

North Pacific Fishery Management Council

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MINUTES

177th Plenary Session
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
June 7-12, 2006
Kodiak Inn
Kodiak, Alaska

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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 style font 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 (SSC) and Advisory Panel (AP) on the subject. Last will be a section describing **Council Discussion and Action**, if any.

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Certified Stephanie D. Madsen
Stephanie Madsen, Chair

Date October 4, 2006

MINUTES

177th Plenary Session NORTH PACIFIC FISHERY MANAGEMENT COUNCIL June 7-12, 2006 Kodiak Inn Kodiak, Alaska

The North Pacific Fishery Management Council met June 7-12, 2006, in the Harbor Room of at the Kodiak Inn in Kodiak, Alaska. The Scientific and Statistical Committee met June 5-7 at the Fishermen's Hall in Kodiak and the Advisory Panel met June 5-9 at the Elks Club in Kodiak. Other meetings and presentations which took place in conjunction with the Council meeting are listed below.

Industry workshop – Am. 80 data collection	6-8 pm, June 5	Fishermen's Hall
Gulf Groundfish Rationalization Public Hearing	9 am – 5 pm, June 6	Kodiak High School, Common A-B
Enforcement Committee	1-5 pm, June 8	Harbor Room, Kodiak Inn
Video Monitoring presentation	5:30 pm, June 8	Harbor Room, Kodiak Inn

The following members of the Council, staff, SSC and AP attended the meetings.

Council Members

Stephanie Madsen, Chair	Doug Hoedel
John Bundy, Vice Chair	Roy Hyder for Lindsay Ball
Dave Benson	Eric Olson
Adm Gene Brooks/Capt Mike Cerne	Edward Rasmuson
McKie Campbell/Earl Krygier, ADFG	Sue Salveson/Jay Ginter, NMFS
Leonard Corin, USFWS	Bill Tweit for Jeff Koenings, WDFW
Arne Fuglvog	
Dave Hanson	Absent: Stetson Tinkham

NPFMC Staff

Chris Oliver, Executive Director	Diana Evans	Jim Richardson
Gail Bendixen	Mark Fina	Maria Shawback
Cathy Coon	Nicole Kimball	Bill Wilson
Jane DiCosimo	Peggy Kircher	David Witherell
Elaine Dinneford	Jon McCracken	

Support Staff/Presentations

NMFS-Alaska Region:

Glenn Merrill
Sheela McClean
Ben Muse
Bubba Cook
Shane Capron
Jon Kurland
Ken Hansen
Jason Gasper
Mike Gonzalez
IPHC:
Gregg Williams

NOAA-General Counsel:

John Lepore
Lauren Smoker
AFSC:
Bill Karp
Craig Rose
Alan Kinsolving
Jennifer Sepez
Christina Package
USFWS:
Greg Balough

ADFG:

Sue Aspelund
Rachel Baker
Denby Lloyd
Doug Pengilly
Herman Savikko
Doug Vincent-Lang
USCG:
LT Alan McCabe
LT Daniel Schaffer
CAPT Kevin Cavanaugh

Scientific and Statistical Committee

Gordon Kruse, Chair
Pat Livingston, Vice Chair
Keith Criddle
Steve Hare
Sue Hills
Anne Hollowed

George Hunt
Seth Macinko
Steve Parker
Ken Pitcher
Terry Quinn, II
Farron Wallace

Doug Woodby

Absent:

Mark Herrmann
Franz Meuter

Advisory Panel

John Henderschedt, Chair
Joe Childers, Vice Chair
Al Burch
Lisa Butzner
Julianne Curry
Tom Enlow
Duncan Fields

Bob Gunderson
Jan Jacobs
Bob Jacobson
Simon Kinneen
Kent Leslie
Matt Moir
John Moller

Jeb Morrow
Michelle Ridgway
Lori Swanson

Absent:

Craig Cross
Ed Poulsen

Other Attendees

A list of those who provided public comment during the meeting is found in Appendix 1 to these minutes. The following members of the public registered their attendance:

Jerome Selby, Kodiak Island Borough
Shawn C. Dochtermann, FV Isanotski
Jack Hill, FV Ruff & Reddy
Tim Miller, FV Glacier Bay
Chris Holland, FV Point Omega
Dan Bromley, Univ. of Wisconsin
Ken Holland, FV Point Omega
Sharon Anderson, SIDCO
Gene Anderson
D.J. Vinberg, FV Family Pride
Jesse T. Nell, Ouzinkie
Andrew Edgerly, FV Golden Girls

Frank Kelty, City of Unalaska
Steve Branson, Crewmen's Assn.
Theresa Peterson, FV Patricia Sue
Harold Bruce Magnusson, owner/operator
FVs Breanna Holly & Heidi Kay
Bernadette Deplazes, Kodiak homeowner
Ian MacIntosh, Kodiak resident/fisher
Freja Holm, Wood Island Tribal Council
Mel Stephens, Kodiak
Joanna Aldridge, Unalaska
Glenn Reed, PSPA
Kris Norosz Icicle Seafoods

Other Attendees (continued)

Pete Hannah, FV Mikado	Terry Leitzell, Icicle Seafoods
Curt Waters, FV Mar Del Norte	John Bruce, Fisher
Sam Cotton, AEB	Donna Parker, Arctic Storm
Robert A. Wagner, small business	Margaret Hall, Rondys Inc.
Ben Billstein, business owner	Alex Brindle, Kendrick Bay LP
Jerry Bongen, FV Jeanoah	Sinclair Wilt, Alyeska Seafoods
Arni Thomson, ACC	Thorn Smith NPLA
KJ Herman, FV Windward	Matt Doherty, US Seafoods
Danny Powell, FV Icelander	Bob Alverson, FVOA
Daniel Ellanak Ouzinkie	John Gruver, UCB
Norman Mullan, FV Cindria Gene	Bill Orr, Iquique US
Don Roberts, Community Market	Rick Krueger, Summit Seafoods
Jim Hamilton, OH3	Alyssa McDonald, Mac Enterprises Inc.
Katherine Ellanak, Ouzinkie	David Frulla, Kelley Drye Collier Shannon for Best Use Coalition
Mark Levenson, FV Sea Dream	Shaun Gehan, Kelley Drye Collier Shannon for Best Use Coalition
Jack Maker, The Treasury, Kodiak	Shaun Griggs, Bauer Moynihan & Johnson
Stephen Taufen Groundswell Fisheries Movement	Lori Swanson, Groundfish Forum
Brent Paine, UCB	Mike Szymanski, FCA
Phillip J. Rastopsoff	Heather McCarty, McCarty & Assn. Juneau
John Iani, North Pacific Crab Assn.	Russell Pritchett, Independent Cod Trawlers
Nick Sagalkin, ADFG	Chuck McCallum, Lake Peninsula Borough
Denby Lloyd, ADFG	Pam Foreman, KICVB
Julie Bonney, AGDB	Stoian Iankov, GOA fisherman
Courtney Carothers, Univ. of Washington	Paul MacGregor, At-Sea Processors Assn.
Jeff Stephan, UFMA	Linda Kozak, Kozak & Assoc.
David Martin	Darius Kasprzak, FV Malka
Joseph Orsini, FV Monica Anne	Kate Wynne, UAF Kodiak
Anita R. Carpenter, FV Fish Tale	Dave Foster, fishermen
Leonard Carpenter FV Fish Tale	Justin T. Perkins, FVs Heidi Kay & Breanna Holly
Peter Terry, FV Bristol Breeze	
Rob Johnson, FV Lynx	
Laine Welch, Fish Factor/Fish Radio	

A. CALL TO ORDER AND APPROVAL OF AGENDA/MINUTES

Stephanie Madsen, Council Chair, called the meeting to order at 8:01 a.m. on Wednesday, June 6, 2006.

Agenda/Minutes: The agenda was approved as published. Minutes of the April 2006 meeting were approved, as were two older sets of minutes from February 2005 and December 2004.

B. REPORTS

DISCUSSION RESULTING FROM REPORTS

The Council received written reports from the Executive Director' Report (B-1); NMFS Management Report [including report on TAC setting EIS alternatives and potential comment] (B-2); NMFS Enforcement Report (B-3); U.S. Coast Guard Report (B-4), ADF&G (B-5); USFWS Report (B-6); and Protected Species Report [seabird report, SSL compendium, SSL recovery plan, FMP BiOp] (B-7). Following are brief recaps of discussion or action taken during reports.

Executive Director's Report. Chris Oliver summarized his report and there was no discussion.

NMFS Management. Jay Ginter (NMFS-AKR) reported on the status of FMP and regulatory amendments and provided a handout that was placed in the notebooks.

Mr. Ginter stated that NMFS had planned to have Amendment 84 in place by August 1, but NOAA GC had identified a problem during legal review, which is going to delay the package. The amendment to the BSAI Groundfish FMP would have allowed certain exemptions to Chinook and chum Salmon Savings Area closures; therefore, there will be no exemptions this year and the Salmon Savings Area regulations will be in effect this season.

Sue Salveson explained that General Counsel would like the regulations to be more specific with respect to the intercoop agreements (e.g., how are the base levels established, how are the tiering levels established, what are the penalty schedules). Their concern is that the rule could be considered arbitrary given there is no sure way to assess whether or not this action "reduces bycatch"; and the more provisions that are in the regulations, the better positioned the agency would be to claim that the program has enough structure and is set up to reduce bycatch.

The Council's original plan allowed the industry flexibility to negotiate what it wants to do, with the proviso that if salmon bycatch was not reduced, the Council could step in and do something different, and this was an important component to how the program was anticipated to perform. The Council recognized that this is not a controlled experiment, but that the actions taken under Amendment 84 certainly create the venue and the environment for industry to become informed to reduce bycatch rates.

Sue Salveson stated that NMFS will be providing a list of NOAA GC's concerns to members of the industry involved in the ICA coop agreement. The industry group has stated that following their coop meeting (mid-month) they will go to Juneau and discuss with NMFS and General Counsel whether the intent of the Council, the ICA group, and NOAA GC can be accomplished. If not, they would return to the Council for further discussion.

Chair Madsen requested that copies of all correspondence and legal concerns produced by NOAA GC on this issue also be sent to Council members.

Mary Furuness was available for questions regarding the NMFS Inseason Management Report, which was placed in the notebooks. There was no discussion on this item.

Ben Muse (NMFS AKR) summarized the Scoping Report for the Alaska Groundfish Harvest Specifications EIS which was handed out and placed in the notebooks. They just completed the public scoping process on the EIS to cover the NEPA requirements for the annual specifications process this year. Dr. Muse described comments received, the scope of the issues, and the range of the alternatives for the EIS. The Council discussed the alternatives at length with Dr. Muse before deciding to take action later during this meeting under Staff Tasking.

The Council received an update from Lauren Smoker (NOAA GC) on the Amendment 79 Groundfish Retention Standard (GRS) lawsuit which was filed by Fishing Company of Alaska. The complaint states that the GRS program violates the Magnuson-Stevens Act, including National Standards 2, 7, 8, 9, and 10, the Administrative Procedure Act, and the Regulatory Flexibility Act. The Plaintiffs are asking court to find that program violates these laws and to order the Secretary of Commerce to rescind the Regulations. The briefing schedule for both sides will occur over the summer with oral arguments set for October 24, 2006. Ms. Smoker advised that though there is a chance the judge could rule from the bench during that proceeding; typically that does not happen. They usually take some time after oral argument has concluded to issue their

opinion. However, the schedule that was agreed to between the plaintiffs and government, which the court also agreed, was intended to get a decision by the court by the end of the year (2006). Therefore, there could be a decision by the start of the next fishing season, but the court is not bound by that. Currently, the rule is scheduled for implementation on January 1, 2008, and is not affected by the complaint unless the Judge rules in favor of the Plaintiff. **Chair Madsen reminded General Counsel that the Council needs to be involved in any type of negotiated settlement should there be one (as they were in the case of the SSL lawsuit).**

Nicole Kimball (NPFMC) introduced Jennifer Sepez (AFSC) and Christina Package (in the audience, AFSC) who did the majority of the work on standardizing the baseline for community profiles. The document was previously mailed to Council members. Dr. Sepez explained that they composed a narrative description and compiled baseline data for selected Alaska communities involved in North Pacific fisheries. They also compiled another companion volume for non-Alaskan communities involved in North Pacific fisheries. This project was in response to National Standard 8 to Magnuson-Stevens Act and to general needs for NEPA. It is part of a national effort, of all the different regions where NMFS is trying to complete community profiles of fishing communities. The idea is to create a consolidated source of baseline information about fishing communities. It is not a social impact assessment, which is a different process that is issue driven; where there is a need to go to communities and do field work specifically designed to analyze a change under consideration. Dr. Sepez provided further detail on the process used to select communities, and how they compiled the data. They are currently putting together a way to have quantitative data updates annually published in the SAFE.

