

ADVISORY PANEL MINUTES

June 4-9, 2001

Advisory Panel members in attendance:

Benson, Dave	Fuglvog, Arne
Boisseau, Dave	Henderschedt, John
Bruce, John (Chair)	Jones, Spike
Burch, Al	Madsen, Stephanie (Vice Chair)
Cross, Craig	Nelson, Hazel
Ellis, Ben	Norosz, Kris
Falvey, Dan	Ridgway, Michelle
Farr, Lance	Steele, Jeff
Fields, Duncan	Stephan, Jeff
Fraser, David	Yeck, Lyle

Without objection, the AP approved the minutes of its April 2001 meeting.

Election of Officers

Without objection, the AP elected John Bruce as Chairman, and Arne Fuglvog as first vice-chairman and Dan Falvey as second vice-chairman.

C-5 BSAI Crab Rationalization

The AP recommends the Council adopt the following elements and options:

Elements and Options for Crab IFQ Program

1. Harvesting Sector Elements

- 1.1 Crab fisheries included in the program are the following fisheries ~~those~~ subject to the Federal FMP for BSAI:

~~Suboption: include closed and developing fisheries~~

Include:

Bristol Bay red king
AI Golden king
Adak red king
Dutch Harbor red king
Pribilof Islands blue king
St. Matthew blue king
Pribilof Islands red king
EBS snow crab
E AI tanner
W AI tanner
EBS tanner

- 1.2 Persons eligible to receive an initial allocation of QS must be:

~~(a) persons that have L.L.P. permits and endorsements for each crab species, and~~

(a) persons that own NMFS certified BSAI crab vessels based on the catch history that gave rise to that vessel's certification, including NMFS approved Amendment 10 combinations, provided PL 106-554 is amended. To qualify as a certified vessel, a vessel must not at any time since October 10, 1998, been ineligible for a U.S.C.G. fishing endorsement. NMFS/RAM approved replacement

vessels, qualified under the Amendment 10 exception for replacement vessels that have not at any time since October 1998, been ineligible for a U.S.C.G. fishing endorsement, would also qualify.”

- ~~_____ (b) U.S. citizens, U.S. corporations or partnerships~~
- ~~_____ Option 1. Eligible to document US fishing vessel~~
- ~~_____ **Option 2. 75% US Ownership**~~

1.3 Categories of QS/IFQs

1.3.1 Crab Fishery Categories - QS/IFQs will be assigned to one of the crab fisheries included in the program as identified in paragraph 1.1, except Dutch Harbor red king, EAI tanner, and WAI tanner, ~~following crab fishery categories: Opilio, Bairdi, Bristol Bay red king crab, Pribilofs red king crab, Pribilofs blue king crab, St. Matthew blue king crab, Brown king crab or Adak red king crab.~~

1.3.1.1 Brown king crab (Al Golden King Crab) options:

- ~~Option 1. A single category for all areas in catch history~~
- Option 2. Split into two categories: Dutch Harbor brown king crab and Western Aleutian Islands brown king crab
- ~~**Option 3. Do not include Aleutian Island Brown Crab**~~

1.3.1.2 Adak red king crab options (*this fishery has been closed for several years*):

- ~~Option 1. Do not include Adak red king crab until it becomes a viable fishery again~~
- Option 2. Include Adak red king crab in crab IFQ program

1.3.2 Harvesting sector categories - QS/IFQs will be assigned to one of the following harvesting sector categories:

- (a) catcher vessel (CV), or
- (b) catcher/processor (CP)

1.3.3 Processor delivery categories - QS/IFQs for the CV sector may be assigned to processor delivery categories if Processor quota shares (PQs) are included in the program. Several options for implementation exist as follows:

~~Option 1. No processor delivery categories (*processors may either accept deliveries on an open-access basis first or only accept open-access deliveries after their processing quota shares are utilized - see Processing Sector Elements.*)~~

Option 2. Two processor delivery categories (*options for the percentage split between class A/B shares for initially allocated QS appear under the Processing Sector Elements*):

- (a) Class A - allow deliveries only to processors with unused PQs
- (b) Class B - allow deliveries to any processor

1.3.4 Regional Categories - QS/IFQs for the CV ~~and CP~~ sector may be assigned to regional categories if Regionalization is included in the program. Two regions would be defined as follows (*see Regionalization Elements for more detailed description of regions*):

- (a) North Region - All areas on the Bering Sea north of 56° 20' N. Latitude.
- (b) South Region - All areas south of 56° 20' N. Latitude

1.4 Initial allocation of QS

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

~~The intent of the AP is that the denominator used to determine the distribution of QS would be the sum of the histories of vessels qualified under Amendment 10. The AP notes that some vessels qualified under Amendment 10 are replacement vessels and recommend an option that the replaced vessels' history would flow to the replacement vessel.~~

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

(a) The intent of the AP is the calculation is to be done, on a vessel-by-vessel basis, as a percent of the total catch, year-by-year during the qualifying period. Then the sum of the yearly percentages, on a fishery-by-fishery basis, is to be divided by the number of qualifying years included in the qualifying period on a fishery-by-fishery basis to derive a vessel's QS.

(b) It is the intent of the AP that the underlying principle of this program, is one history per vessel, and that the initial allocation of quota share will disallow stacking or combining histories of vessels that are not currently participating in BSAI fisheries, with the exception of Amendment 10 replacement vessels with fishery endorsements since October 10, 1998.

1.4.2 Qualifying Periods for Determination of the QS Distribution:

1.4.2.1 Opilio (EBS snow crab)

~~Option 1. 1990 - 1999~~

Option 1. 1994 - 1999 (6 years)

(a) ~~All years~~

(b) Best 7 5 years

Option 2. 1992 - 1999 (8 years)

(b) ~~All years~~

(c) Best 5 7 years

Option 3. 1995 - 1999 (5 years)

(a) All years

(b) Best 3 4 years

1.4.2.2 Bristol Bay red king crab

~~Option 1. 1990 - 1999~~

(a) ~~All years~~

(b) Best 7 years

Option 2. 1993 - 1999 (5 years, closed in 94 and 95)

(a) ~~All years~~

(b) Best 4 years

Option 3. 1992 - 1999 (6 years)

(a) All years

(b) Best 5 years

~~Option 4. 1995 - 1999~~

(a) ~~All years~~

(b) Best 3 years

1.4.2.3 Bairdi (EBS tanner crab)

Option 1. 1992 - 1996 (5 years)

