

MINUTES

156th Plenary Session
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
April 10-16, 2002
Anchorage, Alaska

TABLE OF CONTENTS

A.	CALL TO ORDER/APPROVAL OF AGENDA/MINUTES OF PREVIOUS MEETING(S)	3
B.	REPORTS	3
C.	NEW OR CONTINUING BUSINESS	4
	C-1 Observer Program	4
	C-2 Halibut/Sablefish Program	7
	C-3 Halibut Subsistence	12
	C-4 CDQ Policy Amendment Package	17
	C-5 BSAI Crab Rationalization	21
	C-6 Draft Programmatic Groundfish SEIS	31
	C-7(a) American Fisheries Act - Processor Sideboards, IR/IU Adjustments; Bycatch Reduction Measures; HMAP	32
	C-7(b) American Fisheries Act - Additional Pacific Cod Sideboard Measures	35
	C-7(c) American Fisheries Act - Single Geographic Location (SGL) Change	36
	C-8 Essential Fish Habitat	37
	C-9 GOA Rationalization	39
	C-10 Steller Sea Lions	41
	C-11 Research Priorities	43
	D-1 Staff Tasking	44

APPENDICES:

- I List of Persons Giving Public Comment
- II Minutes of the Advisory Panel
- III Final Council Action on Observer Program
- IV Final Council Action on IFQ Community Purchase Amendments
- V Final Council Action on Halibut Subsistence
- VI Minutes of the Scientific and Statistical Committee
- VII Final Council Action on BSAI Crab Rationalization

North Pacific Fishery Management Council

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Certified _____

David Benton, Chairman

Date _____

MINUTES

**156th Plenary Session
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
April 10-16, 2002
Anchorage, Alaska**

The North Pacific Fishery Management Council met April 10-16, 2002, at the Hilton Hotel in Anchorage, Alaska. The Scientific and Statistical Committee met April 8-10, and the Advisory Panel met April 8-13 at the same location. The following members of the Council, staff, SSC and AP attended the meetings.

Council

David Benton, Chairman
Stosh Anderson
Jim Balsiger/Sue Salvesson
John Bundy
Anthony DeGange for David Allen
Kevin Duffy/Earl Krygier for Frank Rue
Dave Hanson

Dennis Austin, Vice Chair
David Fluharty
Roy Hyder for Lindsay Ball
Stephanie Madsen
Bob Penney
RADM Tom Barrett/CAPT Richard Preston
H. Robin Samuelsen, Jr.

NPFMC Staff

Chris Oliver, Executive Director
Cathy Coon
Jane DiCosimo
Elaine Dinneford
Mark Fina
Nicole Kimball
Jon McCracken

Diane Provost
David Witherell
Helen Allen
Gail Bendixen
Maria Shawback
Shannon Vivian

**MINUTES
NPFMC MEETING
APRIL 2002**

Support Staff

Lisa Lindeman, NOAA-GCAK
John Lepore, NOAA-GCAK
Tom Meyer, NOAA-GCAK
Joe McCabe, NOAA-GCAK
Jay Ginter, NMFS-AKR
Herman Savikko, ADFG
Steve Davis, NMFS
Michael Payne, NMFS-AKR

Jeff Passer, NMFS-Enforcement
Tamra Faris, NMFS-AKR
Ted Meyers, NMFS-AKR
Shane Capron, NMFS-AKR
Cindy Hartmann, NMFS-AKR
Todd Loomis, NMFS-Observer Program
Dan Ito, NMFS-Observer Program

Scientific and Statistical Committee

Richard Marasco, Chair
Steve Berkeley
Keith Criddle
Doug Eggers
Steve Hare

Jack Tagart, Vice Chair
Jeff Hartman
Mark Herrmann
George Hunt
Dan Kimura

Advisory Panel

John Bruce, Chairman
Ragnar Alstrom
Dave Benson
Dave Boisseau
Al Burch
Craig Cross
Ben Ellis

Dan Falvey, Co-Vice Chair
Lance Farr
Duncan Fields
Dave Fraser
Arne Fuglvog, Co-Vice Chair
Bill Jacobson
Teresa Kandianis
Tracey Mayhew

Hazel Nelson
Kris Norosz
Jim Preston
Michelle Ridgway
Jeff Steele
Jeff Stephan
Lyle Yeck

Other Attendees

The following people signed the attendance register:

Robert Mikol
Jeff Stephan
Craig Cross
Simeon Swetzof, Jr.
Tony Gregovic
Phillip Lestenkof
Heather McCarty
Glenn Reed
Cora Crome
Jim Paulin
Dianne McKinley
Garry Loncon
Terry Leitzell
Joe Sullivan
Joe Childers
Tom Suryan

Chris Heuker
Matt Doherty
Frank Kelty
Pat Carlson
F. Gregory Baker
Todd Hiner
Barry Collier
James Mize
Jake Jacobsen
Eric Hollis
Barney Olsen
Keith Colburn
Walt Christensen
Brent Paine
Bob Trumble
Thorn Smith

Donna Parker
Earl Comstock
Jim McManus
Patience Mercurief
Luci Roberts
Al Burch
Russell Pritchett
George Owluck
Bill Orr

A list of those who provided public comment during the meeting is found in Appendix I to these minutes.

A. CALL TO ORDER/APPROVAL OF AGENDA/MINUTES OF PREVIOUS MEETING(S)

Chairman David Benton called the meeting to order at approximately 8:15 a.m. on Wednesday, April 10. Council member Dave Hanson was unable to attend until Friday, April 12 because of a conflict in meeting schedules, and Stephanie Madsen left Wednesday evening because of a family emergency.

Agenda. The agenda was approved as submitted, with minor scheduling changes.

Minutes. The minutes of the December 2001 and February 2002 meetings were approved as drafted.

Fran Ulmer, Lt. Governor for the State of Alaska, visited the Council meeting on Thursday, April 11. She congratulated and thanked the Council for action taken the day before to allow community purchase of IFQs.

B. REPORTS

The Council received written reports from the Executive Director (Agenda item B-1), NMFS (B-2), the Coast Guard enforcement (B-3), ADF&G (B-4), and the Board of Fisheries on recent crab measures (B-5). The Council also received a report from U.S. Fish and Wildlife on sea otters (B-6), and from the Marine Exchange of Alaska on maritime services, including automated vessel tracking systems, and a maritime database (B-7).

DISCUSSION RESULTING FROM REPORTS

NMFS Management Report

NMFS advised the Council in a letter dated April 2, 2002 that, based on previous Council direction, NMFS will set bycatch rate standards for the second half of 2002 for halibut and red king crab at the same levels as those approved for 2001.

John Bundy moved to establish the bycatch rate standards for the second half of 2002 consistent with those listed in the NMFS letter of April 2, 2002. The motion was seconded and carried without objection.

Board of Fisheries Report

Mr. Penney asked whether the Board's recommendations on halibut subsistence regulation changes would increase, decrease, or maintain the status quo on halibut subsistence harvests. Mr. Coffey, Vice Chair of the Board, responded that the Board's intent is to tailor fisheries to maintain current halibut subsistence needs by area.

Regarding Board actions on crab, Dr. Fluharty asked whether the anticipated red king crab fishery would be restricted to State waters. Mr. Coffey explained that the plan is to do small-boat surveys to determine the feasibility for future openings and that the Petrol Banks would be included in these surveys.

**MINUTES
NPFMC MEETING
APRIL 2002**

Marine Exchange of Alaska Report

Based on the report provided by Ed Page, Director of the Marine Exchange of Alaska, **Kevin Duffy moved to establish a technical committee to review current VMS systems and potential new systems to evaluate and recommend improvements to achieve vessel safety and improve monitoring goals in a cost-effective manner.** The motion was seconded and carried, 9 to 1, with Samuelsen voting against. Mr. Samuelsen noted that he felt that this is outside the Council's purview.

During discussion, Dr. Balsiger suggested that this issue has been dealt with in the past by the Enforcement Committee and perhaps that would be the appropriate way to approach the subject. He also pointed out that NMFS personnel will need to be involved because they will have to ultimately decide which system is appropriate.

Mr. Duffy explained that he felt that a technical committee could facilitate communication between the Enforcement Committee and vendors to bring the Council up to speed on the possibilities; it would not choose a particular vendor.

Chairman Benton indicated that when formulating the committee he would also include representatives of the Coast Guard, NMFS Enforcement, as well as industry representatives and perhaps vendors to facilitate the process.

FORMAT FOR COUNCIL MEETING MINUTES

Each agenda item requiring Council action will begin with a copy of the original "**Action Memo**" from the Council meeting notebook. This will provide an "historical" background leading up to the current action. This section will be set in a different type than the actual minutes. Any attachments referred to in the Action Memo will **not** be attached to the minutes, but will be part of the meeting record and available from the Council office on request. Following the Action Memo will be the **reports** of the Scientific and Statistical Committee, Advisory Panel, and any other relevant committee or workgroup on the subject. Last will be a section describing Council **Discussion and Action**, if any.

C. NEW OR CONTINUING BUSINESS

C-1 Observer Program

ACTION REQUIRED

- (a) Regulatory amendments and program extension: Final action**
- (b) Discuss next OAC meeting.**

BACKGROUND

- (a) Regulatory amendments and program extension: Final action**

The regulations that authorize and implement the North Pacific Groundfish Observer Program (Observer Program) expire December 31, 2002. This regulatory analysis package (EA/RIR/IRFA) addresses alternatives to extend and improve the Observer Program beyond 2002. The three primary alternatives are as follows: (1) allow the regulations and the Observer Program to expire (no action alternative); (2) extend the regulations indefinitely with the expectation that they would be amended periodically to maintain or increase the effectiveness and efficiency of the Observer Program; and (3) extend the regulations through December 31, 2007.

In addition to the alternatives above, two complementary options for improving the existing regulations are proposed. The options would: (1) increase NMFS' management controls over observer providers and observers by strengthening the regulations governing the relationship between NMFS and the observer providers and observers; and (2) increase the ability of NMFS to interact effectively with observers, fishermen, and processing plant employees by granting NMFS the authority to place NMFS staff and other qualified persons aboard groundfish and halibut vessels and at groundfish plants.

The regulatory actions under consideration were developed in response to the agency's need to analyze methods of strengthening the regulations governing the relationship between NMFS and the observer providers to ensure sufficient management controls. NMFS has long recognized a need to change the service delivery model under which the Observer Program operates. The difficulty of replacing the current service delivery model has been demonstrated, with the major obstacle to any such change being perceived or actual increases in the total cost of the program and changes in the distribution of that cost. This proposed rulemaking represents a first step in revising the overall program in order to meet the needs that have been identified by the agency, the Council, and the Observer Advisory Committee (OAC).

The Observer Program developed the alternatives and options under consideration in consultation with the OAC. The OAC reviewed the draft analysis in January and made recommendations on additions to the analysis. That report was presented to the Council in February. The Council approved the draft analysis for public review in February 2002, with specific modifications and additions to the current suite of options. The Council's motion from February is attached as Item C-1(a)(1). Two of the Council's recommendations regarding insurance and annual observer safety training are addressed separately in an attached letter (Item C-1(a)(2)) and will be discussed during the staff presentation. Final action is scheduled for this meeting. The draft analysis was sent to the Council on March 15, 2002.

(b) Discuss next OAC meeting

At the February meeting, the Council requested that NMFS and Council staff coordinate to schedule an OAC meeting to discuss long-term program changes to the North Pacific Groundfish Observer Program. This meeting has been scheduled for July 18-19 at the Alaska Fisheries Science Center in Seattle. The Council also requested that the OAC review prior program efforts to restructure the NPGOP and take those into consideration when developing alternatives. We have available Chris Oliver's 1998 discussion paper outlining the options to fund the observer program, as well as the committee's concerns noted in the March 2000 OAC report. Given that those concerns and options are still pertinent, and in order to facilitate the committee process, staff will develop a short discussion paper which addresses re-developing these options and the issues associated with restructuring the program. This paper will be sent to the committee for review prior to the meeting. The Council may want to consider receiving the OAC report resulting from that meeting at the October Council meeting.

The Scientific and Statistical Committee did not address this agenda item.

Report of the Advisory Panel

The Advisory Panel recommended the Council adopt Alternative 3, to extend the Observer Program through 2007, with several changes. The full text of those changes can be found in the AP Minutes, Appendix II to these minutes.

**MINUTES
NPFMC MEETING
APRIL 2002**

DISCUSSION/ACTION

Todd Loomis, NMFS Observer Program, clarified to the Council that UW insurance minimum requirement limit had decreased from \$1.0 million to \$250,000.

Jim Balsiger moved to adopt the Advisory Panel's recommendations with changes.

Earl Krygier moved to amend the motion to change the language in the analysis at 2.4.4(1)(h) to read as follows:

“Ensuring that observers complete in-person mid-deployment data reviews as required, unless (1) specifically exempted by the Observer Program, or (2) the observer is deployed to areas where there is no access to Observer Program staff for the duration of their deployment. Observers with no access to Observer Program staff for the duration of their deployment are required to complete a phone or faxed mid-deployment data review as described in the Observer Manual.” The motion was seconded and carried without objection.

Earl Krygier moved to change the observer certification criteria and standards of behavior so that they are consistent with present Federal hiring practices and to require an individual to disclose their past criminal record in the hiring process. The Observer Program will review and screen these individuals on a case-by-case basis. The motion was seconded by Stosh Anderson. The motion carried 8 to 2 with Fluharty and Hyder voting against.