Ms. Kimball stated that this is not a project that will end up on a shelf and that the expectations are that it will be used. In fact, it has already been used in the Scallop FMP, Amendment 10 to the Scallop FMP, the Rockfish Pilot Project Study, and in Gulf of Alaska Groundfish Rationalization as a supplement to the community programs the Council is looking at. It is a reference document that provides a more standardized look at a methodology to determine communities that are dependent and engaged in fishing in Alaska. We have not had anything of this breadth or this comprehensive in the past. One way we will be able to use it is in looking in analysis of specific management actions, would be in answering these questions: Are we looking at the right indicators to determine if a fishing dependent community would be affected? Are we looking at indicators that we actually care about? Are we looking at indicators that are measurable? Ms. Kimball said the project is going to be used across the country, as a template for every region across the nation, and it is quite an undertaking.

Chair Madsen asked how this project would interface with the community project funded by NPRB (i.e., by Mike Downs) and whether it would be duplicative. Ms. Kimball responded that they are supplemental and not duplicative effort. This project has created a baseline of information that we hope to have updated in a standardized way, annually as part of the SAFE reports. We have not had such a thing since the early 90s with Faces of Fisheries. There will still be a need for the kind of comprehensive profiles we've done in the past with Mike Downs, in order to look at the impact of a specific change that the Council is contemplating. That type of project requires primary field work in those communities that would be significantly affected by a specific management action. They will both be used in analyses, but social impact assessment and the work we have done with comprehensive profiles and the NPRB project is specific to a management action.

NMFS Enforcement. Michael Gonzales, Deputy Special Agent Michael Gonzales provided a brief enforcement report for the period ending May 31, 2006. A handout was placed in the notebooks and there was no discussion.

U.S. Coast Guard. Admiral Gene Brooks introduced himself to Council members. He is the new Coast Guard District Commander in Juneau, taking the place of Admiral Jim Olson. Admiral Brooks has been involved in fisheries safety and enforcement since early 1970s, working in California, and more extensively in

New England, the Mid-Atlantic, and the Southeast in Puerto Rico. He is excited to be working in Alaska and especially to be in Kodiak at his first meeting, home to one of the largest fishing communities and the largest Coast Guard base in Alaska. Admiral Brooks stated that it is due to the Council, agencies, and State that we have such a successfully managed stock and it's great to be involved in this operation.

Captain Mike Cerne presented a PowerPoint of Coast Guard activity since the last Council meeting and a handout was placed in the notebook. There was no further discussion on the report.

ADF&G. A handout on the status of State fisheries of Council interest was provided and placed in the notebook. No oral report was necessary due to time constraints.

USFWS. The Council received brief reports from Lenny Corin and Greg Balough on U.S. Fish and Wildlife Service issues of Council interest. Three handouts were distributed and placed in the notebooks. There was no discussion on this report.

[NOTE: Earl Krygier participated in the following discussion for McKie Campbell.]

Protected Species Report. Bill Wilson (NPFMC staff) summarized several protected resource issues to be considered by the Council at this meeting. Jack Tagart (Tagart Consulting) provided a PowerPoint presentation on the SSL Literature Compendium. Shane Capron (NMFS, Office of Protected Resources) presented the draft Revised Steller Sea Lion Recovery Plan and provided a handout. Dr. Ed Melvin and Michelle Wainstien (Washington Sea Grant) reported on their seabird survey which was sent out earlier. Sunny Rice of the Marine Advisory Program in Petersburg was also introduced to Council members.

Mr. Wilson reported that due to a lawsuit upheld by the court, most of the Steller sea lion research permits have been vacated. However, NMFS has asked the Department of Justice if they may continue the non-invasive research. Mr. Capron was available to answer questions from the Council. Dr. Hanson stated that he believed the court order was too broad and that the agency needed to be more careful with other permits. Dr. Hanson asked to receive a copy of the complaint document.

The SSC provided a lengthy report to the Council on Protected Species (B-7). Refer to their minutes which are included as Appendix 2.

Steve Minor (Waterfront Associates), as chair of the committee, provided a report of the Pacific Northwest Crab Industry Advisory Committee (PNCIAC) which met May 23.

Steller Sea Lion Recovery Plan. Ed Rasmuson moved that the Council request NMFS to extend the comment deadline for the SSL Recovery Plan to September 1. Further, the SSC should be convened to meet in mid-August to review the plan as well as the tradeoff tool, and make recommendations for Council consideration. It is requested that the SSC receive Dr. Ian Boyd's comments which he made to the Council at this meeting. The Council will convene by teleconference (with possible video conference sites in Seattle, Anchorage and Juneau) in late-August to review and approve the SSC's recommendations. Doug Hoedel seconded the motion, which carried without objection. Earl Krygier also asked that the SSC be provided with Dr. Ian Boyd's additional public comments for their review.

FORMAT FOR COUNCIL MEETING MINUTES FOR ‘C’ AND ‘D’ AGENDA ITEMS

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C. NEW OR CONTINUING BUSINESS

C-1(a,b) IR/IU Final Action Amendment 80

ACTION REQUIRED

- a) Final action on Amendment 80 EA/RIR/IRFA
- b) Review proposed data collection program, and take action as necessary

Amendment 80

Amendment 80 proposes to allocate rock sole, flathead sole, yellowfin sole, Al Pacific ocean perch, and Atka mackerel to the Non-AFA Trawl catcher processor sector. In addition, the proposed action would allocate PSC limits to the sector for use in their BSAI directed fisheries. The proposed action would establish a cooperative program for qualified Non-AFA Trawl catcher processor participants. To maintain existing fishing activity among non-allocated species in the BSAI and the GOA, sideboards are included in the proposed action. Finally, Amendment 80 includes options for increasing the CDQ program allocation of the five species noted above, secondary species taken incidental in these fisheries, and PSC limits.

In April 2006, the Council reviewed the Amendment 80 EA/RIR/IRFA Public Review draft, but did not take final action. The Council modified some of the components and options of the proposed action and narrowed the focus of the preliminary preferred alternative. Staff has updated the EA/RIR/IRFA to reflect the changes to the components and options and the preliminary preferred alternative. The revised EA/RIR/IRFA for Amendment 80 was released for public review on May 9. The executive summary of this analysis is attached as Item C-1(a). A copy of the current alternatives, components, and options for Amendment 80 is attached as Item C-1(a)(1). An additional table for the analysis is attached as Item C-1(a)(2) and modified tables (Table ES-2 on page viii, Table ES-7 on page xii, Table ES-13 on page xvii, and Table 3-97 on page 242) are attached as Item C-1(a)(3). The table modifications are limited to the threshold allocation and the total allocation amounts when ITAC exceeds the threshold. The Council is scheduled to take final action at this meeting.

Data Collection Program

A data collection program is included in this action, and a summary of the program will be presented to the industry on Monday, June 5 from 6 to 8 pm in Fisherman’s Hall. The proposed data collection program will also be presented to the SSC. The purpose of these presentations is to receive input from the industry and SSC on the data collection program for Council consideration (Section 3.2.12.15 and Appendix 3 in the document).

AP Report

AP recommends moving forward with the Preliminary Preferred Alternative (starting on page 7 of the Action Memo) with the following amendments:

Component 3 and 13 – Change the allocation of yellowfin sole to the non-AFA trawl CP sector to 95% of the ITAC and in Component 13, adopt the following table for threshold levels and sector allocations of ITAC above the threshold:

Threshold Level of ITAC	Allocation to Non-AFA Trawl CPs	Limited Access
87,500	87.5%	12.5%
95,000	82%	18%
102,500	76.5%	23.5%
110,000	71%	29%
117,500	65.5%	34.5%
125,000+	60%	40%

Motion carried 10/6

Component 6 – For halibut, the AP recommends 6.1.4 with a possible increase to the floor and ceiling for non-AFA trawl CP fleet to account for the impacts of Amendment 85 allocations and with consideration of taxing rollovers of halibut PSC from limited access fishery. *Motion carried 10/6*

Minority Report: The undersigned minority opposes the halibut PSC allocation formula under Option 6.1.4. The formula under-funds the non-AFA trawl CP sector's needs while over-funding the limited access fishery. The non-AFA trawl CP sector may be unable to harvest its allocations of Amendment 80 target species with this limited amount of halibut PSC, and will have no assurance of rollovers from the limited access fishery. This is contrary to the problem statement to "...provide the opportunity for participants in this sector to mitigate the cost, to some degree, associated with bycatch reduction." Signed: Lisa Butzner, Lori Swanson and John Moller

For crab, the AP recommends that an amount equal to the sum of the AFA CV and CP crab sideboards would be available to the limited access fishery. The remainder of the crab caps would be allocated to the non-AFA trawl CP sector. *Motion carried 16/0*

Component 11 – Vessel use caps – No vessel shall harvest more than 30% of the non-AFA trawl CP allocation in the aggregate. *Motion carried 15/1*

Component 13 – See Component 3

The AP recommends that the data necessary for monitoring and enforcement be collected under Amendment 80. Data collection necessary to evaluate the impacts of Amendment 80 should be developed as a trailing amendment. *Motion carried 16/0*

A full set of Advisory Panel minutes are included as Appendix 3 to these minutes.

SSC Report

C-1(b) Review of Data Collection Program – The SSC strongly supports the regular collection of this data as a necessary input into retrospective analyses intended to determine whether amendment 80 is successful at achieving its intended purpose. It will also serve as a basis for informing future Council decisions regarding the potential consequences of introducing similar management measures in other fisheries. Because the non-AFA catcher processor sector includes a relatively small number of vessels and because there is considerable diversity in the size and configuration of the vessels, the SSC recommends that the data be collected as a census rather than a statistical sample.

The full copy of the Scientific and Statistical Committee minutes is attached as Appendix 2 to these minutes.

COUNCIL DISCUSSION/ACTION (C-1a,b)

[NOTE: Earl Krygier participated in this discussion for McKie Campbell.]

Chair Madsen announced that because the Council is taking “final action” on this agenda item at this time, NOAA General Counsel has reviewed the financial disclosures of members of the Council with regard to recusals and will provide their findings. Lauren Smoker then stated that based on Financial Disclosures reviewed for all council members there are no members with a conflict of interest who need to recuse from this agenda item.

Jon McCracken (NPFMC staff) and Darrell Brannan provided an update on the development of a program to gather vessel-level production, cost, and financial performance data for the non-AFA catcher processor sector. A copy of their PowerPoint presentation was distributed, as well as an amended Table 3-87 showing Gulf of Alaska halibut PSC allotments for the non-AFA trawl CP sector.

Following public testimony, Gregg Williams (IPHC) commented that after hearing the testimony and speaking with several people attending the meeting, he realized that both options 6.1 and 6.2 under Issue 2, Component 6 are about allocating between fisheries, sectors, etc. and that IPHC does not wish to comment on allocation issues but rather the greater issue of reducing bycatch. Therefore, he wished to retract IPHC’s comment (#2) in their letter dated May 30, 2006, which is in the Council notebooks under C-1(a,b) Supplemental. IPHC still fully supports the creation of coops and believes they will result in halibut bycatch savings.

Earl Krygier moved to recommend that the Council adopt numerous changes to the Preliminary Preferred Alternative for Amendment 80. The eight-page handout was provided to the Council and is included as Appendix 4A to these minutes. Ed Rasmuson seconded the motion. Mr. Krygier stated that the motion was drafted jointly with Sue Salvesson; therefore, they would be describing changes to their respective components and options in order.

Mr. Krygier explained changes to the non-AFA trawl CP sector allocations in Component 3 and included some corrections to the motion, which were not reflected in the handout (they are shown with shading in Appendix 4A). Sue Salvesson described the portion of Component 3 concerning ICA rollover language (Option 3.5), which was not reflected in the motion handed out by Mr. Krygier. Chair Madsen determined it would be best to amend the motion to add the entire section in and including the language Ms. Salvesson wished to change. Therefore, Sue Salvesson moved to add the following option with her changes underlined:

***Option 3.5 This option may be selected in conjunction with Options 3.1 through 3.4. Target species and PSC, and ICA rollover: any unharvested portion of the Amendment 80 target species or unharvested portion of PSC or ICA in the limited access fishery that is projected to remain unused shall be rolled over to vessels that are members of Amendment 80 cooperatives.**

Any rollover of halibut PSC to the non-AFA trawl CP sector shall be discounted by 5%. That is, if 100 mt of halibut is available for roll over, then 95 mt of halibut would be re-allocated to the non-AFA trawl CP sector. Once the initial allocation has been determined, the non-AFA trawl CP sector may re-allocate the PSC among the target species.

NMFS shall perform a review on or before May 1 and August 1 each year, and at such other times after August 1 as it deems appropriate. In making its determination, NMFS

shall consider current catch and PSC usage, historic catch and PSC usage, harvest capacity and stated harvest intent, as well as other relevant information.

The motion carried without objection.

Earl Krygier and Sue Salveson continued describing changes to the components and options and highlighted minor corrections to the motion that were not reflected in the handout (shaded in Appendix 4A).

Arne Fuglvog moved to change the percentage in the 1st sentence of the 2nd paragraph of Option 3.5 to read, “Any roll over of halibut PSC to the Non-AFA Trawl CP sector shall be discounted by 20%”. The motion was seconded by Earl Krygier and failed 9 to 2 (Krygier, Fuglvog favored).

Bill Tweit moved to change the starting point percentage split of ITAC for yellowfin sole to 90% H&G fleet and 10% Limited Access. The motion was seconded by Dave Benson and failed 8 to 3 (Benson, Bundy, Tweit favored).

