized Magnuson-Stevens Act, and other revisions regarding Advisory Panel operations, administrative provisions, and other practices governing Council operations. This SOPP shall become effectively immediately, noting that additional changes may be forthcoming, pending additional guidance from NOAA on Magnuson-Stevens Act provisions. The revised SOPPs will be posted on our website. Staff contact is Dave Witherell.

Aleutian Island Fishery Ecosystem Plan

The Council adopted the AI Fishery Ecosystem Plan (FEP). The FEP is a guidance document, and is intended to be an educational tool and resource that can provide the Council with both an 'early warning system', and an ecosystem context to decisions affecting the Aleutian Islands area. The FEP looks holistically at the AI ecosystem, at the relationships between the different fisheries, physical and biological characteristics of the ecosystem, human communities, and other socio-economic activities ongoing in the area. The document includes a non-quantitative risk assessment, and discusses implications for management. The FEP demonstrates that the interactions and relationships within the AI area are clearly distinct from neighboring ecosystems. Understanding the ecosystem context of the AI should help the Council better evaluate fishery management decisions affecting the area.

In adopting the FEP, the Council recognizes that the FEP is a living document, and will need to be updated and revised as information changes. The SSC and the Ecosystem Committee have requested certain changes to the document following this meeting. The AI Ecosystem Team, a Council-appointed group of agency scientists who wrote the FEP, will edit the document and produce a glossy synthesis of the FEP over the summer. The Team will also remain active to address updates to the FEP as necessary. Staff contact is Diana Evans.

Subsistence Halibut

The Council reviewed a brief discussion paper on possible revisions to regulations that disqualify individuals who: (1) live in a rural place of less than 30 individuals; (2) live in a rural place adjacent to closed waters; or (3) do not live within the boundaries of designated communities, but may live in close proximity to and/or have a mailing address in that community. The Council requested that staff prepare additional recommendations for a possible regulatory amendment and report back in October. The Council also initiated a regulatory amendment to correct the regulations, so that the fishing area for the Kanatak Tribal Council is Area 3A. Staff contact is Jane DiCosimo.

CDQ Program

The Council approved two actions related to the Western Alaska Community Development Quota (CDQ) Program. Recent Magnuson Stevens Act amendments replaced all of Section 305(i)(1), making significant changes to all aspects of the CDQ Program, including allocations, fisheries management, and administration and oversight. Several of the provisions of the MSA related to allocations and fisheries management are already included in ongoing analyses, and these are expected to be implemented in Federal regulations in 2007 and 2008. Several additional administrative and oversight issues, such as implementation of a decennial allocation review process and the eligibility requirements for the CDQ groups, may require changes in Federal regulations and the FMPs. Staff has not yet initiated work on these amendments, in anticipation of legal interpretation from NOAA GC as to the entity responsible for administering these provisions.

NOAA GC released a legal opinion on June 1 related to the roles and responsibilities of the CDQ Panel resulting from the MSA amendments and presented this opinion to the Council at this meeting. The opinion states that the CDQ Panel is the entity responsible for administering those aspects of the CDQ Program that are not otherwise addressed in Section 305(i)(1); the Panel's authority does not extend to the administration of aspects of the program that are addressed in Section 305(i)(1). The opinion states that entities other than the Panel that are responsible for administering aspects of the program addressed in Section 305(i)(1) also have the authority to develop regulatory details that are not specified in the statutory language but are associated with effective implementation of the statutory language. The legal opinion is available on the Council website.

The Council also received testimony from members of the newly constituted CDQ Panel (WACDA), which was established under the Act and is comprised of representatives from each CDQ group. The Panel reported that it is moving forward with establishing an umbrella agreement for contractual arrangements among the six groups, as well as standardized annual reporting requirements and investment policies. After discussion and in response to public testimony, the Council approved the following motion:

If a proposed action related to the CDQ Program is directly related to fishery management or conservation, the Council is fully engaged through the normal process. If a proposed CDQ action is not directly related to fishery management or conservation, the Council's role will be to receive agency reports on the proposed action.