(a) All years

(b) Best 4

~~Option 2. 1994 - 1996~~

~~Option 3. 1990 - 1997~~

(New)Option 2. 91/92* - 96 (6 years)

(a) Best of 5 years

*The AP notes biological season extended over a calendar year

1.4.2.4 Pribilofs red king crab

Option 1. 1993 - 1998

(a) Best of 4 years

Option 2. 1994 - 1998

a) all years

b) drop one year

~~Option 3. 1996 - 1998~~

1.4.2.5 Pribilofs blue king crab

Option 1. 1993 - 1998

(a) Best of 4 years

Option 2. 1994 - 1998

a) all years

b) drop one year

~~Option 3. 1996 - 1998~~

1.4.2.6 St. Matthew blue king crab

Option 1. 1993 - 1998

(a) Best of 4 years

Option 2. 1994 - 1998

a) all years

b) drop one year

~~Option 3. 1996 - 1998~~

1.4.2.7 Brown king crab (AI golden king crab)(based on biological season) ~~calendar years ending 12/31~~

(Options apply to both Dutch Harbor and western Aleutian Island brown king crab)

~~Option 1. 1990 - 1999~~

Option 2. 92/93 - ~~2000~~ 98/99 (7 years)

(a) drop one year

(b) all years

Option 3. 95/96 - 98/99 (4 years)

(a) drop one year

(b) all years

~~Option 4. 1995 - 2000~~

Option 4. 96/97 - 98/99 (3 years)

(a) drop one year

(b) all years

Suboption: (A) Award each initial recipient 50/50 based on GHL split Dutch Harbor/western Aleutian Island brown king crab QS. instead of
(B) according to historical participation in each region.

1.4.2.8 Adak Red King Crab
Option 1. 1992 - 1995

(A) All years

(B) Best of 2 years

~~Option 2. Define qualifying years in separate amendment if fishery reopens~~

1.5 Annual allocation of IFQs:

1.5.1 Basis for calculating IFQs:

Option 1. GHL

Option 2. Convert GHL to TACs and use TAC as the basis.

1.6 Transferability and Restrictions on Ownership of QS/IFQs:

1.6.1 Persons eligible to receive QS/IFQs by transfer -

Option 1. (a) All persons or entities eligible to document a U.S. fishing vessel are eligible to own or purchase harvest vessel QS and IFQs
(b) Persons or entities with 75% US ownership

Suboption: Initial recipients of harvesting quota share are grandfathered

~~Option 2. Initial recipients of harvesting quota share~~

Option 3. US citizens who have had at least

a. 30 days of sea time*

b. 150 days of sea time*

c. 365 days of sea time*

Suboption: Initial recipients of harvesting quota share are grandfathered

Option 4. Entities that have a US citizen with 20% or more ownership with at least

a. 30 days of sea time*

b. 150 days of sea time*

c. 365 days of sea time*

Suboption: Initial recipients of harvesting quota share are grandfathered

*Definition of sea time: (3 options):

1. Sea time in any of the US fisheries

2. Sea time in any State of Alaska or Alaska EEZ fisheries

3. Sea time in any BSAI crab fisheries

1.6.2 Leasing of QS (Leasing is equivalent to the sale of IFQs without the accompanying QS.)

Leasing is defined as use of ITQ on vessel which QS owner holds less than 5-50% ownership of vessel

Option 1. Leasing QS is allowed with no restrictions

Option 2. Leasing QS is not allowed

1.6.3 **Separate and distinct** QS Ownership Caps - apply to all **harvesting** QS categories pertaining to a given crab fishery with the following provisions:

(a) initial issues that exceed the ownership cap would be grandfathered;

(b) apply individually and collectively to all QS holders in each crab fishery;

(c) percentage-cap options for the Bristol Bay red king crab, Opilio, Bairdi, Pribilofs

red king crab, Pribilofs blue king crab and St. Matthew blue king crab fisheries (*a different percentage cap may be chosen for each fishery*):

- Option 1. ~~3~~ 1% of the total QS pool for the fishery
- Option 2. 5% of the total QS pool for the fishery
- Option 3. 8% of the total QS pool for the fishery

- (d) percentage-cap ranging from ~~30~~ 20%-40% for the Dutch Harbor and western Aleutian Island brown king crab (*a different percentage cap may be chosen for each fishery or may be applied to the combined fisheries if not categorized separately*).
- (e) percentage-cap ranging from ~~20~~10%-30% for Adak red king crab (if QS for this fishery are issued)

~~Suboption (c, d, and e) would analyze a range of QS caps for each species bounded by the average QS held and the maximum QS holding at the time of initial issuance with grandfather provision.~~

1.6.4 Controls on vertical integration (ownership of harvester QS by processors):

Option 1: No controls

Option 2: All purchases up to a cap of 1% 5% or ~~10~~ 8%

Option 3: An entity that owns IPQs may not own CVQs in addition to those CVQs that were issued to the IPQ holder in the initial allocation.

~~1.7 Use of IFQs:~~

~~1.7.1 Use by harvesting sectors - IFQs must be used in accordance with the privileges defined for the associated QS category. The following provisions also apply:~~

- ~~(a) CP-IFQs may be used on catcher vessels to harvest and process on board;~~
- ~~(b) CV-IFQs may be used on catcher/processors for harvesting but must be delivered to another processor unless sufficient processing quota shares are also held;~~
- ~~(c) Processing quota shares may be used on catcher/processors to process crab harvested with CV-IFQs (whether by itself or another catcher vessel);~~
- ~~(d) Initial recipients of CP quota shares that also receive CV quota shares shall be able to convert, at the time of issuance, their initial issuance of CV quota shares to CP quota shares.~~

~~Option 1: Owners of CP quota shares cannot purchase additional CV quota shares~~

1.7 Use of IFQ's

1.7.1 Use by harvesting sectors - IFQs must be used in accordance with the privileges defined for the associated QS category. The following provisions also apply:

- (a) "a" class CV-IFQs may be processed by either a shoreside processor or a catcher/processor so long as sufficient processor shares are held by the processor.
- (b) "b" class CV-IFQ's may be processed by either a shoreside processor or a catcher/processor.
- (c) "a" or "b" class CV -IFQ's initially issued to a catcher/processor shall not be regionally or community designated.
- (d) "a" or "b" class CV-IFQ's purchased or obtained by catcher/processors shall retain their regional or community designation.