Eric Olson moved to revise Component 6, Halibut PSC for the Non-AFA Trawl CP sector by inserting the following language before the end of the first sentence: “*except that in the third year only, after program implementation, the 50-mt reduction will be reallocated to the CDQ PSC reserve.*” The motion was seconded and carried without objection.

Sue Salveson moved to revise suboption 12.4.3 to read as follows:

Gulfwide halibut sideboards for the flatfish fishery would be established by season based on percentages in the following table, with adjustments made for the F/V Golden Fleece.

GOA Halibut PSC Allotment for the Non-AFA Trawl CP Sector (based on 2,000 mt GOA limit)						
	Season 1	Season 2	Season 3	Season 4	Season 5	Total
Deep Water Trawl Fisheries	2.84%	11.92%	11.60%	n/a	Combined with shallow water	26.36%
Shallow Water Trawl Fisheries	0.85%	1.92%	2.06%	1.73%	5.15%	11.71%

The motion was seconded and carried without objection.

Arne Fuglvog moved to revise the following language under Component 6:

In the Halibut PSC section for the Non-AFA Trawl CP sector, insert “*unless adjusted*” at the end of the last sentence. In the Crab PSC section, change the beginning of the last sentence (starting on page 2) to read “*The halibut and crab PSC levels shall be reviewed and adjusted if necessary...*” The motion was seconded by Doug Hoedel and carried without objection.

The final motion, as amended, carried without objection and is included as Appendix 4B (staff’s annotated motion).

Ms. Salveson stated that the Council should pursue a comprehensive socioeconomic data collection program from all sectors, rather than the current method of opportunistic data gathering which results in “islands of information” that cannot be widely used for other analyses. **Additionally, Ms. Salveson requested that the**

Council task staff to develop a discussion paper to look at this idea for the Council's consideration. Council members concurred.

C-1(c) IR/IU Initial Review of MRA Adjustments

ACTION REQUIRED

c) Initial Review of MRA adjustments

MRA Adjustments

In April 2006, the Council initiated an analysis to (1) change the MRA accounting interval for yellowfin sole, rock sole, flathead sole, "other flatfish," and arrowtooth flounder to occur at the end of a reporting week and (2) to change the MRA accounting interval for the same species list above plus Atka mackerel and Aleutian Islands Pacific Ocean perch to the time of an offload for the non-AFA trawl catcher processor sector. The Council is scheduled to make an initial review of the analysis at this meeting. NMFS staff will be on hand to present the findings of the EA/RIR/IRFA. This document was mailed to you on May 26, 2006.

AP Report

The AP recommends that the Council send out the EA/RIR/IRFA for public review with modifications as described below and for final action in October.

Components and options for changing MRA accounting

The following components are proposed to address this MRA regulatory amendment:

Component 1: Define Species- Increase the enforcement interval for all groundfish species (excluding pollock, sablefish, Alaska plaice, "other species," and squid). This includes the following species: cod, yellowfin sole, rock sole, flathead sole, Atka mackerel, BSAI Pacific ocean perch, "Other flatfish", and arrowtooth flounder, ~~greenland turbot and rockfish~~.

Option 1: Applies to cod, yellowfin sole, rock sole, flathead sole, "Other flatfish" and arrowtooth flounder.

Option 2: Applies to Amendment 80 species (yellowfin sole, rock sole, flathead sole, Atka mackerel, Aleutian Islands Pacific ocean perch) as well as cod, "Other flatfish," and arrowtooth flounder.

Component 2: Define Sector – Any increase in the current enforcement MRA interval applies only to the non-AFA trawl C/P sector (under the Department of Commerce and Related Agencies Appropriations Act, 2005, Public Law No. 108-447)

Component 3: Define Time Period – The MRA enforcement period for species defined in Component 1 would be increased from any time during a fishing trip to:

Option 1: the end of a fishing trip or (if a suboption is selected whichever option or suboption comes first), or

Option 2: at the time of offload (changed from "point of offload").

Alternatives for MRA enforcement of selected species

Alternative 1. No action, and no change in MRA enforcement period.

Alternative 2. In the BSAI, allow the calculation of the MRA of cod, yellowfin sole, rock sole, flathead sole, "other flatfish", and arrowtooth flounder to occur at the end of a fishing trip, for the non-AFA trawl C/P sector.

Option: Include Aleutian Islands Pacific ocean perch and Atka mackerel.

Alternative 3. In the BSAI, calculate the period of enforcement for MRA of cod, yellowfin sole, rock sole, flathead sole, "other flatfish", and arrowtooth flounder, ~~Atka mackerel and AI pacific ocean perch~~ at the time of offload, (previously read: "at the point of an offload") for the non-AFA trawl C/P sector.

Option: Include Aleutian Islands Pacific ocean perch and Atka mackerel. ~~Greenland turbot and rockfish species~~

Due to the interaction of Amendment 80 and changes to BSAI MRAs, the AP recommends that the Council request staff to expand the cumulative effects section to address relevant elements under the Council's most current Amendment 80 package. *Motion carried 17/0*

SSC Report

The SSC supports release of this draft amendment for public review.

COUNCIL DISCUSSION/ACTION (C-1c)

[NOTE: Earl Krygier and Jay Ginter participated in this discussion for McKie Campbell and Sue Salveson, respectively.]

Jeff Hartman (NMFS) presented an overview of the draft EA/RIR/IRFA for changes to the MRA accounting intervals. A draft summary of the Enforcement Committee meeting held on June 8 was distributed to the Council and is included as Appendix 5 to these minutes. Chris Oliver read from the Enforcement Committee's minutes on this agenda item.

The Council discussed several issues of concern at length.

John Bundy moved that the Council adopt the AP's motion with the following changes concerning Pacific cod: (1) Under the MRA accounting section, remove the three references to cod in Component 1, Option 1, and Option 2; then, add a discrete Option 3 that applies only to cod. (2) Under the MRA enforcement section, remove the two references to cod in Alternative 2 and Alternative 3; then, add a discrete Alternative 4 that applies only to cod. Bill Tweit seconded the motion.

Arne Fuglvog agreed that it was important to separate out Pacific cod because it is not proposed as a species in the present analysis which makes it difficult to evaluate. Adding it as an explicit decision point will give the staff opportunity to analyze it both quantitatively and qualitatively, as the other species in the document have been, and allow the Council more discussion. Mr. Fuglvog also noted that the incidental catch numbers on page 40 of the document address the issue of why Greenland turbot and rockfish were not appropriate to include in the analysis.

Dave Benson moved to amend the motion by deleting the reference that the analysis is for final action in October. Chair Madsen noted that the Council is not bound to final action but that she would have staff note it as tentatively for final action [*Final Action (T)*] on the next agenda. The amendment was seconded and carried without objection.

Eric Olson asked whether or not the Council needed a motion to expand the analysis to include management measures that apply to vessels not in a cooperative. Chair Madsen stated that it would not be necessary as Jeff Hartman was making a note of it to be included.

Bill Tweit moved to amend the motion to include Bering Sea Pacific Ocean perch (POP) as an explicit species for consideration under Alternative 3 (new option 2). Arne Fuglvog seconded the amendment which carried without objection.

Bill Tweit explained that the AP had already included POP for the combined Bering Sea/Aleutian Islands in Component 1, and then as an option for Aleutian Islands only, therefore, his amendment just adds another option of Bering Sea POP. Also, it is important to capture that Amendment 80 creates a unique separation for POP between the Bering Sea and Aleutians areas. This was also his reasoning for not include separating rockfish.

Dave Benson suggested to Mr. Hartman that it would be helpful if the next analysis broke out Bering Sea and Aleutian Islands separately for Pacific Ocean perch. Earl Krygier would like the analysis to provide more data on Northern rockfish discards because his knowledge is that they are retained up to 93% in the Gulf of Alaska and yet have very high discard rates in the Aleutian Islands. Mr. Krygier also stated that given the AP's recommendation that the analysis discuss the interactions with the most current Amendment 80 package, he would like to see a thorough description of how all the components, both limited access and coop portions, would be pieced together.

Bill Tweit stated that this amendment package is a combination of tools that could suffice for the interim but also could work for the long term as well. Therefore, it definitely has two different purposes and we should move forward expeditiously.

The final motion, as amended, carried without objection.

C-2 CDQ

ACTION REQUIRED

Status report on legislation and implications for BSAI Amendment 71

BACKGROUND

The Council made recommendations on eight issues related to the CDQ allocation process and oversight of the CDQ program under BSAI Amendment 71 in June 2002. In March 2005, NMFS implemented regulations to simplify and streamline administrative regulations related to quota transfers, authorized vessels, and alternative fishing plans. However, NMFS has not been able to implement regulations for the remaining issues that address the purpose of the CDQ Program, the process for allocating quota among the CDQ groups, and oversight of the economic development aspects of the CDQ Program. This delay is due to a number of legal and policy issues on which the Council has been consulted several times, as well as a decision issued by NMFS Alaska Region, which effectively results in a modification to the status quo in such a way that was not considered by the Council when it took action on Amendment 71 in June 2002.

In addition, at its April 2005 meeting, the Council expressed concerns about the CDQ allocation process and oversight of the CDQ Program. After the State created the Blue Ribbon Panel in response to the Council's concerns, NMFS suspended further work on Amendment 71 until the Council could review the legal and policy issues referenced above, as well as decide whether to add some or all of the Blue Ribbon Panel's recommendations as new alternatives in the Amendment 71 analysis. Governor Murkowski accepted the recommendations of the Blue Ribbon Panel on October 4, and the report was presented to the Council at its October 2005 meeting.

Given the above events, in December 2005, the Council rescinded its final action on Issues 1 – 7 of BSAI Amendment 71 taken at its June 2002 meeting, and adopted three primary alternatives and several options for analysis of a new amendment package (Item C-2(a)). Alternative 3 represents the recommendations from the State's Blue Ribbon Panel. The three alternatives include components related to the purpose of the CDQ Program, the process for allocating quota among the CDQ groups, and oversight of the economic development aspects of the program that NMFS has not been able to implement to date.

On April 6, 2006, the U.S. Congress conference committee on H.R. 889 (Coast Guard and Maritime Transportation Act of 2006) released a conference committee bill and report. Section 416 of this proposed legislation would amend the CDQ provisions in Section 305(i) of the MSA (Item C-2(b)). This legislation would address, among other issues: overall allocations to the CDQ Program; whether some allocations are modified to represent directed fishing allowances or continue as total allocations; allocations among the CDQ groups; eligible communities; administration of the program; and the oversight roles of NMFS and the State of Alaska. This legislation has not yet been approved by Congress, so its status has not changed since the April Council meeting. Controversy over a section of the bill unrelated to the CDQ provisions appears to be delaying formal consideration of the bill by the House and Senate.

This item was not on the SSC agenda and was removed from the AP agenda.

COUNCIL DISCUSSION/ACTION (C-2)

This item was removed from the Council's agenda. The Council received all the background information and written status report in the Council books.

C-3 Trawl C/V Eligibility

ACTION REQUIRED

- (a) Review staff discussion paper and take action as necessary.

BACKGROUND

At the April 2006 meeting, Council members reviewed a staff discussion paper that provided information on a potential amendment to address the issue of latent trawl CV LLPs in the Bering Sea and Aleutian Islands groundfish fishery. In their review of this issue, the Council decided they needed additional information before developing alternatives for analysis. Staff was requested to provide an information primer on LLPs, as well as threshold participation levels in the Bering Sea and Aleutian Islands fisheries for different sectors and species groupings over the period from 1995-2004. The Council also requested information on CV/CP LLPs in the Gulf of Alaska, fishing history in parallel waters, and vessels under 60 feet.

The staff has prepared a discussion paper to assist the Council in clarifying its intent for this potential amendment. If the Council decides that latent LLPs are a problem they wish to address, they may be able to finalize a draft problem statement and develop an initial set of alternatives and options for analysis. The paper was e-mailed to Council members and is attached as item C-3(1).

AP Report

The AP recommends the Council adopt the following problem statement:

The trawl catcher vessel groundfish fisheries in the BSAI and trawl vessel groundfish fisheries in the GOA are fully utilized. In addition, the existence of latent licenses may exacerbate the disadvantages to GOA dependant CVs resulting from a lack of comprehensive rationalization in the GOA. Competition for these resources is likely to increase as a result of a number of factors, including Council actions to rationalize other fisheries, favorable current market prices and a potential for TAC changes in future years. Trawl ~~catcher~~ vessel owners who have made significant ~~long term~~ investments, have long catch histories, and are ~~significantly~~ dependent upon BSAI and GOA groundfish resources need protection from others who have little or no recent ~~limited~~ history and with the ability to increase their participation in the fisheries. This requires prompt action to promote stability in the trawl catcher vessel sector in the BSAI and trawl vessel sector in the GOA until comprehensive rationalization is completed.

Motion passed 15/0

The AP requests the Council adopt the staff language to clarify that Council intent is to use a license basis for action. *Motion passed 14/0*

Additionally, the AP requests the following components and options be included:

Component 1 – Area / subarea endorsements

Option 1: Catch thresholds will be applied at the management area level in the BSAI/GOA. Failure to meet the management area threshold will result in the removal of all subarea endorsements in the management area.

