

MINUTES

164th Plenary Session
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
December 10-15, 2003
Anchorage, Alaska

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North Pacific Fishery Management Council

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Certified Stephanie D. Madsen
Stephanie Madsen, Chair

Date June 9, 2004

MINUTES

**164th Plenary Session
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
December 10-15, 2003
Hilton Hotel
Anchorage, Alaska**

The North Pacific Fishery Management Council met December 10-15, 2003, at the Hilton Hotel in Anchorage, Alaska. The Scientific and Statistical Committee met December 8-10, and the Advisory Panel met December 8-11 at the same location. The following members of the Council, staff, SSC and AP attended the meetings.

Council

Stephanie Madsen, Chair
Stosh Anderson
Jim Balsiger
David Benson
John Bundy
Tony DeGange
Kevin Duffy/Earl Krygier

Dennis Austin, Vice Chair
Dave Hanson
Arne Fuglvog
Roy Hyder for Lindsay Ball
Hazel Nelson
CAPT Richard Preston for RADM Underwood
Edward Rasmuson

NPFMC Staff

Chris Oliver, Executive Director
Cathy Coon
Jane DiCosimo
Elaine Dinneford
Diana Evans
Mark Fina
Nicole Kimball

Diana Stram
Bill Wilson
David Witherell
Gail Bendixen
Maria Shawback
Shannon Vivian

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Support Staff

Lisa Lindeman, NOAA-GCAK
John Lepore, NOAA-GCAK
Sue Salveson, NMFS-AKR
Herman Savikko, ADF&G
Andy Smoker, NMFS-AKR
Brandee Gerke, PRC-NOAA
Gregg Williams, IPHC

Loh-Lee Low, AFSC
Marcus Hartley, Northern Economics
Jay Ginter, NMFS-AKR
Jim Ianelli, AFSC
Ben Muse, NMFS-AKR

Scientific and Statistical Committee

Rich Marasco, Chair
Keith Criddle
Mark Herrmann
Sue Hills
George Hunt
Gordon Kruse

Pat Livingston
Ken Pitcher
Terry Quinn
Farron Wallace
Doug Woodby

Advisory Panel

John Bruce, Chair
Dave Boisseau
Craig Cross
Tom Enlow
Dan Falvey, Co-Vice Chair
Lance Farr
Duncan Fields

Dave Fraser
Bill Jacobson
Teresa Kandianis
Mitch Kilborn
Kent Leslie
Tracey Mayhew
Sandra Moller

Kris Norosz
Eric Olson
Jim Preston
Michelle Ridgway
Jeff Steele
Jeff Stephan

Other Attendees

The following people signed the attendance register:

R. D. Humphreys
Thorn Smith
Beth Stewart
Glenn Reed
Janet Smoker
John Henderschedt
Whit Sheard
Frank Kelty

Phillip Lestenkof
Myron Melovdiov
Terry Haines
Mike Shaver
Arni Thomson
Robert Mikol
Heather McCarty
Eric Hillis

Mike Szymanski
Joe Chuilders
Karl Ohls
Brent Paine
Joe Sullivan
Steve Grabacki
Margie Bauman
Donna Parker

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)

Council Chair Stephanie Madsen called the meeting to order at approximately 8:00 a.m. on Wednesday, December 10, 2003. Agenda - The agenda was approved as submitted.

B. REPORTS

The Council received written reports from the Executive Director (Agenda item B-1), NMFS Management (B-2), Coast Guard (B-3), ADF&G (B-4), and U.S. Fish and Wildlife (B-5).

DISCUSSION RESULTING FROM REPORTS

Executive Director's Report

Council members acknowledged all the hard work by Chris Oliver, Jim Balsiger and Sue Salveson, as well as the others involved with the organizing committee for the national conference held in November.

FORMAT FOR COUNCIL MEETING MINUTES

Each agenda item 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 and Advisory Panel on the subject. Last will be a section describing Council **Discussion and Action**, if any.

C. NEW OR CONTINUING BUSINESS

C-1 Gulf of Alaska Rationalization

ACTION REQUIRED

- (a) **Receive report from Joint Protocol Committee.**
- (b) **Receive report from Groundfish Development Authority (Council only).**
- (c) **Review and refine alternatives and options.**

BACKGROUND

State issues

The Joint Protocol Committee will convene on December 8 to review the State's progress in defining analytical alternatives for managing State water groundfish in the Gulf of Alaska. The Alaska Board of Fisheries has appointed a steering committee to identify recommended alternatives for allocation and management of the GOA groundfish fisheries in state waters, in concert with the Council's intent to rationalize the GOA groundfish fisheries. The Board's committee convened on October 29 (Item C-1(a)) and December 3-4, 2003. Minutes of the December meetings will be provided when available.

The Board and Council will meet together during the Council's February 2004 meeting. Later in February, the Board will convene and take a final report from its committee. The Board will review the committee recommendations and report its timeframe for promulgating state regulations during

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the April 2004 Council meeting. The EIS can be finalized once these options for managing state groundfish fisheries are finalized by the Council.

Groundfish Development Authority

In October 2003, the Council requested a presentation on the Canadian Groundfish Development Authority (GDA) (Item C-1(b)(1)). Mr. Bob Humphreys, Executive Director of the GDA, will provide a summary of a five year review of the program (Item C-1(b)(2)). The GDA was established as a result of an agreement reached between the Department of Fisheries and Oceans, the B.C. Ministry of Agriculture, Fisheries and Food, the Coastal Community Network, and fishing industry participants (i.e.; processors and vessel owners). Its purpose is to ensure fair crew treatment, to aid in regional development, to promote the attainment of stable market and employment conditions and to encourage sustainable fishing practices. Under the Groundfish Trawl Long-Term Management Plan introduced in 1997, 80% of the groundfish trawl, Gulf hake and offshore hake total allowable catches have been allocated as individual vessel quotas and 20% have been set aside for allocation by the Minister of Fisheries, subject to advice by the GDA. This information may be useful to the Council in its deliberations of possible revisions to community protection options during its review of elements and options for analysis in the environmental impact statement (EIS).

Alternatives, elements and options

In October 2003, the Council considered, but did not act on, proposed changes to the June 2003 suite of alternatives, elements, and options to rationalize the Gulf of Alaska groundfish fisheries. Instead, the Council requested that staff prepare a discussion paper to assist it in its deliberations of the proposed October changes. Once a final suite is defined by the Council, staff can begin preparation of the EIS and regulatory impact analysis. The staff discussion paper was distributed on November 26 and is also attached as (Item C-1(c)). Proposed changes address:

- 1) revisions to the June 2003 alternatives for fixed gear catcher vessels, trawl catcher vessels, and catcher/processors;
- 2) a Council motion that addresses 29 staff topics identified in the October 2003 draft discussion paper;
- 3) options for halibut and sablefish IFQ participants and Southeast Outside fisheries;
- 4) revisions to community protection options;
- 5) a motion on salmon and crab prohibited species catch limits for GOA groundfish fisheries.

The SSC did not address this agenda item.

Report of the Advisory Panel

The Advisory provided the Council with numerous recommendations for elements and options – Please see the AP Minutes, Appendix II to these minutes, for their full set of recommendations.

DISCUSSION/ACTION

(a) Report from Joint Protocol Committee

Jane DiCosimo briefly reported on the meeting held on December 8, although draft minutes had not yet been reviewed by committee members. The Committee received an update on progress made to date by Board of Fish regarding development of state water fishery options in coordination with the Council's Gulf Rationalization program. ADF&G has provided the Board with a white paper describing options for state groundfish fisheries and two legal documents, requested by the Committee at their last meeting, giving general background information on IFQ issues for state waters and questions regarding moratorium and

limited entry issues for state waters. The outcome of the Board's steering committee is that they will pursue a moratorium on entry into state water groundfish fisheries through the State legislature, which would be required before the Commercial Fisheries Entry Commission would be able to pursue such a program. The Board Steering Committee will meet with the Board in February to develop recommendations for the Council for how the Board will proposed to manage state water fisheries in conjunction with a Council-approved Gulf groundfish rationalization program. The Protocol Committee agreed that the next step would be wait until the full Board/Council meeting to discuss further plans.

(b) Report from Groundfish Development Authority

Bob Humphreys, Executive Director of the Canadian Groundfish Development Authority gave a summary of Canada's program developed to ensure fair crew treatment, aid in regional development, promote the attainment of stable market and employment conditions, and to encourage sustainable fishing practices.

(c) Review and Refine Alternatives and Options

Roy Hyder moved to approve the recommendations of the Advisory Panel (see AP Minutes, Appendix II to these minutes), with the exception of the recommendation on Page 36, "to implement TAC splits among gear types and sectors in the GOA Pacific cod fishery." The motion was seconded by Hazel Nelson.