1.7.2 Catcher/Processor shares:

1.7.2.1 Catcher/Processors shall be granted "A" and "B" class CV-QSs in the same manner as catcher vessels.

1.7.2.2 Catcher/Processors shall be granted PQ's proportional to their initial issuance of CV- QS

1.7.2.3

Option 1: Catcher/Processors are prohibited from purchasing additional PQs from shore based processors but are free to acquire PQs from other Catcher/Processors.

Option 2: Catcher/Processors shall be allowed to purchase additional PQs from shore based processors so long as the shares are processed within 3 miles of shore in the designated region or community.

1.7.2.4

(A) Catcher/Processors shall be allowed to sell PQ's to shore based processors.

(B) When CP IPQ shares without a regional designation are sold to a shore based processor, the shares become designated by region.

~~(d) Divestiture:~~

~~1. An initial recipient of CV and CP quota share is required to divest quota shares in excess of the cap amount in:~~

~~Option 1. Five years after initial issuance~~

~~Option 2. Ten years after initial issuance~~

~~Option 3. Twenty years after initial issuance~~

~~A motion to include above failed 5/13/2~~

~~2. A initial recipient of IPQ quota shares is required to divest any CV or CP quota shares in:~~

~~Option 1. Three years after initial issuance~~

~~Option 2. Five years after initial issuance~~

~~Option 3. Ten years after initial issuance~~

~~3. An initial recipient of QS is required to divest any IPQ QS in:~~

~~Option 1. Three years after initial issuance~~

~~Option 2. Five years after initial issuance~~

~~Option 3. Ten years after initial issuance~~

~~A motion to include 2 and 3 failed 5/15~~

1.7.3 Catch Accounting Under IFQs - All landings including deadloss will be counted against IFQs. Options for treatment of incidental catch are as follows:

~~Option 1. No discards of legal crab will be allowed, and sufficient IFQs for legal crab must be available.~~

~~Option 2. No discards of "marketable" crab will be allowed for opilio crab and sufficient IFQs for "marketable" crab must be available. (Legal size for opilio is 3.1 inches, but the industry standard is 4 inches.)~~

~~Option 3. No discards of opilio crab with a carapace of 4 inches or greater in width (motion passed 10/7)~~

~~Option 4. Discards of incidentally caught crab will be allowed. (This option would allow, for example, incidental catch of Bairdi Crab in a Red King Crab fishery to be discarded without counting against Bairdi IFQs.)~~

1.7.4 Use caps on IFQs harvested on any given vessel

Option 1. Range from average to highest of annual catch by vessel by species

Option 2. No use caps

1.8 Other Optional Provisions - the Committee included several other options for analysis as follows:

1.8.1 Other options for skippers and crews:

~~Option 1. An initial allocation of 0% 10% or 20% of harvesting quota shares~~

distributed equally to qualifying crew members

Option 1. An initial allocation of 0% 10% or 20% of harvesting quota shares distributed to qualified skippers and crew members as a separate class of QS with an owner on board stipulation. Qualification criteria for skipper and crew would require participation in the same years as the vessel owner qualification period.

A motion to amend option 1 to read as follows failed 9/10/1:

1.8.1 Options for skippers and crew

An initial allocation of 0, 10% or 20% of harvester QS distributed as a separate class of shares with owner on board requirements distributed to qualifying skippers and crew members based on the following criteria:

1. *Participation in the fishery during qualifying years*
2. *Tenure of participation in the fishery*
3. *Employment designation as either skipper or crewperson*
4. *Economic dependence on the fishery*

Option 2. First right of refusal on transfers

a. Range of 0-20% of harvesting QS would be designated as crew shares. Transfers of harvesting QS must include transfer of ~~10~~ 0-20% crew shares for which there will be first right of refusal for eligible crew to buy

b. Timeframe for first right of refusal is 1-2 months.

c. Eligibility of US citizens to purchase crew shares would be defined by a range of sea time of

- a. 30 days of sea time**
- b. 150 days of sea time**
- c. 365 days of sea time**

~~**Option 3: Protection of traditional and historical crew share percentages with no sunset**~~

~~**Option 4: 3. A low-interest program for skipper and crew purchases of QS would be established or made part of the existing loan program for IFQ purchases.**~~

Motion to include a new Option 4 failed 6/12/1

Option 4: Additional Owner on board requirements

a. Phase in conversion of initially issued QS to owner on board QS using the following schedule:

Year 5 - 10%

Year 7- 20%

Year 10 - 30%

b. Upon sale of initially issued QS require 20-50% of transferred QS to convert to owner on board QS

Minority Report

We, the undersigned members of the AP believe that some owner on board provisions are an essential component of the crab rationalization program for the following reasons.

1. *They provide an effective entry level for 2nd generation participation*
2. *Stewardship benefits of IFQ programs are maximized when owners of QS are directly involved in harvesting the resource*
3. *Safety benefits of IFQ programs are maximized when owners of Qs are onboard the vessels and directly affected by its maintenance and fishing practices*

Further, we believe the motion which failed at the AP contained several provisions to accommodate non-owner operator such as applying the owner on board stipulation to only a portion of the quota, and phasing in this requirement after a 5 year grace period.

1.8.2 Rollover Overage Provisions

~~Holder of CV and CP IFQ that is not fished in the season for which it is issued, may roll over a portion of their IFQ.~~

Allowances for overages during last trip.

Option 1. 1%

Option 2. 3%

Option 3. 5%

Any overage would be deducted from the QS holder's IFQs (during the next season) at

1. The same amount as overage

2. Twice the amount as overage

1.8.3 Options for AFA vessels:

Option 1. AFA harvester sideboard caps on crab species shall be eliminated upon implementation.

~~Option 2. If crab buy-back program goes into effect without crab rationalization, modify AFA crab sideboards to permit AFA vessels to share proportionately in any increase in crab harvest opportunities that accrue to remaining crab vessels.~~

1.8.4 Request the analysis discuss season opening dates under IFQs and the potential for concurrent seasons and multi-species fishing to reduce bycatch.

2. Processing Sector Elements

2.1 Eligible Processors - processors eligible to receive an initial allocation of processing quota shares (PQs) are defined as follows:

- (a) U.S. Corporation or partnership (not individual facilities), and
- (b) processed crab for any crab fishery included in IFQ program in 1998 or 1999.