Capt. Rich Preston moved to add the following after section 2.5 of the analysis:

“The Observer program will expand current observer training to include a full safety training day once every two years to bring its curriculum to a level equivalent with IPHC standards. The Council's intent is that observers would be paid for the additional day of training.” The motion was seconded and carried without objection.

Dennis Austin moved to strike 2.4.2(3) as well as the language currently in regulation. Motion was seconded by John Bundy. The motion failed 9 to 1 with Austin voting in favor.

Robin Samuelson moved to delete section 2.4.2(3) from the motion, but retain the old language, leaving the original regulations intact. The motion was seconded by Bob Penney. The motion failed 7 to 3 with Bundy, Samuelson and Benton voting in favor.

Stosh Anderson moved to amend the main motion at 2.4.2(3) to read “. . . engage in *physical* sexual *relations* contact with personnel . . .” The motion was seconded by Bob Penney and carried without objection.

Bob Penney restated a motion that Jim Balsiger made that NMFS would have the regulatory authority to place NMFS staff and other qualified persons at any plant that receives groundfish and on any vessel that targets ground fish or halibut that is currently required to have observer coverage. NMFS would not have the authority to order a vessel to port or modify their fishing schedule in order to facilitate deployments; however, a vessel selected for a deployment would be required to provide scheduling information to NMFS. If a project is identified that would warrant placing NMFS staff on-board vessels not currently required to carry observers, NMFS will consult with the Council on the design of that project and who would be affected. The project would be implemented through

rulemaking. The motion was seconded by Roy Hyder and carried without objection with Anderson and Fluharty recusing.

The main motion, as amended, carried unanimously with Anderson and Fluharty recusing themselves.

The final motion, as amended, is attached as Appendix III.

Earl Krygier moved to add the following paragraph (modified from the AP's recommendation):

“At the next Observer Advisory Committee meeting (July 18-19 at AFSC) the Committee will have a full discussion and report back to the Council on whether the Council/NMFS should start a full scoping process to consider the long-term restructuring of the Observer Program including a problem statement accompanied by identification of goals and objectives. This should include a cost benefit analysis that identifies sectors benefitting from the Observer Program contrasted with those who pay for the program. If possible, costs should be ranked as a percent of revenue. This should include consideration of the research plan and other Council considerations.”

The motion was seconded by Stosh Anderson and carried without objection.

C-2 Halibut/Sablefish Program

ACTION REQUIRED

- (a) Final action on IFQ Implementation amendments.
- (b) Final action on Community QS purchase plan amendment.

BACKGROUND

- (a) IFQ Implementation amendments

BSAI Amendment 72 and GOA Amendment 64 address several issues recommended for Council consideration by the IFQ Implementation and Cost Recovery Committee and the AP. The analysis was scheduled for final action because the proposed changes primarily affect recordkeeping and reporting requirements. The four actions proposed in this analysis are as follows. Alternatives *in italics* represent NMFS staff recommendations. The analysis was mailed to you on March 8.

1. **Revise IFQ and CDQ Prior Notice of Landing (PNOL) requirements.** The regulations currently require that the operator of any vessel making an IFQ halibut and sablefish landing, including CDQ halibut landings, notify the NOAA Fisheries Office of Law Enforcement (OLE) no fewer than 6 hours before making the landing. Additionally, vessel operators are required to provide OLE with the name of the Registered Buyer to whom the vessel is delivering. The current PNOL regulations were implemented with the initial IFQ Program regulations to provide shorebased monitoring and enforcement personnel advance notice of vessel landings. Subsequent experience in the management and prosecution of IFQ fisheries suggests that the existing PNOL requirements could be revised to reduce the PNOL call-in time and modify the landing location requirements. Revising the PNOL requirements could improve economic efficiency in the fishery while continuing to provide adequate monitoring and enforcement opportunities for shorebased personnel.
2. **Revise IFQ Offload Window requirements.** The regulations currently require that vessels may commence any IFQ landing (including CDQ halibut), or offloading, between 6:00 a.m. and 6:00 p.m. unless permission to land has been granted in advance. These regulations were initially

MINUTES
NPFMC MEETING
APRIL 2002

implemented to accommodate International Pacific Halibut Commission and OLE staffing limitations. Expanding the offload window to provide additional landing could provide some additional flexibility to the commercial fleet, however, increasing offloading times could increase data collection, and monitoring and enforcement costs and reduce their overall efficacy.

3. **Revise IFQ Vessel Clearance requirements.** Currently, the BSAI and GOA groundfish FMPs state that vessels that are transporting IFQ catch outside of the jurisdiction of the North Pacific Council must check in their catch at a NMFS specified site and have the load sealed prior to the vessel leaving. Regulations require that vessels landing IFQ catch outside of Alaska must obtain a written vessel clearance at a port in Alaska prior to departure. There are no regulations requiring vessels to seal their holds prior to departure due to the inability to adequately seal holds without unduly compromising vessel safety. Experience with the vessel clearance requirement indicates that requiring vessels to obtain written permission at a port in Alaska has limited enforcement value.
4. **Revise IFQ and CDQ Shipment Report requirements.** Current regulations require that each registered buyer must complete and submit a written shipment report for landings of IFQ halibut and sablefish, and CDQ sablefish before the landed fish leave the landing site. Current regulations also require processors to submit a product transfer report (PTR) for all groundfish landings. The existing regulations require processors to submit two separate but essentially identical reports depending on whether the landed fish were harvested under the IFQ Program or CDQ sablefish fishery, or under the groundfish fishery. Combining the shipment report with the PTR would reduce paperwork for processors and registered buyers. They would submit one form, the PTR, to record landings of groundfish, IFQ species, and CDQ sablefish. Under this proposed alternative, Registered Buyers would submit a PTR rather than a shipment report. This would not increase the recordkeeping and reporting requirements for Registered Buyers. Although the PTR and Shipment Report differ in name, the same information is reported on both forms and they are essentially identical in appearance. This proposed change would maintain existing data collection, monitoring, and enforcement capabilities.

Action 1: Revise IFQ and CDQ Prior Notice of Landing Requirements.

- | | |
|-----------------------|---|
| Alternative 1: | Status quo: require that vessels adhere to existing PNOL requirements. |
| Alternative 2: | Eliminate the PNOL requirement. |
| Alternative 3: | <i>Replace the reporting of "Registered Buyers" with the reporting of "Location of Landings" in the PNOL reporting requirements.</i> |
| Alternative 4: | <i>Change the minimum PNOL reporting requirement from six hours to three hours.</i> |
| Alternative 5: | Randomly apply the PNOL requirements to buyers. |

Action 2: Revise IFQ Offload Window Requirements

- | | |
|-----------------------|---|
| Alternative 1: | <i>Status Quo: maintain the existing 6:00 a.m. to 6:00 p.m. offloading requirements.</i> |
| Alternative 2: | Extend the offload window landing requirements from 6:00 a.m. to 12:00 a.m. |

Action 3: Revise IFQ Vessel Clearance requirements

- | | |
|-----------------------|--|
| Alternative 1: | Status Quo: maintain the existing vessel clearance requirement |
| Alternative 2: | <i>Eliminate the Vessel Clearance Requirement and require a verbal "departure report" prior to leaving the jurisdiction of the Council.</i> |

Action 4: Revise IFQ and CDQ Shipment Report

- Alternative 1: Status Quo: maintain the existing recordkeeping and reporting requirements.
Alternative 2: *Eliminate the shipment report and require that IFQ species be reported on the Product Transfer Report.*

(b) Community QS purchase plan amendment

The proposed action would allow eligible Gulf of Alaska communities to purchase commercial halibut and sablefish catcher vessel quota share (QS) in Areas 2C, 3A, and 3B for lease to community residents. The change would create a new category of eligible "person" that may hold halibut and sablefish quota share, with restrictions as developed by the Council and approved by the Secretary of Commerce. Currently, only persons who were originally issued catcher vessel QS or who qualify as IFQ crew members by working 150 days on the harvesting crew in any U.S. commercial fishery are eligible to purchase catcher vessel (B, C, and D category) quota share.

The proposed action targets small, rural, fishing-dependent coastal communities in the Gulf of Alaska that have documented participation in the halibut and sablefish fisheries. The criteria proposed to determine eligible communities are intended to distinguish a distinct set of rural Gulf communities that have experienced a decline in QS since the implementation of the IFQ program and have few alternative economic opportunities. While not necessarily a direct result of the implementation of the commercial IFQ program, declines in the number of community fishermen and access to nearby marine resources are on-going problems in rural communities that may be exacerbated by the IFQ program. The proposed action is an attempt to mitigate the identified problem and provide eligible communities with an opportunity to increase their participation in the IFQ fisheries. The purpose and design of this action is therefore intended to have distributional effects.

The concept proposed in this amendment is based on allowing an eligible community to identify or form an administrative entity to purchase and manage commercial QS, and lease the resulting IFQs to community residents. There are explicit options included for consideration to ensure that QS will be leased exclusively to residents of the target communities.

The Council began considering allowing communities to purchase commercial halibut/sablefish QS in June 2000 in response to a proposal from the Gulf of Alaska Coastal Communities Coalition (Coalition). The proposal cited the disproportionate amount of QS transfers out of smaller, rural communities as a symptom of the continuing erosion of their participation in the commercial IFQ fisheries. Consideration of including communities in the commercial IFQ program is also motivated by the Magnuson-Stevens Act, specifically National Standard 8, which requires that management programs take into account the social context of the fisheries, especially the role of communities. In addition, the National Research Council report, *Sharing the Fish* (1999), recommends that NMFS and the Council consider including fishing communities as stakeholders in fishery management programs, emphasizing the potential for communities to use QS to further overall community development.

The proposed action would be an amendment to the Gulf FMP (Amendment 66). The analysis considers two primary alternatives: Alternative 1 (no action) and Alternative 2, which would allow eligible communities to hold commercial halibut and sablefish QS. Note that under Alternative 2 there are eight individual elements and a multitude of options under each element that would shape the essential components of the IFQ program as it would relate to community purchases:

- Element 1. Eligible communities
- Element 2. Appropriate ownership entity
- Element 3. Individual community use caps
- Element 4. Cumulative community use caps
- Element 5. Purchase, use, and sale restrictions (vessel size, block, and sale restrictions)

**MINUTES
NPFMC MEETING
APRIL 2002**

**Element 6. Performance standards
Element 7. Administrative oversight
Element 8. Sunset provision**

The Council approved the analysis for public review in February 2002, with several modifications and the addition of several new alternatives for analysis. The complete list of alternatives is attached to this memo as Item C-2(b)(1). Final action is scheduled for this meeting. The draft analysis was sent to the Council on March 15.

The IFQ Implementation and Cost Recovery Committee convened on April 7 to provide recommendations for final action on this analysis. The committee minutes will be distributed during the meeting.

The Scientific and Statistical Committee did not address this agenda item.

Report of the Advisory Panel

- (a) IFQ Amendments. The AP recommended adoption of the recommendations made by NMFS and the IFQ Implementation and Cost Recovery Committee with regard to the amendment to the IFQ program.
- (b) Community IFQ Purchase. The AP recommended the Council adopt Alternative 2, to allow eligible GOA coastal communities to hold commercial halibut and sablefish quota share for lease to and use by community residents. The AP provided several specific recommendations with regard to the options and suboptions. Please see the AP Minutes, Appendix II to these minutes, for detailed recommendations.

DISCUSSION/ACTION

- (a) IFQ Amendments

Stephanie Madsen moved to approve the recommendations of NMFS and the IFQ Implementation and Cost Recovery Committee with regard to BSAI Amendment 74 and GOA Amendment 64 to address recordkeeping and reporting requirements in the Sablefish/Halibut IFQ Program:

Action 1: Revise IFQ and CDQ Prior Notice of Landing Requirements

Alternative 3: Replace the reporting of "Registered Buyers" with the reporting of "Location of Landings" in the PNOL reporting requirements;

Suboption a: Change the minimum PNOL reporting requirement from six hours to three hours.

Action 2: Revise IFQ Offload Window Requirements

Alternative 1: Status Quo: maintain the existing 6:00 a.m. to 6:00 p.m. offloading requirements.

Action 3: Revise IFQ Vessel Clearance Requirements

Alternative 2: Eliminate the Vessel Clearance Requirement and require a verbal "departure report" prior to leaving the jurisdiction of the Council.

Action 4: Revise IFQ and CDQ Shipment Report

Alternative 2: Eliminate the shipment report and require that IFQ species be reported on the Product Transfer Report.

The motion was seconded by Bob Penney and carried without objection.

Ms. Madsen pointed out that the recommendations made by staff are also supported by Enforcement and industry and will allow more flexibility for harvesters and streamline the reporting requirements.

(b) Community QS Purchase Amendment

Kevin Duffy moved to approve the recommendations of the AP, with three modifications. The AP recommendation was to adopt Alternative 2, to allow eligible GOA coastal communities to hold commercial halibut and sablefish quota share for lease to and use by community residents. [See AP Minutes, Appendix II to these minutes, for entire motion].

Mr. Duffy modified the recommendations as follows:

- **Under Element 4(e), revise the AP recommendation as follows:
(e) . . .Communities would be limited to (3%) of 2C, 3A, or 3B halibut QS and (3)% of the SE, WY, CG or WG sablefish QS in each of the first five years of the program, 15% total. ~~and upon review of the program the remaining quota share up to communities' individual use caps can be purchased.~~**
- **Under Element 7(A)(d), Administrative Oversight, reword, as follows:
(d) Explanation of how community entity intends to implement the performance standards.**
- **Under Element 8, Sunset Provisions: Change title to "Program Review" and reword to "Council review of program after 5 years".**

The motion was seconded by Robin Samuelsen.