Option 2: Catch thresholds will be applied at the endorsement subarea level in the BSAI/GOA. Failure to meet the threshold for an endorsement subarea will result in the removal of that subarea endorsement.

Motion carries 13/0/1

Component 2. In addition to the threshold information already provided in the analysis, the AP recommends inclusion of the following additional landing requirements:

Option 1. Trawl LLPS (BSAI CV and GOA CV and CP) – trawl landing requirement (except sablefish)

1. No action
2. at least one landing of groundfish from 2000-2005
Suboption: at least one landing of groundfish from 1995-2005
3. at least two landings of groundfish from 2000-2005
Suboption: at least two landings of groundfish from 1995-2005

Option 2: Trawl LLPS (BSAI CV and GOA CV and CP) –groundfish landing requirement (except sablefish)

1. No action
2. at least one landing of groundfish from 2000-2005
Suboption: at least one landing of groundfish from 1995-2005
3. at least two landings of groundfish from 2000-2005
Suboption: at least two landings of groundfish from 1995-2005

Motion carries 14/0

Catch history of a vessel accumulated while licenses are stacked on the vessel will be fully credited to all stacked licenses (with qualifying endorsements and designations). *Motion carries 14/0*

The AP requests the Council have staff provide the number of stacked licenses with identical endorsements within the trawl sector and to provide the number of <60 ft licenses that would be eliminated under Component 1 and 2. *Motion passed 15/0*

The AP requests that staff provide information describing the parallel fishery Pacific cod harvest in the Aleutian Islands by catcher vessel trawlers who hold valid trawl LLPs but do not have Aleutian Islands area endorsements. *Motion passed 15/0*

SSC Report

The SSC notes that changes in the LLP could involve important distributional consequences for individuals and communities and that the character and magnitude of these impacts will need to be assessed if an amendment analysis is developed.

COUNCIL DISCUSSION/ACTION (C-3)

[NOTE: Earl Krygier and Jay Ginter participated in this discussion for McKie Campbell and Sue Salvesson, respectively.]

Jim Richardson and Mark Fina (NPFMC) summarized a staff discussion paper for a potential amendment to retract latent trawl catcher vessel LLPs in the Bering Sea and Aleutian Islands groundfish fisheries and catcher vessel and catcher processor licenses from the Gulf of Alaska groundfish fisheries.

Earl Krygier moved that the Council adopt the AP's recommendations along with several additions which he provided in a handout (included as Appendix 6A to these minutes). Ed Rasmuson seconded the motion. Mr. Krygier stated that the AP worked hard developing an initial set of alternatives and options for analysis that deal with the Bering Sea and Gulf of Alaska, and his motion adds a component to deal with the very restricted amount of eligibility changes in the Aleutian Islands. Mr. Krygier described his motion and made one correction that was not reflected in the handout; it is shaded in Appendix 6A.

Arne Fuglvog moved to amend the motion to revise the last sentence of Mr. Krygier's first new paragraph to the problem statement. The sentence should read, "*In the Bering Sea and Gulf of Alaska, there are too many latent licenses and in the Aleutian Islands there are not enough licenses available for trawl catcher vessels.*" Ed Rasmuson seconded the amendment which carried without objection.

The Council spent considerable time discussing the elements of catch criteria, qualification periods, and catcher vessel eligibility for consideration in the analysis.

Arne Fuglvog moved to amend Mr. Krygier's motion following the Problem Statement by deleting the paragraph that begins, "*Suggested Options for Consideration...*". Next, revise the following paragraph (#1) by adding to the end of it, "*...through 2006.*" Then, delete the next two paragraphs (#2 and #3). Roy Hyder seconded the motion.

Mark Fina requested clarification on what the start date would be. Mr. Fuglvog stated it should be kept consistent with the two time periods identified in the AP motion for landing (or catch) thresholds and landing requirements.

Mr. Fuglvog's amendment to the motion carried without objection.

Dave Benson stated his intention to amend the motion using language provided by Lori Swanson (Groundfish Forum) during public testimony, and then referred Council members to her handout titled "Trawl CV Eligibility Amendment" (included in Appendix 6A).

Mr. Benson moved to amend the motion by adding the following sentence as a suboption for Amendment 80. "*Exclude LLPs originally issued to vessels qualified under Amendment 80 and LLPs used for eligibility in Amendment 80.*" The amendment was seconded and carried without objection.

Mr. Benson moved to amend the motion by adding the following sentence as a suboption for AFA. "*Exclude LLPs originally issued to vessels qualified under the AFA and LLPs used for eligibility in the AFA.*" The amendment was seconded and carried without objection.

The final motion, as amended, passed unanimously and is included with these minutes as Appendix 6B.

C-4 Halibut Charter

ACTION REQUIRED

- (b) Receive Charter Halibut Stakeholder Committee report and determine direction.
- (c) Review and refine moratorium alternative.
- (d) NMFS report on enforcement of GHL preferred alternative for Area 2C (5 fish annual limit).

BACKGROUND

Charter Halibut Stakeholder Committee Report

In December 2005, the Council tasked the Stakeholder Committee with developing two permanent solutions for addressing the reallocation of halibut from the commercial to the charter sectors. These included: 1) an allocation with a limited entry option; and 2) a quota share program. In February 2006, the Council also tasked the committee with reviewing interim solutions recommended by the GHL Committee. In April 2006, the Council adopted a draft moratorium alternative, based on Stakeholder Committee recommendations, for additional discussion at this meeting. At its April 2006 meeting, the Committee recommended: 1) revisions to the draft moratorium alternative to streamline and clarify language and 2) two draft alternatives for a permanent solution for the charter halibut sector. Committee motions and minutes from its April, March, and February 2006 meetings are attached under Item C-4(a). The Council will determine the next step for analysis of the permanent solution alternatives.

Moratorium Alternative

In April, the Council initiated an analysis to implement a moratorium on entry into the charter sector using the December 9, 2005 control date that was published in the Federal Register. In its discussion of a timetable for implementation, the Council scheduled discussion of a staff report on community issues at this meeting (Item C-4(b)(1)). Three options to address community issues have been proposed to be included in the interim limited entry (moratorium) analysis. Including community options could push back implementation of the proposed interim limited entry program. NOAA staff reports that the program would not be implemented until 2009 and the proposed permanent solution likely would be implemented no earlier than 2011, depending on the specific solution ultimately approved. For the following reasons, the Council may wish to consider moving immediately to the permanent solution and not implement an interim program.

- While the Council may be able to recommend a preferred alternative for an interim limited entry program by the end of 2006, significant NOAA staff resources must be directed towards rulemaking and implementation, which will likely result in an effective date for the program of no earlier than the 2009 sport fishing season. Much of this effort is redundant if the Council selects a preferred alternative for the permanent program before the interim program is implemented. Some of the delay in approving and implementing the charter QS program was due to the Council's request to NOAA that it implement the GHL prior to implementing the permanent program that was to replace the GHL. A similar two-step approach could result in unintended delays for the permanent solution. The Council may wish to examine the trade-offs of the interim and permanent programs with the likely timelines for implementation.
- If the Council chooses to proceed with the interim limited entry program, the Council should consider not including any community option and, instead, include such options under the permanent solution alternatives. Additional staff resources will be required to address issues surrounding each of the three community Issue 1, Option 2 suboptions, as listed below, which could push implementation past 2009. Staff also recommended clarifying language to several options (Item C-4(b)(2)).

Suboption a. The Council would need to develop criteria to exclude some or all of the 35 GOA Amendment 66 communities, which were originally selected for a commercial fishery program (Item C-4(b)(3)). Excluded communities would be required to hold a separate type of interim limited entry permit (an exemption permit).

Suboption b. Since the interim program is intended to be in effect for a limited duration, it is questionable whether Community Quota Entities could be organized and funded to purchase a maximum of 5-25 interim permits for each of the 35 communities during the interim period (they are not expected to have value after permanent permits or quota shares replace them).

Suboption c. Issuing between 5-25 additional interim permits to some or all of 35 communities appears counter to the goals of limited entry.

- If the Council chooses to include a community purchase suboption in the moratorium analysis, staff suggest this language, "For Areas 2C and 3A communities previously identified under Amendment 66, allow a community represented by a CQE to purchase a moratorium permit(s) through the CQ E" to streamline the Council's decision to allow communities in Area 2C and 3A which are eligible under the halibut/sablefish commercial quota share purchase program to purchase charter halibut moratorium permits. The limit on the number of permits allowed to be transferred to a community may not be necessary because it is unlikely that any community would be financially able to purchase an upper limit of 5 to 25 permits. Also, staff interprets Council intent that the CQE can only distribute the charter permit to a resident of the community it represents, unless otherwise clarified.

GHL Preferred Alternative for Area 2C

During final action on GHL management measures in April 2006, NOAA staff noted that the analysis did not directly address recordkeeping and reporting requirements to implement a 5-fish daily limit in Area 2C. The GHL analysis was submitted for NOAA Fisheries Service review prior to the June Council meeting. NOAA staff will supplement the analysis with an implementation plan for the recordkeeping and reporting requirements. NOAA staff may identify a need for a Federal permit and annual harvest report to address enforcement and legal issues, if the Council's preferred alternative is approved and implemented. NOAA staff is available to summarize possible requirements.

On May 24, 2006, ADF&G prohibited charter boat operators, guides and crew members from retaining any species of fish while paying clients are on board the vessel operated in salt water. This action is necessary for curtailing halibut harvests in Southeast Alaska, excluding the Yakutat area, because the GHL has been exceeded (Item C-4(c)).

AP Report

The AP recommends that the Council fast-track analysis of a halibut charter boat permanent solution instead of the moratorium. The analysis should incorporate the elements and options recommended by the stakeholder committee and staff's recommendations concerning community provisions (Attachment 5 on page 4 of the May 23, 2006 discussion paper excluding the last paragraph on that page).

The AP further recommends that the staff (including State of Alaska) work with KACO to further develop their proposal.

In the Stakeholder Committee report:

Issue 1. Allocation.

- ~~Total Constant Exploitation Yield and~~
- ~~Combined commercial/charter Fishery Constant Exploitation Yield.~~

Motion carried 15/1

The AP has heard the community of Kodiak charter halibut fleet in their desire to allocate the GHLs between sub-areas and the development of local area and sub-area management plans and recommends inclusion of these concepts in the analysis. Area registration should be considered as part of the local area management plans. *Motion carried 16/0*

Should the Council decide to go ahead with an interim moratorium, the AP recommends the following modifications to the Council's April 2006 moratorium alternative.

Issue 1. Areas

Option 1. ~~2C&3A~~

Option 2. For Areas 2C and 3A communities previously identified under Amendment 66.

Suboption a. ~~Exclude the following communities from the moratorium~~

Suboption b. ~~Provide community eligibility through CQE to purchase moratorium licenses between 3-25 per community.~~

Qualify community CQE's as eligible to purchase moratorium permits.

Area 2C- 5 permit limit

Area3A - 10 permit limit

Suboption c. ~~Provide the qualifying CQE an option to request, on behalf of community residents, additional charter halibut moratorium permits from NMFS for use by residents in the community.~~

~~Between 5-25 permits per community~~

~~Permits requested would have limited duration for any one individual from 5-15 years.~~

The CQE in CQE qualified Communities that have less than 10 active charter business (with 20 or more charter trips per year) with their primary place of business in the community can request, on behalf of a community resident (as defined in amendment 66), a limited entry permit.

1. Area 2C – up to 3 permits per qualified community
2. Area 3-A - up to 5 permits per qualified community option

Issue 6:

Eliminate option 1 *Motion carried 14/1*

The AP further recommends the Council work with the State of Alaska to establish authority for the State to support management of halibut charter harvests within established allocation and conservation guidelines. *Motion carried 14/0/1*

This item was not on the SSC agenda.

COUNCIL DISCUSSION/ACTION (C-4)

[NOTE: Jay Ginter participated in this discussion for Sue Salveson.]

Jane DiCosimo presented a PowerPoint report on refining moratorium alternatives. Jay Ginter provided an overview of the NMFS letter in the books regarding enforcement issues relative to the GHF preferred alternative for Area 2C (5-fish annual limit). Mr. Ginter noted that a regulation requiring a federal halibut sport fish harvest permit would be perceived by the public as burdensome and duplicative. The Council discussed the possibilities to fix this problem, including state regulations. State law allows NMFS to have memorandum of understanding for use of data collection by the State for enforcement of commercial fisheries. Such an agreement for charter fisheries may allow enforcement through a modified state logbook and licenses. For example, anglers subject to the proposed 5-fish annual limit could record on the back of their license how many were caught and where, similar to requirements for salmon and sharks in other areas of the State. The Council also discussed the possibility of the State regulating recreational halibut fishing, and NOAA GC noted that legislation at the State level and Federal level would be required.

Following the AP report and public testimony, **McKie Campbell made a motion regarding the moratorium alternatives and options:**

1. **The Council task staff with preparing an analysis of a moratorium using the previously adopted December 9, 2005 control date containing the elements within the AP motion beginning with the statement “Should the Council decide to go ahead with an interim moratorium....”**
2. **Under issue (1), an option be included for analysis that lost permits under the “use or lose it provisions” within issue (6) be made available on a first-come, first-served basis to eligible CQE’s under issue (1).**

Issue 1. Community Provisions

For Area 2C and 3A communities previously identified under GOA Amendment 66:

Option 1. Qualified CQEs are eligible to purchase moratorium permits.