The Council clarified that the above motion does not abdicate any of its current authority under the MSA; it is intended as a policy statement that guides the process to be undertaken to implement various aspects of the CDQ Program. Thus, if a proposed action is directly related to fisheries management or conservation, the Council would engage in the standard process, which includes the development of alternatives for analysis, and review and approval of an initial and final draft amendment package prior to rulemaking. If the proposed action is not directly related to such aspects, the Council has decided to instead receive status reports from the agency on its proposed approach to the action, prior to publication of a proposed rule.

NMFS noted that it would interpret the Council's motion as direction to move forward with implementing the remaining administrative and oversight aspects of the MSA. NMFS plans to confer with the CDQ Panel and the CDQ groups in the development of the necessary regulations in the next several months, and would schedule a report to the Council on its proposed approach prior to the publication of a proposed rule.

Second, the Council completed initial review and took final action on a regulatory amendment to modify fishery management regulations for the BSAI halibut, sablefish, and pollock CDQ fisheries. These proposed regulatory amendments are necessary to comply with the new Section 305(i)(1)(B)(iv) of the MSA, which requires that the harvest of CDQ allocations for fisheries with IFQs or fishing cooperatives are regulated no more restrictively than for non-CDQ participants in the applicable sector.

The Council recommended Alternative 2 (the NMFS preliminary preferred alternative), which would include revising Federal CDQ regulations associated with fisheries observer coverage requirements, bycatch retention, vessel licensing, and reporting requirements in the BSAI halibut, sablefish, and pollock CDQ fisheries. Note that while the analysis considered integrating the fixed gear CDQ sablefish fishery into the regulations governing the sablefish IFQ fishery, this was not part of the preferred alternative. In addition, at the recommendation of NMFS, the Council did not recommend the element of Alternative 2 which would extend a prohibition against discarding rockfish and cod if IFQ is on board to the halibut and sablefish CDQ fisheries. This change would have likely required many small vessels in the halibut CDQ fishery to acquire a Federal fisheries permit, and this effect was not addressed in the analysis.

A final rule implementing these revisions is expected for the 2008 CDQ fisheries. The analysis supporting this action is on the Council website. Council staff contact is Nicole Kimball.

Stock Assessment Guidelines

External stock assessment review guidelines have been drafted to provide clear guidance to the public on the appropriate timing and expected results of any external review of a stock assessment. The Council reviewed and approved the guidelines provided by each plan team (BSAI Groundfish, GOA Groundfish, BSAI Crab, and Scallop) which detailed the specific timing and information requirements to suit their respective assessment needs. These guidelines will be posted on the Council's website. Members of the public who wish to conduct an external review of a stock assessment are encouraged to review the appropriate timing and notification requirements described in these guidelines. Guidelines may be revised annually by the respective plan teams as necessary. Staff contact is Diana Stram.

Council Sets August Meeting Agenda

The Council will convene a special meeting at the Anchorage Downtown Marriott Hotel on August 2-3, 2007. The SSC will meet August 1-2. The Agenda for this special Council meeting will be limited to two items: (1) Revisit previous Council action to extend the accounting interval for calculating MRAs for Atka mackerel in the Aleutian Islands by non-AFA trawl C/Ps (Council intent is to have the same Atka mackerel MRA restrictions in the Bering Sea and Aleutian Islands), and (2) Review the May 2007 Draft Revised Steller Sea Lion Recovery Plan. The Council will receive an overview of the peer reviews of the SSL recovery plan, a summary of recovery criteria for other ESA-listed species, presentations of new research and scientific publications related to SSL recovery, and an overview of the recovery plan. The SSC will only review the revised SSL recovery plan and related presentations. The agenda for this special Council meeting will be posted on the Council's website and will be distributed in a Council mailing. Staff contact is Bill Wilson.