The Council spent considerable time discussing elements and options for each of the alternatives. Beginning with the 3-page matrix, the Council approved the following changes, additions, or deletions:

- On page 1 of the matrix (Catcher Processors), Alternatives 2 and 3, re-insert PSC reduction as a suboption. [Duffy/Rasmuson; no objection]
- On page 2 of the matrix (Fixed Gear Catcher Vessels), re-insert PSC reduction. [Duffy/Rasmuson; no objection]
- On matrix for Fixed Gear Catcher Vessels, replace Alternative 4, with a NEW Alternative (2C). The options would remain the same as in Alternative 4, except the percentages to be considered for allocation of harvest shares to qualified processors would be 10%, 20%, or 30%. [Anderson/Fuglvog; carried 6 to 5, with Austin, Benson, Duffy, Hyder and Madsen voting against]
- A motion to change the percentages to 10-50% failed. [Benson/Duffy, failed 6 to 5, with Austin, Benson, Bundy, Duffy and Madsen voting in favor]
- On the matrix, for trawl catcher vessels, re-include possible PSC reduction. [Rasmuson/Duffy; no objection]
- On the matrix, for Trawl Catcher Vessels, replace Alternative 4, with a NEW Alternative (2C) (as for Fixed Gear Catcher Vessels). The options would remain the same as in Alternative 4, except the percentages to be considered for allocation of harvest shares to qualified processors would be 10%, 20%, or 30%. [Anderson/Bundy; no objection.]
- A motion to change the percentages to Alternative 2C for trawl catcher vessels to 10-50% failed. [Benson/Duffy, failed 7 to 4, with Austin, Benson, Duffy and Fuglvog voting in favor]

Kevin Duffy then moved to amend the main motion by replacing Alternative 3 across all three sectors (the 12-page motion was dated 12/10/2003 and entitled, "Elements and Options, Alternative 3, Sector Allocations and Voluntary Co-op Structure)". See Appendix III for motion before revisions. The motion was seconded by Stosh Anderson. The motion to substitute carried without objection, with the understanding that it could be amended during discussion of the entire main motion.

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Mr. Duffy explained that the motion would mainly refine Alternative 3 from the June Council motion, and that it's basically a sector allocation and voluntary co-op which will allow flexibility for further development. The motion would establish a mechanism to facilitate co-ops within the sectors, specify operational rules for co-ops, and provide for continuation for harvesters choosing not to participate in a co-op structure, and will also provide community protections. Mr. Duffy further clarified that those joining a co-op would take their Gulf of Alaska fishing history to the co-op and that would be subtracted from the open access fishery, and that the alternative would not contain a closed class of processors. New processors could enter the fishery at any time.

There were many revisions and edits to the entire motion, accomplished through discussion and amendments. The final motion, as amended, is found in Appendix IV to these minutes.

C-2 Observer Program

ACTION REQUIRED

- (a) **Receive overview of North Pacific Groundfish Observer Program**
- (b) **Review preliminary draft analysis to restructure the funding and deployment mechanism in the North Pacific Groundfish Observer Program**

Background

- (a) **Receive overview of North Pacific Groundfish Observer Program**

A general overview of the North Pacific Groundfish Observer Program will be presented by Dr. Bill Karp. Dr. Karp was recently appointed Observer Program Leader at NMFS in June 2003, having also served in this position from 1993 - 1999.

- (b) **Review preliminary draft analysis to restructure the funding and deployment mechanism in the North Pacific Groundfish Observer Program**

In April 2003, the Council reviewed a draft schedule and analytical outline to restructure the observer funding and deployment mechanism of the North Pacific Groundfish Observer Program, based on the recommendations of the Council and the Observer Advisory Committee (OAC). Under the new system, NMFS would contract directly with observer providers for observer coverage, and this would be supported by a broad-based user fee and/or direct Federal funding. The purpose of the proposed change is to address the data quality and disproportionate cost issues resulting from the current program structure - issues which are most acute in the fisheries in the Gulf of Alaska. Concerns with the existing program stem from the inability of NMFS to determine when and where observers should be deployed, inflexible coverage levels established in regulation, cost-equity issues among the various fishing fleets, and the difficulty for NMFS to respond to evolving data and management needs in individual fisheries.

The analytical outline the Council reviewed in April has since been developed into the standard EA/RIR/IRFA format, and the list of decision points in that document have been refined into formal alternatives and options for analysis. The alternatives are distinguished primarily by which fisheries would be included in the new funding mechanism and program design. They range from including only GOA groundfish vessels, to including all GOA groundfish vessels and processors, halibut vessels, and BSAI groundfish and halibut vessels with currently less than 100% coverage requirements. The analysis identifies elements that vary among the five primary alternatives, with regard to the details of the fee collection design, and also elements that are common across all of the alternatives.

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A brief summary of the five alternatives currently proposed for analysis are as follows:

- Alternative 1. *No action alternative.* Under this alternative, the current interim “pay-as-you-go” program would continue to be the only system under which groundfish observers would be provided in the groundfish fisheries of the BSAI and GOA.
- Alternative 2. *GOA groundfish vessels only.* Under this alternative, a new fee-based program would apply only to GOA groundfish vessels, including GOA groundfish vessels under 60' length overall. The current 0%, 30%, and 100% coverage categories would be terminated and NMFS would determine when and where to deploy observers based on data collection and monitoring needs. The fee would be based on a percentage of the ex-vessel value of each vessel's GOA groundfish landings and would be collected through annual billing by NMFS.
- Alternative 3. *GOA groundfish and halibut vessels only.* This alternative is the same as Alternative 2 except that halibut vessels from all areas off Alaska would be included in the program. Fees would be collected from halibut landings as well as groundfish landings, and NMFS would have the authority to place observers on halibut vessels as well as groundfish vessels.
- Alternative 4. *GOA groundfish and halibut vessels and GOA-based groundfish processors.* This alternative is the same as Alternative 3 except that GOA groundfish processors would be included in the program. However, in contrast to Alternatives 2 and 3, fees would be collected by processors and fee proceeds would be submitted to NMFS on a quarterly basis.
- Alternative 5. *GOA groundfish vessels, halibut vessels, GOA-based groundfish processors, and BSAI groundfish vessels with less than 100% coverage requirements.* This alternative is the same as Alternative 4 except that BSAI groundfish (and halibut) vessels that currently have less than 100% coverage requirements would be included. This includes all groundfish trawl and fixed gear vessels under 125' LOA, all pot vessels of any length, and all halibut vessels. BSAI-based groundfish processors that take deliveries from vessels participating in the program would have the option to participate in the program.

There is no action scheduled for the Council on this agenda item. The purpose of providing a preliminary draft analysis to the Council at this point is to facilitate a discussion of the current list of alternatives and the analytical approach to the issues concerning a new observer funding and deployment mechanism in the Gulf of Alaska. In addition to a discussion of the draft analysis, staff is prepared to discuss various issues that have arisen recently which are likely going to affect the schedule. These are implementation issues regarding the interaction of two different observer programs operating simultaneously in the GOA (modified program funded by fee, where NMFS contracts directly with observer providers) and the BSAI (existing pay-as-you-go structure, where vessels contract directly with observer providers). The two primary issues identified involve: 1) the administrative appeals process for suspending and decertifying an observer, and 2) overtime pay for observers in programs where NMFS contracts directly with observer providers. A letter from NMFS (dated December 1, 2003) describing these issues is provided as Attachment C-2(a).

The preliminary draft analysis and NMFS letter were mailed to you on December 2. The analysis is entitled, “Draft EA/RIR for a Fishery Management Plan Amendment to Establish a New Program for Observer Procurement and Deployment in the North Pacific” (November 2003). A discussion of the schedule for initial and final review of the analysis may be necessary at this meeting. While initial review is currently scheduled for February 2004, the timing will likely be affected by the issues discussed in the NMFS letter. This letter recommends allowing an opportunity to further research these issues in the next several months, and updating the Council on our progress toward resolving

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these issues in February. Under a modified schedule, the OAC meeting would be rescheduled for February/March, and initial Council review would be in April 2004.

Report of the Scientific and Statistical Committee

The SSC did not formally consider the draft EA/RIR for establishment of a new observer program, but provided some suggestions for the authors to consider as they prepare a revision to the document (see SSC Minutes, Appendix V to these minutes, for more specific comments).

Report of the Advisory Panel

The AP recommended the preliminary draft analysis be forwarded to the Observer Advisory Committee for review, with the following additions:

1. Add an alternative increasing observer coverage at shore-based plants in target areas.
2. Include an estimate of necessary coverage levels and costs for each fishery contained in an alternative prior to final action.
3. Include an evaluation on technology based coverage and fisheries where it may be applicable.
4. A table showing current observer requirements and standards for both CDQ and non-CDQ fisheries.
5. Potential modification of current requirements to accommodate vessels $\leq 60'$ prior to final action.

DISCUSSION/ACTION

No action was scheduled for this agenda item at this meeting. A preliminary draft analysis for an amendment to restructure the funding and deployment mechanism in the North Pacific Groundfish Observer Program was mailed to Council members in advance of the meeting. NMFS, through a letter dated December 1, 2003, advised the Council that there are two issues that may compromise the ability to manage the Observer Program under two different scenarios in the GOA and BSAI. The first involves NMFS's experience with the new administrative appeals process that limits agency authority to suspend or decertify observers when data integrity issues arise; the second issue concerns observer wages and the possibility that observer wage levels under pay-as-you-go and agency contract systems would differ, leading to potential problems in observer availability. Both issues are complex and will require some time to research and identify resolutions to those concerns, and any other that may arise. NMFS will provide the Council a status report on its progress in February. At that time, the Council may wish to consider a more comprehensive range of alternatives.