Area 2C – 5 permit limit
Area 3A – 10 permit limit

Option 2. The CQE in Am. 66 qualified communities that have less than 10 active charter businesses (with 20 or more charter trips per year) with their primary place of business in the community can request, on behalf of a community resident (as defined Am. 66), a limited entry permit.

Area 2C – up to 3 permits per qualified community
Area 3A – up to 5 permits per qualified community

Option 3. Non-renewed permits under the ‘use it or lose it’ provisions [see Issue 6] are made available on a first come, first serve basis to eligible CQEs.

- 3. The recommendations of the staff to clarify issues 2–12 per the May 19th memo contained in Agenda Item C-4(b)(2) be included.**

Issue 6: Eliminate option 1

The Council work with the State of Alaska to establish authority for the State to support management of halibut charter harvests within established allocation and conservation guidelines.

Arne Fuglvgog seconded the motion, which passed 10 to 1 (Hyder opposed).

McKie Campell made the following motion for long-term solutions, alternatives, and options to go along concurrently with his previous motion:

- 1. The Council task staff with developing discussion papers for the elements and options contained within the halibut charter stakeholder group’s recommendations for a long-term solution for the halibut charter fishery that includes the AP recommendations for additions (incorporation of staff recommendations concerning community provisions per their minutes and elements contained within the KACO plan, included as Appendix 7A to these minutes).**
- 2. Suboptions (i) and (ii) under Alternative 2 from the halibut charter stakeholder group’s recommendations for a permanent solution be stricken from further consideration based on the submitted letter from the IPHC.**
- 3. The AP recommendation regarding the option for the allocation between sub-areas and the development of local area and sub-area management plans be included as options.**

Bill Tweit seconded the motion, which carried unanimously.

Appendix 7B contains the full list of alternatives and options for the moratorium and for a permanent solution for the halibut charter fishery.

C-5 Observer Program

ACTION REQUIRED

- a) Final action on analysis to modify the North Pacific Groundfish Observer Program
- b) Review discussion paper on video monitoring

BACKGROUND

- a) Final action on analysis to modify the North Pacific Groundfish Observer Program

The Council and its Observer Advisory Committee (OAC) have been working for several years to develop a new system for observer funding and deployment in the North Pacific Groundfish Observer Program (Observer Program). Under the proposed 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. Concerns with the existing program arise from the inability of NMFS to determine when and where observers should be deployed, inflexible coverage levels established in regulation, disproportionate cost issues among the various fishing fleets, and the difficulty to respond to evolving data and management needs in individual fisheries.

The proposed amendments (BSAI Amendment 86/GOA Amendment 76) are thus intended to address a variety of longstanding issues associated with the existing system of observer procurement and deployment, and the original problem statement was developed to this effect. The existing Observer Program, in place since 1990, establishes coverage levels for most vessels and processors based on vessel length and amount of groundfish processed, respectively. In designing the original program, the Council had limited options because the MSA did not provide authority to charge industry fees to pay for the cost of observers, and no Federal funds were provided. Because of the critical need for observers and the data they provide, the Council and NMFS proceeded with the Observer Program regulations (Amendments 13/18) that are largely unchanged today. These regulations were considered 'interim' at the time of implementation, as NMFS and the Council began to develop a new program (Research Plan) which would require all participants in the fisheries to pay a fee based on ex-vessel revenue from their catch, with NMFS contracting directly with the observer providers. Collection of the fee under the Research Plan was authorized by an amendment to the MSA (Section 313(b)(2)). The Council adopted this plan in 1992 and NMFS implemented the program in 1994. However, due to several concerns primarily related to observer costs to industry, the Council voted to repeal the program in 1995. The 1990 interim regulations continue to authorize the existing Observer Program today. These regulations have been extended several times, with the most recent amendment extending the program until December 31, 2007.

In February 2006, the Council reviewed the initial draft of the analysis of the five primary alternatives. As part of this review, NMFS presented a letter (Item C-5(a)(1) regarding observer compensation issues and the status of observers with regard to the requirements for overtime pay under the Fair Labor Standards Act (FLSA) and the Service Contract Act (SCA). This issue was brought to the forefront in a memo from Dr. Bill Hogarth in November 2003, which stated that NMFS maintains that fisheries observers are biological technicians and therefore eligible for overtime compensation under the FLSA. NMFS recently reaffirmed its position that observers employed by companies which contract directly with the agency or use Federal funds for provision of observer services must apply FLSA and SCA criteria to determine observer compensation requirements.

The NMFS letter reviewed in February outlines the ongoing concerns with not being able to provide a definitive assessment of observer costs under a new service delivery model at this time. Costs may not be possible to assess until actual contracts between NMFS and observer providers are finalized. In addition, NMFS has not yet received a response from the Department of Labor on its request for clarification of the applicability of several FLSA provisions. The NMFS letter also outlines the type of increased costs expected under any alternative other than status quo, as well as the need to ensure that funds are available to cover costs associated with oversight and management of a flexible, effective observer program. The existing observer program expires on December 31, 2007. NMFS recommends that during the time period in which uncertainties remain unresolved, the Council should select Alternative 2 (indefinite extension of the existing observer program) as the preferred alternative under the current analysis.

It is also important to note that NOAA General Counsel, Alaska Region (GCAK) has made a preliminary determination that the Research Plan authority provided in the MSA (Section 313) to assess a fee for observer coverage cannot be applied to only a subset of the vessels in the fisheries for which the Council and NMFS have the authority to establish a fee program. Therefore, all of the action alternatives except Alternative 2 (extension of the current program) are likely to require new statutory authorization unless it is determined that different fees can be assessed against different fisheries or sectors. This issue is discussed in more detail in the analysis.

The OAC met in late January to provide recommendations on the analysis and review the NMFS letter described above. The committee ultimately recommended that the Council select Alternative 2 as its preferred alternative for this analysis, given the need for continuing the program in the short-term and the lack of control over Congressional authority and cost issues. The Council reviewed both NMFS's recommendation and the January OAC report in February 2006.

AP Report

The AP recommends the Council adopt Alternative 2. *Motion carried 15/0*

Video Monitoring. The AP appreciates the efforts of the agency to date and looks forward to updates on the use of video monitoring in the rockfish pilot program. The AP recommends that the Council encourage the agency to continue development of video monitoring. *Motion carried 15/0*

SSC Report

Nicole Kimball noted that staff endeavored to adopt SSC recommendations in their Amendment 86 analysis. The SSC agrees that our prior concerns have been addressed and finds that the EA/RIR/IRFA provides a reasonable basis for Council decision-making.

Alan Kinsolving (AKRO Sustainable Fisheries Division) presented a discussion paper on the regulatory and implementation issues associated with adoption of electronic monitoring systems for catch monitoring. An appendix to the discussion paper described results from the pilot study of video monitoring of bycatch in the Kodiak-based rockfish fishery. The SSC encourages further research and evaluation of video monitoring technology. Automated catch monitoring is a promising but evolving technology that is not yet appropriate as a stand-alone system for routine catch monitoring.

Public testimony was provided by Mark Buckley (Digital Observer Inc.) and Julie Bonney (Alaska Groundfish Databank).

Miscellaneous notes:

- The AFSC and the AKRO plan to hold a workshop later this month to assess the use of a Norwegian-made technology called "Catch Meter" for automatic detection purposes. The technology utilizes neural networks to train the software to identify species.
- Even with state-of-the-art image compression systems, data storage requirements for the GOA rockfish fishery alone would approach 20 terabytes per year.
- Transferring data from hard drives to tape could raise legal concerns regarding chain of custody for evidence.
- Concerns about discarding outside the video field of view could be minimized by implementing paired video systems with different fields of view – one targeting the overall activities of the crew and another targeting approved discard locations.
- Using surveys as a platform to collect information to evaluate this technology may alleviate issues regarding confidentiality.

COUNCIL DISCUSSION/ACTION (C-5)

[NOTE: Earl Krygier and Jay Ginter participated in this discussion for McKie Campbell and Sue Salvesson.]

Nicole Kimball (NPFMC staff) reviewed the status of Amendments 86/76, noting that the Council is slated to take final action at this meeting. Dr. Bill Karp (AFSC) discussed the observer compensation issues under Fair Labor Standards Act (FLSA). The agency had sent a letter with questions on how to apply the FLSA to groundfish observers in the North Pacific to the Department of Labor, but have not yet received a response to

the issues raised. Ms. Kimball noted that the analysis is thus unable to fully estimate comprehensive costs associated with Alternatives 3–5, and the agency has recommended adoption of Alternative 2 (to continue the existing program so it doesn't expire on 12/31/07). Statutory authority also does not yet exist to implement Alternatives 3–5.

Alan Kinsolving (NMFS-AKR) summarized a discussion paper on video monitoring. He and Todd Loomis (NMFS-OPO) worked the last two summers in Kodiak, examining the potential for using video monitoring to enhance catch estimation and document discard occurrences in the rockfish fishery. He noted that while there have been positive developments in using electronic monitoring to estimate species composition, video monitoring may never be able to replace a human observer.

Jay Ginter moved to support the AP's recommendation and adopt Alternative 2, which extends the current program and removes the expiration date in Federal regulations. This action would be a regulatory (and not FMP) amendment. The Council recognized that while this alternative does not meet the majority of the issues identified in the problem statement, it meets the fundamental and short-term need of preventing the expiration of the observer program. The Council anticipates initiating a new amendment package for a restructured program at such time that the Congressional authority and cost issues are resolved to the extent that an analysis can be completed. Broad authority to collect fees to pay for observer coverage is included in several proposed bills to amend the Magnuson Stevens Act. It is also anticipated that the restructuring alternatives evaluated in Amendments 86/76 would provide a starting point for a new amendment package, at such time that these issues are resolved. Arne Fuglvog seconded the motion, which passed unanimously.

C-6 Halibut/Sablefish IFQ Program

ACTION REQUIRED

Final Action on IFQ Omnibus V amendments

BACKGROUND

The Council is scheduled to take final action on four proposed amendments to the commercial halibut and sablefish IFQ Program. The analysis has been revised in response to the Council's comments made during its initial review in December 2005. Proposed actions in Omnibus V would allow: (1) non-IFQ species to be frozen onboard while directed fishing for halibut and sablefish; (2) use of pot longline gear in the Bering Sea sablefish fishery during June; (3) withdrawal of halibut and sablefish QS from initial recipients who have never fished any of those shares across all regulatory areas, with an option to allow a lottery for awarding withdrawn halibut QS to qualified crewmen; and (4) temporary transfer of IFQs held by activated reservists. Plan and regulatory amendments to the BSAI and GOA Groundfish FMPs would be needed for Action 1 and regulatory amendments would be needed for Actions 2, 3, and 4. The analysis was distributed to the Council on May 16, 2006. The list of alternatives is attached as Item C-2.

AP Report

The AP recommends the following preferred alternatives:

Action 1. Use of catcher vessel QS
Alternative 2. Allow processing of non-IFQ species on a vessel that is otherwise authorized to process non-IFQ species when any amount of IFQ halibut resulting from quota share assigned to vessel categories B, C, or D are held by fishermen on board a vessel in the Gulf of Alaska, Bering Sea, and Aleutian Islands. *Motion passed 15/0*

Action 2. Sablefish pots

Alternative 2 Allow use of longline pot gear in the Bering Sea IFQ and CDQ sablefish fisheries during June *Motion passed 15/0*

Action 3. Inactive IFQ permits

Alternative 1. No action *Motion passed 12/3*

Minority Report: We, the undersigned, support Alternative 3, QS lottery program, which provides a means for redistributing unused halibut quota shares to qualified recipients. Signed, Julianne Curry, Michelle Ridgway, and John Moller

Action 4. Military exemption for mobilized reservists and guardsmen

Alternative 2. Allow mobilized reservists and guardsmen to temporarily transfer IFQs for the duration of their deployment. *Motion passed 15/0*

The AP discussed that future gear conflicts may occur under Action#2, and notes for the Council the possibility of future requests to address such conflicts should they occur.

Motion passed 14/1

This item was not on the SSC agenda.

COUNCIL DISCUSSION/ACTION (C-6)

[NOTE: Earl Krygier and Jay Ginter participated in this discussion for McKie Campbell and Sue Salvesson.]

Jane DiCosimo (NPFMC staff) provided a PowerPoint presentation on the IFQ Omnibus 5 amendment package. Following questions of staff and public testimony, Chair Madsen noted that this issue is for final action. She noted that General Counsel had reviewed Council members' financial disclosure statements and determined no cause for recusal for any member. Motions would be made for each action within the amendment package.

Arne Fuglvog moved that the Council adopt Alternative 2 for Action 1 and add the following language: "This action will be reviewed three years after implementation focusing on the fixed gear retention of Pacific cod and rockfish in IFQ fisheries by area, as well as the amount of halibut quota share fished on Category A vessels."

The motion was seconded and carried 9 to 2 (Krygier and Madsen voted against).