GOA Arrowtooth MRAs

At its June 2007 meeting, the Council reviewed an EA/RIR/IRFA that proposes to revise the maximum retainable amounts (MRAs) of groundfish in the GOA arrowtooth flounder fishery. In October 2006, the Council received a proposal from industry to revise the MRAs of groundfish in the arrowtooth flounder fishery in the GOA. Currently, the MRAs for the directed GOA arrowtooth flounder fishery are set at zero percent except for pollock (5%), Pacific cod (5%), other species (20%), and forage fish (2%). In 1997, the Council set most of the groundfish MRAs at zero percent in the directed GOA arrowtooth flounder fishery to prevent vessels from using arrowtooth as a bases species for retention. Since that time, markets for arrowtooth flounder have developed and the species now supports a viable target fishery. The proposed action includes three alternatives under consideration. Alternative 1 is the no action alternative. Alternative 2 would set the MRAs for incidental catch species relative to arrowtooth based on the industry proposal. Alternative 3 would set the MRAs for incidental catch species relative to arrowtooth near recent high catch levels in the arrowtooth target fishery. At this meeting, the Council approved releasing the document for public review after additional information on the potential economic impacts of the alternatives is included in the analysis. The Council is scheduled to take final action at its October 2007 meeting. Staff contact is Jon McCracken.

Research Priorities

The Council adopted a comprehensive list of research needs, and identified specific priorities both for 2007/2008 and for the fiveyear period 2007–2012. The list will be circulated to relevant research agencies and research funding entities, and will be available on the Council website. Council staff contact is Diana Evans.

Arctic Fishery Management

The Council is currently considering an FMP that provides comprehensive authority over fishery management issues in the EEZ waters of the Chukchi and Beaufort Seas, partly in anticipation of potential fishery development in the region if climate conditions continue to warm and also in response unique ecological conditions in the Arctic region and coastal communities.

The Council believes that a combination of amending the existing crab and scallop FMPs to terminate their coverage at Bering Strait and preparing a new comprehensive FMP for the Arctic region is the best approach. Staff will work with the Council's Ecosystem Committee to develop a draft analysis for the December 2007 meeting. A comprehensive motion is available on the Council website. Staff contact is Bill Wilson.

EFP for CGOA Rockfish

The Council reviewed and recommended approval of an Exempted Fishing Permit (EFP) application for the Central GOA (CGOA) rockfish fishery. The EFP would allow for testing of an electronic monitoring (EM) system as a tool for monitoring and estimating amounts of discarded halibut. The project is specifically intended to assess whether NMFS can relax recently increased observer coverage implemented under the rockfish pilot program on catcher vessels that employ EM. If successful, EM could provide a reliable estimate of halibut discards at a reduced cost than the deployment of observers. The project is intended to begin September 15, 2007 and continue until either the halibut mortality limit is reached or 30 hauls are completed. Fishing will occur only in the CGOA. Halibut mortality requested under the project would not be applied against the halibut prohibited species catch limits allocated to the CGOA or to prohibited species quota limits in the rockfish pilot program. The information from the project will be used to determine whether a larger feasibility study of the use of EM to assess halibut bycatch should be undertaken in 2008. Staff contact is Diana Stram.

Plan Team Appointment

The Council is pleased to announce the appointment of Ms. Cleo Brylinksy to the Gulf of Alaska Groundfish Plan Team to replace Tory O'Connell who retired from ADF&G last year. Ms. Brylinksy is the Southeast Groundfish Project Leader and has worked for the ADF&G for 17 years.

Crab Overfishing Definitions Revision

The Council took initial review of an Environmental Assessment (EA) that evaluates proposed changes to the current overfishing definitions for BSAI crab stocks. The analysis reviews alternatives means of establishing a set of overfishing levels (OFLs) that provide objective and measurable criteria for identifying when a BSAI crab fishery is overfished or when overfishing is occurring.

Three alternatives and two sets of options are analyzed in the document:

- Alternative 1: (Status Quo) Fixed values for status determination criteria. No formalized review process.
- Alternative 2: Tier system with five Tiers and formal review process. The FMP amendment would specify the Tier system and a framework for annually assigning each crab stock to a Tier and for setting the OFLs (see Options 1 and 2). The Tier system with five Tiers would provide an OFL for all FMP stocks (see Options A and B).
- Alternative 3: Tier system with six Tiers and formal review process. The FMP amendment would specify the Tier system and a framework for annually assigning each crab stock to a Tier and for setting the OFLs (see Options 1 and 2). The Tier system with six Tiers would provide an OFL for stocks with sufficient catch history and, in Tier 6, set a default OFL of zero for those stocks with insufficient information from which to set an OFL, unless the SSC establishes an OFL based on the best available scientific information

Options 1 and 2 provide options for the OFL setting and review process by which stocks would be annually assigned to Tier levels, the OFLs would be set, and the timing of the annual review process by the Crab Plan Team, Scientific and Statistical Committee, and Council. Options A and B provide options for the stocks managed under the FMP, and therefore, determine the stocks for which OFLs are required.