Mr. Duffy made several points in support of the motion. The program is intended to target small, rural fishing-dependent coastal communities in the Gulf of Alaska to provide for sustained participation of those communities in IFQ fisheries, particularly when few other economic alternatives are available. Under National Standard 8, the Council is obligated to consider coastal communities in the development of management programs, and, additionally, the National Research Council has recommended that the North Pacific Fishery Management Council and NMFS consider including fishing communities as stakeholders in fishery management programs by authorizing the purchase, holding, management and sale of quota share IFQs by communities.

Through discussion and amendments, the following revisions were made to the main motion:

- **Under Element 5, "Purchase, use and sale restrictions, add: (c) Transferability of QS (permanent) and IFQs (on an annual basis [leasing]) from the commercial to community is restricted to the following class of shares: (ii) B and C categories. [Stephanie Madsen made the motion, accepted as friendly] Ms. Madsen stressed that entry-level opportunities should remain available both for individual fishermen and community residents that may wish to purchase shares on their own.**
- **Clarified that the eligible communities are those communities listed in Table 2.9 of the analysis, except for Wrangell and Cordova [By adopting Suboption 2, a maximum of 1,500 residents, the Council excluded these two communities].**

**MINUTES
NPFMC MEETING
APRIL 2002**

- **Clarified that current eligible communities (in Table 2.9) would not lose eligibility if their population exceeded the current cap of 1,500 residents. Other communities not currently eligible, whose populations may drop below 1,500 and would qualify under the other criteria, may petition the Council to be included at a later date; however, it is not the Council's intent to consider changing the participation criteria to include other communities which do not qualify under the criteria approved for the program.**
- **Element 4(e) was modified to limit community quotas by area from the first 5 years of the program TO the first 7 years of the program, and changed the 15% total by area TO 21% total by area., unless modified through the five-year review.**

With these amendments and clarifications, the motion carried unanimously. The entire motion, as approved, is included as Appendix IV to these minutes.

Mr. Samuelsen pointed out that when the Sablefish and Halibut IFQ Program was implemented, modifications and clarifications were on the Council's agenda for almost every meeting. He stressed that he hopes that it will not be necessary for the Council to address clarifications and changes to this program on a regular basis. The Council will have an opportunity to do so at the 5-year review.

Robin Samuelsen moved to form a small implementation committee for the new Community IFQ Purchase Program. The motion was seconded by Kevin Duffy and carried without objection. Kevin Duffy volunteered to serve on the committee. The Chairman indicated that it will be some time before the committee will be needed to address implementation issues. Council members asked that the Council newsletter announce the committee and request nominations.

C-3 Halibut Subsistence

ACTION REQUIRED

- (a) **Report on the proposed rule for October 2000 action.**
- (b) **Halibut Subsistence Committee report.**
- (c) **Final action on trailing regulatory analysis.**

BACKGROUND

(a) Proposed Rule

At its January 2002 meeting, the International Pacific Halibut Commission modified its halibut regulations to allow for the recognition of halibut subsistence in Alaska. That change allows the proposed rule for the Council's October 2000 preferred alternative to proceed. Jay Ginter, NMFS-SF, will provide a status report on the proposed rule. Final action on the trailing amendment may modify some of the proposed regulations from the October 2000 action.

(b) Halibut Subsistence Committee

The Council modified the membership of the Halibut Subsistence Committee (Item C-3(b)(1)) and requested that it reconvene to address two options in the trailing regulatory analysis scheduled for final action at this meeting. The two options are: 1) proxies and 2) community harvest permits. The committee recommendations are included in the analysis on pages 33-35 and as Item C-3(b)(2).

(c) Trailing regulatory analysis

An analysis of proposed changes to an October 2000 action to define the legal harvest of halibut for subsistence use in Convention waters in and off Alaska is scheduled for final action at this meeting. At the request of the Council, the Alaska Board of Fisheries recommended changes to the Council's previous action in June 2001 on: 1) gear limits, 2) stacking of gear limits, 3) harvest limits, 4) proxy fishing, 5) changing the Cook Inlet non-subsistence fishing area southern boundary. These changes were intended to address local needs and perceived management issues. The Council initiated this analysis in June 2001. Initial review occurred in December 2001. During initial review, the Council modified the language of Alternative 2 (the Board's recommendations) for clarity and modified the Board's recommendations in a new Alternative 3. The Council also added a new action to allow retention of legal sized halibut while halibut fishing in the community development quota (CDQ) program. A letter from the IPHC on this issue is included under C-3 Supplemental. The analysis was mailed to you on March 15. The actions are summarized below and the executive summary is attached as Item C-3(c).

ACTION 1 (Board recommendations) is intended to better reflect local halibut subsistence fishing needs to feed families in all areas while balancing concerns about rockfish stocks in four local areas adjacent to more densely populated centers. It may affect access to food for as many as 82,000 Alaska residents deemed eligible under the previous action whose fishing practices occur in the affected areas. The proposed options are not designed to decrease the amount of total harvest for subsistence use in those waters. The biological data to assess local fish removals and rockfish populations are not currently available, but the potential effects have the potential to be positive for local rockfish and ling cod populations. The economic data to assess the potential effects of the proposed measures on the affected individuals also are not available, but they may be negative for local subsistence users in those same areas. The Council must weigh these potential effects in making its decision.

ACTION 2 was added to the analysis in December 2001. Alternative 2 would allow retention of legal sized halibut for subsistence use while commercial fishing and not counting it against a CDQ allocation. It is intended to minimize the number of trips needed to harvest halibut CDQ allocations and subsistence halibut and enhance safety at sea.

None of the alternatives under either action is expected to result in a "significant regulatory action" as defined under NEPA or in E.O. 12866. The proposed action is not expected to be "economically significant." The affected entities in this analysis are not considered "small entities" under the Regulatory Flexibility Act.

The Scientific and Statistical Committee did not address this agenda item.

Report of the Advisory Panel

The Advisory Panel recommended the Council adopt Alternative 3, with modifications:

Part 1: Areas 4C, 4D, and 4E — Eliminate Gear Restrictions

Part 2: A: In areas 3A, 3B, 4A and 4B— allow stacking of a maximum of 3 times the number of hooks on a single unit of gear per trip, provided that the subsistence users are on board the vessel.
No proxy provisions.

B: In area 2C, excluding Sitka LAMP, 30 hooks and 20 fish per day is the individual and vessel limit (no stacking, no proxy).

**MINUTES
NPFMC MEETING
APRIL 2002**

Part 3: Add to part 3 (A), (B) and (C) and part 4 (area 2C– Sitka LAMP) a community harvest program as specified by the halibut subsistence committee as specified on page 33 of the analysis, with the inclusion of Sitka as an eligible community. Community harvest permits may not be used in the Sitka LAMP.

Additionally, the AP requests the Council Halibut Subsistence Committee work with NMFS to develop and issue community harvest permits to federally recognized tribes and other groups that can demonstrate an established pattern of harvest that includes community harvesters. We further consider the implementation of community harvest permits an essential part of the halibut subsistence management plan.

Part 3 (A): in area 3A, Kodiak road zone and Chiniak bay:

1. 5 hooks
2. 20 fish annual limit
3. No proxy system
4. Allow stacking of a maximum up to 3 times the number of hooks on a single unit of gear provided that the subsistence user(s) are on board the vessel.

Part 3 (B): In area 3A, PWS:

1. 5 hooks
2. No fish annual limit
3. No proxy system
4. Allow stacking of a maximum up to 3 times the number of hooks on a single unit of gear provided that the subsistence user(s) are on board the vessel.

Part 3 (C). In Area 3A, Cook Inlet:

1. 5 hooks
2. No fish annual limit
3. No proxy system
4. Allow stacking of a maximum up to 3 times the number of hooks on a single unit of gear provided that the subsistence user(s) are on board the vessel.
5. Cook inlet boundary, No action (retain Council lines)

Part 4: In area 2C Sitka Sound Lamp Area.

September 1 to May 31

1. 30 hooks/vessel, power hauling allowed.
2. 10 halibut per day/vessel
3. No annual fish limit
4. No proxy system

June 1 to August 31

1. 15 hooks per vessel, no power hauling, no proxy, no stacking
2. 5 halibut per day/vessel
3. No annual fish limit
4. No longline fishing area four nautical miles south and west of Low Island (see chart)

Part 5: Adopt a ceremonial, cultural and educational harvest permit system modeled after USFWS existing system as recommended by the Halibut subsistence committee.

Part 6: For Areas 4B, 4C, 4D and 4E, add a provision allowing retention of legal size halibut for subsistence use by residents of qualifying area 4 communities while CDQ fishing on their own vessels. These retained subsistence caught halibut shall be marked while CDQ fishing and would not count against CDQ harvest.

Part 7: The AP requests the Council, NMFS, ADF&G, and IPHC assist the Sitka ADF&G Advisory Committee and other interested groups in gathering information, on an annual basis, on the halibut, rockfish, and ling cod removals by all user groups in the Sitka LAMP and other local areas.

DISCUSSION/ACTION

Gregg Williams advised the Council that the International Pacific Halibut Commission has concerns about allowing subsistence fish to be kept during CDQ fisheries because of differing gear regulations for the CDQ fisheries and halibut subsistence fisheries in some areas. They are also suggesting that any subsistence fish allowed to be taken during the CDQ fisheries be marked in some obvious manner to aid enforcement.

Robin Samuelson moved to approve the recommendations of the Advisory Panel, with some modifications:

The Council adopts Alternative 3, modified as follows:

Part 1: Areas 4C, 4D, and 4E — Eliminate Gear Restrictions

**Part 2: A: In areas 3A, 3B, 4A and 4B— allow stacking of a maximum of 3 times the number of hooks on a single unit of gear per trip, provided that the subsistence users are on board the vessel.
No proxy provisions.**

B: In area 2C, excluding Sitka LAMP, 30 hooks and 20 fish per day is the individual and vessel limit (no stacking, no proxy).

Part 3: Add to part 3 (A), (B) and (C) and part 4 (area 2C– Sitka LAMP) a community harvest permit program, as specified by the halibut subsistence committee as specified on page 33 of the analysis with the inclusion of Sitka as an eligible community. Community harvest permits may not be used in the Sitka LAMP. The Council Halibut Subsistence Committee will work with NMFS to develop and issue community harvest permits to federally recognized tribes and other local governments of rural communities that have been recognized by the Council in October 2000 as having customary and traditional use of halibut.

~~**other groups that can demonstrate an established pattern of harvest that includes community harvesters. We further consider the implementation of community harvest permits an essential part of the halibut subsistence management plan.**~~

Part 3 (A): in area 3A, Kodiak road zone and Chiniak bay:

- 1. 5-10 hooks**
- 2. 20 fish annual limit**
- 3. No proxy system**
- 4. Allow stacking of a maximum up to 3 times the number of hooks on a single unit of gear provided that the subsistence user(s) are on board the vessel.**

MINUTES
NPFMC MEETING
APRIL 2002

Part 3 (B): In area 3A, PWS:

1. 5-10 hooks
2. No fish annual limit
3. No proxy system
4. Allow stacking of a maximum up to 3 times the number of hooks on a single unit of gear provided that the subsistence user(s) are on board the vessel.

Part 3 (C). In Area 3A, Cook Inlet:

1. 5-10 hooks
2. No fish annual limit
3. No proxy system
4. Allow stacking of a maximum up to 3 times the number of hooks on a single unit of gear provided that the subsistence user(s) are on board the vessel.

~~*****5. Cook inlet boundary, No action (retain Council lines)~~

retain the Board of Fisheries boundary

The Cook Inlet boundary would be to retain the BOF lines latitude/longitude 59..30.40N[see analysis]*****

Part 4: In area 2C Sitka Sound Lamp Area.

September 1 to May 31

1. 30 hooks/vessel, power hauling allowed.
2. 10 halibut per day/vessel
3. No annual fish limit
4. No proxy system

June 1 to August 31

1. 15 hooks per vessel, no power hauling, no proxy, no stacking
2. 5 halibut per day/vessel
3. No annual fish limit
4. No longline fishing area four nautical miles south and west of Low Island (see chart)

Part 5: Adopt a ceremonial, cultural and educational harvest permit system modeled after USFWS existing system as recommended by the Halibut subsistence committee.

Part 6: For Areas ~~4B, 4C, 4D~~ and 4E, add a provision allowing retention of legal size halibut for subsistence use by residents of qualifying area 4 communities while CDQ fishing on their own vessels. ~~These Retained subsistence caught halibut by locally-owned vessels shall be marked while CDQ fishing by outside contracted vessels~~ and would not count against CDQ harvest.

Part 7: The Council requests that NMFS, ADF&G, and IPHC assist subsistence halibut harvesters as well as other interested groups as well as ~~in the Sitka ADF&G Advisory Committee and other interested groups in gathering harvest and other information, on an annual basis, on the halibut, rockfish, and ling cod removals by all user groups. in the Sitka LAMP and other local areas.~~

The motion was seconded by Bob Penney.

During discussion of the proposed Cook Inlet boundary line, it was explained that a large portion of the area above the line is connected by a road system and contains the largest communities, creating a very large pool of potential participants. To avoid the potential for local depletion, the Board of Fisheries has proposed that the line be established at 59.30.40N. It may be possible to relax the regulations after data has been gathered and studied for that area.