C-3 IR/IU

ACTION REQUIRED

- (a) **Receive report from NMFS on Amendment 79**
- (b) **Receive Committee report**
- (c) **Finalize alternatives for Amendment 80a and 80b**

BACKGROUND

Amendment 79

In June 2003, the Council completed final action on Amendment 79, which establishes an overall minimum groundfish retention standard for non-AFA trawl catcher/processors greater than 125' starting in 2005. At the same time, the Council took final action on a separate regulatory amendment for adjusting the time period in which the Maximum Retainable Allowances (MRA) for pollock is

enforced. The Council also requested the IR/IU Technical Committee to review several issues concerning the implementation of Amendment 79. During the subsequent Committee report to the Council at the October 2003 meeting, some questions were raised concerning the implementation timing of the amendment. To assist in addressing these questions, the Council requested NMFS to provide a report on the implementation status of Amendment 79 in time for the December 2003 meeting. A copy of a NMFS letter addressing this issue is attached as Item C-3(a).

Amendment 80

In April the Council reviewed a discussion paper and decision tree for proposed Amendment 80, that would develop a cooperative structure for the Non-AFA Trawl CP sector. At the April meeting, Amendment 80 was expanded to include allocation alternatives for dividing BSAI groundfish and PSC species among all BSAI fishing sectors. Since June, the Council has continued to refine the components and options for Amendment 80a (sector allocations) and 80b (cooperative structure for Non-AFA Trawl CP sector) for the purpose of analysis. Currently, Amendment 80 is scheduled for initial review in April 2004 and final action in June 2004.

At the October meeting, the Council requested the IR/IU Technical Committee to review the revised components and options and make recommendations to the Council in time for the December 2003 meeting. The IR/IU Committee met in Seattle on the 18th and 19th of November to review these components and options. The minutes from the meeting are attached as Item C-3(b). Also included with the minutes are the revised components and options for Amendment 80a and 80b (Appendix A) based on the recommendations of Committee; data tables that separate out Pacific cod catch history between the Bering Sea and Aleutian Islands from 1995 to 2002 by gear and sector (Appendix B); a discussion paper prepared by staff on underutilized and unallocated species (Appendix C); and sector descriptions for Amendment 80a (Appendix D).

The SSC did not address this agenda item.

Report of the Advisory Panel

The AP recommended the Council accept the recommendations of the IR/IU Committee (see Action Memo, C-4(b)), with the following changes and corrections:

- Component 4: Add option 4.6 (80b) "all less one distinct and separate harvesters using the 10% threshold rule."

With respect to amendment 80a, the AP recommended the following:

- That the IR/IU Technical Committee meet to discuss appropriate thresholds for a trigger to open fisheries when they become underutilized as discussed on page 32 of the action memo. The Committee should also identify issues associated with opening fisheries to other than historic users.
- Add a section 4.2: Section allocations can be based on a percentage rather than a set of years.
- Component 8: Change existing suboption 8.1.1 to 8.1.1.1, adding the following additional options:
Suboption 8.1.1.1 The <60' catcher vessels fixed gear (pot and hook and line) sector and jig sector combined allocations **from TAC (after CDQ apportionment)** is to be:
 - a. 2%
 - b. 3%
 - c. 4%
 - 8.1.1.2 Jig sector will receive an allocation from the TAC after CDQ apportionment
 - 8.1.1.3 A. <60' pot and hook and line catcher vessel sector will receive an allocation from TAC and after TAC apportionment

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B. <60' pot and hook and line catcher vessel sector will receive an allocation from the fixed gear sector TAC as is done under existing regulations.

Note: apportionments to the jig and <60' pot and hook and line sectors shall not collectively exceed:

- a. 2%
- b. 3%
4. 4%

DISCUSSION/ACTION

Amendment 79

The status report identified three principal analytical issues needing further clarification. Council staff will address those areas identified by NMFS before the amendment package is formally submitted to NMFS.

Amendments 80a and 80b

Roy Hyder moved to approve the recommendations of IR/IU Committee (Appendix A to the IR/IU Committee Minutes of November 18-19, 2003, included as agenda item C-3(b) in Council meeting notebooks), with changes as recommended by the Advisory Panel (noted above). The motion was seconded by Earl Krygier. The Council made numerous changes to the components and options for initial analysis, through motions and discussion. See Appendix VI to these minutes for the Council's final action on this agenda item. Initial review of Amendments 80a and 80b is scheduled for April 2004, with final action scheduled for June 2004.

C-4 Halibut and Sablefish IFQ

ACTION REQUIRED

Receive report from IFQ Implementation and Cost Recovery Committee and review IFQ proposals.

BACKGROUND

The IFQ Implementation and Cost Recovery Team convened on October 5, 2003 to review 19 proposals for changes to the halibut and sablefish IFQ program. The team integrated some new proposals with those previously approved for analysis in 2000. The 2000 proposed actions were never initiated due to the press of other Council business. The team grouped the proposed amendments into separate analytical packages and ranked their priority as listed below. Team minutes (Item C-4(a)), the proposed amendments from 2000 (Item C-4(b)), and the 2003 proposals (Items C-4(c)) are attached.

- (1) **Changes to the block program, QS categories, fish down, 20% ownership requirements to hire a skipper, and medical transfers.**
- (2) **A discussion paper to allow the use of pots in the GOA.**
- (3) **Changes affecting forfeiture of QS that was never fished, check-in/out, and sablefish product recovery rate.**

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

Report of the Advisory Panel

The AP recommended initiating analysis on the actions recommended by the IFQ Implementation Committee (found in "IFQ Implementation and Cost Recovery Committee, October 5, 2003 Minutes," identified as Agenda item C-4(a), December 2003, in Council meeting notebooks) with the following priorities:

- Priority 1: Administrative changes
 - Action 6 Medical transfer
 - Action 5 Tighten 20% ownership requirement
 - Action 9 PRR change for bled sablefish
- Priority 1: Allocation
 - Action 1 Block program
 - Action 2 Vessel categories
 - Action 3 Fish down
- Priority 2: Action 10 Halibut season extension
- Priority 3: Action 7 Pot discussion paper
 - Action 8 Check in/check out
 - Action 4 Forfeiture of unused QS

DISCUSSION/ACTION

Arne Fuglvog moved to initiate analysis of the following IFQ issues:

- Priority 1: Administrative Changes**
 - Action 6 - Medical transfer**
 - Action 5 - Tighten 20% ownership requirements**
 - Action 9 - PRR change for bled sablefish**
 - Action 8 - Check in/check out (refers to BSAI sablefish)**
 - New - Allow Area 4C fishermen to fish in Area 4D**
- Priority 1: Allocation**
 - Action 1 - Block program**
 - Action 2 - Vessel categories**
 - Action 3 - Fish down**

The motion was seconded by Elmer Rasmuson. It was pointed out this motion is to set priorities, but additional motions could be made to revise or change details of the components of each action. Mr. Fuglvog also stressed that the intent of his motion would be to supercede previous action taken on these issues in June of 2001, specifically sunsetting hired skipper provisions for initial recipients. Mr. Anderson also pointed out that the Council needs to review the Problem Statement and adjust according to the Council's chosen priorities.

Stosh Anderson moved to amend to include a specific statement that these priorities would supercede any previous Council actions relating to priorities for the halibut/sablefish IFQ program. The motion was seconded by Rasmuson, and carried, 9 to 2, with Hyder and Nelson voting against.

Stosh Anderson moved the following (Referring to Page 2 of Agenda C-4(a) - IFQ Implementation Committee Minutes): For Action 2, delete Alternatives 4 and 6. The motion was seconded by Krygier and carried with Bundy objecting. It was pointed out that the remaining alternatives provide a broad range of options.

Hazel Nelson moved to move the new proposal to allow Area 4C fishermen to fish in Area 4D from the Administrative Priority 1 category to the Allocation Priority 1 category. The motion was seconded by

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Arne Fuglvog and carried without objection.

Roy Hyder moved to amend, with regard to the industry proposal addressed in the previous motion, to allow Area 4D IFQ and CDQ fishermen to harvest their quota in Area 4C, as well as the current wording in the main motion that allows Area 4C fishermen to fish in Area 4D. The motion was seconded by Arne Fuglvog and carried, 10 to 1, with Nelson voting against.

Stosh Anderson moved an amendment, referring to Page 3 of the Action Memo, Action 5: options for initial review:

- A. 20% ownership documented by contemporary abstract of title continuously for:**
 - 1. previous 12 months**
 - 2. previous 24 months**
 - 3. year-to-date plus previous calendar year.**

- B. Vessel using a hired captain may have a maximum of 5 owners of quota share fished on vessel in the previous:**
 - 1. 12 months**
 - 2. 24 months**
 - 3. year-to-date plus previous calendar year.**

Note: Ownership is documented by contemporary abstract of title.

The motion was seconded by Hazel Nelson, and carried without objection.

The main motion, as amended, carried, with Stephanie Madsen objecting.