The Council chose not to release the document for public review at this time and instead requested that the document be revised based on comments provided by the Crab Plan Team and the SSC. The analysis is scheduled for a subsequent initial review in October 2007. Staff contact is Diana Stram.

BSAI Salmon Bycatch

The Council received a report from the Salmon Bycatch Workgroup containing recommendations for refining alternatives for the forthcoming analysis of salmon bycatch reduction measures (referred to as amendment package 84B-1). The Salmon Bycatch Workgroup was appointed at the April 2007 Council meeting and has convened two meetings since that time. The workgroup recommended several specific aspects to be included in the methodology for determining salmon bycatch caps in the analysis. The suite of alternative currently includes caps which trigger time/area closures, as well as a "hard" salmon bycatch cap for the pollock fishery.

The Council adopted the workgroup's recommendations on cap methodology as well as some additional aspects included for consideration in the alternatives. These aspects are the following: options for inclusion in the consideration of time/area closures, separate caps for A and B season, and a change in the PSC accounting year. The first option regarding closures would allow for an increase or decrease in the size (or number) of closures according to the relative level of the incidental catch of salmon. The second option would allow for specification of a season specific cap for closures (either time/area or closure to all pollock fishing). The third option would modify the PSC accounting period to be aligned to a salmon biological year rather than a calendar year (i.e., begin the accounting in the B season and carry forward through the following A season). The alternatives and options as modified by the Council at this meeting are posted on the Council's website.

The Salmon Bycatch Workgroup will convene a meeting over the summer to review draft cap methodology and alternative closure configurations. The meeting date has not yet been established but will be posted soon on the Council's website. This meeting is open to the public. At the October Council meeting, the Council will review a discussion paper on the alternatives and options, receive recommendations from the workgroup, and refine their alternatives for analysis. Initial review of the salmon bycatch reduction measures analysis is tentatively scheduled for February 2008. Staff contact is Diana Stram.

Rockfish post-delivery transfers

The Council adopted a purpose and need statement and alternatives for analysis to permit post-delivery transfers of cooperative quota (annual allocations to cooperatives) in the Central Gulf of Alaska rockfish pilot program. The rationale for considering the action is to prevent unintended overages that could be covered by quota transfers, reducing enforcement costs, and allow for more complete harvest of the TAC.

One of the alternatives adopted for analysis would apply few limits on post-delivery transfers, requiring only that any transfers be completed within a set time period. The other option limits the number of transfers for each species and imposes limits on the amount of quota that could be included in a transfer. One limit would be set for primary and secondary species and another limit would apply to halibut PSC. The limits would be intended to prevent excessive overages that might arise from over-reliance on the provision.

The Council also tasked staff to develop a discussion paper for consideration of a similar post-delivery transfer action for the <u>Amendment 80</u> catcher processor cooperative program in the Bering Sea and Aleutian Islands. The paper could be used by Council to develop a purpose and need statement and alternatives for analysis that would permit post-delivery transfers of cooperative quota (annual allocations to cooperatives) by cooperatives formed by catcher processors under Amendment 80.

These items may be available for review in October.

Observer Program

At its June meeting, the Council reviewed a discussion paper outlining several proposed changes to the Federal regulations governing the North Pacific Groundfish Observer Program. These changes are categorized as seven issues, which are proposed to be analyzed together in one regulatory amendment package. These include changes to the appeals processes for new observers and observer providers seeking certification and permits, respectively, as well as revisions to the regulations related to observer conduct; the authority of observer companies to provide observers for research and experimental permits; and the definition of a 'fishing day' for the purposes of observer coverage. The proposed revisions would also establish new requirements, including a mandatory cost reporting program for observer providers. Finally, NMFS proposes that observers who collect fishing data over the span of two years during the same deployment would be required to return from sea by February 28 of the second year and be available for debriefing.. The intent is to allow completion of the prior year's data set earlier in the year, for use in analytical documents and stock assessments.