Reading from the analysis, Mr. Duffy clarified the intent of the Board: “The Board’s findings reflect its recommendation on current non-subsistence use areas defined in State regulations, except that in the Anchorage/Mat-Su/Kenai non-subsistence use area, the Board recommended that the subsistence use area for halibut should be defined as those waters south of the latitude and aligned west across Cook Inlet from the northernmost point of the current State subsistence area. This recommendation leaves open the customary and traditional use areas of the villages qualified for halibut subsistence by the October 2000 Council action. The non-subsistence use areas recommended by the Board consist of waters not customarily used by the qualifying subsistence users defined by the October 2000 Council action.”

Through friendly amendments and clarifications, the following changes were made to the motion:

- It was clarified that with regard to community harvest programs, the Council is approving the concept and that the Halibut Subsistence Committee will work with NMFS to develop the parameters for the proposed rule. The Council would then have an opportunity to comment on the proposed rule. [Made as a friendly amendment by Mr. Duffy]
- There were also several editorial-type changes made through friendly amendments.
- There was some confusion regarding the provision to allow retention of legal size halibut for subsistence use by residents of qualifying Area 4 communities while CDQ fishing on their own vessels. In order to make the regulations consistent, John Bundy moved to delete Area 4B from Part 6. The motion was accepted as friendly. Area 4B has a gear restriction of 30 hooks for subsistence fishing and there is a different set of gear requirements for CDQ fishing.
- It was also clarified that, under Part 6, it is the Council’s intent that vessels may have mixed CDQ and subsistence halibut in Areas 4C, D, and E, but only on locally-owned boats from CDQ communities, returning to CDQ communities, and that subsistence fish must be marked. Subsistence-caught halibut would not count against CDQ harvests.

The motion, as amended, carried unanimously. Final Council action on the halibut subsistence trailing amendment is found in Appendix V to these minutes.

C-4 CDQ Policy Amendment Package

ACTION REQUIRED

- (a) Selection of a preferred alternative on CDQ Policy amendment package.**
- (b) Scheduling final action.**

BACKGROUND

- (a) Selection of a preferred alternative on CDQ Policy amendment package**

**MINUTES
NPFMC MEETING
APRIL 2002**

The proposed action would implement several policy and administrative changes to the Community Development Quota (CDQ) Program, including changes to the role of NMFS and the State of Alaska in program oversight and the CDQ allocation process. The CDQ Program was created by the Council in 1992 as part of the inshore/offshore allocations of pollock in the BSAI. The Council established the program to provide western Alaska fishing communities an opportunity to participate in the BSAI fisheries that had been foreclosed to them because of the high capital investment needed to enter the fishery. The goals and purpose of the program are to allocate CDQ to eligible western Alaska communities to provide the means for starting or supporting commercial fisheries business activities that will result in an ongoing, regionally-based, fisheries-related economy (50 CFR 679.1(e)).

The proposed action would be an amendment to the BSAI FMP (Amendment 71). The action was categorically excluded under NEPA from further environmental review and the requirement to prepare an environmental review document, as it was determined that the action does not have the potential to pose significant individual or cumulative impacts on the human environment. The categorical exclusion is attached to this memo as Item C-4(a)(1).

The analysis (RIR/IRFA) considers eight policy issues that would change the administration of the current CDQ Program. The complete list of alternatives, as revised at the February Council meeting, is attached to this memo as Item C-4(a)(2). The no action alternative is included under every issue, as well as a suite of alternatives to the status quo. Each issue represents a distinct decision-making point, but many of the issues are inter-related. The eight issues under consideration are:

- Issue 1: Determine the process through which CDQ allocations are made
- Issue 2: Periodic or long-term CDQ allocations
- Issue 3: Define the role of government in oversight of the CDQ Program
- Issue 4: CDQ allocation process - Type of quotas
- Issue 5: CDQ allocation process - The evaluation criteria
- Issue 6: Extent of government oversight (definition of a CDQ project)
- Issue 7: Allowable investments by CDQ groups (fisheries-related restriction)
- Issue 8: Other administrative issues

This amendment was initiated for several reasons. The National Research Council (NRC) prepared a comprehensive report on the performance and effectiveness of the CDQ Program in 1999 upon request of Congress. The NRC made several recommendations to improve the program, many of which are at issue in this analysis. Secondly, Congressman Don Young has proposed the Western Alaska CDQ Program Implementation Improvement Act of 2001 (H.R. 553) in the 107th session of Congress. This legislation would amend Section 305(i) of the Magnuson-Stevens Act which addresses implementation of the CDQ Program. The amendments would make some significant policy and fisheries management changes to the CDQ Program, including increasing the autonomy of the CDQ groups by allowing them to determine the evaluation criteria used for making the allocations, as well as limiting government oversight to CDQ projects funded only by CDQ royalties. A Congressional hearing was held on July 19, 2001, and the bill remains within the Subcommittee on Fisheries Conservation, Wildlife, and Oceans. All of the policy changes proposed in H.R. 553 have been encompassed in this analysis under various alternatives and are discussed in more detail within the analysis.

In addition to the NRC report and H.R. 553, there is a general understanding that the CDQ Program and the CDQ groups have matured significantly since 1992. The CDQ Program has surpassed the expectations of many in accomplishing its goals, and the CDQ groups have gained valuable experience in managing their fisheries and related investments. As a result, the Council recognized the need to evaluate the CDQ Program and to identify issues of concern and alternatives to address those issues. The Council appointed a CDQ Policy Committee in December 2000 to address issues related to the CDQ oversight responsibilities of government as well as provide policy recommendations regarding the allocation process and overall program administration. The committee met in April and May of 2001 and provided a report to the Council at the June 2001 Council

meeting. Based on the recommendations of the committee, the Council requested that staff prepare an analysis of the policy issues listed above.

The Council approved sending the analysis out for public review at the December 2001 meeting, with the intent that the analysts would complete the document, including recommended modifications and analysis of several new alternatives and options. In February, the Council opted to select a preferred alternative under each of issues for consideration at the April 2002 meeting and schedule final action for June 2002. This schedule will allow staff to revise the analysis and include a chapter outlining the preferred alternative and proposed FMP language to implement the action for review in June.

The public review draft was mailed to the Council on March 15, 2002.

The Scientific and Statistical Committee did not address this agenda item.

Advisory Panel Report

The AP recommended the following additional issues be included in the analysis for final action in June. However, additional analysis of these items is contingent upon staff's ability to release the document for public review in time for final action during the Council's June meeting.

1. The analysis should address the question of whether revenues generated from fisheries related investments are in fact, fisheries related.
2. Under alternative 2, further discussion regarding resistance by potential investment partners based on state oversight, i.e., page 150 of the analysis.
3. Amplify analysis regarding how much of an equity position in an investment partner creates a CDQ project necessitating state oversight.
4. Analysis expanded with discussion of possible available fisheries related development projects within regions
5. Expand discussion on pages 67-69 regarding escape clauses and criteria for reallocation. Discussion should include the possibility that reallocation would not be to another CDQ group but remained unallocated.
6. Under issue 4, add another alternative that would exempt halibut from the foundation allocation.
7. Add an option that would provide a foundation allocation of 5% pollock to each of the CDQ groups.

DISCUSSION/ACTION

The Council heard reports from staff as well as Sally Bibb, NMFS, Ed Hein, NMFS Appeals, and Jeff Bush, DCED.

Robin Samuelson moved that the Council not identify a preferred alternative, but address additional issues outlined by the Advisory Panel (see AP Minutes, Appendix II) and ask staff to clarify them, if time permits between now and the June meeting, as indicated below:

Issue 1: The analysis should address the question of whether revenues generated from fisheries related investments are in fact, fisheries related. **Address to the best of staff's ability.**

Issue 2: Under alternative 2, further discussion regarding resistance by potential investment partners based on state oversight, i.e., page 150 of the analysis.

Issue 3: Amplify analysis regarding how much of an equity position in an investment partner creates a CDQ project necessitating state oversight.

**MINUTES
NPFMC MEETING
APRIL 2002**

Issue 4: Analysis expanded with discussion of possible available fisheries related development projects within regions.

Issue 5: Expand discussion on pages 67-69 regarding escape clauses and criteria for reallocation. Discussion should include the possibility that reallocation would not be to another CDQ group but remain unallocated.

Issue 6: Under issue 4, add another alternative that would exempt halibut from the foundation allocation.

Issue 7: Add an option that would provide a foundation allocation of 5% pollock to each of the CDQ groups.

Referring to the analysis, C-4(a)(2), Issue 3, Alternative 2, Item #2: clean up language in sentence 2 to detect and prevent misuse of assets through fraud, dishonesty or conflict of interest.

Issue 6, Alternative 2: add a suboption (a) where the CDQ group owns “51% of a subsidiary company”.

Issue 7, Alternative 1: add a suboption (a) amending the Goal and Purpose Statement to read as follows:

The goals and purpose of the CDQ Program are to allocate CDQ to qualified applicants representing eligible western Alaska communities primarily to provide the means for investing in, participating in, starting or supporting commercial fisheries business activities that will result in an on-going, regionally based fisheries economy, and secondarily to strengthen the non-fisheries related economy in the region.

The motion was seconded by Kevin Duffy.

John Bundy amended the goals and purpose statement of Issue 7, Alternative 1 by adding another suboption exactly as outlined above, but changing “fisheries-related economy” to “diversified economy.” The motion was seconded by Bob Penney and carried without objection.

John Bundy asked whether staff had time or if there was money available for KPMG to work on the survey of CDQ groups and their concerns of government oversight. Sally Bibb responded that they would do what they could, but was not optimistic.

Kevin Duffy moved to amend Issue 7, Alternative 3, to add another sub-option requiring that any non-fisheries related projects be for (a) education, vocational training, scholarship or other human resource programs for residents of the CDQ communities, or (b) community development projects associated with infrastructure development in the communities or region of Alaska represented by the CDQ group. The motion was seconded by Robin Samuelsen and carried without objection.

The main motion, as amended, carried unanimously.

C-5 BSAI Crab Rationalization

ACTION REQUIRED

- (a) Initial review of the analysis of the crab rationalization alternatives.
- (b) Discuss process and suite of alternatives for the EIS.

BACKGROUND

At its June 2001 meeting, the North Pacific Fishery Management Council (Council) adopted a suite of alternatives, elements and options for analysis of a rationalization program for the Bering Sea and Aleutian Islands (BSAI) crab fisheries. After status reports and reviews at its December 2001 and February 2002 meetings, the Council amended its motion to its current form (Item C-5(a)) and scheduled this item for initial review at this meeting. A document was provided to the Council family prior to the meeting. If the document is deemed to be sufficient, selection of a preferred alternative on the proposed crab rationalization alternatives would be scheduled for the June 2002 Council meeting.

The proposed action would develop an IFQ or cooperative program to manage the BSAI crab fisheries. A change in management from the current License Limitation Program (LLP) may be necessary to alleviate problems of resource conservation, bycatch and handling mortality, excessive harvesting capacity, lack of economic stability, and safety that have arisen because of the race to fish that occurred under the open access fishery prior to the LLP and under the current LLP management structure.

Final action for this package is unlike most final actions taken by the Council, since Congress may need to modify their moratorium on IFQ programs (and perhaps jurisdiction over inshore processors) before the Council could submit either an IFQ or cooperative alternative to the Secretary of Commerce (SOC). Once the Council's preferred alternative is identified, it would then need to be melded into the crab EIS, that is also currently being developed, as the preferred alternative. It is expected that this can be completed during the summer of 2002 for action by the Council in October, so that the formal EIS/RIR/IRFA package could be submitted to the SOC by the end of this year (assuming Congressional action allowing the Council to move forward at that time).

The analysis considers three overriding alternative management structures for the BSAI crab fisheries; status quo (or continued management under the LLP), an IFQ program, or a cooperative program. The IFQ program alternative includes options defining either a one-pie harvester only IFQ program or two-pie program, which would include both harvester shares and processor shares. The cooperative program alternatives include two structures that could be selected. The Voluntary Cooperative alternative is a program that would allocate shares to harvesters and processors and allow each harvester to join a cooperative with one or more other harvesters associated with one or more processors. The Plurality Assignment Cooperative alternative is a program that would allow each harvester to join a cooperative associated with the processor that it delivered the most crab to during a specified qualifying period. Harvesters that join a cooperative would receive an allocation based on qualifying catch history. Harvesters that elect to forgo joining a cooperative would be limited to participating in an open access fishery. This program alternative includes several different options that would protect processor interests to varying degrees and that would define movement between cooperatives. [The remainder of the 15-page Action Memo reviews the alternatives and analysis; a copy of the full Action Memo is available from the office on request.]

**MINUTES
NPFMC MEETING
APRIL 2002**

Report of the Scientific and Statistical Committee

The SSC noted that concerns expressed in their February minutes have been largely addressed in the current analysis and recommended that it be released for public review following a few additional modifications. The SSC also provided comments specific to Dr. Matulich's review of the halibut/sablefish IFQ program and its applicability to crab rationalization. Please see the SSC Minutes, Appendix VI to these minutes, for specific recommendations and comments.

Report of the Advisory Panel

The Advisory Panel recommended a considerable number of additional options to be included in the current analysis for Bering Sea crab rationalization alternatives. Please see the AP Minutes, Appendix II to these minutes, for the entire motion.

With regard to the Crab FMP EIS, the AP requested the Council request staff to include discussion of four issues:

1. Clarify, prioritize and develop objectives and benchmarks for the conservation goals identified in the problem statement.
2. Develop a table summarizing the conservation goals and objectives that the public may use to efficiently contrast the environmental benefits and impacts of the alternatives and elements.
3. Include a discussion of the suite of mitigation tools which may be applied to address resource conservation concerns emerging under each alternative.
4. Expand discussion of impacts to the human environment under each of the various rationalization alternatives considered in the analysis.