The Council approved the following new problem statement:

The halibut/sablefish vessel size classes and block plan were designed to maintain a diverse, owner-operated fleet and provide an entry-level to the IFQ fisheries. Large quota increases and other factors suggest that these provisions should be reviewed to determine if changes are needed to ensure program goals are met. Due to consolidation and use pattern of the fleet, a review of block structure and its application is appropriate for all areas. To address medical hardships, establish a transfer provisions for a limited period to address bona-fide medical problems by QS holders. Product recovery rate provisions may be a disincentive for fishermen to bleed fish, thereby reducing the quality of fish delivered. Due to whale depredations, the sablefish fisheries in the BSAI offer unique challenges to harvesting. Due to concerns over this harvest in other regulatory areas, options to verify fishing locations need to be developed.

A copy of the Council's final motion is included as Appendix VII to these minutes.

D. FISHERY MANAGEMENT PLANS

D-1 Groundfish Management

(a) GOA Groundfish Specifications for 2004

ACTION REQUIRED

Approve 2004 BSAI/GOA EA and GOA Final Stock Assessment and Fishery Evaluation (SAFE) report, and approve final GOA groundfish specifications for 2004:

1. Acceptable Biological Catch (ABC), and annual Total Allowable Catch (TAC).
2. TAC considerations for the State Pacific cod fishery.
3. Prohibited Species Catch Limits.
4. Approve halibut discard mortality rates for the 2004-2006 groundfish fisheries.

BACKGROUND

At this meeting, the Council makes final recommendations on groundfish and bycatch specifications as listed above to manage the 2004 Gulf of Alaska (GOA) groundfish fisheries.

GOA SAFE Document

The groundfish Plan Teams met in Seattle November 17-21 to prepare the final SAFE reports and to review the status of groundfish stocks. The GOA SAFE report forms the basis for the GOA groundfish specifications for the 2004 fishing year. Note that there are three volumes to the SAFE report: a stock assessment volume, a fishery evaluation volume ("economic SAFE"), and an ecosystems considerations volume. These three volumes, together with the BSAI SAFE, are incorporated into the Environmental Assessment for the 2004 groundfish total allowable catch specifications. The SAFE reports were mailed to you on November 26, and the EA on November 28. The GOA Plan Team and Joint Plan Team minutes are attached as Items D-1(a)(1) and (2). The organization of the stock assessment volume has changed slightly from previous years. The sablefish assessment appears as the third section (consistent with the BSAI document) and the slope rockfish section has been split into three separate sections: POP, northern rockfish, and shorttraker/rougheye/other slope rockfish sections. A section on skates has been added and the appendices include an assessment of forage-fish species.

ABCs, TACs, and Apportionments

At this meeting, the Council will establish final catch specifications for the 2004 fisheries. The SSC and AP recommendations will be provided to the Council during the meeting. Item D-1(a)(3) lists the biomass levels and GOA Plan Team recommendations for OFLs and ABCs for 2004. The sum of the Plan Team's recommended ABCs for 2004 is 508,010 mt. The sum of the ABCs increased 21% compared with last year. The ABC increases are mainly due to pollock (+34%), Pacific cod (+19%), flathead sole (+25%) and arrowtooth flounder (+26%). The species group-specific ABCs that declined relative to 2003 are Northern rockfish (-12%), other slope rockfish (-23%) and pelagic shelf rockfish (-18%). Other stocks such as thornyhead rockfish and Pacific ocean perch remained relatively the same. The abundances of pollock, Pacific cod and sablefish are below target stock size, while abundances of Pacific ocean perch, northern rockfish, light dusky rockfish, thornyheads, flathead sole and arrowtooth flounder are all above target stock size. None of the groundfish stocks are overfished or approaching an overfished condition. A recommendation was made by the GOA Plan Team regarding the appropriate ABC and OFL by species and area apportionments for skates species, following the final approval of amendment 63 to separate skates from the other species complex for the 2004 fishing year. The GOA Plan Team recommended area-specific ABCs for two species groups

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and suggested a TAC for the central GOA for one of these groups. The FR notice for amendment 63 is attached as Item D-1(a)(4).

TAC Considerations for State Pacific Cod Fishery

Since 1997, the Council has reduced the GOA Pacific cod TAC to account for removals of not more than 25% of the Federal Pacific cod TAC from the state parallel fisheries. Preliminary information indicates that both Chignik and Cook Inlet achieved their GHs, and therefore increased slightly according to the stairstep procedures adopted by the Board of Fisheries. Chignik increased from 7.0% to 8.75% while Cook Inlet increased from 2.25% to 3.0%. Using the area apportionments of the 2004 Pacific cod ABC recommended by the Plan Team, the federal TAC for Pacific cod would be adjusted as listed at right.

Proposed 2004 Gulf Pacific cod ABCs, TACs, and State guideline harvest levels (mt).				
Specifications	Western	Central	Eastern	Total
ABC	22,610	35,800	4,400	62,810
BOF GH	5,653	8,684	440	14,777
(%)	25	24.25	10	23.5
TAC	16,957	27,116	3,960	48,033
	Cook Inlet	1,074	3.00%	
	Kodiak	4,475	12.50%	
	<u>Chignik</u>	<u>3,135</u>	<u>8.75%</u>	
	Central	8,684	24.25%	

Prohibited Species Catch Limits

Since 1995, total halibut Prohibited Species Catch (PSC) limits for all fisheries and gear types have totaled 2,300 mt. The following 2003 halibut PSC apportionments were instituted for the Gulf of Alaska groundfish fisheries:

2003 Trawl			2003 Hook and Line		
Jan 1 - Apr 1	550 mt		1st trimester	Jan 1 - Jun 10	250 mt
Apr 1 - Jun 29	400 mt		2nd trimester	Jun 10 - Sep 1	5 mt
Jun 29 - Sep 1	600 mt		3rd trimester	Sept 1 - Dec 31	35 mt
Sept 1 - Oct 1	150 mt				
Oct 1 - Dec 31	300 mt		DSR	Jan 1 - Dec 31	10 mt
TOTAL	2,000 mt				300 mt

Trawl fishery categories			
Season	Shallow Water	Deep Water	Total
Jan 1 - Apr 1	450 mt	100 mt	550 mt
Apr 1 - Jun 29	100 mt	300 mt	400 mt
Jun 29 - Sep 1	200 mt	400 mt	600 mt
Sep 1 - Oct 1	150 mt	any rollover	150 mt
Oct 1 - Dec 31	no apportionment		300 mt
TOTAL			2,000 mt

(c) Halibut Discard Mortality Rates

In 2001, the IPHC staff proposed (and the Council adopted) a plan to use the 10-year average halibut discard mortality rates (DMR) for a 3-year cycle for all GOA and BSAI non-CDQ groundfish fisheries. These rates are now due to be updated. The DMRs used in 2003 and proposed rates for 2004-2006 for GOA fisheries are attached as Item D-1(a)(5). Changes in the mean DMRs were small in most cases, on the order of 1-3 percentage points. In the GOA (not counting "Atka mackerel" fishery) six fishery DMRs decreased, four increased and three did not change. The largest increase occurred in the arrowtooth flounder fishery with the recent DMRs driving the long-term average up from 62% to 69%.

Report of the Scientific and Statistical Committee

The SSC recommended the Council release the GOA SAFE to the public. The SSC concurred with the Plan Team recommendations for 2004 ABCs and OFLs for GOA groundfish, and provided extensive comments on each species (please see SSC Minutes, Appendix V to these minutes for full comments and suggestions). The SSC also concurred with the halibut mortality rates recommended by the IPHC (Table 10, Agenda item D-1(5) in meeting notebooks).

Report of the Advisory Panel

The Advisory Panel recommended the Council adopt the SSC's recommended ABCs, and adopt those as the 2004 TACs (see AP Minutes, Appendix II to these minutes for chart of specifications), with the following exceptions:

The AP also noted that data establishing an OFL and ABC for big and longnose skates in the Gulf of Alaska are limited and encouraged improved data collection, with an immediate emphasis on bycatch and mortality data.

The AP recommended rolling over the 2003 PSCs using the 2004 PSC levels for hook and line and trawl fisheries, and the halibut discard mortality rates as recommended by the IPHC (Table 10, Agenda item D-1(5) in meeting notebooks).

DISCUSSION/ACTION

Arne Fuglvog moved to approve the final 2004 GOA SAFE report, and to accept the 2004 ABCs as recommended by the SSC and the TACs as recommended by the Advisory Panel. The motion was seconded by Dave Benson. The motion carried without objection.

Arne Fuglvog moved to adopt the PSCs for 2004 as recommended by the Advisory Panel. The motion was seconded by Earl Krygier and carried without objection.

Arne Fuglvog moved that the Council adopt the AP recommendations on skates for TACs, and SSC recommendations for OFLs and ABCs: The motion was seconded by Stosh Anderson.

Dennis Austin moved to amend to include the SSC's recommendation relative to data collection; and to not to allow a fishery in 2005 unless there is a data collection program in place. The motion was seconded, but the voice was unidentified.

After considerable discussion on how this would be accomplished, whether it would be a voluntary program or accomplished by rulemaking, **Jim Balsiger moved to substitute to say that the Council MAY not approve a 2005 directed fishery for skates without a data collection program in place.** The motion was seconded by Earl Krygier and carried without objection, and carried Mr. Austin's motion.