In April, the Council requested that the Observer Advisory Committee (OAC) meet to review and provide recommendations on the proposed changes and alternatives outlined in the discussion paper prior to the June Council meeting. The OAC convened May 21–22 in Seattle, and the Council reviewed its report at this meeting. Both the discussion paper and the OAC report are on the Council's website.

In sum, the Council initiated an analysis for the proposed regulatory amendment package and recommended incorporating the OAC's recommendations on Issues 1–4 and Issue 7. The Council also recommended incorporating the OAC's recommendation on Issue 5 as an additional alternative to those proposed in the discussion paper. In contrast to the OAC's recommendation to remove Issue 6 from the proposed regulatory package, the Council requested that Issue 6 remain for analysis, given that the OAC's recommendation is addressed under the status quo alternative.

While the next OAC meeting has not yet been scheduled, the committee will likely convene to review the regulatory amendment package prior to the Council taking final action. Initial review of the draft analysis is scheduled for the December 2007 Council meeting; final action is scheduled for February 2008.

In addition to recommendations on the proposed regulatory amendment, the Council also approved a motion to:

- 1. Request NMFS to provide a breakout of the percentage of harvest observed in 2004–2006 for the subset of observed vessels >60' LOA, in order to evaluate the effective rate of coverage in particular target fisheries. The intent is to generate data broken out by observer coverage category, gear type, area, and component of the catch by the ≤60' fleet that is unobserved.
- 2. Send a letter to NOAA HQ asking to see the draft National Bycatch Report before it is finalized.

Both of the above requests were also recommended by the OAC. Council staff contact is Nicole Kimball.

Trawl LLP Recency

The Council reviewed a staff discussion paper relating to a proposed amendment for Trawl LLP Recency at the Sitka meeting. The paper addressed potential conflicts that could arise under the proposed amendment for license holders in three fishery cooperative programs: the American Fisheries Act (AFA), the Central Gulf of Alaska Rockfish Demonstration Project, and Amendment 80. With new information provided by the discussion paper, the Council took action on several issues that will facilitate analyses for the EA/RIR being prepared by the staff and scheduled for initial public review at the October meeting.

The Council made a number of changes, as noted below, in the alternatives, components and options for the proposed amendment:

In February, the Council learned of difficulties in using harvests from the earlier qualification period, from 1995–2005. However, participants in the AFA made the Council aware that application of the threshold criteria to AFA licenses using the later period, from 2000–2005, would result in a high proportion of AFA LLPs losing their groundfish endorsements in the BSAI, jeopardizing the ability of those license holders to utilize their pollock quota. In response to this concern, the Council (1) approved an exemption for AFA licenses in the BSAI, and (2) selected the less problematic qualification period of 2000–2005.

The Council also approved an exemption for licenses qualified for the rockfish demonstration project in the Central GOA. They chose not to provide an exemption for Amendment 80 licenses at this time, leaving the choice for consideration of this exemption as Component 3, Option 1 of the motion.

The Council added Component 1, Option 5 to analyze the effects of including harvests from 2006 in the qualification period and revised an option to exempt licenses assigned to vessels with a mean length overall less than 60 feet from the threshold criteria for licenses having achieved certain levels of directed Pacific cod harvests in the BSAI.

The Council changed the motion to clarify that CP LLPs in the BSAI are only included in the proposed amendment if they are non-AFA and not qualified under Amendment 80, as identified in the descriptions under Alternative 2 and Alternative 3. The Council also stipulated that landings made operating as a catcher vessel and as a catcher processor were to be included in the threshold determination for the group of catcher processor licenses that are subject to the proposed amendment.

The revised Council motion will be placed on the website. The staff contact for Trawl LLP Recency is Jim Richardson.