Mr. Fuglvog moved that the Council adopt Alternative 2 for Action 2. He noted that the Council had not heard from any fishermen that have been impacted, so gear conflicts are likely rare. Furthermore, under the current regulations the gear can still be out there in June, it just can't be fished. The motion was seconded and passed unanimously.

Mr. Fuglvog moved (Bundy seconded) that for Action 3, the Council adopt Alternative 2 for Halibut and Sablefish and Alternative 3 just for the Halibut Lottery. Mr. Fuglvog spoke to his motion. NOAA GC raised the issue of National Standard 4 and relative to concerns about fair and equitable allocation. Mr. Fuglvog clarified that unused halibut and sablefish IFQ would be withdrawn, but just the sablefish IFQ would be abandoned (because it is such a small amount), and that only halibut would be put in the lottery. Mr. Ginter pointed out that this does not prevent anyone who is eligible to hold quota otherwise from being in lottery, and Council members concurred that the fair and equitable requirement would thus be met. The motion passed unanimously.

Arne Fuglvog moved that the Council adopt Alternative 2 for Action 4. The motion carried unanimously.

D-1 Groundfish Management

ACTION REQUIRED

- a) Review EFP to test a halibut excluder for GOA cod trawl fishery
- b) Receive progress report on trawl salmon excluder research

BACKGROUND

- a) Review EFP to test a halibut excluder for GOA cod trawl fishery

An EFP submitted by the Marine Conservation Alliance Foundation proposes to test a halibut excluder device designed to reduce halibut bycatch rates in the Pacific cod trawl fishery in the Gulf of Alaska. The EFP application is attached as Item D-1(a)(1). The environmental assessment for the EFP was mailed to you on May 22nd and is attached as Item D-1(a)(2).

The objective of this EFP is to study a halibut excluder designed to reduce bycatch rates for smaller inshore trawl catcher vessels targeting Pacific cod in the Central GOA. The following performance goals will be used to measure the ability of the proposed EFP to meet the stated objective: (1) compared to an unmodified trawl, the excluder device should result in at least a 40 percent reduction in the halibut bycatch rate (kilogram of halibut per metric ton of allocated groundfish); (2) compared to an unmodified trawl, the excluder device should not reduce the target species catch by more than 10 percent; and (3) the excluder must be functional for a typical GOA trawl vessel which has limited deck space and may have only aft reels. The degree to which the excluder meets the goals and objectives will be evaluated by the applicant and Alaska Fishery Science Center.

Two alternatives are analyzed in the EA: the status quo (Alternative 1); and the issuance of the EFP (Alternative 2). Alternative 2 would issue an EFP with the following regulatory exemptions: (1) trawl closures in the Central GOA for reasons other than overfishing concerns; (2) PSC limits for halibut; and (3) observer requirements while the EFP is being prosecuted. The total amount of groundfish allowed to be harvested annually is 1,300 mt, of which 950 mt will likely be Pacific cod. Halibut mortality for the proposed EFP is limited to 90 mt. Regulations describing maximum retainable (MRA) amounts apply; however, Pacific cod is designated as the basis species from which retainable amounts are to be calculated. The permit would be effective August 1, 2006 through August 30, 2006. The Regional Administrator may extend the EFP to allow for further testing of the excluder device in August 2007. Extension of the EFP is contingent on the sampling plan and gear modifications being approved by the AFSC.

The environmental effects of Alternative 2 are limited to PSC (halibut), marine mammals, groundfish, and socioeconomic components. The effect of the action on PSC, marine mammals, and groundfish is insignificant. Socioeconomic effects primarily are potential future effects, which cannot be predicted. Possible cumulative effects identified included the use of a halibut excluder device in the trawl fishery and revenue generated from the proposed EFP.

NMFS staff and the EFP applicants will be available to present the EFP and the EA at this meeting.

- b) Receive progress report on trawl salmon excluder research

A progress report on the on-going EFP to test a salmon excluder device in the pollock trawl fishery will be provided at this meeting. This EFP continues on previous work in past years evaluating various excluder device configurations on the ability to reduce chum and Chinook salmon bycatch in the pollock trawl fishery. Chum and Chinook bycatch has been elevated in recent years in the pollock fishery. This on-going EFP has been working to develop behaviorally-based avoidance device configurations placed within the intermediate of the trawl net which allow salmon to escape without harm prior to being captured in the pollock trawl cod end.

The presentation at this meeting will focus upon results from the fall 2005 and winter 2006 tests conducted with catcher vessels and catcher processors. Information will also be provided on plans for the fall 2006 sampling protocol. PIs from the project will be available to provide an overview of their continued work under this EFP.

AP Report

The AP recommends the Council Issue an Exempted Fishing Permit to Test a Trawl Gear Modification to Reduce Bycatch Rates for Pacific Halibut in the Central Gulf of Alaska Pacific Cod Trawl Fishery. *Motion passed 16/0.*

SSC Report

D-1 (a) Review of EFP to test halibut excluder for GOA cod trawl fishery Cathy Coon (NPFMC staff) presented the draft EA for issuance of an EFP to test a trawl gear modification intended to reduce bycatch rates of Pacific halibut in the Central Gulf of Alaska Pacific cod trawl fishery. John Gauvin (Marine Conservation Alliance Foundation) provided details on the proposed experiment, which had been modified to consider only 2 pairs of vessels to reduce the vessel effect. The SSC commented that it would be appropriate to re-do the power analysis with the changed design. There was also discussion about the significance level used in the power analysis and the possibility of the use of a recapture bag. The experiment has a performance goal of reducing halibut bycatch per metric ton of allocated groundfish by at least 40% over an unmodified net. This goal is based on an estimate of head size dimensions of Pacific cod and halibut relative to the escape opening. The SSC would like to see documentation regarding how the head dimensions were estimated. Although the EFP stated that the vessel fishing the net with the excluder would tow at a slower speed than the vessel with the unmodified net, Dr. Gauvin stated that both vessels will tow at the same speed and all paired tows will be side by side. Based on the findings of the EA, the discussion of the experimental design, and the IPHC approval of the experiment, the SSC recommends approval of the EFP to allow conduct of this experiment.

D-1(b) Progress report on trawl salmon excluder research John Gauvin (North Pacific Fisheries Research Foundation) and John Gruver (United Catcher Boats) provided an update on the latest trials with the salmon excluder. Trials in 2005-2006 showed good results on Chinook escapement after changing placement and size of the excluder and time of slowdowns. Future work includes focusing on maximizing the escapement at slowdown through the use of a flap that opens when tow speed decreases. The SSC commended the PI's for their advancements in gear modifications to reduce salmon bycatch.

COUNCIL DISCUSSION/ACTION (D-1)

[NOTE: Earl Krygier and Jay Ginter participated in this discussion for McKie Campbell and Sue Salvesson.]

Cathy Coon provided a brief overview of the issue and introduced John Gauvin, who provided an overview of the EFP application to test a halibut excluder for reducing halibut bycatch rates on smaller trawl catcher vessels targeting Pacific cod in the Gulf of Alaska. The permit was submitted by the Marine Conservation Alliance Foundation, and will contain the following regulatory exemptions: trawl closures in the Central GOA for reasons other than overfishing concerns; PSC limits for halibut (limited to 90 mt); and observer requirements while the EFP is being prosecuted. The total amount of groundfish allowed to be harvested annually is 1,300 mt, of which 950 mt will likely be Pacific cod.

Additionally, Mr. Gauvin (North Pacific Fisheries Research Foundation) and Mr. John Gruver (United Catcher Boats) provided a progress report to the Council on the EFP to test a salmon excluder device in the pollock trawl fishery. This ongoing EFP has been working to develop behaviorally-based avoidance device configurations placed within the intermediate of the trawl net which allow salmon to escape without harm prior to being captured in the pollock trawl cod end. The report provided updates from the fall 2005 and winter 2006 evaluation of various excluder device configurations on the ability to reduce chum and Chinook salmon bycatch in the pollock trawl fishery. The report indicated positive results to date on Chinook

escapement after changing placement and size of the excluder and time of slowdowns. Additional research is continuing.

Ed Rasmuson moved to adopt the AP recommendation that the agency issue an exempted fishing permit to test a trawl gear modification to reduce bycatch rates for Pacific halibut in the Central Gulf of Alaska Pacific cod trawl fishery. Arne Fuglvog seconded the motion that passed without objection.

The Council commended the industry for their continued work to reduce salmon bycatch.

D-2 Essential Fish Habitat

ACTION REQUIRED:

- a) Review discussion paper on Bering Sea habitat conservation alternatives, and take action as necessary.
- b) Review discussion paper on Bering Sea crab habitat and fishery interactions, and take action as necessary.

BACKGROUND:

The Council took action in February 2005 to conserve essential fish habitat (EFH) from potential adverse effects of fishing. EFH is defined as those waters and substrate necessary to fish for spawning, breeding, feeding, or growth to maturity. The EIS prepared for the action concluded that while fisheries do have long term effects on benthic habitat, these impacts were minimal and had no detrimental effects on fish populations. The Council adopted several new measures to minimize the effects of fishing on EFH in the Aleutian Islands and Gulf of Alaska.

The EFH EIS also evaluated a suite of alternatives for the eastern Bering Sea (EBS). Based on that analysis, the Council determined that additional habitat protection measures in the EBS were not needed right away, and that an expanded analysis of potential mitigations measures for the EBS should be conducted prior to taking action.

In December 2005, the Council discussed alternatives to conserve habitat in the EBS, finalized a problem statement, and tasked staff with developing two discussion papers (attached as Item D-2(a) and (b)). The purpose of these discussion papers is to provide background information to assist the Council formulating a reasonable range of alternatives to minimize (to the extent practicable) the effects of fishing on EFH in the Bering Sea.

AP Report

The AP recommends the Council accept the following alternatives and options for analysis:

Alternative 1: Status quo

Alternative 2: Open area approach utilizing fishing data through 2005 to define area

Option 1 – Include the areas north of Bogoslof and south of Nunivak Island in the open area, and the 10-minute strip in the Red King Crab Savings Area.

Alternative 3: Require gear modifications on all bottom flatfish trawl gear to reduce seafloor contact and/or increase clearance between the gear and substrate.

Alternative 4: Open area approach utilizing fishing data through 2005 to define area, plus require gear modifications on all bottom flatfish trawl gear to reduce seafloor contact and/or increase clearance between the gear and substrate.

Option 1 – include the areas north of Bogoslof and south of Nunivak Island in the open area, and the 10-minute strip in the Red King Crab Savings Area.

Motion passed 10/5/1

SSC Report

The Scientific and Statistical Committee supports the recommendations by the Crab Plan Team (page 11 of their draft minutes), particularly those calling for analysis of the species composition of crab in trawl bycatch by sex and life history stage. The SSC discussed this item at length and made numerous other recommendations for analysis. Their full report is included as Appendix 2 to these minutes.

COUNCIL DISCUSSION/ACTION (D-2)

[NOTE: Earl Krygier and Jay Ginter participated in this discussion for McKie Campbell and Sue Salveson.]

The Council received a staff report from Cathy Coon. Ms. Coon presented a PowerPoint summarizing the two discussion papers in the notebooks: (a) Bering Sea habitat conservation alternatives, and (b) Bering Sea crab habitat and fishery interactions evaluating the need for protection measures for St. Matthew blue king crab and eastern Bering Sea snow crab.

Earl Krygier moved to adopt the AP's recommended range of alternatives with the following addition: The Council requests the Crab Plan Team to meet prior to the next Council meeting and consider crab protection areas for St. Matthew blue king crab and opilio crab. Arne Fuglvog seconded the motion.

The Council discussed the range of alternatives and why they were reasonable relative to the previous EIS analysis and the current problem statement. The Council further discussed the agency letter regarding the performance standards for pelagic trawls in the analysis. The Council determined that this is a separate issue from the Bering Sea EFH analysis, such that an explicit re-evaluation of performance standards would not be included in this analysis, but rather there should be a separate interagency staff meeting to discuss data, tasking, and next steps.

The motion passed without objection.

Based on these recommendations, the Council may consider changes to the open areas alternatives or possible designation as HAPC in the future.

D-3 Crab Management

ACTION REQUIRED

- a) Crab Overfishing Definitions update and snow crab assessment (SSC only)
- b) Receive report from Crab Plan Team and PNCIAC
- c) Review State/Federal Action Plan

BACKGROUND

- a) Crab Overfishing Definitions update and snow crab assessment (SSC only)

Progress continues on refining alternative overfishing definitions for the BSAI crab stocks. An inter-agency working group has been providing updates to the SSC on a periodic basis to solicit their advice on the direction of the analysis. The preliminary analyses was mailed to you on May 22nd. The Center for Independent Experts (CIE) met at the AFSC in Seattle April 24-28 to review the interagency working group's draft analysis. The report from the CIE review will be available June 1st and will be provided at the meeting. Members of the working group will be available to present their preliminary analyses. A member of the CIE review team will provide an overview of the review findings.

The draft eastern Bering Sea Snow Crab assessment report (appendix A to the 2005 Crab SAFE report) was mailed to you on May 22nd. The SSC is scheduled to review the model and assessment at this meeting. Jack Turnock (NMFS) will be available to present his assessment.

b) Receive report from Crab Plan Team and PNCIAC

The BSAI Crab Plan Team met at the AFSC in Seattle May 16-18th. The agenda from the meeting is attached as Item D-3(b)(1). The team reviewed the snow crab assessment, the preliminary overfishing definitions analysis, discussed the 2005/2006 fishery and commented on a number of additional issues. Minutes from the plan team meeting will be provided at the Council meeting. A representative from the plan team will provide an overview of the plan team's report.