2.2 Categories of Processing Quota Shares

2.2.1 Crab fishery categories - processing quota shares will be issued for the following crab fisheries: ~~Bristol Bay red king crab, Pribilof red king crab, Pribilof blue crab, St. Matthew blue crab, Opilio, Bairdi and brown king crab.~~

Include:

- Bristol Bay red king
- AI Golden king
- Adak red king
- Dutch Harbor red king
- Pribilof Islands blue king
- St. Matthew blue king
- Pribilof Islands red king
- EBS snow crab
- E AI tanner
- W AI tanner
- EBS tanner

2.2.2 Regional categories - processing quota shares will be categorized into two regions if regionalization is adopted (*see Regionalization Elements for description of regions*):

- (a) Northern Region - All areas on the Bering Sea north of 56° 20' N. Latitude
- (b) Southern Region - All areas south of 56° 20' N. Latitude

2.3 Initial allocation of processing quota shares -

Option 1. Processing quota shares shall be initially issued to Eligible Processors based on three-year average processing history¹ for each fishery, determined by the buyer of record listed on ADF&G fish tickets, as follows:

- (a) 1997 - 1999 for Bristol Bay red king crab
- (b) 1996 - 1998 for Pribilof red king crab
- (c) 1996 - 1998 for Pribilof blue crab
- (d) 1996 - 1998 for St. Mathew blue crab
- (e) 1997 - 1999 for opilio crab
- (f) Bairdi crab based on 50/50 combination of processing history for BBRKC and opilio
- (g) 1996/97, 1997/98 and 1998/99 for brown king crab

~~**SUBOPTION The ability to drop any species from processing share program**~~

~~(h) The council shall/may determine if the 4 species not included are not appropriate for IFQs, Dutch Harbor red king, EAI tanner, WAI tanner, and Adak red king~~

~~**Option 2. Processing quota shares shall be initially issued to eligible processors based on the years 1990-1999 processing history for each fishery, determined by the buyer of record listed on ADF&G fish tickets.**~~

~~**Suboption: Processor able to choose the best 8 of 10 years.**~~

Option 3: Processing quota shares shall be initially issued to Eligible Processors based on the years 1995-1999 processing history for each fishery, determined by the buyer of record listed on ADF&G fish tickets.

Suboption: Processor able to choose the best 4 of 5 years.

~~**Option 4. Same years as years for harvesting shares on fishery by fishery basis.**~~

2.4 Percentage of seasons GH/L or TAC for which individual IPQs are distributed:

2.4.1 IPQs will be issued for a portion of the seasons GH/L or TAC for each species to provide open access processing as a means to enhance price competition

- Option 1 100% GH/L (or TAC) would be issued as IPQs**
- Option 2 90% GH/L (or TAC) would be issues as IPQs - the remaining 10% would be considered open access.
- Option 3 80% of GH/L (or TAC) would be issued as IPQs - the remaining 20% would be considered open access.
- Option 4 70% of GH/L (or TAC) would be issued as IPQs - the remaining 30% would be considered open access.**
- Option 5 0% - no processing shares*

~~2.4.2 Annual distribution of individual processing quota (IPQs) will be issued as a percentage of the quota share pool as follows:~~

- ~~Option 1 105% of processors proportional share of quota share pool would be issued as processor's IPQ.~~
- ~~Option 2 130% of processors proportional share of quota share pool would be issued as processor's IPQ.~~

2.5 Implementation of the open access processing portion of the fishery (three options):

Option 1. Catcher vessel QS/IFQs are categorized into Class A and Class B shares. Purchases of crab caught with Class A shares would count against IPQs while purchases of crab caught with Class B shares would not. Crab caught with Class B shares may be

¹The three-year average shall be the three-year aggregate pounds purchased by each Eligible Processor in a fishery divided by the three-year aggregate pounds purchased by all Eligible Processors in that fishery.
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purchased by any processor on an open-access basis.

~~Option 2. No separate A/B categories for catcher vessel QS/IPQs. Deliveries to processors holding processor quota shares will count against their IPQs first. When its IPQs are fully utilized, a processor may take additional deliveries until the open access portion of the fishery is closed. Open access processors may purchase crab until the open access portion of the fishery is closed.~~

~~Option 3. No separate A/B categories for catcher vessel QS/IPQs. Initially, all processors may purchase crab on an open-access basis until the open access portion of the fishery is closed. Then, any remaining crab may be purchased by processors with unutilized IPQs.~~

2.6 Transferability of processing shares - provisions for transferability include the following:

- (a) Processing quota shares and IPQs would be freely transferable, including leasing
- (b) IPQs may be used by any facility of the Eligible Processor (without transferring or leasing)
- (c) Processing quota shares and IPQs categorized for one region cannot be transferred to a processor for use in a different region.

2.7 Ownership and use caps - different percentage caps may be chosen for each fishery:

2.7.1 Ownership caps -

Option 1. based on maximum share for processors by fishery plus a percentage of 5%, 10% or 15%.

Option 2 Ownership cap equal to largest share issued to processor at initial issuance.

Option 3 Range of caps from average to maximum with grandfather clauses

2.7.2 Use caps.

Use caps

Option 1 Annual use caps ranging from 30% ~~50~~ 60% of the GHL (or TAC) by fishery.

~~Option 2 Annual use caps equal to a range of 125% to 200% of the amount of IPQ quota shareholder received at initial issuance~~

Option 3 Annual use caps of quota share equal to the largest IPQ quota share holder in the specific fishery.

2.8 Other Optional Provisions

2.8.1 The crab processing caps enacted by Section 211(c)(2)(A) of the AFA would be terminated.

2.8.2 Penalties - Eligible Processors must fully utilize their processing quota shares in the season while a fishery is open or lose the amount that is not utilized in the next season.