BSAI Crab Management

The Council received staff discussion papers concerning three potential amendments to the rationalization program in the Bering Sea and Aleutian Islands crab fisheries. The first paper concerned development of a potential amendment to <u>exempt</u> <u>custom processing from processor share caps</u> in the following fisheries:

- · the Western Aleutian Islands golden king crab fishery,
- the Western Aleutian Islands red king crab fishery,
- · the Eastern Aleutian Islands golden king crab fishery,
- the St. Matthews blue king crab fishery, and
- the Pribilof red and blue king crab fishery.

The proposed action is an offshoot of the statutory amendment to the program in the recent Magnuson Stevens Act reauthorization, which exempts custom processing in the North region of the Bering Sea *C. opilio* fishery from the processing share caps in that fishery. The Council adopted a draft purpose and need statement and elements and options for analysis. The purpose and need statement cite processor efficiency, improved competition in the processing sector, protecting the economic base of remote communities, and ensuring full harvest of the TAC as rationales for the proposed action.

The Council's elements and options include provisions defining eligibility for the exemption, which hinge on the definition of custom processing and processing locations. Under the options, processing onshore, on floating processors, and on floating processors docked in city harbors could be qualified for the exemption. The Council also elected to include an option to consider imposition of a facility (or plant) processing cap, which would limit the amount of crab that could be processed at a single plant to 60 percent of IPQ in the Eastern Aleutian Islands golden king crab fishery and Western Aleutian Islands red king crab fishery.

The Council also adopted a purpose and need statement and options for an amendment to exempt custom processing from the plant owner's processing cap in the event that processing shares are processed in the community of origin. The purpose of the action would be to protect communities' interests in historic processing. Under one option, the exemption would only apply, if the shares are held by the entity holding the right of first refusal. Under the other option, the exemption would apply regardless of the share holder. This analysis may be available for initial review in October.

The Council adopted a purpose and need statement and elements and options to <u>revise the provisions governing acquisition and</u> <u>use of C shares</u> (shares reserved for active captains and crew). The purpose and need statement identifies job loss arising from fleet contraction as the motivation for proposed changes to the active participation requirements for acquiring C shares. The Council is considering permitting share acquisition persons meeting participation thresholds prior to rationalization for a period of 3 to 7 years from the beginning of fishing under the program.

The purpose and need statement also addresses the participation requirements for C share holders. Under the current rules, after the third year of fishing under the program, C share holders that are not cooperative members will be prohibited from leasing their shares and will be required to be onboard the vessel harvesting those shares. C share holders that are cooperative members are exempt from owner on board requirements and leasing prohibitions. The Council motion includes options for withholding IFQ allocations of inactive C share holders and divestment of shares after extended periods of inactivity. The motion also includes an option to revise the system of annual allocations so that IFQ of inactive C share holders are reallocated exclusively to active C share holders. Under the current rule, those withheld IFQ would be distributed proportionally among all IFQ holders (including holders of vessel owner shares).

The Council also directed staff to draft a letter to NOAA Fisheries Financial Services Division advising that office of the Council's intent that the loan funds under the program be available exclusively to entry level crew whose share holdings are less than a threshold amount. Limitation of the loan program to entry level crew would be similar to the limitation applied in the halibut and sablefish loan program. This analysis may be available for initial review in October.

The Council also adopted a purpose and need statement for an action to permit post-delivery transfers of IFQ and IPQ that to cover overages. The intent of the action would be to permit participants to cover unintentional overages allowing more complete harvest of the TAC and reducing the need for enforcement actions. The Council adopted two alternatives for analysis. The first would allow liberal transfers, with unlimited numbers of post-delivery transfers and unlimited poundage. The second alternative would impose moderate constraints on transfers, which could be intended to limit potential for unwarranted reliance on post-delivery transfers to cover excessive overages. Both alternatives include options that would allow transfers to be undertaken any time within the crab fishing season (prior to June 1) or within a fixed number of days of the overage. The Council also included an option that would require membership in an intercooperative agreement to engage in post-delivery transfers. This provision could be intended to ensure that harvesters have developed the infrastructure needed for reasonable reliance on the provision prior to its use. The Council also advised that alternatives for post-delivery transfers should be analyzed as a separate action from the similar action being considered for the Central Gulf of Alaska rockfish pilot program. This analysis may be available for initial review in October.