DISCUSSION/ACTION

Before considering motions and amendments, Chairman Benton reviewed the process for this issue. Congress has tasked the Council to look at rationalization of crab fisheries. When the Council takes final action on a rationalization program, the recommendation will go to Congress as a report. Congressional action would be needed to enact any of the options being considered. John Lepore, NOAA-GC, recommended that the Council not include any approved crab rationalization program in the EIS being prepared for the Bering Sea King and Tanner Crab FMP until it has been approved by Congress. Otherwise, if the program is disapproved then the Crab EIS would have to be revised.

Kevin Duffy moved to approve the following motion. The motion was seconded by Bob Penney.

Release for public comment the BSAI Crab Rationalization Analysis, including the problem statement and elements and options from the February 10, 2002 Council motion, with the following amendments to the elements and options:

1.1 Additional Suboption Option

Exclude the E AI Tanner, W AI Tanner, Dutch Harbor red king crab, and W AI king crab East of 179° W longitude. (Insert consistent with recent Board of Fish action).

1.4 Initial allocation of QS

1.4.1. Calculation of initial QS distribution will be based on legal landings excluding deadloss.

(a) Calculation of QS distribution.

Add a suboption for Amendment 10 replacement vessels, that replaced sunken vessels as follows:

For each of the fisheries for which such a vessel holds valid endorsement for any years between the sinking of the vessel and the entry of the replacement vessel to the fishery, allocate QS according to a range of 0 to 100% of the vessel's average history for the qualifying years unaffected by the sinking.

(b) Basis for QS distribution:

Add a new Option 4. For eligibility criteria in section 1.2, the distribution of QS to the LLP license holder shall be on a fishery-by-fishery basis. Such distribution shall be based on (i) the catch history of the vessel on which the LLP license and endorsements are used; or (ii) the catch history of the vessel from which the LLP license and endorsements were transferred to the vessel on which the LLP license and endorsements are used. For the purposes of this paragraph, vessels shall include those replaced in accordance with Amendment 10 to the LLP. With the exception of Amendment 10 replacement vessels, catch histories from different vessels shall not be combined for any single fishery, nor shall distribution of QS be based, in whole or in part, on any catch history of any vessel not lawfully U.S. documented and endorsed as a fishing vessel at the time such QS distribution is made. License transfers for purposes of combining LLPs must have occurred by January 1, 2002.

1.4.2.7 Brown king crab (based on biological season)

~~A motion to create a new qualifying period 1999/2000-2001/2002 failed 8/13.~~

Add option 5. 96/97 - 2001/2002 (6 seasons)

~~1.6 Transferability and Restrictions on Ownership of QS/IFQs:~~

~~1.6.1 Persons eligible to receive QS/IFQs by transfer:~~

~~Add a suboption under option that would allow BSAI CDQ qualified communities to be eligible to receive QS/IFQ by transfer (other than any QS designated to owner on board). Motion passed 10/9~~

~~1.7 Use of IFQs~~

~~1.7.1 Use by harvesting sectors -~~

~~1.7.2.3 Allowances for Catcher/Processors:~~

~~Modify Option 5 as follows: Only catcher processors that both caught and processed crab onboard their qualifying catcher processor vessels in any BSAI crab fishery during 1998 or 1999 will be eligible for any CP QS in any IFQ or Coop program.~~

~~Add an option to create use it or lose it provision (In the context of binding arbitration...)~~

~~a) Harvester quota share holders must fully utilize their Class A harvesting quota shares in the season while a fishery is open or lose the amount that is not utilized for one season in the next season. The unused quota shall be distributed:~~

~~1. To all quota share holders in the fishery proportionally~~

**MINUTES
NPFMC MEETING
APRIL 2002**

- ~~_____~~ 2. To all quota share holders in the fishery equally
- ~~_____~~ 3. To open delivery
- ~~_____~~ Class A quota redistributed shall retain its regional designation

1.7.3 Catch accounting under IFQs -

Add a new Option 5. Request ADFG and BOF [will] to address the concerns of discards, highgrading, incidental catch and the need for bycatch reduction and improved in season monitoring to coincide with implementation of a rationalization program.

1.8 Other Optional Provisions

Option 5. Owner On Board Option

Add suboption: Any transfer of QS designated at initial allocation as “owner on board” quota would count against “1st refusal” requirement.

1.8.5 Sideboards:

Add a new sideboard option with the following options:

- ~~1. Non AFA vessels that qualify for QS in the rationalized opilio crab fisheries would be limited to their~~
 - ~~_____ a) groundfish catch history excluding sablefish or~~
 - ~~_____ b) peod catch history in the GOA fisheries.~~
 - ~~_____ The years for qualification would be 1995-1999.~~

~~2. Sideboard exemptions:-~~

~~_____ 1. exempt vessels from sideboards which had opilio landings in the qualifying years if:~~

~~_____ Option a. <100,000 pounds~~

~~_____ Option b. <70,000 pounds~~

~~_____ Option c. <50,000 lbs~~

~~_____ Option d. <25,000 lbs~~

~~3. exempt vessels with more than 100, 200, or 500 tons of cod total landings in the years 95-99~~

~~4. vessels with <10, ≤50 and ≤100 tons total groundfish landings in the qualifying period would be prohibited from~~

~~_____ participating in the GOA cod fishery.~~

~~_____ 5. administer the program on an individual vessel basis.~~

2.3 Initial allocation of processing quota shares

Add a new Option 4. If the buyer can be determined to be an entity other than the entity on the fish ticket, then the IPQ shall be issued to that buyer.

Add a new sub-option (i): The qualifying years for issuance of IPQ in the Western Aleutian Islands (Adak) red king crab fishery will be:

Option A. 1992/93 to 1995/96

Option B. ~~Pro rata to~~ Based on Western Aleutian Islands brown king crab IPQ

Option C. 0 – 50% of IPQs would be allocated to the community of Adak

~~**2.5 Implementation of the open delivery processing portion of the fishery:**~~

~~Add a new option 2. In CDQ communities that currently (April 2002) do not have a shoreside crab processing facility, crab delivered to a processing plant which is subsequently built and owned at least fifty percent (50%) by the CDQ group representing that community shall be exempt from Class A share ITQ provisions.~~

- ~~Option 1. Including regionalization~~
- ~~Option 2. Excluding regionalization~~

~~**2.7.2 Use caps:** modify the range in options as follows:~~

- ~~Option 1. Annual use caps ranging from 30% - 60 80% of the GHL (or TAC) by fishery.~~
- ~~Option 2. Annual use caps of quota share equal to the largest PQ holder's share in each specific fishery.~~
- ~~Add a new Option 3. No use cap when the TAC designated for a region is less than 1 = 4 million pounds in a season.~~

2.8.3 Binding Arbitration

The Council will appoint a technical working group to further assess the means to implement a system of Binding Arbitration as part of the crab rationalization program for all alternatives considered. The working group should be charged to return with a report to the Council in June, 2002. The working group will include staff support, NOAA GC, and representatives of the AMA, the processors, and harvesting groups. Further the Council/NMFS ~~provide the resources to attempt to~~ will explore options to bring in representatives of the harvest and processing sector from the Newfoundland crab fishery, who participated in the process with John Sackton, the arbitrator.

Additionally, the costs of arbitration and market research shall be funded by one-quarter of one percent of the federal fee on the ITQ program from the fisheries subject to the rationalization plan – distributed equally to an arbitration fund to the harvesters legally constituted collective bargaining association.

- a) One quarter of one percent of the program for enforcement and management

Elements of the binding arbitration process:

The following additional options are added for analysis:

1. Arbitration may bind:
 - Option 1. All harvesters
 - Option 2. Only fishermen associated with a particular processor entity
 - Option 3. All processors
 - Option 4. Only the processor associated with a particular group of harvesters
2. The arbitrator shall base his or her decision on:
 - Option 1. Historical sharing of revenues in the fishery
 - Option 2. Historical revenues and costs of the fishery
 - Option 3. Distribution of revenues in excess of variable costs in the fishery
 - Option 4. All of the above and any other relevant factors the parties present to the arbitrator
3. An arbitration decision may be enforced by:
 - Option 1. Standard contract law provisions
 - Option 2. Use it or lose it provisions for both harvesters and processors
 - Option 3. Specific performance requirement

**MINUTES
NPFMC MEETING
APRIL 2002**

3.0 Regionalization Elements

3.2 Regional categorization of processing and/or harvesting quota shares

Modify 3.2.1 as follows: Categorization will be based on all historical landings. Periods used to determine regional percentages are as follows (~~two options~~)

Option 1. 1995 - 1999

Option 2. 1997 - 1999

Add new Option 3.

- There shall be no regional designation when the percentage associated with the region is 0 – 8%.
- There shall be no regional designation of the Bairdi fishery shares.
- There shall be no regional designation of the Bristol Bay red king crab fishery shares.
- Pribilof red king crab Class A shares shall all be designated for the Northern Region.
- Pribilof blue king crab Class A shares shall all be designated for the Northern Region.

3.4 Alternative Regionalization/Community Protection:

~~Recategorize and add a new option 2:~~

~~*Option 1.* Processing history may leave an eligible community of origin in which the history was established with permission of the eligible community. The processing QS may change communities with negotiated agreement between the processor and the originating (eligible) community; these agreements will be filed with the Secretary of commerce thirty days prior to the quota share leaving the eligible community.~~

~~—"Eligible communities" shall be defined as any community in which aggregate (community) landings exceeded 0-8% of the species for which processor QS is awarded during the qualifying period.~~

~~—"Community landings" for closed fisheries will be determined using a formula that mirrors "processor option one" as defined in the current analysis.~~

Add a new Option 2:

~~—Under this option, processor quota shares are subject to regional designations as set forth in Section 3.1, 3.2 and 3.3. A processing quota share holder may switch processor quota from one region to another region (on an annual or permanent basis) by compensating the community that is impacted by that change. A processor must provide compensation only if it switches from one region to another region. A change in location of processing within a region does not require compensation to a community. Compensation for a permanent departure from a region is only required one time; a subsequent change to another region does not require further compensation by the processing share quota owner. A switch of the region of processing under this option would include the following elements:~~

- ~~1. This option does not displace the regional designation of Class A shares or the processing of quota delivered under Class A shares. It instead provides an option for the delivery and processing of quota from Class A shares using IPQ into a different region upon compensation (in a manner and form acceptable to the effected community) to switch to another region.~~
- ~~2. The community to be compensated would be determined by the community that received the raw fish tax associated with the IPQ being transferred. The options for determining the community include:~~

- ~~_____ (a) The community to which the raw fish tax was paid in 1, 2, 3 or 4 years prior to the proposed transfer;~~
- ~~_____ (b) The community to which the raw fish tax was paid in the period used to determine eligibility for the issuance of IPQ;~~
- ~~_____ (c) The community to which a majority of the raw fish tax was paid in the period designated in a or b above.~~
- ~~_____ 3. The processor that pays the compensation to the community may designate the harvester that also is allowed to switch from the original region to another region. The harvester is free to accept or reject that designation.~~
- ~~_____ 4. The option applies only to IPQ and corresponding Class A shares. It does not apply to any processing of Class B shares nor to Class B shares themselves.~~
- ~~_____ 5. The entity entitled to negotiate on behalf of the community shall be designated by one of the following: The State of Alaska or the United States Department of Commerce.~~
- ~~_____ 6. This option may be addressed through a trailing amendment.~~

3.4 Alternative Regionalization/Community Protection:

Recategorize and add a new option 2:

Option 1. Processing history may leave an eligible community of origin in which the history was established with permission of the eligible community. The processing QS may change communities with negotiated agreements between the processor and the originating (eligible) community; these agreements will be filed with the Secretary of Commerce thirty days prior to the quota share leaving the eligible community.

~~“Eligible communities” shall be defined as any community in which aggregate (community) landings exceeded 0-8% of the species for which the processor QS is awarded during the qualifying period.~~

~~“Community landings” for closed fisheries will be determined using a formula that mirrors “processor option one” as defined in the current analysis.~~

~~Community Development Allocation (based on existing CDQ program):~~

~~Modify as follows:~~

~~_____ Option 5. For the Aleutian Islands brown king crab fishery, the percentage of resource not utilized (difference between actual catch and GHL) during base period is allocated to the community of Adak and Atka.~~

~~_____ Option 5. Under a system that allocates processing shares/quota, allocate IPQ/shares to the CDQ Program with a range of 7.5% - 10% - 12.5%.~~

6.1 Coop model with the following elements and options:

Modify as follows:

~~_____ **1. Individual harvesting and processing histories** are issued to both catcher and processors and catcher processors.~~

~~_____ (Harvesters under Section 1.3.2 which meet program qualifications. Processors under Section 2.1, 2.3, and 2.4 (Options 1-4) which meet qualifications of the program).~~

**MINUTES
NPFMC MEETING
APRIL 2002**

8) Duration of coop agreements.

Add a Suboption: A harvester quota share holder may exit the cooperative at any time after one season. One season shall mean the season established by the Alaska Board of Fisheries for the fishery associated with the quota shares held by the harvester."

Add a new element 7.0: Implement a systematic data collection system for economic data, sufficient to monitor the relative distribution of both revenue and "quasi-rents"/profit in the processing and harvesting sectors.