A. Unused quota

1. Distributed to other processors proportionally

2. Distributed to other processors equally

3. Allocate to open access

B. Hardship provisions

2.8.3 Incorporate in the analysis (through a brief discussion paper) an option for use of a private sector managed (non-governmental), binding arbitration process, for failed price negotiations, between fishermen and processors. The AP notes this is a key design feature in a two pie program The mechanics and applicability to a two pie program are necessary to understand as thoroughly as possible. The AP provides the following guidance to staff for analysis:

Considerations:

- Individuals and groups of fishermen holding IFQs will negotiate independently and separately with individual processing companies holding IPQs at any time, before season openings, the earlier the better, to seek best market prices
- Binding arbitration only required, if negotiations fail to achieve acceptable price to both parties
- Binding arbitration to be private sector financed and managed and conducted on a company by company basis
- Individuals, groups and companies that request binding arbitration jointly bear the cost
- Requires statutory definition, along with ITQs and IPQs
- Harvesting and processing sectors must agree to participate, if there is to be a binding arbitration process
- Agreements on price settlements are binding and will likely require an enforcement mechanism i.e. contracts or statement of agreement between parties
- Biological seasons, overlap of the biological seasons, crab quality, weather, and other considerations need to be contemplated in development of the process framework
- Need to establish criteria, etc. for pool of arbitrators

Process Elements:

- Requires independent market analyses for specified BSAI king, tanner and snow crab species by a designated market analyst, to be chosen by industry (fishermen and processors)
- Arbitrator chosen by industry (fishermen and processors) before start of negotiations, sits in on presentation of market analysis, but does not sit in on negotiations
- Need to establish and adhere to deadlines for:
 - (a) Presentation of market analysis to industry (i.e. 8 to 10 weeks prior to season opening)
 - (b) Agreement on date to go to arbitration
 - Pre season
 - In season
 - (c) Agreement on deadline for price settlement
 - Date certain
 - Or based on % of GHJ caught
- Arbitration will require the parties to submit best price and arbitrator picks one or the other price, but does not split the difference; or other options
- Options to establish a price
 - 1. Prices established are a minimum price, based on market analysis, with processors agreeing to pay at least the minimum price. Allows variability on prices between companies.
 - 2. Formula approach similar to some Bering Sea pollock operations, where the fleets share in the percentage of the sale price of the products. In this case, the arbitrator would decide the formula percentage.

~~2.8.4 For IPQs allocated under 2.4.1 the holders of IPQs that are not processed in the season for which they are issued, may roll over a portion of their IPQ.~~

- ~~_____ Option 1. _____ 1%~~
- ~~_____ Option 2. _____ 5%~~
- ~~_____ Option 3. _____ 10%~~

3. Regionalization Elements

3.1 Two regions are proposed:

- (a) Northern Region - All areas on the Bering Sea north of 56° 20' N. Latitude. *(This region includes the Pribilof islands and all other Bering Sea Islands lying to the north. The region also includes*

all communities on Bristol Bay including Port Heiden, but excludes Port Moller and all communities lying westward of Port Moller.)

- (b) Southern Region - All areas south of 56° 20' N. Latitude (*This region includes all parts of the Alaska Peninsula westward of and including Port Moller. All of the Aleutian Islands are included in the South Region as are all ports and communities on the Gulf of Alaska.*)

3.2 Regional categorization of processing and/or harvesting quota shares -

3.2.1 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

3.2.2 Options for the harvesting sector:

- Option 1. ~~C/P~~ and all CV quota shares are categorized by region
- Option 2. ~~C/P~~ and only Class A CV quota shares are categorized by region

3.2.3 Options for the processor sector:

- Option 1. Processing quota shares and IPQs are categorized by region
- Option 2. Regional restrictions apply to deliveries made on open access basis (*Note that it may not be possible to enforce this option if the catcher vessel Class B shares are not categorized by region.*)

3.2.4 Once assigned to a region, processing and/or harvesting quota shares cannot be reassigned to a different region.

3.3 Delivery and processing restrictions - the following provisions apply to the delivery and processing of crab with IFQs or IPQs that are categorized by region:

- (a) Crab harvested with catcher vessel IFQs categorized for a region must be delivered for processing within the designated region
- (b) Crab purchased with IPQs categorized for a region must be processed within the designated region.

3.4 Other optional provisions of Regionalization:

~~Option 1. Pribilof/Bering Sea Region (Federal) subsidies for goods and services for the duration of the disaster~~

A motion to designate QS with a community designation as provided below failed 6/14

A. Processing and/or harvesting quota shares are designated to be delivered to or processed in a specific community.

Community designated shares would be issued to:

- a. Processor QS*
- b. Harvester QS*
- c. Both harvester and processor QS*

OPTION 1: 1995-1999

OPTION 2: 1997-1999

SUBOPTION: Community fishing/processing quotas are designated for communities that, in the qualifying years, average processing in the community of at least some percentage of the fisheries TAC:

Option 1: Any percent of the GHL

Option 2: 5% of the GHL

Option 3: 10% of the GHL

Option 4: 20% of the GHL

- B. *Community fishing/processing quotas designated for a portion of the communities historical landings and/or processing in the community.*

Option 1. 100%

Option 2. 75%

Option 3. 50%

Minority Report

We the undersigned members of the Advisory Panel believe that the Bering Sea Crab Rationalization Analysis should include a discussion of an option designating processing shares (IPQ's) and/or harvesting shares (IFQs) to specific communities in addition to the discussion on the regionalization of IPQ's and/or IFQs. The following reasons reflect our justification:

*1. The language of the "Stevens' Rider" (Pub. L.No. 106-554) indicates that the "North Pacific Council shall analyze individual fishing quotas, processor quotas, cooperatives, and **quotas held by communities.**" It is our view that this mandate is not limited to the CDQ program because, for Bering Sea crab fisheries, only a few of the communities processing crab enjoy CDQ participation. Consequently, in keeping with congressional intent, the Council's analysis for Bering Sea Crab Rationalization should include discussion about possible designation of shares to individual communities in addition to the "regionalization" discussion.*

2. NOAA general council has cautioned Council staff regarding whether design features of the proposed IFQ program are consistent with the "port preference" clause of the U.S. Constitution. The "regionalization" design feature is thought to be one of the items that may raise constitutional questions. It is possible that community specific designations could avoid the "class of communities" distinction and have stronger constitutional support.

3. In order to evaluate the regionalization portion of the proposed IFQ analysis, information regarding how regionalization could impact individual communities, particularly those communities in the southern region, may be important. It is thought that regionalization may encourage consolidation of processing capacity from several smaller rural communities in the southern region. Consequently, much of the information needed for regionalization will already be addressed by staff. The addition of community specific designations should not substantially increase staff time but could provide another important option for the Council to consider.

Respectfully submitted by: Duncan Fields, Jeff Stephan, Hazel Nelson, Dan Falvey, Michelle Ridgway

4. ~~Duration of Program~~ Review

The following options apply to all program elements:

- Option 1.** Program review after ~~5~~ 2 years **Program review every ~~4~~ 3 years to objectively measure the success of the program by addressing concerns identified in the Crab Rationalization problem statement and the Magnuson Stevens Act standards.** Additionally, this review should include evaluation of the economic consequences in the Northern and Southern regions
- Option 2.** Program review every ~~4~~ 3 years to objectively measure the success of the program by addressing concerns identified in the Crab Rationalization problem statement and the Magnuson Stevens Act standards. Additionally, this review should include evaluation of the economic consequences in the Northern and Southern regions
- Option 3.** ~~No sunset~~ No program review

The AP recommends the Council use a coop model which would have similar elements (qualifying years, ownership caps, skipper provisions, etc) and the following options for comparison with the IFQ model.