The Council also tasked staff to develop an analysis of alternatives to extend the community protection measures for the community of St. George. For the first two years of the program (the 'cooling off period'), most crab delivered based on processing shares are required to be processed in the community of the processing history that gave rise to the processing share allocation. In addition, most crab processing communities have a first right of refusal on the transfer of crab processing shares arising from processing history in the community. The right of first refusal terminates, if a processor uses its shares outside of the community of origin for a period of three years. In the case of St. George, all processing was moved out of the community during the first two years due to unavoidable circumstances, including the damage to the harbor that led to a federal disaster declaration in 2005. The Council cited these unavoidable circumstances as its rationale for considering an extension of the community protection measures. Under the alternatives, the cooling off period would be extended for an additional one or two years and the right of first refusal would be extended for an additional three years. This amendment package is tentatively scheduled for initial review at the December Council meeting. Staff contact is Mark Fina.

DRAFT NPFMC THREE-MEETING OUTLOOK - updated 6/18/07

Aug 1-3*	October 1, 2007	December 3, 2007	February 4, 2008	
Anchorage	Anchorage, Alaska	Anchorage, Alaska	Seattle, WA	
, anoniorago	National Bycatch Report: <i>Update</i>	, including go, , including		
SSL	SSL Measures EIS: <i>Notice of Intent; action as necessary</i>	SSL Measures EIS: Scoping/Comment		
Recovery	Draft MMPA LOF for 2008: Action as necessary (T)	SSE Measures EIS. Scoping/comment		
Plan	SSL Recovery Plan and BiOp Update: <i>Action as necessary</i>	SSL BiOp Update: Action as necessary	SSL BiOp Update: Action as necessary	
Review	SOL Recovery Fian and Diop opdate. Action as necessary	SSE Diop opulate. Action as necessary	SOL Diop opulate. Action as necessary	
&	GOA arrowtooth MRA: <i>Final action</i>			
∝ BS Atka	GOA P cod sector split: Preliminary Review	GOA P cod sector split: Initial Review (T)	GOA P cod sector split: Final Action (T)	
Mackerel	GOA r cod sector spin. Fremmary Review GOA sideboards: Discussion paper; action as necessary	GOA P Cou sector spin. Initial Review (1)	GOA P Cou sector spill. Final Action (1)	
	GOA fixed gear LLP recency: <i>Discussion Paper, action as necessary</i>	GOA fixed gear LLP recency: Initial Review (T)	GOA fixed gear LLP recency: <i>Final Action (T)</i>	
MRA	WGOA pollock trip limit: <i>Initial Review</i>	WGOA pollock trip limit: <i>Final Action</i>	GOA fixed gear LLP fecency. Final Action (1)	
intent				
o amend	CGOA Rockfish post-delivery transfers: Initial Review (T)	CGOA Rockfish post-delivery transfers: Final Action (T)		
action	DCAL Crek data callection availty and confidentiality. B enert	DOAL Orah Of Oceans and after measures Initial Previous	DOAL Orah Ot Occurre another time and a final Action	
previously		BSAI Crab St George protection measures: Initial Review	BSAI Crab St George protection measures: Final Action	
taken	BSAI Crab 'B' Shares: Committee Rpt/Discussion paper			
	BSAI Crab 'C' Share 90/10 exemption: <i>Initial Review</i>	Crab 'C' Share 90/10 exemption: <i>Final Action</i>		
	BSAI Crab custom processing: <i>Initial Review (T)</i>	BSAI Crab custom processing: Final Action (T)		
	BSAI Crab 'C' Share active participation: Prelim. Review (T)	BSAI Crab 'C' Share active participation: Initial Review (T)	BSAI Crab 'C' Share active participation: <i>Final Action (T)</i>	
	BSAI Crab post-delivery transfers: Initial Review (T)	BSAI Crab post-delivery transfers: Final Action (T)		
	Charter Halibut Allocation/Compensation: Initial Review (T)	Charter Halibut Allocation/Compensation: Final Action (T)		
	Charter Halibut Discard Mortality: Discussion paper (T)			
	Charter Halibut Logbook Data: SSC Review	Charter Halibut Longterm: Committee Report	Charter Halibut Longterm: Action as necessary	
	Charter Halibut 3A GHL Measures: Initial Review	Charter Halibut 3A GHL Measures: Final Action		
	Comprehensive Socioecon. Data Collection: Report	Halibut Subsistence Rural Definition: Initial Review (T)	Halibut Subsistence Rural Definition: Final Action (T)	
		(Including Listing Kanatak Tribe in 3A)	(Including Listing Kanatak Tribe in 3A)	
	AM 80 post-delivery transfers: Discussion paper (T)	Observer Program Reg. Package: Initial Review (T)	Observer Program Reg. Package: Final Action (T)	
	Trawl LLP Recency: Initial Review	Trawl LLP Recency: Final Action (T)		
	BSAI Salmon Bycatch (B-1): Workgroup Rpt./Refine alts(T)	BSAI Salmon Bycatch (B-1): <i>Preliminary Review (T)</i>	BSAI Salmon Bycatch (B-1): Initial Review (T)	
	CDQ Program: Status Report	CDQ Program: Status Report	CDQ Program: Status Report	
		Antis managements FragOttas Dat & Initial Deview (T)	Antin managements Final Action (T)	
	Arctic management: Action as necessary	Arctic management: EcoCttee Rpt & Initial Review (T)	Arctic management: Final Action (T)	
		AI FEP: Action as necessary		
	Seabird avoidance measures in 4E: <i>Review draft Alts</i>	Seabird avoidance measures in 4E: Action as necessary		
		Other Creation Committee Barriet (T)		
		Other Species: Committee Report (T)		
		Other Species Separate Specifications: Initial Review (T)	Other Species Separate Specifications: Final Action (T)	
	Report on specs per Am 80&85 changes: Action as necessary			
	Groundfish specifications: Initial action	Groundfish specifications and SAFE Reports: Final Action		
		SIR on specifications EIS: Action as necessary		
	BSAI Crab SAFE: <i>Report</i>			
	BSAI Crab Overfishing Definition: <i>Initial Review</i>	BSAI Crab Overfishing Definition: Final Action		
		Der a erab er officining Bonnacht i mar Heren		
	AI - Aleutian Islands	TAC - Total Allowable Catch	Future Meeting Dates and Locations	