The Pacific Northwest Crab Industry Advisory Committee (PNCIAC) met in Seattle on May 23 to discuss industry concerns with the improving retention of king and Tanner crab in the rationalized crab fisheries. Minutes from the meeting are attached at Item D-3(b)(2). Steve Minor, the Chair of PNCIAC, will be available to present the committee's report.

c) State/Federal Action Plan

The Alaska Department of Fish and Game (ADF&G) and the National Marine Fisheries Service (NMFS) have revised the State/Federal Action Plan for Commercial King and Tanner crab fisheries of the Bering Sea and Aleutian Islands. The primary difference in the revised action plan (from the previous 1993 version) is in the timeline provided for data exchange between ADF&G and NMFS. The revised State/Federal Action plan is attached as Item D-3(c). The concurrence of the Council is sought on the revisions and details laid out in the action plan.

The item was not on the AP agenda.

SSC Report

The SSC encourages the crab workgroup to meet and set a common ground for analyses, and requests Council staff to lead the development of the EA/RIR by writing up the alternatives and review process related to overfishing and assessment as soon as possible. The full SSC report is included as Appendix 2 to these minutes.

COUNCIL DISCUSSION/ACTION (D-3)

[NOTE: Earl Krygier participated in this discussion for McKie Campbell.]

The Council received a report from Doug Pengilly (ADFG Kodiak) on the Crab Plan Team meeting. Of the items reviewed, Mr. Pengilly noted that the team concurred with the state-federal action plan, and that the agencies were seeking concurrence from the Council.

Bill Tweit moved that the Council reviewed and concurred with the April 6, 2006 state-federal action plan for BSAI crab. Doug Hoedel seconded the motion, which passed without objection.

D-4 Ecosystem-Based Management

ACTION REQUIRED

Receive Ecosystem Committee report and take action as necessary

BACKGROUND

The Ecosystem Committee met on May 19, 2006, at the Alaska Fisheries Science Center. The Committee minutes are attached as Item D-4(1).

The Committee's primary agenda item was to discuss the development an AI Fishery Ecosystem Plan. The Committee recommends that the Council initiate the AI FEP at this time. As previously discussed, the FEP would be a strategic policy document, intended to guide the Council's FMP management with respect to the Aleutian Islands. The FEP would contain no management measures or regulatory authority. As the FEP is strictly a planning document for the Council, it does not require a NEPA analysis, nor does it require Secretarial review and approval.

The Committee has defined the intended purposes of the FEP, and has identified an ecosystem boundary for the Aleutian Islands. The Committee also recommends that the Council create a technical AI Ecosystem Team, to assist Council staff with the development of the FEP. A summary of the recommendations follows; the Committee's rationale is summarized in the minutes.

Ecosystem Committee Recommendations for an AI Fishery Ecosystem Plan

1. The Committee recommends that the Council initiate the development of a Fishery Ecosystem Plan for the Aleutian Islands ecosystem area.
2. The Council would use the FEP to focus on the Aleutian Islands geographical area. The FEP document, and associated process, is anticipated to be evolutionary in nature; the purposes are intended to be achieved over time. The purposes of the FEP would be:
 - a) to integrate information from across the FMPs with regard to the Aleutian Islands, using existing analyses and reports such as the Groundfish PSEIS, the EFH EIS, and the Ecosystem Considerations chapter
NOTE: the Committee emphasizes that this integration should be user-friendly, i.e., short, simple, and avoiding redundancy
 - b) to identify a set of indicators for the Aleutian Islands to evaluate the status of the ecosystem over time
 - c) to provide a focal point to develop and refine tools, such as ecosystem models, to evaluate the indicators
 - d) to identify sources of uncertainty and use them to determine research and data needs
 - e) to assist the Council in setting management goals and objectives, and in understanding the cumulative effects of management actions
3. For the purposes of the FEP, the boundary of the Aleutian Islands ecosystem area would be identified as the Aleutian Islands west of Samalga Pass (169° W. longitude), which is approximately the area identified in the BSAI Groundfish FMP as the Aleutian Islands subarea. However, the boundary should not constrain the FEP from accounting for species moving in and out of the area, and other external inputs.
4. The Committee recommends that the Council form an AI Ecosystem Team to work with Council staff to develop the AI FEP. As this would be a scientifically technical group, the Council may wish to consider one or more representatives from the Council's existing Plan Teams, and others with appropriate expertise. It is anticipated that the role of the team, and its membership, may change once the FEP has been developed.

AP Report

The AP recommends that the Council endorse the Ecosystem Committee's recommendations regarding initiating development of an Aleutian Islands Fisheries Ecosystem Plan and forming an AI ecosystem team.
Motion passed 15/0/1

SSC Report

The SSC received a brief update with regard to progress in advancing an ecosystem approach to management beyond fisheries through the Alaska Marine Ecosystem Forum. It appears this Forum is still in the developmental stage and would involve an interagency level policy group that might begin with the Aleutian Islands in the definition of cross-sector ecological management goals. There was some recognition that this broader approach might intersect with the FEP efforts in the future.

The committee recommendations were to initiate the development of an FEP for the Aleutian Islands to meet a number of purposes, primarily to integrate information across FMPs, refine indicators, identify sources of uncertainty, and ultimately to assist the Council in setting management goals and harvest levels and in understanding cumulative effects of management actions. The committee recommended that Council form an AI Ecosystem Team to work with Council staff to develop the AI FEP. Members of the SSC present agreed that it would be useful to constitute such a team with membership that might contain individuals knowledgeable about groundfish, crab, habitat, seabirds and marine mammals. There was a question regarding the extent to which ADF&G fishery representatives could be involved and an acknowledgement

that a broad range of expertise should be included. Involvement of academics and representatives of interest groups might also be desirable as team members to generate new, forward-thinking ways of applying the FEP. The Council might need to support travel costs for these types of individuals. Some efficiencies could involve utilizing some groundfish plan team members and this workgroup could potentially meet in conjunction with the groundfish plan team meetings. The full SSC will discuss potential membership for the Ecosystem Team intersessionally and provide a list of possible members to the Council this summer.

COUNCIL DISCUSSION/ACTION (D-4)

[NOTE: Earl Krygier and Jay Ginter participated in this discussion for McKie Campbell and Sue Salvesson.]

Diana Evans (NPFMC staff) presented the main recommendations from the last Ecosystem Committee meeting held in Seattle with regard to the development of an Aleutian Islands Fishery Ecosystem Plan (FEP).

Arne Fuglvog moved that the Council endorse the Ecosystem Committee's recommendations regarding initiating development of an Aleutian Islands Fishery Ecosystem Plan and forming an Aleutian Islands ecosystem team. The motion was seconded and carried without objection.

D-5 Staff Tasking

ACTION REQUIRED

Review tasking and committees and provide direction.

BACKGROUND

The list of Council committees is attached as Item D-5(a). Item D-5(b) is the three meeting outlook, and Item D-5(c) and Item D-5(d) are the summary of current projects, timelines, and tasking. In April, the Council added one new project (BSAI crab vessel use caps) to the tasking list. The Council may wish to discuss tasking priorities to address previously tasked projects, as well as potential additions discussed at this meeting, given resources necessary to complete existing priority projects.

In 2004, the Council developed a workplan to bring groundfish management in line with its revised management policy (adopted as part of the PGSEIS). This workplan is reviewed by the Council at each meeting as part of the staff tasking agenda item, and is posted on the Council's website. The workplan, updated to reflect the current status of each item, and its relationship to the management objectives, is attached as Item D-5(e). The Council intends to discuss the management objectives and review priority actions in more detail during the October meeting.

AP Report

The AP recommends that seabird avoidance requirements be eliminated for longline vessels fishing in the inside waters of Prince William Sound (NMFS Area 649), Southeast Alaska (NMFS Area 659), and state waters of Cook Inlet. Avoidance requirements in southern Chatham Strait and Dixon Entrance of the SEAK region should remain in place due to increased risk to seabirds in those areas. *Motion carried 14/0*

The AP strongly supports efforts to institutionalize the collection and management of seabird observation data from fish stock assessment surveys from NMFS and IPHC. We also strongly support making the data available through the North Pacific Pelagic Seabird Database. *Motion carried 14/0*

The AP requests the Council encourage further research regarding seabird avoidance measures for small vessels which do not have poles, mast and rigging (PMR). *Motion passed 16/0*

The data collection plan for the BSAI crab rationalization program and the anticipated data collection plan for the Amendment 80 groundfish fishery provide important information for program evaluation and review. The AP notes that parallel data collection protocols are not in place of the AFA and IFQ rationalization programs. Therefore, the AP recommends the Council direct staff to develop data collection programs that are appropriate for and applicable to the AFA and IFQ rationalization programs and will provide programmatic evaluation information that is parallel to the information obtained through the BSAI crab and Amendment 80 programs. *Motion passed 16/0*

The AP recommends that the Council request staff to develop a discussion paper addressing the following SSC recommendations on Bering Sea Essential Fish Habitat:

2. Expansion of closed areas surrounding St. Matthew Island beyond the 3 nm closure in state waters to protect blue king crab and their habitat.
3. Additional closures of shelf break waters to conserve habitat in canyons (Middle, Zemchug, and Pribilof Canyons) and known skate nurseries.
4. Additional closures corresponding to special areas that may emerge from the analysis of crab life history stages.
5. Consideration of closures specifically for research to assess the importance of benthic habitat for fish production.

The item was not on the SSC agenda.

COUNCIL DISCUSSION/ACTION (D-5)

[NOTE: Earl Krygier and Jay Ginter participated in this discussion for McKie Campbell and Sue Salvesson.]

Chris Oliver reviewed the contents of the action memo, focusing on the three-meeting outlook and the items listed for the October meeting.

Following public comment, Chair Madsen reviewed committee assignments. She noted that she would consult with the Fur Seal Committee chair (Dave Benson) to review the Fur Seal Conservation Plan, and decide whether or not further review by the committee was needed. The Steller Sea Lion Mitigation Committee was seeking Council concurrence on a call for proposals on mitigation measures. The Council concurred without objection. Ms. Madsen noted that she was intending to name a replacement for Jim Preston who recently resigned from the AP. The intent was to allow a representative from the charter sector to participate at the October and December meetings, in the interim, prior to new AP appointments in December.

The Council concurred with the request by industry for staff to review the GOA Rockfish Demonstration Project proposed rule, and highlight any areas that did not reflect Council intent or action. Ms. Madsen and Mr. Oliver will confer on how to best get those comments to the agency.

Arne Fuglvog moved to initiate the following two-part environmental assessment for revising the seabird avoidance requirements for groundfish and halibut longline fisheries. The motion was seconded and carried without objection.

1. Seabird Avoidance Requirements in Inside Waters

- **Based on data showing that sensitive seabirds are rare to absent in inside waters, the Council recommends development of a regulatory amendment package to evaluate elimination of seabird avoidance requirements for longline vessels fishing in the inside waters of Prince William Sound (NMFS Area 649), Southeast Alaska (NMFS Area 659), and state waters of**

Cook Inlet. Current regulations require vessels 26-32 ft and 32-55 ft (without masts, poles, or rigging) to tow one buoy bag line, and vessels 32-55 ft (with masts, poles, or rigging) and > 55 ft to tow a single streamer line while setting longline gear in inside waters. This action affects 42% of the Alaska longline fleet, which lands 10% of the Alaska longline catch. Of this affected segment of the fleet, 85% are small vessels (< 55 ft LOA) and over half fish with snap-on gear.

- The Council's analysis should consider, for the purpose of seabird avoidance regulations only, that ADFG statistical areas 345603 and 345534 in Chatham Strait, and 325431 and 325401 in Dixon Entrance be reclassified as "outside waters" where seabird avoidance regulations would continue to be required. This recommendation addresses the finding that black-footed albatrosses, northern fulmars, and shearwaters sometimes occur in southern Chatham Strait and Dixon Entrance of the Southeast Alaska region suggesting increased risk to seabirds from longline fishing in these small areas.
- Based on seabird distribution data from longline surveys and other sources, the Council notes that effective seabird avoidance requirements are essential in *all* outside waters.