A. An AFA-type coop

B. A dooley hall type of coop

Further, the AP requests the Council reaffirm its earlier policy statement that catch history in the crab fisheries beyond December 31, 1998 may not count in future rationalization programs, including a fishery cooperative system.

The AP makes this statement due to public testimony highlighting speculative entry into the AI golden crab fishery.

Further, the AP recommends that the Analysis include, to the extent possible, a comprehensive qualitative, and where possible, quantitative consideration and examination of the following:

- A. Processor ownership interest in BSAI crab harvesting vessels,
- B. CV ownership interest in processors
- C. Processor ownership interest in BSAI crab fishing history,
- D. CV ownership interest in BSAI processing history
- E. Foreign ownership interest in the BSAI crab processing sector,
- F. Foreign ownership in the BSAI crab harvesting sector
- G. The percentage of Harvester IFQs (IFQs) that will be allocated to the processor sector as a result of processor sector ownership interest in BSAI crab harvesting vessels and BSAI crab fishing history.
- H. The percentage of processor IPQs that will be allocated to the harvesting sector as a result of harvesting sector ownership interests in the BSAI crab processing sector and BSAI crab processing sector history including CPs.
- I. The anti-competitive impacts and economic barriers that may result from the cumulative and combined impacts of Individual Processing Quotas (IPQs) coupled with Regionalization. For example: are the combined impacts and barriers of IPQs and Regionalization different than the individual and respective impacts of IPQs or Regionalization, and if so, to what extent,
- J. The general economic and social impacts, and the impacts on free and open competition and markets of IPQs, including the Halverson Report, and Matulich report on 2-pie IFQ program.
- K. The impacts of IPQs on free markets and vigorous competition in the BSAI crab industry that may result from, 1) processor sector ownership interest in BSAI crab harvesting vessels, 2) processor sector ownership interest in BSAI crab fishing history, and 3) the percentage of Harvester IFQs that may be allocated to the processor sector as a result of processor sector ownership interest in BSAI crab vessels and BSAI crab fishing history,
- L. The general impacts of IPQs on free markets and vigorous competition, price mechanisms, costs, distribution of rents, and other competitive mechanisms:
 - (1) in the BSAI crab processor sector
 - (2) in the BSAI crab harvester sector.
 - (3) in the BSAI crab industry,
 - (4) in the non-AFA processor sector,
 - (5) in the Kodiak processor sector,
 - (6) in the BSAI and GOA fishing industry,
 - (7) that may result from mergers, acquisitions, combinations and concentrations in the processing sector,
 - (8) that may result from foreign ownership interest in the processing sector,

DRAFT

- M. Restrictions of ownership of Harvester IFQs by processing entities that have more than 25% of foreign ownership interest.
- N. Spillover effects on other fisheries
- O. Include a discussion of the percent of GHJ purchased by non-eligible processors on an annual basis and this effect on the final QS pool
- P. Include a discussion on the Canadian Groundfish trawl fisheries, Groundfish Development Authority Code of Conduct and its ability to address concerns that option 1 of section 1.8.1 is intended to address.
- Q. Include a conceptual discussion on how co-op management might work in the harvesting and processing sectors and a comparison of IFQs/IPQs, to co-ops including the Dooley-Hall co-op structure in addressing the problem statement.
- R. Conservation benefits and other implications of each component of the program (IFQ, IPQ, Regionalization Co-ops). It is anticipated that analysis of these issues may be presented in a consolidated section in the EA/RIR.

C-1 Steller Sea Lion RPA Issues

The AP recommends the Council adopt the RPA committee's recommendation as Alternative E.
Motion passed unanimously 20/0.

Additionally, the AP requests the Council direct the RPA Committee, when reviewing the analysis, to examine the opportunity to adjust the alternatives to address:

1. The effects of making the Western and Central GOA pollock "C" season start date August 25 vs. the proposed September 1 date.

Motion passed 20/0

2. The effects of making the W GOA "A" season pollock allocation 30% and "B" season 20% vs. the proposed "A" 25% and "B" 25% *Motion passed 15/1/4*

Further, the AP recommends the Council facilitate the development, implementation, and continued use of co-ops and rationalization programs as an integral part of the RPA measures that are adopted to protect Steller sea lions. *Motion passed 20/0*

A motion to add the following 2 items failed.

3. *review a limited fishing zone in the Chignik area (area 4) for fixed gear out to ten (10) miles from Castle Cape to Foggy Cape for vessels under 60 ft. Motion failed 5/10/5*

4. *review a limited fishing zone in the Dutch Harbor area (area 9) for fixed gear out to ten (10) miles from Cape Cheerful to Umnak Pass for vessels under 60 ft. Motion failed 7/13*

Minority Report:

We the undersigned members of the Advisory Panel believe that the Council, when looking at sealion related RPA 's should consider inclusion, for analysis purposes, of limited fishing zones adjacent to Chignik and Dutch Harbor for small boat fixed gear fishermen in their overall RPA motion. Our justification is as follows:

(a) *Chignik and the Chignik area has more than 100 year history of participation in the codfish fishery. Although it is true that only a few Chignik fishermen currently participate in the federal waters codfish fishery, they are experiencing limited market opportunities and don't want this fishing opportunity precluded by regulation — no one knows how long the RPA fishing restrictions will be in place.*

(b) *In the Chignik area, all federal waters are closed to fishing out to 20 miles. This contrasts with the areas north and south of Chignik and may reflect that fishing area in Chignik was exchanged for additional fishing zones in other areas. The area requested for opening is relatively small.*

(c) *In the Dutch Harbor area, small boat fishermen have are not currently catching their codfish quota. Current closures will guarantee a reallocation of quota from this fleet. A small additional open area may allow this fleet to capture a larger percent of their quota.*

(d) *Just fishing in State waters is possible for vessels that do not have LLP licenses or other federal permits. It is uncertain if vessels with Federal licenses, once relinquished, will continue to be able to reacquire the licenses.*

Signed: Duncan Fields, Ben Ellis, Lyle Yeck, Michelle Ridgway, Hazel Nelson, and Dan Falvey

C-3 American Fisheries Act (a)

The AP recommends the Council adopt Alternative 2 for the EA/RIR/IRFA Amendment 69: To allow an inshore pollock cooperative to contract with AFA catcher vessels that are qualified for the inshore sector, but outside their coop for the purpose of harvesting the coop's BSAI pollock allocation.

