Motion on C-5(a)

The Council tasks staff to prepare an initial draft analysis of alternatives to restructure the observer program, with the following guidelines:

1. The problem statement would be modified as follows (additions are in bold and underlined):

   The North Pacific Groundfish Observer Program (Observer Program) is widely recognized as a successful and essential program for management of the North Pacific groundfish fisheries. However, the Observer Program faces a number of longstanding problems that result primarily from its current structure. The existing program design is driven by coverage levels based on vessel size that, for the most part, have been established in regulation since 1990 and do not include observer requirements for either the <60’ groundfish sector or the commercial halibut sector. The quality and utility of observer data suffer because coverage levels and deployment patterns cannot be effectively tailored to respond to current and future management needs and circumstances of individual fisheries. In addition, the existing program does not allow fishery managers to control when and where observers are deployed. This results in potential sources of bias that could jeopardize the statistical reliability of catch and bycatch data. The current program is also one in which many smaller vessels face observer costs that are disproportionately high relative to their gross earnings. Furthermore, the complicated and rigid coverage rules have led to observer availability and coverage compliance problems. The current funding mechanism and program structure do not provide the flexibility to solve many of these problems, nor do they allow the program to effectively respond to evolving and dynamic fisheries management objectives.

2. Revisions to the alternatives as recommended in NMFS’s December 3, 2008, letter that would:
   (i) remove Alternative 2 from the 2006 analysis, and
   (ii) add an alternative for a comprehensive fee-based system.

With these revisions, the alternatives that would be analyzed are:

Alternative 1. Status quo; continue the current service delivery model.

Alternative 2. GOA-based restructuring alternative. Restructure the program in the GOA and include all halibut fisheries in the GOA and BSAI. Vessels in the restructured program would pay an ex-vessel value based fee. Retain current service delivery model for the BSAI.

Alternative 3. Coverage-based restructuring alternative. Restructure the program for all fisheries with coverage of less than 100 percent. Vessels in the restructured program would pay an ex-vessel value based fee. Leave vessels and processors with at least 100 percent coverage under the current service delivery model.

Alternative 4. Comprehensive restructuring alternative with hybrid fee system. Restructure program for all groundfish and halibut fisheries off Alaska. Vessels with 100 percent or greater coverage would pay a daily observer fee and vessels with less than 100 percent coverage would pay an ex-vessel value based fee.

Alternative 5. Comprehensive restructuring alternative that would assess the same ex-vessel value based fee on all vessels in the groundfish and halibut fisheries in the GOA and BSAI.
3. The initial draft analysis will include:
   (i) the extent to which each alternative addresses the problem,
   (ii) costs and other impacts on the industry, and
   (iii) costs and impacts of the alternatives on NMFS.

4. The Council requests that analysts work first on a description of how NMFS would deploy observers under a restructured observer program (an implementation plan). Analysts will then meet with the OAC to solicit their input on this part of the analysis before the initial draft analysis is completed.

**Motion on C-5(b)**

The Council requests that NMFS proceed with development of a proposed rule to make the observer coverage requirements for catcher/processors using hook-and-line gear in the CDQ fisheries consistent with observer coverage requirements for catcher/processors in other rationalized fisheries. This proposed rule would not come back to the Council for further review before being published in the *Federal Register*.

**Motion on Observer Advisory Committee**

The Council approved a motion to reconstitute the Observer Advisory Committee, and to consider including a representative from the <60’ sector and a representative with electronic monitoring experience or expertise. The intent is to solicit proposals for the entire committee in the December Council newsletter, and consider whether to replace the Chair of the committee with a current Council member.