~~Finally, the AP recommends the problem statement be modified to remove the language in the final sentence stating "retain parity" and replace with "achieve equity."~~

1.8.5 Sideboards:

Add a new sideboard option to consider as a trailing amendment:

1. Non AFA vessels that qualify for QS in the rationalized opilio crab fisheries would be limited to their
 - a) groundfish catch history excluding sablefish or
 - b) pcod catch history in the GOA fisheries.

The years for qualification would be 1995-1999.

2. Sideboard exemptions:

1. exempt vessels from sideboards which had opilio landings in the qualifying years if:

- Option a. <100,000 pounds
- Option b. <70,000 pounds
- Option c. <50,000 lbs
- Option d. <25,000 lbs

3. exempt vessels with more than 100, 200, or 500 tons of cod total landings in the years 95-99
4. vessels with <10, ≤50 and ≤100 tons total groundfish landings in the qualifying period would be prohibited from participating in the GOA cod fishery.
5. administer the program on an individual vessel basis.

3.4 Alternative Regionalization/Community Protection:

Move to add a new option 2 to consider as a trailing amendment:

Add a new Option 2:

Under this option, processor quota shares are subject to regional designations as set forth in Section 3.1, 3.2 and 3.3. A processing quota share holder may switch processor quota from one region to another region (on an annual or permanent basis) by compensating the community that is impacted by that change. A processor must provide compensation only if it switches from one region to another region. A change in location of processing within a region does not require compensation to a community. Compensation for a permanent departure from a region is only required one time; a subsequent change to another region does not require further compensation by the processing share quota owner. A switch of the region of processing under this option would include the following elements:

**MINUTES
NPFMC MEETING
APRIL 2002**

1. This option does not displace the regional designation of Class A shares or the processing of quota delivered under Class A shares. It instead provides an option for the delivery and processing of quota from Class A shares using IPQ into a different region upon compensation (in a manner and form acceptable to the effected community) to switch to another region.
2. The community to be compensated would be determined by the community that received the raw fish tax associated with the IPQ being transferred. The options for determining the community include:
 - (a) The community to which the raw fish tax was paid in 1, 2, 3 or 4 years prior to the proposed transfer;
 - (b) The community to which the raw fish tax was paid in the period used to determine eligibility for the issuance of IPQ;
 - (c) The community to which a majority of the raw fish tax was paid in the period designated in a or b above.
3. The processor that pays the compensation to the community may designate the harvester that also is allowed to switch from the original region to another region. The harvester is free to accept or reject that designation.
4. The option applies only to IPQ and corresponding Class A shares. It does not apply to any processing of Class B shares nor to Class B shares themselves.
5. The entity entitled to negotiate on behalf of the community shall be designated by one of the following: The State of Alaska or the United States Department of Commerce.

[End of Motion]

Mr. Duffy explained that he was using the Advisory Panel motion, with modifications to streamline the analysis because of time constraints. With regard to Section 1.8.5, Sideboards, Mr. Duffy indicated that this should be considered as a trailing amendment as it will take more time to analyze and consider than is available between this meeting and the Council's final consideration of the program in June.

During discussion, the following clarifications and amendments were made to the motion:

- Under Section. 1.4.2.7, Dave Fluharty moved to include an additional option, "Best of 5 seasons". The motion was seconded and carried unanimously. Staff pointed out that data will not be available for the 2001/02 season which just recently closed.
- Under Section 1.4.2.7, Brown King Crab, Robin Samuelsen moved to delete Option 5. The motion was seconded and **failed**, 8 to 2, with Samuelsen and Bundy voting in favor. Mr. Samuelsen thought that if this section remained in the analysis that all other options for qualifying years would have to be amended as well. Mr. Duffy pointed out that this is relative to brown king crab only and because of the unique nature of that fishery, it is unlikely that participants in the other fisheries would be requesting a similar recency provision.
- A motion to add new suboptions under 1.4.2.1, Option 5: for Opilio: 1996-2001, and best 5 seasons; and under Bristol Bay red king crab, a new Option 4: 1996-01, best 5 of 6 seasons, carried unanimously.
- Dave Fluharty moved to amend Section 2.1., **add**
(c): Processed crab for any crab fishery included in the IFQ program during 1998, 1999, or 1997:
Option 1. Processed crab in the opilio crab fishery during 1997 AND processed any species of crab included in the IFQ program in each of the following years: 1991, 92, 93, 94, 95, and 96.

**MINUTES
NPFMC MEETING
APRIL 2002**

The motion carried unanimously.

- Under Section 1.8.1, Section VII, the last paragraph, was revised as follows for clarity:
“An active participant is defined by participation in at least one delivery in a crab fishery in the rationalization program in the last year as evidenced by ADF&G fish ticket or affidavit from the vessel owner.”
- Under Section 2.3, Initial allocation of processing quota shares, Robin Samulesen moved to re-insert the new Option 4, as recommended by the AP: “If the buyer can be determined to be an entity other than the entity on the fish ticket, then the IPQ shall be issued to that buyer.” The motion was seconded by John Bundy and carried without objection.
- Under Section 2.3, Option 2, add a suboption to analyze the years 1996-2002. The motion was seconded and carried without objection.
- Regarding Section 2.8.3, Binding Arbitration, it was clarified that the portion submitted by Mr. Duffy would be in addition to the language in the section approved in February. Staff noted that this section is not well defined at this time and it is anticipated that by June a white paper could be released subsequent to the release of the public review document.
- John Bundy moved to delete Option 5 under Section 3.4, Community Development Allocation, in Mr. Duffy's motion. The motion was seconded by Dennis Austin and carried, 9 to 1, with Anderson voting against -- It was clarified that Option 5 in the February motion would remain intact.
- Stosh Anderson moved that the Council form a team of Council and agency staff to develop a list of specific data to be collected, and the mechanism by which the data would be collected. Upon development of the draft plan, the team will meet with the Council-identified industry members to refine the program. The motion was seconded by Robin Samuelsen and carried without objection.
- John Bundy moved to re-insert the language recommended by the Advisory Panel in the final sentence of the Problem Statement, as follows: Remove the language in the final sentence stating "retain parity" and replace with "achieve equity." Mr. Bundy stated that to some people the word 'parity' assumes there is parity at present and do not agree with that assumption. This is an effort to mitigate those concerns on the part of industry participants. The motion carried, 7 to 3, with Hyder, Penney, and Duffy voting against.
- With regard to Mr. Duffy's amendment for Section 1.8.5, Sideboards, it was clarified that this new section is meant to replace Section 1.8.5 in the February motion. A motion made to that effect carried without objection.
- Section 1.8.5, Sideboards, was amended as follows:
 1. Non-AFA vessels that qualify for QS in the rationalized opilio crab fisheries would be limited to their:
 - a. GOA groundfish catch history excluding sablefish, or
 - b. Inshore Pacific cod catch history in the GOA fishries (Offshore Pacific cod is exempt)
 - c. The years for qualifications would be: the same as qualifying periods listed in Section 1.4.2.1, as amended.

- Also, under Section 1.8.5, Sideboards, Option 5, "administer the program on an individual vessel basis," was deleted.
- Section 1.4.2.1, add Option 5. 1996-2002; (a) Best 6 seasons

After these modifications were made, staff was requested to prepare a revised motion and provide it for Council review and final approval. Staff also provided an oral report on the revisions with regard to data needs and ability to finalize the analysis with these changes. For the most part, staff advised that the changes can be incorporated, although for some of the issues staff will only be able to provide a qualitative discussion of possible effects. Council members indicated they understood that staff will accomplish as much as they can within the time available.

The following modifications were made on the draft final motion:

- Robin Samuelsen moved to delete Section 2.1(a)(ii), relating to processor eligibility (this section was added during the previous day's motions). The motion was seconded and carried with Fluharty objecting. Staff advised the Council this option would involve analysis of quite a few spillover effects and require more time than available, although staff could provide a snapshot of the results.

The main motion, as amended, carried unanimously (Ms. Madsen was absent for the vote). A copy of the Council's final action is attached as Appendix VII to these minutes.

Bering Sea/Aleutian Islands King and Tanner Crab EIS

Stosh Anderson moved to request NMFS adjudicate all Bering Sea/Aleutian Islands crab interim permits prior to the October 2002 consideration of the Crab EIS. The motion was seconded by Kevin Duffy and carried without objection.

Mr. Anderson stressed that resolution of the interim permits is critical to complete the NEPA evaluation of the impacts of the crab rationalization program.

C-6 Draft Programmatic Groundfish SEIS

ACTION REQUIRED

1. **Clarify Purpose and Needs Statement.**
2. **Review alternatives for revised analysis.**

BACKGROUND

In December we were informed that NMFS had decided to revise the draft programmatic groundfish SEIS (DPSEIS), in an attempt to address three primary areas of concern - (1) alternatives should be structured shifting from single-focus to multi-objective; (2) additional analysis concerning environmental, economic, and cumulative impacts; and, (3) the DPSEIS should be edited to evaluate more concisely the proposed action.

At the February meeting, the Council adopted a revised purpose and needs statement for the SEIS, and a set of eight alternatives for further consideration (attached as Item C-6(a)). Further it was clarified that the intent was to amend the FMPs policy goals and objectives pursuant to MSA, and that alternatives are alternative amendments for FMP goals and objectives. The Council requested that NMFS continue to work with interested stakeholders to further refine the policy alternatives. In

**MINUTES
NPFMC MEETING
APRIL 2002**

addition, the Council requested that NMFS further develop the case studies and a description of the proposed analytical framework for review at the April Council meeting.

Steve Davis, project leader, will provide a set of revised alternatives for the Council to review at this meeting. Once these alternatives are further fleshed out, the Ecosystem Committee will assist by reviewing how these alternatives achieve goals of ecosystem-based management.

A recent letter from Dr. Hogarth providing additional answers with regard to the DPSEIS process and the Council's role in that process is attached as Item C-6(b).

Scientific and Statistical Committee Report

The SSC suggested that selection of a preferred alternative implies that the Council will work to implement a detailed management plan within the subscribed policy framework using management elements similar to and constrained by the case study bookends. The SSC believes the next step in development of the revised DPSEIS is a collaboration with the Council or to select a committee of the Council to refine the case study management elements. The SSC is willing to assist the Council as required in this endeavor.

The Advisory Panel did not address this agenda item.

DISCUSSION/ACTION

Chairman Benton asked NOAA GC if it is possible to adopt alternatives for the analysis at the June meeting. Lisa Lindeman responded that they are not legally required to put alternatives in the *Federal Register*. Chairman Benton commented that if the Council adopts preliminary alternatives at this meeting they will review them at the June meeting after public comment. The Council will review all types of public comment (letters, phone calls, etc.) if people are unable to attend the June meeting.

Kevin Duffy moved that the Council endorse the preliminary, draft conceptual approach as detailed by the Work Group for further development of the PSEIS alternatives. The motion was seconded by Bob Penney.

John Bundy asked if he understood correctly that the Council would not identify a preferred alternative and Kevin Duffy responded that was correct. Chairman Benton said they would adopt a set of alternatives in June.

Motion carried without objection.

C-7(a) American Fisheries Act - Processor Sideboards, IR/IU Adjustments; Bycatch Reduction Measures; HMAP

Initial review of single geographic location amendment and proposed inshore/offshore language changes, and formally identify a Problem Statement for these proposed actions.

BACKGROUND

In October, 2001, the Council tasked staff to provide an analysis of eliminating the single geographic location restriction for floating inshore processors processing targeted BSAI pollock. The Council requested the analysis be completed in time for initial review during the April, 2002, Council meeting. On March 7, 2002, National Marine Fisheries Service submitted a letter (Item C-7(c)(1)) to the Council requesting expansion of the single geographic location amendment to include four inshore/offshore-

related amendment changes. These changes have been included in the package for Council consideration.

Single Geographic Location

The purpose of this action is to provide greater flexibility for AFA-qualified inshore floating pollock processors during a fishing year by allowing them to process targeted BSAI pollock in more than one geographic location.

There are two alternatives under consideration in this action item. The first alternative is to leave intact the language that restricts AFA-qualified inshore floating processors to a single geographic location during a single fishing year while processing BSAI targeted pollock. The second alternative is to allow AFA-qualified inshore floating processors to process targeted BSAI pollock in more than one location in a single fishing year.

Inshore/Offshore Language Proposals

The purpose of this action is to revise obsolete or inconsistent inshore/offshore language in the BSAI and GOA Groundfish FMPs. The passage of the AFA in 1998 superseded inshore/offshore language in the BSAI Groundfish FMP. As a result, inshore/offshore language currently contained in the BSAI FMP is obsolete or no longer consistent with AFA. The GOA inshore/offshore language in the GOA FMP was also impacted by the passage of the AFA. There are multiple references to BSAI inshore/offshore categories and operating restrictions that no longer are relevant under the AFA. Currently, the GOA inshore/offshore allocation is scheduled to sunset on December 31, 2004. The rationale for that sunset date was to be consistent with the AFA, allowing simultaneous review of the AFA and GOA inshore/offshore allocation. However, Congress recently eliminated the December 31, 2004 sunset for AFA, thus extending the act indefinitely. With the extension of AFA, the rationale for a 2004 sunset in the GOA no longer appears valid. To extend the GOA inshore/offshore allocation indefinitely and to eliminate obsolete language and rectify inconsistent language between the AFA and inshore/offshore regime, a number of options are included in this Amendment.

In this action item, there are five alternatives under consideration. These alternatives are exclusive from one another, so any combination of alternatives can be selected. The first alternative is no action. The second alternative is remove obsolete inshore/offshore language from the BSAI Groundfish FMP. The third alternative is update the CVOA to accommodate AFA-related changes. The fourth alternative is remove references to BSAI inshore/offshore from the GOA Groundfish FMP. The final alternative is remove the December 31, 2004, sunset date for GOA inshore/offshore allocations.