Motion passed 19-0.

C-3 (c) The AP recommends the Council initiate an analysis to end the single geographic location requirement in the AFA regulations to allow AFA inshore floating processors to process BSAI pollock in more than one location in the BSAI during a fishing year.

Motion passed 19-0.

C-3 (d) The AP requests the Council initiate an analysis on the elements contained in the Groundfish Forum proposal with final action scheduled in June 2002. To facilitate this time line, the AP recommends a discussion paper be developed and brought back as soon as possible to flesh out additional issues.

Motion passed 20/0.

C-5 Groundfish Programmatic SEIS

The AP supports the current scope, alternatives, and analysis contained in the draft SEIS. The range of both the policy and management options are adequate for addressing environmental issues for the planning horizon. Further, the AP recommends the Council:

1. Add additional policy statement language as suggested by the ecosystem committee (and addressed in Donna Parker's testimony)
2. Request an additional comment period prior to the final SEIS in the event that a new alternative is added to the document
3. Include the recommendations of the SSC in their comments
4. Include the comments of (NEPA experts) Drs. Atkinson and Cantor
5. Clarify and contrast the baseline used for the status quo scorecard and the retrospective analysis of cumulative effects of past management
6. Expand the discussion of the advantages of coops in achieving fishery sustainability goals.

Motion passed 16/0

C-8 GOA Rationalization

The AP recommends to the Council that they remove SE outside groundfish fisheries abut would be considered under sideboard issues. *Motion passed 13/3.*

Additionally, the AP recommends the Council reconvene the GOA rationalization committee to review the (attached) proposal entitled "Preliminary Draft: GOA P COD RATIONALIZATION PROGRAM" in addition to the other proposals brought forward by the committee. *Motion passed 16/1/1.*

**PRELIMINARY DRAFT:
GOA P COD RATIONALIZATION PROGRAM**

Elements and Options for a GOA P Cod Rationalization

1 Harvesting Sector Elements

1.1 Fisheries included in rationalization plan

Option 1: Include Target fisheries for P Cod using Trawl, longline, and pot gear in the WGOA, CGOA and WY areas. (Jig fisheries are Excluded)

1.2 Basis for Annual IFQ calculation

Option 1: Annual IFQ amounts are calculated as follows TAC – State Waters fishery catch – previous years jig harvest X QS = IFQ

1.3 Harvesting Sector QS Categories-QS/IFQs will be assigned to one of the following categories

Option 1

- (a) Trawl Catcher Vessel**
- (b) Trawl Catcher processor**
- (c) Fixed Gear Catcher Vessel**
- (d) Fixed Gear Catcher processor**

Option 2

- (a) Trawl Catcher Vessel**
- (b) Trawl Catcher processor**
- (c) Longline Catcher Vessel**
- (d) Longline Catcher processor**
- (e) Pot catcher vessel**
- (f) Pot Catcher Processor**

Option 3: assigne vessel size categories

- (a) < 60**
- (b) 60 to 125**
- (c) > 125**

Option 4: Inshore/Offshore designation

1.4 Initial Allocation

1.4.1 General Eligibility Provisions

a) Persons applying to participate in the P Cod Fishing Program must meet eligibility requirements to document a US fishing vessel. *Note: The American Fisheries Act changed the requirements for documenting U.S. Fishing vessels—at least 75% U.S. ownership is required.*

1.4.2 Owners of Vessel Catch Histories

The owner of a vessel's catch history is presumed to be the vessel owner of record at the time the catches were made, unless specific language transferring the catch history was included in vessel ownership transfer documentation. If a vessel was operated under a bareboat charter or other similar lease provision, the owner of the catch history is presumed to be charter operator or leaseholder.

1.4.3 Qualifying Years

A) Freezer longline Vessels

Option 1: 1995 –1999

A) All years

B) Drop one

B) Catcher longline vessels

Option 1: 1995 –1999

A) All years

B) Drop one

c) Pot catcher vessels

Option 1: 1995 –1999

A)All years

B)Drop one

D) Pot catcher processors

Option 1: 1995 –1999

A) All years

B) Drop one

E) Trawl catcher vessels

Option 1: 1995 –1999

A) All years

B) Drop one

F) Trawl Catcher Processors

Option 1: 1995 –1999

A) All years

B) Drop one

1.4.4 Calculation of initial QS Distribution

(a) Based on legal landings made while federal fishery was open.

(b) *Describe QS calculation here if specific method is desired.*

1.4.5 Skipper provisions

A motion to add the following provision failed in the AP 8/10

Vessel Specific Skipper alternative

- 1) A % of each vessels initially issued QS, up to a maximum of 0 to 20%, would be awarded to skippers and crew based on the following point system.
 - (a) Points are fishery and vessel specific.
 - (b) Each skipper/crew would be awarded points for each season of a qualifying year fished aboard a vessel (or company vessel of more than one boat are owned)
 - (c) Points are based on the %of the season a skipper/crew fished. (ex. If a skipper ran the boat for 60% of the season, then he/she would be eligible for 60% of the possible points)
 - 1) Skippers may receive up to a maximum of 100 points/season
 - 2) Crew may receive up to a maximum of 50 points/season
 - (a) to qualify, a skipper must document at least 20% of a vessel total possible points, crew must document at least 10%.
 - (b) Any available QS not awarded to skipper/crew would revert to the vessel owner
 - (c) QS earned by owner operators would be awarded to
 - 1) The individual
 - 2) The vessel ownership entity.
 - (a) The burden for documenting points will be on the skipper/crew.

1.5 Transferability and restrictions on Ownership of QS/IFQ

1.5.1 Eligibility to Purchase QS

Option 1: All persons or entities eligible to document a US fishing vessel are eligible to purchase harvest vessel QS and IFQ.