Mr. Fuglvog's motion carried, as amended, without objection. A copy of the final 2004 ABCs, OFLs, and TACs are found in Appendix VIII to these minutes.

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Arne Fuglvog moved that the Council request that ADF&G, NMFS, and IPHC develop a skate data collection program, including identification, species composition, and discard mortality to be included in at-sea surveys. The motion was seconded by Hazel Nelson and carried without objection.

(b) BSAI Groundfish Specifications for 2004

ACTION REQUIRED

Final action to approve the 2004 BSAI/GOA EA, BSAI Final Stock Assessment and Fishery Evaluation (SAFE) report, and approve final BSAI groundfish specifications for 2004:

1. Acceptable Biological Catch (ABC), and annual Total Allowable Catch (TAC);
2. Seasonal apportionment of the fixed gear Pacific cod TAC; and
3. Bycatch allowances, and seasonal apportionments of Pacific halibut, red king crab, Tanner crab, opilio crab, and herring to target fishery (PSC) categories.
4. Approve halibut discard mortality rates for the 2004-2006 non-CDQ and 2004 CDQ groundfish fisheries.

BACKGROUND

At this meeting, the Council makes final recommendations on groundfish and bycatch specifications as listed above to manage the 2004 Bering Sea Aleutian Islands (BSAI) groundfish fisheries.

BSAI SAFE Document

The BSAI Groundfish Plan Team met in Seattle on November 18-20, 2003 to prepare the final BSAI SAFE reports. This SAFE report forms the basis for BSAI groundfish specifications for the 2004 fishing year. Note that there are three sections to the SAFE report: a stock assessment section, a fishery evaluation section ("economic SAFE"), an ecosystems considerations section (which now contains an ecosystem assessment). These three sections, together with the GOA SAFE report, are incorporated into the Environmental Assessment for the 2004 groundfish specifications. The SAFE reports were mailed on November 26 and the EA was mailed on December 1. SSC and AP recommendations will be provided to the Council during the meeting.

ABCs, TACs, and Apportionments

At this meeting, the Council will establish final catch specifications for the 2004 fisheries. Item D-1(b)(1) reports biomass levels and BSAI Plan Team recommendations for overfishing levels (OFLs) and Allowable Biological Catches (ABCs). The sum of recommended ABCs by the Plan Team for 2004 is 3,664,065 mt, more than 350,000 mt above that in 2003.

Overall, the status of the stocks continues to appear relatively favorable, although biomass for some stocks has declined due to below average recruitment. The 2003 Eastern Bering Sea bottom trawl survey estimated a pollock biomass of 8,510,000 t, an increase of 77% relative to the 2002 estimate and the highest estimate in the entire time series. The model estimate of pollock biomass for 2004 is nearly the same as in 2003. A new assessment model for Aleutian Islands pollock was previewed, and will be considered for managing that stock next year. The 2003 bottom trawl survey resulted in a Pacific cod biomass estimate of 606,000 t, down 2% from the 2002 estimate and near the minimum for the time series (534,000 t). The 2002 Aleutian Islands survey resulted in a Pacific cod biomass estimate that was down 39% from 2000 and is the lowest value of the time series. Overall estimates of Pacific cod abundance are almost unchanged from last year. The sablefish survey abundance index decreased 7% from 2002 to 2003. This decrease follows recent increases, so that relative abundance in 2003 is 10% higher than in 2000. The fishery abundance index for sablefish also generally increased and is 6% higher in 2002 than in 2000. The 2003 bottom trawl survey resulted in a yellowfin biomass estimate of 2,280,000 t, an increase of 14% from 2002. The yellowfin sole stock

had been declining since the mid-1980s, due to the low recruitment in the last decade. However, the stock may be more stable in the near future, due in part to a possibly above average 1995 year class. The Greenland turbot biomass estimate increased modestly in 2003, but may decline in the long-term due to continued lack of recruitment. The arrowtooth flounder biomass estimate increased 56% in 2003; rock sole increased by 12%; Pacific ocean perch declined by 7%; Atka mackerel declined by 20%. None of the BSAI groundfish stocks are overfished or approaching an overfished condition.

Adopt Seasonal Apportionments of the Pacific Cod TAC Allocated to Fixed Gear

Amendment 24 allows seasonal apportionment of the Pacific cod TAC allocated to hook-and-line or pot sectors. Under Amendment 46, 2% of the TAC is reserved for jig gear, 51% for fixed gear, and 47% for trawl gear. The trawl apportionment is split equally between catcher vessels and catcher processors. Under Amendment 64, the fixed gear apportionment is allocated as follows: 80% to freezer longline vessels; 0.3% to longline catcher vessels; 18.3% to pot gear vessels; and 1.4% to catcher vessels (longline or pot) less than 60 feet length overall. These allocations will be continued under Amendment 77.

For non-trawl gear the first season is allocated 60 percent of the TAC and the second season is allocated 40 percent of the TAC. No seasonal harvest constraints are imposed for catcher vessels less than 60 feet (18.3 m) LOA using hook-and-line or pot gear. For trawl gear, the first season is allocated 60 percent of the TAC and the second and third seasons are each allocated 20 percent of the TAC. The trawl catcher vessel allocation is further allocated as 70 percent in the first season, 10 percent in the second season and 20 percent in the third season. The trawl catcher/processor allocation is allocated 50 percent in the first season, 30 percent in the second season and 20 percent in the third season. Any unused portion of a seasonal Pacific cod allowance will be reapportioned to the next seasonal allowance. Season dates in 2003 for longline and jig gear were January 1 - June 10 and June 10 - December 31. Season dates for pot gear were January 1 - June 10 and September 1 - December 31. Item D-1(b)(2) lists the 2003 gear and seasonal apportionments of the Pacific cod TAC.

Adopt Prohibited Species Catch limits of Pacific halibut, crab, and herring

Halibut Trawl Fisheries: A 3,675 mt limit on halibut mortality has been established for trawl gear. This limit can be apportioned to the trawl fishery categories as shown in the adjacent box. Under Amendment 46, the trawl halibut PSC mortality cap for Pacific cod is limited to 1,600 mt.

Categories used for prohibited species catch (PSC) apportionment in trawl fisheries

1. Greenland turbot, arrowtooth flounder and sablefish
2. rock sole and "other flatfish"
3. yellowfin sole
4. rockfish
5. Pacific cod
6. pollock, Atka mackerel and "other species"

Halibut Fixed Gear Fisheries: A 900 mt non-trawl gear halibut mortality can be apportioned to the fishery categories listed in the adjacent box. Under Amendment 46, the hook-and-line halibut PSC mortality cap for Pacific cod is capped at 900 mt. Item D-1(b)(3) lists the 2003 PSC allocations and seasonal apportionments for the trawl and non-trawl fisheries.

Categories used for PSC apportionment in non-trawl fisheries

1. Pacific cod
2. Other non-trawl (longline sablefish and rockfish, and jig gear)
3. Groundfish pot (exempt in recent years)

Item D-1(b)(4) is a current summary of PSC bycatch accounting for BSAI non-CDQ fisheries.

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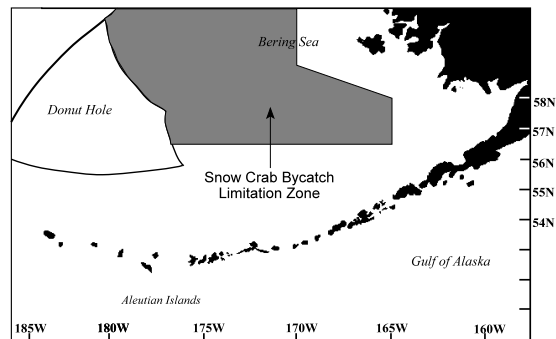
Crab: Prescribed bottom trawl fisheries in specific areas are closed when PSC limits of *C. bairdi* Tanner crab, *C. opilio* crab, and red king crab are taken. Amendment 37 established a stairstep procedure for determining PSC limits for red king crab taken in Zone 1 trawl fisheries. PSC limits are based on abundance of Bristol Bay red king crab as shown in the adjacent table. Amendment 57 reduced red king crab bycatch by an additional 3,000 crabs. Based on the 2003 estimate of effective spawning biomass (60.7 million pounds), and the 3,000 crab reduction, the PSC limit for 2004 will be 197,000 red king crabs. The regulations also specify that up to 35% of the PSC apportioned

PSC limits for red king crab and <i>C. bairdi</i> Tanner crab			
Species	Zone	Crab Abundance	PSC Limit
Red King Crab	Zone 1	Below threshold or 14.5 million lbs of effective spawning biomass (ESB)	35,000
		Above threshold, but below 55 million lbs of ESB	100,000
		Above 55 million lbs of ESB	200,000
Tanner Crab	Zone 1	0-150 million crabs	0.5% of abundance
		150-270 million crabs	750,000
		270-400 million crabs	850,000
		over 400 million crabs	1,000,000
Tanner Crab	Zone 2	0-175 million crabs	1.2% of abundance
		175-290 million crabs	2,100,000
		290-400 million crabs	2,550,000
		over 400 million crabs	3,000,000

to the rock sole fishery can be used in the 56° - 56°10'N strip of the Red King Crab Savings Area. The red king crab cap has generally been allocated among the pollock/mackerel/other species, Pacific cod, rock sole, and yellowfin sole fisheries. Once a fishery exceeds its red king crab PSC limit, Zone 1 is closed to that fishery for the remainder of the year, unless further allocated by season.