Scientific and Statistical Research Committee Report

The SSC identified several problems with the IR/IU flatfish analysis and recommended the analysis not be released for public review until issues raised and deficiencies identified have been addressed. See SSC Minutes, Appendix VI, for specific comments.

Advisory Panel Report

The AP recommended making several changes to the analysis before sending it out for public comment on track for a Council decision on flatfish IR/IU modifications in June 2002. The AP further recommended that the suite of alternative bycatch reduction measures in the current analysis be separated from the IR/IU package and be developed into an expanded analysis of alternative bycatch avoidance and discard reduction measures for prohibited species catch and groundfish species.

MINUTES
NPFMC MEETING
APRIL 2002

DISCUSSION/ACTIONS

Earl Krygier moved that the Council send the flatfish IR/IU document out for public comment after making the changes outlined below, with initial Council consideration in June and a final decision in October 2002.

- (a) Add a qualitative discussion of the costs associated with harvesting and processing essentially “valueless” IR/IU flatfish species. The analysis will consider how that fits with the Magnuson-Stevens Act (optimum yield and conservation principles), additional transportation costs, modification costs for catcher-vessels, such as hold modifications necessary to segregate flatfish from target species, and potential environmental as well as economic costs associated with disposal of unmarketable flatfish catches and the justification for prosecuting fisheries with high discards of the target species.
- (b) Include the summary tables and graphs used in the staff presentation.
- (c) Add an option to delay implementation of the 100% standard for 1, 2 or 3 years.
- (d) Any target fishery with less than 5% discard of flatfish is exempted from the flatfish IR/IU program.

A work group will be appointed to evaluate and propose any needed modifications to the suite of alternative bycatch reduction measures in the current analysis. Staff, in concert with the IR/IU work group, will develop these considerations into an expanded analysis of alternative bycatch avoidance and discard reduction measures for review at the June meeting. These measures should include but not be limited to: prohibited species catch and other bycatch management pools (modeled after the AFA halibut and crab bycatch management under co-ops); HMAP or deck sorting of halibut for trawlers; required or voluntary use of halibut excluders. The motion was seconded by Bob Penney.

Sue Salveson moved to amend the motion to have the analysis revised between now and June to focus on IR/IU issues so the Council is prepared to take initial review in June and final action in October. The remaining issues will be forwarded to the work group.

The motion was seconded by John Bundy.

John Bundy moved to amend the motion by deleting the word “discard” from (d) above, and replacing it with the word “bycatch.” David Fluharty seconded the motion, which carried without objection.

Sue Salveson moved to amend the last paragraph of the motion as follows:

The Council further recommends a work group *be constituted to evaluate and propose any needed modifications to the suite of alternative bycatch avoidance reduction measures in the current analysis.* Staff, in concert with the IR/IU work group, will develop these ~~considerations into an expanded analysis of alternative bycatch avoidance and discard reduction measures~~ for review at the June meeting. *These measures could have the objective of reducing bycatch amounts or mortality of flatfish or other prohibited species catch.* These measures should include but not be limited to: VBAs, co-ops, prohibited species catch and other bycatch management pools (~~modeled after the~~ or AFA halibut and crab bycatch management under co-ops); HMAP or deck sorting of halibut for trawlers; required or voluntary use of halibut excluders.

The motion was seconded by Stosh Anderson and passed 6 to 3 with Austin, Krygier and Benton voting against.

The amended motion passed 9 to 0. Robin Samuelsen was absent for the vote.

C-7(b) American Fisheries Act - Additional Pacific Cod Sideboard Measures

ACTION REQUIRED

Initial review of measures for BSAI winter Pacific cod amendment, and formally identify a Problem Statement for this proposed action.

BACKGROUND

In October, 2001, the Council tasked staff to provide an analysis of alternatives for restricting AFA vessels from targeting BSAI Pacific cod during January and February. The Council requested the analysis be completed in time for initial review during the April 2002 Council meeting. The purpose of this action is to provide greater protection to non-AFA trawl catcher vessels targeting BSAI Pacific cod during the months of January and February. The concern is over impacts to the non-AFA vessels that have traditionally fished Pacific cod and may have been subject to increased competition as a result of implementation of the AFA. The potential impacts of this increased level of competition include factors such as decreased catch per unit of effort resulting in longer fishing times per trip, reductions in catch and a need to venture further out into the Bering Sea with possible increased dangers to smaller vessels during January and February.

There are four alternatives in the proposed action that are under consideration. The first alternative is status quo. The remaining three alternatives are combination of limited access options and/or an allocation of Pacific cod. The second alternative would restrict access to the BSAI winter cod fishery to only cod-exempt AFA vessels and open access vessels who have delivered 500,000 pounds or more of Pacific cod during 4 out of 5 years from 1995 to 1999. In this alternative, it is not clear from the wording whether the Council intended the threshold criteria apply only to the non-AFA fleet, or whether it is intended to be applied to the AFA cod-exempt vessels as well. The third alternative would allocate a portion of trawl catcher vessel allocation of Pacific cod to non-AFA vessels who qualified under the second alternative. There are two options under consideration. The first is an allocation that provides a minimum of between 2.5 to 5 million pounds with no cap. The second option is an allocation based on the vessels historical catch. The fourth and final option would require cooperatives to limit the number of AFA vessels on the winter cod grounds so as not to preempt non-AFA vessels from the historic participant. Staff will summarize results of the analysis at this time.

Scientific and Statistical Committee Report

The SSC recommended the EA/RIR/IRFA be sent out for public review once the following information is provided:

1. Maps of trawl locations in the fishery, indexed by fleet type and year.
2. Available CPUE data.
3. More complete summary of Pacific cod quota and fraction of quota taken by fleet type and month.

Advisory Panel Report

The AP recommended the Council not send out the analysis for public review until several requested modifications are made, and the document brought back for further review prior to release.

**MINUTES
NPFMC MEETING
APRIL 2002**

DISCUSSION/ACTION

Because of time constraints, the Council did not address this agenda item.

C-7(c) American Fisheries Act - Single Geographic Location (SGL) Change

ACTION REQUIRED

Initial review of measures for BSAI winter Pacific cod amendment, and formally identify a Problem Statement for this proposed action.

BACKGROUND

In October, 2001, the Council tasked staff to provided an analysis of alternatives for restricting AFA vessels from targeting BSAI Pacific cod during January and February. The Council requested the analysis be completed in time for initial review during the April 2002 Council meeting. The purpose of this action is to provide greater protection to non-AFA trawl catcher vessels targeting BSAI Pacific cod during the months of January and February. The concern is over impacts to the non-AFA vessels that have traditionally fished Pacific cod and may have been subject to increased competition as a result of implementation of the AFA. The potential impacts of this increased level of competition include factors such as decreased catch per unit of effort resulting in longer fishing times per trip, reductions in catch and a need to venture further out into the Bering Sea with possible increased dangers to smaller vessels during January and February.

There are four alternatives in the proposed action that are under consideration. The first alternative is status quo. The remaining three alternatives are combination of limited access options and/or an allocation of Pacific cod. The second alternative would restrict access to the BSAI winter cod fishery to only cod-exempt AFA vessels and open access vessels who have delivered 500,000 pounds or more of Pacific cod during 4 out 5 years from 1995 to 1999. In this alternative, it is not clear from the wording whether the Council intended the threshold criteria apply only to the non-AFA fleet, or whether it is intended to be applied to the AFA cod-exempt vessels as well. The third alternative would allocate a portion of trawl catcher vessel allocation of Pacific cod to non-AFA vessels who qualified under the second alternative. There are two options under consideration. The first is an allocation that provides a minimum of between 2.5 to 5 million pounds with no cap. The second option is an allocation based on the vessels historical catch. The fourth and final option would require cooperatives to limit the number of AFA vessels on the winter cod grounds so as not to preempt non-AFA vessels from the historic participant. Staff will summarize results of the analysis at this time.

Scientific and Statistical Committee Report

The SSC recommended the document be released for public review with a few additional modifications. The modifications are detailed in the SSC Minutes, attached as Appendix VI to these minutes.

Advisory Panel Report

The AP recommended the Council adopt the following problem statement and release the document for public review:

SGL Problem Statement

Existing regulations require AFA inshore floating processors to operate in a single geographic location when processing BSAI targeted pollock. The result is a lack of

flexibility and inefficient use of these facilities. The problem for the Council is to develop an FMP amendment to remove this restriction in the BSAI while providing continued protection for GOA groundfish processors. The Amendment should increase flexibility for these facilities to provide opportunities for reduced delivery costs and enhanced product quality while avoiding negative environmental impacts.

Additionally, the AP recommended the Council substitute the following for Alternative 2:

Allow AFA-qualified inshore floating processors to operate in more than one location during a fishing year while processing BSAI pollock. The AFA-qualified inshore floating processors would be required to process GOA Pacific cod and GOA Pollock from where they are currently processing GOA groundfish and could not establish a new processing location within the GOA.

DISCUSSION/ACTION

Earl Krygier moved to adopt the problem statement recommended by the Advisory Panel (see above) and release the document for public review. The motion was seconded by Bob Penney.

Sue Salvesson made a friendly amendment that the portion of the analysis containing the removal of the sunset date of December 31, 2004 for Inshore/Offshore provisions in the Gulf of Alaska go out for public review and action in June. The motion was seconded by David Fluharty and carried without objection.

Lisa Lindeman brought up the fact that the AFA includes in its definition of shoreside processors, vessels in a single geographical location in state waters. This would define SGL in the Bering Sea and could conflict with Alternative 1 which would "allow AFA-qualified inshore floating processors to operate in more than one location." Council would have to define what "single geographic location" means since it's undefined in the AFA. Lisa agreed to work with Kent Lind and wordsmith the analysis so that single geographic location was defined on a time period such as bi-annual, monthly or weekly.

Earl Krygier requested Kent Lind (NMFS) include the definition of inshore processor in the GOA in the analysis. The motion by Sue Salvesson to remove the sunset date would not change the definition.

Motion carried without objection.

C-8 Essential Fish Habitat

ACTION REQUIRED

- (a) **Receive EFH committee report and summary of NMFS workshop.**
- (b) **Review recommendation from Council/BOF Protocol Committee.**

BACKGROUND

EFH committee report and summary of NMFS workshop

The Council appointed an EFH Committee in May 2001, to work with NMFS and Council staff to develop alternatives for EFH & HAPC designation, and alternatives to minimize adverse effects of fishing. The EFH Committee met on March 27 in conjunction with an EFH NMFS workshop March 25-

**MINUTES
NPFMC MEETING
APRIL 2002**

26 at the Alaska Fisheries Science Center, Seattle. The purpose of the meeting was to review fishery descriptions, discuss potential adverse effects, discuss mitigation tools/applications, and receive a summary on the effects of fishing gear literature applicable to the Alaska region. Committee minutes, including the draft reports, are attached as Item C-8(a)(1). The Committee established workgroups to: 1) discuss the concept of rationalization as a tool for EFH mitigation, and 2) to develop a methodology to identify potential adverse effects. Reports from these workgroups will be made at the next Committee meeting.

At its next meeting May 15-17 in Sitka, the Committee will finalize fishery descriptions, receive reports from the workgroups, review detailed descriptions of EFH designation alternatives, and discuss potential HAPC sites and types.

Council/BOF Protocol Committee

The Council/BOF Protocol Committee is scheduled to meet on April 17 to discuss interactions between EFH Development and MPA development. A report from the Committee could be reviewed by the Council at its June meeting.

Report of the Scientific and Statistical Committee

The SSC recognized that developing criteria for EFH and HAPC is a work in progress. They also cautioned the Council against assuming too narrow a view of the habitats and communities supporting managed species which were outlined as concerns in the EFH guidelines. Benthic communities' comprehensive knowledge of dependencies is largely lacking. The SSC agreed with the EFH Committee in that large gaps in knowledge will make it difficult to define EFH and HAPC. Evaluation of bottom trawl impacts could be analyzed by comparing NFMS' bottom trawl survey data relative to spatial distribution of commercial trawling activity in an effort to determine if changes in survey catch rates, species, or size composition could be related to trawling activities.

The Advisory Panel did not address this agenda item.

DISCUSSION/ACTION

As proposed by Stosh Anderson, EFH Committee Vice Chairman, **the Council agreed to act on items #4 and #5 (below) of the EFH Committee's Report.**

- 4. The Council write letters to North Pacific Research Board, PCCC and NMFS endorsing adaptive management research as a funding priority, asking them to consider incorporating such studies relevant to their research objective.**
- 5. The Council write letters to North Pacific Research Board, PCCC and NMFS emphasizing EFH as a pressing fishing management issues, in particular prioritize habitat mapping and substrate classification as well as gear impact analysis.**

The following are areas importance for gear impact analysis:

- 1- Pelagic gear effects on habitat**
- 2- Follow up on the coral trawl study in Southeast**
- 3- Encourage the current proposed assessment on the longline fishery (Heifetz-ABL)**

4- Encourage an assessment on the pot fishery for habitat information

Mr. Anderson also pointed out an article on EFH that was published in the Resource Development Council's April 2002 newsletter.

C-9 GOA Rationalization

ACTION REQUIRED

Review progress from GOA Working Group.