Suboption: grand father initial recipients

Option 2 US citizens who have at least

- (a) 30 days of sea time**
- (b) 150 days of sea time**
- (c) 365 days of sea time**

Suboption: grand father initial recipients

Option 3 Entities that have a US citizen with 20% or more ownership with at least

- (a) 30 days of sea time**
- (b) 150 days of sea time**
- (c) 365 days of sea time**

Suboption: grand father initial recipients

Seatime: same as AP crab Motion

1.5.2 Leasing

Same as AP Crab section

1.5.3 Ownership caps

Same as AP Crab section with range of 0.5% to 5%

1.5.4 Controls on vertical integration

Same as AP Crab section

1.5.5 Use of QS/IFQs

1.5.5.1 Harvester IFQs

Option 1: Use by harvesting sectors - IFQs must be used in accordance with the privileges defined for the associated QS category. The following provisions also apply:

- 1) “a” class CV-IFQs may be processed by either a shoreside processor or a catcher/processor so long as sufficient processor shares are held by the processor.**
- 2) “b” class CV-IFQ’s may be processed by either a shoreside processor or a catcher/processor.**
- 3) “a” or “b” class CV -IFQ’s initially issued to a catcher/processor shall not be regionally or community designated.**
- 4) “a” or “b” class CV-IFQ’s purchased or obtained by catcher/processers shall retain their regional or community designation.**

Option 2: Allow Buy down provision

Option 3: One way conversion from trawl QS to to fixed gear QS. Halibut PSQS would convert to halibut QS.

Option 4: Allow one way conversion from offshore to inshore

1.5.5.2 Catcher/Processor shares:

1) Catcher/Processors shall be granted “A” and “B” class CV-QSs in the same manner as catcher vessels.

2) Catcher/Processors shall be granted PQ’s proportional to their initial issuance of CV-QS

Option 1: Catcher/Processors are prohibited from purchasing additional PQs from shore based processors but are free to acquire PQs from other Catcher/Processors.

Option 2: Catcher/Processors shall be allowed to purchase additional PQs from shore based processors so long as the shares are processed within 3 miles of shore in the designated region or community.

3) Catcher/Processors shall be allowed to sell PQ’s to shore based processors.

Option 1: When CP IPQ shares without a regional designation are sold to a shore based processor, the shares become designated by region.

1.5.6 Use Caps—

Option 1: range from average to highest of annual catch by vessel

Option 2: No use caps

1.6 Other Provisions

1.6.1 Discards of P Cod

Option 1: All P Cod included in the program that are harvested, must be used against IFQs. No discards will be allowed.

1.6.2 Rollover provisions

Option 1: Allow rollover of Unused IFQ to the next year in the amount of

a) 1%

(b) 5 %

(c) 10%

1.6.3 Observer Coverage

Option 1: 100% observer coverage on all vessels participating in the P cod Fishing Program

Option 2: No change in observer coverage--Industry standard bycatch rates will be applied to all catches when the vessel is unobserved.

Option 3: 100% observer coverage on all vessels greater or equal to 60 feet.

Industry standard bycatch rates will be applied to all catches when the vessel is unobserved.

Option 4: Voluntary use of observers to document lower than average bycatch rates.

A program allowing voluntary use of observers would be included to allow vessels to document that their bycatch rates are lower than the industry standard.

1.7 Bycatch and PSC Considerations

1.7.1 BQ and PSQS Categories

Option 1: BQ and PSQS would be assigned to one of the following categories

- (a) Trawl Catcher Vessel**
- (b) Trawl Catcher processor**
- (c) Longline Gear Catcher Vessel**
- (d) Longline Gear Catcher processor**

1.7.2 Basis for BQ and PSQS

Option 1: Allocate BQ and PSQS proportional to QS based on MRB standards

Option 2: Allocate BQ and PSQS proportional to QS based on sector average

1.7.3 Initial allocation of Bycatch Quota and PSC Quotas

Option 1: allocate BQ and PSQS to individuals

Option 2: allocate BQ and PSQS to cooperatives

1.7.4 Use of Individual Bycatch Quota and PSC Quotas

Option 1: Require retention of Bycatch species and sufficient BQ to cover landings.

Option 2: Allow discards of bycatch species which count against BQ based on

- (a) observer data**
- (b) average rate**

Option 3: Apply current PSC rules and account for PSC based on

- (a) observer data**
- (b) average rate**

Option 4: Issue halibut PSQS as Halibut QS for the fixed gear fleet

- (a) all halibut QS program rules would apply**
- (b) Halibut bycatch during the closed season (Nov 16 to march 14) would:**
 - Suboption 1: Required to be retained and landed**
 - Suboption 2: Required to be released and associated discard mortality deducted from IFQ.**
- c) Establish concurrent seasons.**

Option 5: Allow conversion of halibut PSQS to Halibut QS if trawl vessel converts to fixed gear

A. Upon conversion all halibut QS program rules would apply

B. Halibut bycatch during the closed season (Nov 16 to march 14) would:

Suboption 1: Required to be retained and landed

Suboption 2: Required to be released and associated discard mortality deducted from IFQ.

Option 6:

- A. Allow transfers of BQS and PSQS**
- B. Not allow transfers of BQ and SPQS**

1.7.5 Separability of BQ and PSQS

Option 1: BQ and PSQS are non-separable from FQS and must be transferred in proportion to the amount of FQS that is transferred.

Option 2: BQ and PSQS are separable from FQS and may be transferred independently.

Option 3: BQS and PSQS are separable from FQS and may be transferred independently of FQS, but when transferred separately the number of BQS and PSQS that would go to the purchaser will be reduced by 10 percent. The remaining 10 percent would go to a bycatch reduction pool.

1.7.6 Leasing of BQS and PSQS

Option 1: Leasing of is allowed. Person purchasing IFQs without BQ and PSQS must meet all transfer eligibility requirements.

Option 2: Leasing of FQS is not allowed.

2 PROCESSING SECTOR ELEMENTS

Same as committee strawman for rockfish

*Same as crab rationalization proposal

3 REGIONALIZATION AND COMMUNITY ALLOCATIONS

Same as committee strawman for rockfish

4 Program Review

The following options apply to all program elements:

Option 1. Program review after 2 years to objectively measure the success of the program by addressing concerns identified in the Rationalization problem statement and the Magnuson Stevens Act standards. Additionally, this review should include evaluation of the economic consequences in communities

Option 2. Program review every 3 years to objectively measure the success of the program by addressing concerns identified in the Rationalization problem statement and the Magnuson Stevens Act standards. Additionally, this review should include evaluation of the economic consequences in communities

Option 3. No program review

5 Co-op Model

The AP recommends the Council use a coop model which would have similar elements (qualifying years, ownership caps, skipper provisions, etc) and the following options for comparison with the IFQ model.

- A. An AFA-type coop**
- B. A dooley hall type of coop**