Under Amendment 41, PSC limits for *bairdi* in Zones 1 and 2 are based on total abundance of *bairdi* crab as indicated by the NMFS trawl survey. These limits are further reduced by 50,000 as prescribed by proposed Amendment 57. Based on 2003 abundance (448.78 million crabs), and the Amendment 57 adjustment, the PSC limit for *C. bairdi* in 2004 will be 980,000 (1,000,000 minus 20,000) *bairdi* crabs in Zone 1 and 2,970,000 (3,000,000 minus 30,000) crabs in Zone 2.

Under Amendment 40, PSC limits for snow crab (*C. opilio*) are based on total abundance of *opilio* crab as indicated by the NMFS standard trawl survey. The snow crab PSC cap is set at 0.1133% of the Bering Sea snow crab abundance index, with a minimum PSC of 4.5 million snow crab and a maximum of 13 million snow crab. This number is further reduced by 150,000 crabs as part of Amendment 57. Based on the 2003 survey estimate of 2.63 billion crabs, the 2004 *opilio* crab PSC limit will be 4,350,000 snow crabs (4,500,000 minus 150,000).



Location of the *C. opilio* bycatch limitation zone

Snow crab taken within the “Snow Crab Bycatch Limitation Zone” accrue towards the PSC limits established for individual trawl fisheries. Upon attainment of a snow crab PSC limit apportioned to a particular trawl target fishery, that fishery is prohibited from fishing within the snow crab zone.

Herring: Amendment 16a established an overall herring PSC bycatch cap of 1 percent of the EBS biomass of herring. This cap is to be apportioned to the same six PSC fishery categories listed above, plus a seventh group, mid-water pollock. The 2002 herring assessment data for abundance forecasts have not yet been analyzed. For the largest stock (Togiak) aerial observation conditions were poor during the spring 2002 spawning season and ADFG did not get an abundance estimate for use in the age-structured assessment analysis. Age composition estimates indicate the 1997 year class is of

at least moderate size and should continue to support the present biomass levels. Preliminary analysis of the data indicate that the biomass estimates will not change much from last year. The 2002 biomass estimate of 152,574 mt was the basis for setting the 2003 herring PSC limit of 1,526 mt. ADF&G will provide a revised herring biomass estimate prior to the Council action.

Seasonal Apportionment of bycatch limits

The Council may also seasonally apportion the bycatch allowances. Regulations require that seasonal apportionments of bycatch allowances be based on information listed in the adjacent box. Additional information on PSC limits and apportionments is presented in BSAI SAFE Report Appendix B.

Halibut Discard Mortality Rates

In 2001, the IPHC staff proposed and the Council adopted a plan to use the 10-year average halibut discard mortality rates (DMR) for a 3-year cycle for all GOA and BSAI non-CDQ groundfish fisheries. These rates are now due to be revised.

The DMRs used in 2003 and proposed rates for 2004-2006 for non-CDQ fisheries and for 2004 CDQ fisheries are attached as Item D-1(b)(5). In the BSAI, six rates decreased, five rates increased, and four did not change. Changes in the mean DMRs were small in most cases, on the order of 1-3 percent. The BSAI trawl rockfish rate increased from 69 to 74%, largely due to high DMRs in 1999-2001. The BSAI longline rockfish rate declined from 25% to 16% on the strength of lower DMRs since 2000. The fishery is fairly small, contributing to highly variable DMRs.

CDQ trawl effort in 2002 was focused on pollock, Atka mackerel, and yellowfin sole. Mean DMRs are recommend for the 2004 Atka mackerel and pollock CDQ trawl fisheries, as viability data have been collected for four and five years, respectively. CDQ fishing for yellowfin sole has been sporadic, occurring only twice in the past four years. In cases like this, IPHC staff recommended that the 2004 fishery be managed using the most recent DMR until three years of data have been collected, at which time an average would be used. The long-term mean DMRs for 1993-2002 open access fisheries are recommended for any remaining targets in the CDQ fisheries.

Report of the Scientific and Statistical Committee

The SSC concurred with all of the Plan Team's recommendations for OFLs and ABCs for 2004 BSAI groundfish, with the following exceptions:

- Bogoslof Pollock: The SSC recommended an ABC of 2,570 mt and an OFL of 39,600 mt (see SSC Minutes for rationale).
- Pacific cod: The SSC concurred with Plan Team recommendations for OFL and ABC, but supports apportioning the ABC by area. However, the Plan Team is concerned this may have implications on cod fishery management and allocation. The SSC suggested that for the 2005 specification process the Plan Team evaluate the methods used to split the ABC and potential management implications so that specific

Factors to be considered for seasonal apportionment of bycatch allowances.

1. Seasonal distribution of prohibited species;
2. Seasonal distribution of target groundfish species relative to prohibited species distribution;
3. Expected prohibited species bycatch needs on a seasonal basis relevant to change in prohibited species biomass and expected catches of target groundfish species;
4. Expected variations in bycatch rates throughout the fishing year;
5. Expected changes in directed groundfish fishing seasons;
6. Expected start of fishing efforts; and
7. Economic effects of establishing seasonal prohibited species apportionments on segments of the target groundfish industry.

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recommendations can be made to the Council on this issue in the future (see SSC Minutes for more specific comments).

- Northern Rockfish: The SSC agreed with the calculated area-wide ABC and OFL recommended by the Plan Team, but disagreed with disaggregation into separate ABCs for the eastern Bering Sea and the Aleutian Islands based on the fact that little evidence exists for genetic differentiation into separate stocks (see SSC Minutes for more specific comments).
- Other Species: The SSC recommended a mix of Tier 5 and Tier 6 management for this group, rather than Tier 5 management for all other species as recommended by the Plan Team, and did not concur with the Team's recommendation to specify ABCs and OFLs by species group (see SSC Minutes for more specific comments).

The SSC also provided extensive comments on the Ecosystems Considerations and Economic Status sections of the SAFE, and provided comments and guidance for authors. (See SSC Minutes, Appendix V to these minutes, for more specific comments).

Halibut Discard Mortality Rates – The SSC endorsed the recommendations of the IPHC.

Report of the Advisory Panel

The AP recommended approval of the ABCs recommended by the SSC, and TACs provided in a chart provided with their minutes (Appendix II to these minutes).

The AP also recommended the Council adopt the BSAI trawl and non-trawl PSC allowances by rolling over the 2003 apportionments using 2004 PSC levels.

Additionally, the AP recommended the following:

1. Approve a 2004 'A' season TAC of 15,000 metric tons for a directed pollock fishery in the Aleutian Islands management area;
2. 15,000 tons be in excess of the 2 million ton cap if authorized by Federal legislation; and
3. that NMFS implement such TAC by emergency rule and publish an interim TAC as soon as possible;
4. that NMFS implement this action only if the relevant federal legislation is enacted;
5. Observer program and catch accounting requirements will mirror those of the CDQ and AFA observer and catch accounting requirements.

DISCUSSION/ACTION

In addition to the staff report on the SAFE for Loh-lee Low, NMFS-AFSC, the Council received a review of the EA for 2004 groundfish specifications from Ben Muse, NMFS, Alaska Region.

Roy Hyder moved to approve the recommendations of the SSC for ABCs and the recommendations of the Advisory Panel for TACs for BSAI groundfish for 2004. The motion was seconded by Ed Rasmuson.

Stosh Anderson moved to make the following changes for BSAI TACs:

- EBS Pollock: 1,492,000 mt
- Pacific cod: 215,500 mt
- Other species: 27,205 mt
- AI pollock: 1,000 mt

The motion was seconded by Arne Fuglvog.

Mr. Anderson pointed out that he is responding to industry testimony for a fair and equitable split. This motion results in a zero change in the total allocation for 2004.

John Bundy moved a substitute amendment, as follows:

- EBS Pollock: 1,495,710 mt
- Pacific cod: 211,450 mt
- Other species: 27,545 mt
- AI pollock: 1,000 mt

The motion was seconded by Dave Benson and failed, 7 to 4, with Austin, Benson, Bundy and Hyder voting in favor.

Jim Balsiger moved to amend the amendment, as follows:

- EBS Pollock: 1,493,000 mt
- Pacific cod: 214,160 mt
- Other species: 27,545 mt
- AI pollock: 1,000 mt

The motion was seconded by John Bundy and failed, 6 to 5, with Austin, Balsiger, Benson, Bundy and Hyder voting in favor.

Mr. Anderson's amendment carried, unamended, 10 to 1, with Benson voting against. The Chair ruled that Mr. Anderson's motion was a substitute to Mr. Hyder's motion and carried the main motion.

Arne Fuglvog moved to approve the EA for 2004 BSAI and GOA EA groundfish specifications. The motion was seconded by Dave Benson and carried without objection.

Arne Fuglvog moved to approve the final 2004 BSAI SAFE report. The motion was seconded by Earl Krygier and carried without objection.