BACKGROUND

At its February meeting, the Council appointed a new committee to refine its draft problem statement, possible alternatives for analysis, species for rationalization, and qualifying years for participation. The first meeting occurred on March 14 and 15 in Anchorage. The working group revised the problem statement and objectives, identified a multi-species approach to rationalizing the Gulf groundfish fisheries, and identified a course of action through the summer.

The working group will convene briefly on April 9 at 5 PM for a final review of its March minutes. Those minutes will be distributed during the Council meeting. After the Council has reviewed the working group's progress to date, the group may schedule its next meeting in May to identify analytical options for qualifying years and report back to the Council at its June meeting. If the Council concurs with the recommendation to call for proposals on rationalization alternatives from the public, the working group may schedule meetings over the summer to review those proposals and identify alternatives for analysis. It would report those recommendations to the Council at its October meeting. The Committee has also requested additional data aggregation from staff relative to assessing qualifying years.

NMFS staff plans to file a Notice of Intent for Scoping for rationalizing GOA groundfish fisheries and invites the Council to provide comments on how to proceed with scoping on this issue. The working group has recommended that a call for proposals on rationalization alternatives be conducted during Summer 2002 to aid the group in recommending a suite of alternatives for analysis in Fall 2002. The group recommended that its process of developing analytical alternatives be considered part of scoping. It has also proposed scoping meeting locations.

Neither the Scientific and Statistical Committee nor the Advisory Panel addressed this agenda item.

DISCUSSION/ACTION

Jane DiCosimo presented the minutes of the March 14-15, 2002 GOA Working Group meeting. Stosh Anderson, Co-Chairman of the GOA Committee, announced that the GOA Committee Meeting held in Anchorage in March was more productive than any so far and that they intend to meet again in May in Juneau. Robin Samuelson asked how the Council could accomplish calling for Gulf groundfish rationalization proposals vetted through the summer of 2002 and still have them included in the analysis in October 2002. Stosh Anderson responded that that fits into their tentative meetings in August and September and that the Committee wanted to complete this issue. Kevin Duffy had heard positive comments about moving the issue forward. Stosh Anderson complimented Stephanie Madsen on her hard work for the Committee.

Kevin Duffy moved that the Council request NMFS begin the SEIS process for GOA Groundfish Rationalization as soon as possible. The motion was seconded by Bob Penney.

**MINUTES
NPFMC MEETING
APRIL 2002**

Chairman Benton suggested using the scoping process under NEPA working through the Committee process as a vehicle to start the rationalization process. **Motion carried without objection.**

Kevin Duffy moved to replace the previous Problem Statement and Objectives for GOA Rationalization with those in the GOA Work Group Draft Minutes of March 14-15. The motion was seconded by Bob Penney and carried without objection.

The approved Problem Statement and Objectives are as follows:

Problem Statement for Gulf of Alaska Groundfish Rationalization

Increasing participation in the Gulf of Alaska fisheries, as well as increasing catching and processing capacity, have intensified the race for fish with the attendant problems of:

- reduced economic viability of the harvesters, processors, and GOA communities,
- high bycatch,
- decreased safety,
- reduced product value and utilization,
- jeopardy to community stability and their historic reliance on groundfish fishing and processing,
- limited the ability of the fishery harvesters and processors to respond to changes in the ecosystem,
- limited the ability to adapt to Magnuson-Stevens Act (MSA) requirements to minimize bycatch and protect habitat, and
- limited the ability to adapt to changes to other applicable law (i.e., Endangered Species Act).

All of these factors have made achieving Magnuson-Stevens Act goals difficult and force re-evaluation of the status quo.

Objectives

1. Maintain the character of an independent harvester fleet while allowing for meaningful reduction of excess capacity.
2. Foster a healthy, competitive processing and harvesting environment.
3. Protect the harvesting, processing, and community sectors from losing the relative value of their existing investments.
4. Maintain the relative market balance between the harvesting and processing sectors.
5. Provide opportunities for Gulf of Alaska coastal communities to benefit from rationalization programs.
6. Consider historic and recent participation for allocating the benefits of rationalization to all three sectors.
7. Maintain and encourage participation in rationalized fisheries by active holders of quota shares, catch histories, or licenses.
8. Effectively control excessive consolidation and vertical integration by all sectors.
9. Consider the status of skippers and crew.
10. Provide entry level opportunities for individuals.
11. Meet Magnuson-Stevens Act requirements, including conservation requirements.
12. End the race for fish and improve the economic viability of harvesters and processors.

C-10 Steller Sea Lions

ACTION REQUIRED

Initial review of analysis for two trailing amendments.

BACKGROUND

In October 2001, the Council adopted alternative 4 of the draft Supplemental Environmental Impact Statement (SEIS) as its final preferred alternative to protect Steller sea lions, with only minor modifications and clarifications. The Council also identified eight items to be analyzed in a trailing amendment, for possible implementation in the 2003 season (Item C-10(a)).

At the February meeting, the Council voted to move ahead with analysis of two trailing amendments, items #7 and #9 (the AI pollock fishery allowance, and the Board of Fisheries exemptions). All of the other items, with the exception of item # 4 (exemption for all vessels < 60') would be sent to the sea lion committee for their review and recommendations. The sea lion committee has not yet met to discuss possible tradeoffs that may be required to implement any of these options and still avoid jeopardy and adverse modification of Steller sea lion habitat.

At this meeting, the Council will make an initial review of the analysis (executive summary attached as Item C-10(b)). The analysis examined five alternatives. Alternatives 1 to 3 are mutually exclusive and Alternatives 4 and 5 are mutually exclusive. However any of Alternatives 1 to 3 may be chosen in combination with either Alternative 4 or 5.

Aleutian Islands pollock

Alternative 1: Allow an AI pollock fishery with split season outside of critical habitat, with 40% of the TAC from January 20-June 10, and 60% of the TAC from June 10-November 1.

Alternative 2: Closure of the AI to pollock fishing.

Alternative 3: Allow an AI pollock fishery with a single season outside of critical habitat.

Caton Island-Cape Barnabas Pacific cod pot

Alternative 4: No exemption for vessels using pot gear.

Alternative 5: Exempt pot fishing vessels from sea lion closures from 0-3 nm around Caton Island and Cape Barnabas.

Final action on this amendment package is scheduled for June.

Items for a trailing amendment:

1. **Area 8 exemption:** allow catcher vessels (of any LOA) using longline gear to fish 3-10 nm from haulouts of Reef-Lava and Bishop Point.
2. **Area 4 exemption:** allow vessels under 60 feet LOA using fixed gear to fish in waters of the Chignik area.
3. **Stand down provisions** between A/B and C/D seasons for pollock in the GOA
4. **Exemption for all longline, pot, jig gear, and trawl catcher vessels and catcher processors** under 60 ft. Identify as a preliminary preferred alternative that the exemption would only apply to catcher vessels.

**MINUTES
NPFMC MEETING
APRIL 2002**

5. **Examine options for a Gulf of Alaska Pacific cod split other than the current 60/40 split.**
6. **For the BSAI Atka mackerel fishery, analyze options to change percentage inside/outside critical habitat of 50/50 and 70/30.**
7. **For the Aleutian Islands pollock fishery, examine three options:**
 - a) **closure;**
 2. **a single season outside of critical habitat;**
 2. **a split season (40/60 % of TAC).**
8. **In Area 9, analyze a range of caps for pot, longline and jig gear.**
9. **(December 2001 addition). The Board of Fisheries modifications.**

Scientific and Statistical Committee Report

The SSC recommended the document not be released for public review until the following modifications have been completed and the revised document reviewed by the SSC:

- √ There needs to be a clear Problem Statement at the outset of the discussion of the alternatives.
- √ There is concern that these amendments set a precedent that with some accumulation of additional amendments may lead to the breakdown of the management program that is now in place.
- √ For the trailing amendments addressing the Aleutian Island pollock fishery, provide the history of why this fishery was originally closed, and what has changed to justify its reopening at this time.
- √ For the Caton Island and Cape Barnabas closures, evaluate a) the impact of potential human/sea lion interactions, b) the projected catch as a proportion of the fish available to be caught in each region, c) the catch histories and catch distributions of the vessels affected by the proposed exemption, and d) the impact of the presence of the pot fishery on the potential for the rebuilding of sea lion use of the two haulout areas.
- √ A thorough discussion of the reasons that the NMFS Protected Resources Division concluded that these two actions would not effect Steller sea lions should be included in the revised document.

Advisory Panel Report

The AP recommended the Council delay the release of the trailing amendments until the SSC's concerns are addressed and that new data from the Miller-Freeman survey be included in the analysis. The AP further recommends the Council appoint representatives from the two closed areas (Areas 4 and 9) to the Steller sea lion committee and any other working group addressing the trailing amendment for Steller sea lion provisions.

DISCUSSION/ACTION

Kevin Duffy moved that the draft EA/RIR/IRFA be released for review. The motion was seconded by Robin Samuelsen.

Jim Balsiger stated that the former RPA Committee did not find a reason that in order to protect Steller sea lions, the eastern Aleutian Islands fishery needed to be closed. There was no advantage to the sea lions by keeping it closed.

The motion passed 7 to 3, with Balsiger, Bundy and Hyder against.

Kevin Duffy moved that the Council request NMFS to utilize all components of the 2002 Winter Survey acoustical data to the maximum extent possible during the 2003 TAC specification process. The motion was seconded by Robin Samuelsen and carried without objection.

Robin Samuelsen moved to add a new item to the trailing amendment for consideration of season date changes for Gulf pollock and Pacific cod which will be referred to the RPA Committee. The motion was seconded by John Bundy and carried without objection.

Jim Balsiger moved to extend the Emergency Rule for SSL measures beyond 2002. The motion was seconded and carried 9 to 1 with Benton voting against.

C-11 Research Priorities

ACTION REQUIRED

Discuss and identify research priorities.

BACKGROUND

The BSAI and GOA Groundfish Plan Teams revised the current list of research priorities during its November 2001 joint meeting (Item C-11). No revisions were provided by the Crab Plan Team. After receiving comments from NMFS and the SSC at this meeting, the Council will forward the priorities to NOAA for use in preparing its annual budget.

Scientific and Statistical Committee Report

The SSC decided to delay this agenda issue until the June Meeting so it can organize a work group to draft research priorities.

The Advisory Panel did not address this agenda item.

DISCUSSION/ACTION

David Fluharty questioned why the Crab Team didn't provide recommendations with where it was on crab stock research. Staff member Dave Witherell responded that an interagency research group meets annually to discuss crab research projects. David Fluharty commented that it might be useful to forward that information to the SSC and the Council.

John Bundy complimented the SSC on the great job it does and that they serve the Council well. He was concerned about how its minutes read on research priorities and stated the research board should always have the Council's agenda and maintain its priorities with an adaptive management approach.

Roy Hyder moved that the Council recognize the concern of what was heard in public testimony and emphasize it as a research priority to the Plan Team and include that emphasis in any letter the Council may write to the NPRB. The motion was seconded by Stosh Anderson and carried without objection.

John Bundy moved that the Council advise and request the Board via letter to consider as a high priority the needs of the Council for research relative to management issues before the Council at this time and within the near future. The motion was seconded and carried without objection.

**MINUTES
NPFMC MEETING
APRIL 2002**

Stosh Anderson asked which would be preferred, either writing individual letters for each topic or just one letter. Chairman Benton stated one letter would be better. Stosh Anderson requested a placeholder for two additional items on the letter.

D-1 Staff Tasking

ACTION REQUIRED

- (a) Review existing tasking and provide direction.
- (b) Discuss annual proposal cycle/SOPPs.

BACKGROUND

Tasking

There are three items for reference under this tab: (1) the familiar spreadsheet with current Council projects summarized - I will go over these in further detail; (2) a specific breakdown of each staff members' current tasking and available time for additional projects (note that any available weeks are between June and October, and that work weeks currently projected do not include projects on the 'potential new projects or lower priority' tasking); and, (3) a three-meeting outlook for reference, which I will also cover in more detail.

Annual Proposal Cycle

Another issue, related to staff tasking, that I want to discuss with the Council is that of our annual groundfish proposal cycle. Our Standard Operating Practices and Procedures (SOPPs) detail an annual proposal cycle each summer where we solicit proposals, review them in the fall, and determine which proposals to move forward into a formal analytical/amendment process. For the last two years we have not solicited groundfish proposals (IFQ proposals are on a two-year cycle) due to the backlog of existing projects and the press of often unexpected events. However, many new amendment proposals are initiated by the Council outside of that formal proposal process, often by necessity, but sometimes by virtue of public proposals submitted to the Council on a meeting-by-meeting basis. Item D-1(a) is a letter received from Max and Scott Hulse requesting the Council to revisit dredge size restrictions enacted under the scallop LLP.

Having been questioned on numerous occasions about the process for submitting proposals, I would like to have some Council feedback on whether you feel the annual proposal cycle is still relevant to our process. We are in the process of updating our SOPPs, and I would like to know whether changes or clarifications are necessary in this regard. Perhaps the June meeting would be the more logical point at which to make a decision on this, as we will have a better picture of staff availability over the lengthy period between June and October, and we will need to make a decision on whether to solicit proposals over the summer. In June I also hope to have a better idea of implications to our process from the NMFS Regulatory Streamlining Process outlined by Dr. Hogarth last fall. Initial discussions with NMFS staff indicate that many aspects of this initiative will impact our process, both in terms of content of our analyses and timing of Council review and approval.

Neither the Scientific and Statistical Committee nor the Advisory Panel addressed this agenda issue.

DISCUSSION/ACTION

The Council agreed to discuss Staff Tasking issues at the June meeting in Dutch Harbor, Alaska.