Al - Aleutian Islands GOA - Gulf of Alaska SSL - Steller Sea Lion BOF - Board of Fisheries FEP - Fishery Ecosystem Plan CDQ - Community Development Quota ESA - Endangered Species Act **(T) Tentatively scheduled** TAC - Total Allowable Catch BSAI - Bering Sea and Aleutian Islands IFQ - Individual Fishing Quota GHL - Guideline Harvest Level EIS - Environmental Impact Statement LLP - License Limitation Program SAFE - Stock Assessement and Fishery Evaluation PSC - Prohibited Species Catch

Future Meeting Dates and Locations

* August meeting to comment on SSL recovery plan, August 1-3, Anchorage Marriott, Downtown

October 1 - 9, 2007 in Anchorage December 3 - 11, 2007 in Anchorage February 4 - , 2008 in Seattle March 31 - , 2008 in Anchorage



North Pacific Fishery Management Council 605 W 4th Ste 306 Anchorage, AK 99501

NPFMC Tentative Meeting Dates for 2007–2008*

	February Week of/ Location	April Week of/ Location	June Week of/ Location	October Week of/ Location	December Week of/ Location
2007	7/Portland	March 26th/ Anchorage Hilton	4/Sitka	1/Anchorage Hilton	3/Anchorage Hilton
2008	4/Seattle Renaissance Downtown	March 31/ Anchorage Hilton	2/Kodiak	September29/ Anchorage	1/Anchorage Hilton

*Meeting dates subject to change depending on availability of meeting space. Any changes will be published in the Council's newsletter.