Arne Fuglvog moved to approve the BSAI seasonal apportionments and trawl and non-trawl PSC limits as recommended by the Advisory Panel. The motion was seconded by Ed Rasmuson and carried without objection. This motion was subsequently re-considered because of confusion as to which PSC numbers because of the fluctuations in biomass.

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Arne Fuglvog moved to amend the motion with regard to the BSAI PSC apportionments for the BSAI trawl and non-trawl fisheries, using Table 7, including footnotes, identified in Agenda item D-1(b)(3) provided in Council meeting notebooks. The motion was seconded by Jim Balsiger and carried without objection.

Arne Fuglvog moved to approve the halibut discard rates for 2004-2006 non-CDQ and 2004 CDQ groundfish fisheries, as recommended by the IPHC and found in Agenda D-1(b) in the meeting notebooks. The motion was seconded by Hazel Nelson and carried without objection.

The tables reflecting Council action on 2004 BSAI groundfish specifications is found in Appendix VIII to these minutes.

(c) Alternatives and Schedule for Repealing the VIP

ACTION REQUIRED

In June 2003, the Council initiated an amendment to repeal the Vessel Incentive Program, given concerns about the effectiveness of the program and its potential for additional administrative burden due to increased legal standards. In October 2003, the Council reviewed a NMFS discussion paper (Item D-1(c)) as the first step in consulting with the Council to develop alternatives for analysis. The Council accepted the following proposed alternatives for analysis and has scheduled initial review of the draft EA/RIR/IRFA for its April 2004 meeting. The Council requested that a discussion of alternatives for analysis be placed on the agenda at this meeting for additional public testimony. The alternatives for analysis which were adopted by the Council in October 2003 are listed below.

- 1. No action. Do not repeal the Vessel Incentive Program.**
- 2. Modify the VIP to reduce the frequency of rate of publication.**
 - Option 1. Publish rates once a year**
 - Option 2. Incorporate rates in regulation to eliminate the need for publication**
- 3. Remove the regulatory authority for the VIP.**
 - Option 1. Eliminate the VIP at the FMP-level and eliminate from the regulations**
 - Option 2. Eliminate the VIP from the regulations**

Neither the SSC nor the AP addressed this agenda issue.

DISCUSSION/ACTION

The Council received a review of a discussion paper on repeal of the VIP program provided by Ben Muse, NMFS. He advised the Council that this would require a regulatory review and an environmental assessment, but would not require an EIS. The initial amendment will be available for Council review in April. No action was required at this meeting.

(d) Update on Salmon Bycatch Excluder Experiment

The Council received a presentation by John Gauvin and John Gruver (Groundfish Forum) on field work to develop a salmon excluder for the Bering Sea pollock fishery. The work is being conducted under an exempted fishing permit. This was an informational item and no Council action was required.

D-2 Staff Tasking

ACTION REQUIRED

1. **Review tasking and provide direction to staff.**
2. **Discuss direction to Committees.**

Staff Tasking

A summary of the status of Council projects and a three-meeting outlook is attached as Item D-2(a). In addition to preparing for the national fisheries conference, the staff has been working on our own regional issues and projects. Mark has been preparing discussion papers for the GOA rationalization project. Elaine has been writing and running diagnostics tests to assure data quality. Jane has been coordinating various meetings and projects, and is scheduled to do a 2-month "tour of duty" with NOAA Fisheries in Silver Spring in January and February. Diana Stram has been working on the GOA salmon and crab bycatch discussion paper, and working with the scallop plan team to prepare the SAFE and update the FMP. Nicole is assisting with issues relative to GOA groundfish rationalization, as well as observer program and community issues. Cathy has been working on the GOA salmon bycatch paper and EFH EIS revisions, and will be leading the HAPC proposal review process. Jon has been working on the IR/IU analyses. Bill has been working on a number of protected resource issues and projects. Diana Evans is working on updating the groundfish FMPs, updating species profiles, and revising the programmatic groundfish SEIS. David will be editing the conference proceedings for publication by early March. Maria will be assisting with the graphics, word processing, and other details associated with preparation of the proceedings. Shannon has been preparing Council meeting minutes, along with handling a myriad of other office tasks.

In October, the Council requested that we specifically discuss two items (AI pollock and BSAI salmon bycatch) as part of the December staff tasking. These issues are summarized below.

AI Pollock Fishery NEPA Document

At its October meeting, the Council initiated a NEPA analysis for an action to explicitly close the Aleutian Islands to a directed pollock fishery. This will require preparation of an EA/RIR/IRFA that compares alternative harvest levels under the status quo (including a zero harvest quota) with a complete closure of this fishery. Thus, alternatives to be considered in the document might include:

- Alternative 1. No Action (no explicit closure of the fishery) with subalternatives (?)**
Alternative 2. Prohibit a directed AI pollock fishery.

Regarding staff tasking, NOAA-Fisheries and Council staff have discussed an approach to the preparation of this document. Given the similarity between this issue and the annual TAC-setting process, staff propose to adopt an analytical format similar to that used in the annual specifications process. This approach would utilize some of the same staff that would be scheduled to produce the 2005 specifications EA/RIR/IRFA, including staff from the Region's analytical team.

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The proposed schedule would be to present a draft EA/RIR/IRFA to the Council for initial review at their June meeting. After Council and public review later in 2004, the Council would choose its preferred alternative for an AI pollock fishery along with the TAC levels in other GOA and BSAI fisheries.

BSAI Salmon Bycatch

In October, the Council voted to add a discussion paper on BSAI salmon bycatch management to the staff tasking list. At this meeting, the Council will discuss the tasking and timeline for preparing and reviewing the paper. The stated intent of this discussion paper was to examine the effectiveness of the existing area closures, and examine other possible means of controlling chinook and chum salmon bycatch (through cooperatives actions for example). The Council may wish to discuss the types of information they would like to be included in the paper.

Committees

A membership list for existing committees is attached as Item D-2(b). The Council may want to take this opportunity to review the list of committees, determine which ones are still necessary, modify membership, or revise tasking for each committee if required.

In 2001, the Council established a Halibut Charter IFQ Implementation Committee to assist the Council with development of proposed regulations. Appointments for membership of this committee have yet to be made. Attached as Item D-2(c) are letters expressing interest for appointment to the Charter IFQ Committee

The Community QS Purchase Implementation Committee met on November 3, 2003, to review the proposed rule for Gulf FMP Amendment 66 (68 FR 59564) which was published on October 16, 2003. This action, approved by the Council in April 2002, will potentially allow 42 eligible Gulf coastal communities to purchase commercial halibut and sablefish quota share for lease to and use by community residents. This action would essentially amend the current IFQ regulations to allow a new category of QS holder in the halibut and sablefish IFQ Program, subject to particular restrictions, in specified management areas in the Gulf of Alaska.

Per Council direction in October, the Committee met to review the proposed rule and provide informal feedback to NMFS on the implementation details of the rule. The Committee report and agenda are included as Attachment D-2(d). The Committee membership list is Attachment D-2(e) and the proposed rule is Attachment D-2(f). Future tasks for the committee and its overall status are subject to further direction from the Council.

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

Report of the Advisory Panel

The AP recommended the Council appoint the Halibut Charter IFQ Implementation Committee and schedule the first meeting as soon as the proposed rule on Halibut charter IFQ is published.

DISCUSSION/ACTION

Aleutian Islands Pollock Closure

Earl Krygier moved to request NMFS to provide guidance in February on the options available to the Council to comply with the Stevens' legislation, including options to allow a 2004 fishery, and ways to consider approaching a rockfish demonstration project. The motion was seconded by Ed Rasmuson, and carried without objection.

The intent of the Council would be to have a specific agenda item in February on compliance with approved legislation on these two issues. If the legislation is not passed by February, these subjects would not be included in the Council's agenda.

In discussing schedule for the EA which was tasked in October, it was clarified that the Council indicated that a timeline for the analysis would be discussed at this meeting. Staff indicated that a complete EA most probably would not be available for the February meeting. Ms. Madsen expressed concern that the Council doesn't know yet whether a NEPA document will be required or have information on possible cumulative impacts. Bill Wilson advised that there is a NEPA document on opening the Aleutian Islands pollock fishery which was completed last year when the Council was looking at Steller sea lion issues. That document could be brought up to date and supplemented. Staff will provide a preliminary analysis for the June 2004 meeting.

Earl Krygier moved to include the following in the draft analysis: Alternative 3: to provide for a fishery as defined within the recent legislation only in a way that would not exceed the 2 million metric ton cap. The motion was seconded by Hazel Nelson and carried, 7 to 4, with Balsiger, Benson, Bundy and Hyder voting against.

Salmon Bycatch Management

John Bundy moved the Council initiate an analysis to consider the following alternatives for modification to the existing chum and chinook bycatch management regulations:

With regard to alternatives for chum salmon bycatch management:

- 1. Status quo**
- 2. Suspend the existing chum salmon bycatch closure regulations on a year-by-year basis when an acceptable AFA interco-op chum salmon bycatch management agreement is in place.**

With regard to alternatives for chinook salmon bycatch management:

- 1. Status quo**
- 2. Suspend the existing chinook salmon bycatch closure regulations on a year-by-year basis when an acceptable AFA interco-op chinook salmon bycatch management agreement is in place.**

The motion was seconded by Dave Benson. Mr. Bundy stressed that this motion is for prioritization purposes for staff tasking, to be initiated as soon as staff time is available.

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Dave Benson moved to amend the motion to include the following preamble/problem statement:

Due in large part to the establishment of cooperative management of the Bering Sea pollock trawl fishery, new tools are available through industry bycatch avoidance programs that help reduce salmon bycatch without the use of large closure zones. At times, current closure zone regulations force the pollock fleet to fish in areas with higher bycatch rates than may be available inside the closure zones. In addition, the current closure zone regulations can result in higher operation costs to the pollock fleet, without commensurate salmon savings.

The motion to amend was seconded by John Bundy.

During discussion, some Council members felt uncomfortable approving the problem statement at this meeting and thought it may be better to wait until members have an opportunity to consider it more carefully. Additionally, Dr. Balsiger expressed concern that some aspects of the motion may involve frameworking which could be in violation of the AFA and that staff should consider that aspect when working on the issue. Mr. Benson offered to withdraw his amendment, however it is not clear from the tape or written notes whether this was accomplished.

Earl Krygier moved to postpone further discussion on this issue until the February 2004 Council meeting, under the Staff Tasking agenda item. The motion was seconded by Stosh Anderson and carried, 9 to 2, with Austin and Madsen voting against.

IR/TU

John Bundy moved that the Council ask NMFS to seek a formal legal opinion from NOAA-GC as to the status of the catch history associated with the nine vessels identified in Section 209 and referred to in Section 211(b) of the AFA and the implications that Section 209 and 211(b) have for any sectoral allocations of non-pollock groundfish that may be granted to the 20 vessels defined in Section 211(b). Said legal opinion should be available to the Council in time for the June 2004 Council meeting. The motion was seconded by Dave Benson and carried with Krygier and Rasmuson objecting.

Committees

GOA Rationalization Community Protection Committee/Industry Stakeholder Group: Ms. Madsen indicated she was reluctant to establish a committee at this time, or to assign staff to a stakeholder group and suggested that the Council could reassess these issues in February. Ms. Madsen pointed out that a stakeholder group, or any member of the public, can communicate with staff and request information or assistance if staff time is available, but that she is not in favor of assigning someone to 'staff' such a committee or group at this time.

Halibut Charter IFQ Implementation Committee: The Council has a list of nominations for the committee, but the amendment package has not yet been submitted for Secretarial review, so there is adequate time to get a committee appointed. Mr. Fuglvog suggested that it is important to have representation of the halibut commercial fleet on the committee to answer questions about how the commercial program works.

Community Quota Share Purchase Committee: This committee has fulfilled its task and will be disbanded.

Other Committee issues:

- Dennis Austin asked to resign from the **Joint Protocol Committee** as the major focus now will be on Gulf Rationalization issues and he feels that he does not have adequate expertise in that area. He requested that **Dave Benson** be appointed to replace him. There was no objection to this recommendation.
- Dave Benson resigned from the PNCIAC stating that he doesn't think his membership is appropriate now that he is a Council member.

Other Issues

Stosh Anderson moved the following 'agenda-setting' statement:

The Council is being responsive in setting the February 2004 agenda to address potential Congressional legislation. This action should not be interpreted as an endorsement for any pending legislation.

The motion was seconded by Arne Fuglvog. Mr. Anderson stated that the intent is to make it clear that the Council is not trying to advise or influence Congress on any current legislation. The motion failed, 6 to 5, with Anderson, Austin, Bundy, Fuglvog, and Nelson voting in favor.

SSC and AP Appointments for 2004

The following AP and SSC appointments were announced:

SSC: Keith Criddle, Steve Hare, Sue Hills, Mark Herrmann, Anne Hallowed/Pat Livingston (shared seat); George Hunt, Gordon Kruse, Seth Macinko, Rich Marasco, Ken Pitcher, Terry Quinn, Doug Woodby, Farron Wallace, Franz Josef-Mueter. The Chairman noted that an Oregon representative has not yet been appointed.

Advisory Panel: John Bruce, Al Burch, Cora Crome, Craig Cross, Tom Enlow, Dan Falvey, Lance Farr, Duncan Fields, Dave Fraser, Jan Jacobs, Bob Jacobson, Teressa Kandianis, Mitch Kilborn, Kent Leslie, John Moller, Kris Norosz, Eric Olson, Jim Preston, Michelle Ridgway, and Jeff Stephan.

Ms. Madsen also announced that the Council is planning to establish a Council committee to review the AP appointment process over the next year. The Committee will be chaired by Roy Hyder and will look at possible staggered terms, possible term limits, discuss the appropriate size and representation on the panel, and the ability to make temporary appointments for special issues.

ADJOURNMENT

Chair Stephan Madsen adjourned the meeting at 2:35 p.m. on Monday, December 15, 2003.

PUBLIC TESTIMONY
December 2003
Hilton Anchorage Hotel

B-5 USFWS Report

Thorn Smith, North Pacific Longline Association

C-1 GOA Rationalization

Tim Blott, Ocean Beauty Seafoods
Joe Sullivan, for City of Kodiak
Sam Cotten, Aleutians East Borough
Duncan Fields, Gulf of Alaska Coastal Communities Coalition
Jay Stinson, Alaska Driggers Association
Craig Cochran, Midwater Trawlers Cooperative
Jerry Bongen, Fair Weather Fisheries
Terry Haines, Fishheads
Mike Sharrah, F/V Sherman
Paul Grunholdt, Fisherman
Margaret Hall, Rony's Inc. & F/Vs Progress & Vanguard
Ken Tippett, Wards Cove Packing, Alaska Boat Company
Steve Drage, Fisherman
Mike Alfieri, Fisherman & W GOA Fishermen's Association; & Tom Evich, WGOA.
Julie Bonney, Alaska Groundfish Data Bank
Jeff Stephan, United Fishermen's Marketing Association
David Polushkin, K-Bay Fishing Association
Ilia Kuzmin, Fisherman
Walter Sargent, Fisherman
Steve Branson, Crewmen's Association
Alexus Kwachka, Fisherman

C-2 Observer Program

Gerry Merrigan, Prowler Fisheries

C-3(a) IR/IU

Dave Fraser, F/V Muir Milach
Bob Alverson, Fishing Vessel Owners Association of Seattle
Brent Paine, United Catcher Boats
Donna Parker, F/V Arctic Storm
Steve Minor, City of St. Paul, for Myron Melovidov, Central Bering Sea Fishermen's
Association
Jeff Stephan, United Fisherman's Marketing Association

C-3(a), continued

Gerry Merrigan, Prowler Fisheries
Arni Thomson, Alaska Crab Coalition
Thorn Smith, North Pacific Longline Association
Susan Robinson, Fishermen's Finest
Paul MacGregor and Trevor McCabe, for At-Sea Processor's Association
Michele Ridgway
Ed Luttrell, Lori Swanson, Groundfish Forum
Bob Storrs, Unalaska Native Fishermen's Association

C-4 Halibut/Sablefish IFQ

Cindy Wagner, Fisherman
John Webb, Fisherman
Bob Alverson, Jack Knutsen, Fishing Vessel Owner's Association of Seattle
Bob Storrs, Unalaska Native Fishermen's Association
Jeff Stephan, United Fishermen's Marketing Association
Dave Soma, Deep Sea Fishermen's Union
John Crowley, Fisherman
Heather McCarty, Central Bering Sea Fishermen's Association
Gerry Merrigan, Prowler Fisheries
John Moller, Aleutian Pribilof Islands Community Development Association

D-1(a) Groundfish Management – GOA Specs, SAFEs

Gerry Merrigan, Prowler Fisheries
Julie Bonney, Alaska Groundfish Data Bank

D-1(b) Groundfish Management – BSAI Specs, SAFEs

Whit Sheard, The Ocean Conservancy & Oceana
Dave Fraser, F/V Muir Milach
Ed Richardson, Pollock Conservation Cooperative
Sandra Moller, Aleut Enterprise Corporation
Clem Tillion, Aleut Corporation
Terry Leitzell, Icicle Seafoods
Bob Alverson, Fishing Vessel Owners Association – Seattle
Jeff Stephan, United Fisherman's Marketing Association
Gerry Merrigan and John Winther, Prowler Fisheries
Trevor McCabe and Paul MacGregor, At-Sea Processor's Association
Glenn Reed, Pacific Seafood Processor's Association
Dave Little, Clipper Seafoods
Ed Luttrell and Lori Swanson, Groundfish Forum
Bill Orr, Iquique US
Susan Robinson, Fisherman's Finest
Bob Storrs, Unalaska Native Fishermen's Association
Thorn Smith, North Pacific Longline Association

D-2 Staff Tasking

Karl Haflinger and John Gruver, United Catcher Boats
Joe Sullivan and Brent Paine, Pollock Intercoop Group
Heather McCarty, individual and EFH Committee Member
Jeff Stephan, United Fisherman's Marketing Association
Paul MacGregor, At-Sea Processor's Association
Joe Sullivan, for City of Kodiak