2. Seabird Avoidance Measures for Small Vessels (>26 to 55 feet LOA) fishing in outside waters

Based on the most recent research, the Council recommends consideration of the following revisions to seabird avoidance requirements for small longline vessels fishing in outside waters (as amended above):

- All vessels > 26 LOA with mast, poles or rigging and using snap-on gear are required to deploy one streamer line while setting longline gear. Specifically, the streamer line must be a minimum of 45 m long and must be maintained with a minimum aerial extent of 20 m. This recommendation extends the current streamer line requirement for snap-on gear vessels over 55 ft LOA with infrastructure to all snap-on gear vessels >26 ft LOA with mast, poles or rigging.
- Vessels with mast, poles or rigging and using fixed gear are required to deploy one streamer line while setting longline gear. Specifically, the streamer line must be a minimum of 90 m long and must be maintained with a minimum aerial extent of 40 m. Current requirements for vessels >26–55 ft LOA setting fixed gear and with mast, poles, or rigging do not include a performance standard for streamer lines.
- Vessels without mast, poles or rigging, and not capable of adding poles or davits to accommodate a streamer line, must tow a buoy in such a way as to deter birds from the sinking hookline as they deploy longline gear.
- The Council recommends that the requirement for small vessels fishing outside waters to use a second seabird avoidance measure (adding weight, deploying a second streamer line or buoy or strategic offal discharge) be eliminated. The uncertainty that led to this requirement is addressed by the specific requirements for streamer line performance standards recommended here. In addition, this change addresses the fact that this requirement is difficult to enforce.
- Recognizing that the newly developed light streamer lines currently available to the Alaska longline fleet at no cost through USFWS facilitate compliance with these revised seabird avoidance requirements for small longline vessels, the Council strongly recommends that these lighter streamer line continue to be made available to Alaska longline vessels at no cost.

In addition to, but not part of, the analysis above:

- **Seabird sighting data collected in the course of fish stock assessment surveys have proven extremely valuable with regard to ecosystem-based fisheries management. The Council strongly supports efforts to institutionalize the collection, management and analysis of these seabird observation data from fish stock assessment surveys at NMFS and IPHC, and strongly supports making these data available through the North Pacific Pelagic Seabird Database.**
- **The Council strongly encourages efforts to expand this seabird survey protocol to all Alaska surveys to broaden the temporal and spatial scope of this data set for application to other fisheries. Incorporating this protocol into North Pacific Groundfish Observer Program data collection should also be explored to expand temporal and spatial coverage.**

Dave Benson moved that the Council request NMFS to initiate an analysis for Council review in October 2006 that would adjust the boundaries of the Aleutian Islands habitat conservation area (AIHCA) to: (1) include the historically fished area identified in public testimony at Agattu, and (2) remove from the AIHCA the area identified in public testimony at Buldir, which has not been fished historically. The motion was seconded and carried without objection.

Arne Fuglvog moved that the Council prepare a letter to the agency stating that the Council has reviewed the agency's recommendations for the groundfish specifications EIS and Council supports the alternatives proposed by the agency, with one change: that Option 2 be removed from Alternative 4 (TACs would be further reduced for pollock, Pacific cod, and Atka mackerel). NOAA GC noted that the agency had included this within the range of alternatives, taking into consideration public comments. The agency felt there was justification to include this bullet as those were important prey species.

The Council deliberated on this issue, noting that the timing of the preparation of this EIS by NMFS was such that the Council was unable to engage in developing alternatives or comment during the official public comment period. Council members felt that deletion of Option 2 is warranted, noting that the ecosystem effects of catch limits for these three prey species are being evaluated as part of the current FMP consultation and Biological Opinion and that the Council already has the ability to take into account ecosystem considerations by reducing TACs for these or other prey species under Alternative 2 (the status quo process).

The motion passed with one objection (Jay Ginter).

Mr. Ginter moved that the agency prepare discussion paper on a comprehensive socioeconomic data collection program, and bring it to the Council for review in October. The intent is to develop a comparable data across all fisheries. The motion passed without objection.

The Council discussed other items for the October meeting agenda. Ms. Madsen noted that the issue of crab vessel use caps be a discussion paper, not an initial review analysis in October. Regarding the timing for comments on the Steller Sea Lion Recovery Plan, should the agency extend the comment period, the Council would request the SSC to meet and review the plan (and tradeoff tool if possible) in mid-August, and a Council teleconference would be scheduled for late August to review the SSC report and then forward the comments to the agency prior to September 1.

E. CHAIR'S REMARKS AND ADJOURNMENT

Chair Madsen adjourned the meeting at 1:45 p.m. on Monday, June 12, 2006.

NORTH PACIFIC FISHERY MANAGEMENT COUNCIL

June 7-13, 2006
Kodiak, Alaska

LIST OF PUBLIC TESTIMONY

B Reports

WEDNESDAY, JUNE 7, 2006

- 4:42 PM Dr. Ian Boyd, University of St. Andrews, UK
- 5:21 PM Terry Leitzell, Icicle Seafoods
- 5:28 PM John Gruver & Brent Paine, United Catcher Boats

THURSDAY, JUNE 8, 2006

- 8:11 AM Bob Alverson, Fishing Vessel Owners Assn. (DVD handout: "Eat on the Wild Side")
- 8:27 AM John Gauvin (PowerPoint & 2 handouts)
- 8:40 AM Dave Fraser (handout)
- 8:57 AM Clem Tillion, Aleut Enterprise Corp.
- 9:01 AM Donna Parker, FV Arctic Storm
- 9:12 AM Greg Balough (USFWS) & Thorn Smith (North Pacific Longline Assn)
- 9:17 AM Sandra Moller, Aleut Enterprise Corp.

C-1(a-b) IR/IU Amendment 80

WEDNESDAY, JUNE 7, 2006

The following two people testified out of order due to leaving town:

- 5:10 PM Paul Ostrander, Alaska Wireless Communications, Dutch Harbor
- 5:12 PM Damen Masnen, Global Insurance Specialists

THURSDAY, JUNE 8, 2006

- 1:58 PM Tom Casey (handout) & John Bruce
- 2:07 PM Jim Wilen, University economist on behalf of H&G fleet
- 2:25 PM Steve Minor, St. Paul Island
- 2:28 PM Dorothy Lowman, Best Use Coalition
- 2:39 PM Nancy Kercheal & Tim Meintz, Cascade Fishing
- 3:15 PM Joanna Aldridge, City of Unalaska (on City Council, read letter signed by Mayor) & on behalf of Peterkin Distributors, Inc.
- 3:26 PM Nathan Jankowiak, (Dutch Harbor resident for 13 yrs)
- 3:28 PM Alyssa McDonald, Mac Enterprises—small business owner, Dutch Harbor
- 3:36 PM Arni Thomson, ACC
- 3:51 PM Sandra Moller, Aleut Enterprise Corp.
- 3:52 PM Cap Pringle, MacHenry Provisions
- 3:55 PM Glenn Reed, PSPA
- 4:21 PM Peter Trost, Icelandic Northwest Seafood
- 4:29 PM Bob Hezel, Skipper, FV U.S. Intrepid
- 4:41 PM Robert Reiersen, Tradex Seafoods (handout)
- 4:45 PM Helena Park, Fishermen's Finest (2 handouts)
- 4:50 PM Fred Mullan, Chief Engineer on FV American No.1
- 4:55 PM Wayne Okino, Hillside Jetty (3 handouts)
- 4:59 PM Keith Bruton, O'Hara Corp.
- 5:08 PM Wig Bisbee, FV Golden Fleece
- 5:14 PM Donna Parker, FV Arctic Storm & Executive Director of High Seas Vessel Coop
- 5:27 PM Mark Kandianis, Kodiak Fish Company
- 5:40 PM Bob Alverson & Jack Knutsen, Fishing Vessel Owners Assn.

5:56 PM Brent Paine, United Catcher Boats
FRIDAY, JUNE 9, 2006
8:09 AM Dave Wood, US Seafoods
8:19 AM Paul MacGregor, At-Sea Processors Assn.
8:34 AM Susan Robinson, FV American No.1
8:49 AM Bill Orr, Iquique US (handout)
9:03 AM Mike Szymanski, Fishing Company of Alaska (handout)
9:10 AM Shaun Geehan & Dave Frulla, Kelley Drye Collier Shannon for Best Use Coalition
9:40 AM Mike Hyde, American Seafoods
9:51 AM Dave Fraser, Adak Fisheries/Adak City
10:30 AM Julie Bonney, Alaska Groundfish Databank
10:38 AM John Gruver, AFA CV Intercoop
10:48 AM Ken Tippett, Alaska Boat Company
10:49 AM Gregg Williams, IPHC
10:57 AM Teresa Kandianis, FT Legacy
11:07 AM Lori Swanson, Groundfish Forum (also member of Best Use Coalition) (2 handout tables)
11:26 AM Paul Peyton, Bristol Bay Economic Development Corp.
Called but not present to testify: Michelle Ridgway & Dorothy Childers, AMCC
Passed: John Henderschedt, Premier Pacific Seafoods

C-1(c) IR/IU MRA Adjustments

No one signed up for public testimony under this agenda item.

C-2 CDQ

This item was removed from the Council's agenda

C-3 Trawl C/V Eligibility

SUNDAY, JUNE 11, 2006
8:15 AM Brent Paine, United Catcher Boats
8:28 AM Russell Pritchett, Independent Cod Trawlers Assn.
8:35 AM Lori Swanson, Groundfish Forum
8:43 AM Dave Fraser, Adak Fisheries
8:50 AM Clem Tillion, Aleut Corp & Aleut Enterprise Corp.
9:02 AM Julie Bonney, Alaska Groundfish Databank
Passed: Dave Wood, US Seafoods

C-4 Halibut Charter

SATURDAY, JUNE 10, 2006
1:07 PM Mike Auberg & Chaco Pearman, Kodiak Assn. of Charterboat Operators (KACO) (handout)
1:33 PM Gary Salter, Magnum Charters
1:47 PM Rhonda Maker, The Treasury/The Treasury House
1:50 PM Mel Roe, Kodiak Island Adventures & member KACO
1:55 PM Chuck McCallum (GOAC3) & Duncan Fields (Old Harbor Fishermans Assn.)
2:17 PM Dick Rohrer, self
2:24 PM Freddie Christiansen, Kodiak Area Native Assn. (KANA)
2:27 PM Chaco Pearman, vessel owner
Called but not present to testify: Sam Cah, Midnight Sun Charters

C-5 Observer Program

SUNDAY, JUNE 11, 2006
11:04 AM Paul MacGregor (At-Sea Processors Assn.) & Brent Paine (United Catcher Boats)

11:10 AM Stephen Taufen, Groundswell
11:18 AM Mark Buckley, Digital Observer Inc.
11:24 am Julie Bonney, Alaska Groundfish Databank
11:32 AM John Gauvin, Marine Conservation Alliance Foundation

C-6 Halibut/Sablefish IFQ Program

SUNDAY, JUNE 11, 2006

2:10 PM Linda Kozak, Alaskan Leader Fisheries

Jack Knutsen signed up but was unable to stay so Council received his comment in handout

D-1 Groundfish Management

SUNDAY, JUNE 11, 2006

4:25 PM Frank Kelty, member Marine Conservation Alliance Foundation/City of Unalaska

4:28 PM Julie Bonney, Alaska Groundfish Databank

D-2 Essential Fish Habitat

MONDAY, JUNE 12, 2006

Mr. Ayers was unable to arrive due to weather, but contacted Chair Madsen by phone

8:33 AM John Gauvin, Marina Conservation Alliance Foundation

8:47 AM Brent Paine (United Catcher Boats) & Paul MacGregor (At-Sea Processors Assn.)

D-3 Crab Management

No one signed up for public testimony under this agenda item.

D-4 Ecosystem Based Management

No one signed up for public testimony under this agenda item.

D-5 Staff Tasking

MONDAY, JUNE 12, 2006

10:42 AM John Gauvin, Marine Conservation Alliance Foundation

10:46 AM Darius Kasprzak, FV Malka

11:00 AM David Foster, 57' jig fisher

11:09 AM Harold Bruce Magnusson, FV Breanna Holly & Heidi Kay

11:17 AM Stephen Taufen, Groundswell

11:23 AM Julie Bonney, Alaska Groundfish Databank

11:24 AM Paul MacGregor, At-Sea Processors Assn.

**DRAFT REPORT
of the
SCIENTIFIC AND STATISTICAL COMMITTEE
to the
NORTH PACIFIC FISHERY MANAGEMENT COUNCIL
June 5-7, 2006**

The Scientific and Statistical Committee met during June 5-7 at Fishermen's Hall, Kodiak, AK. Members present were:

Gordon Kruse, Chair <i>University of Alaska Fairbanks</i>	Pat Livingston, Vice Chair <i>NOAA Fisheries—AFSC</i>	Keith Criddle <i>Utah State University</i>
Steven Hare <i>International Pacific Halibut Commission</i>		Sue Hills <i>University of Alaska Fairbanks</i>
Anne Hollowed <i>NOAA Fisheries—AFSC</i>	George Hunt <i>University of Washington</i>	Seth Macinko <i>University of Rhode Island</i>
Steve Parker <i>Oregon Department of Fish and Wildlife</i>	Ken Pitcher <i>Alaska Department of Fish and Game</i>	Terry Quinn II <i>University of Alaska Fairbanks</i>
Farron Wallace <i>Washington Dept of Fish and Wildlife</i>	Doug Woodby <i>Alaska Department of Fish and Game</i>	

Members absent:

Mark Herrmann <i>University of Alaska Fairbanks</i>	Franz Mueter <i>University of Washington</i>
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B-7 Protected Species Report

The SSC received and reviewed multiple Protected Species reports from Council staff lead, Bill Wilson (NPFMC). As usual, the SSC commends Bill Wilson for his very thorough report on the many protected species issues. SSC comments are noted below under each specific item.

B-7 (a) GOA and BSAI groundfish FMP level consultation update. Formal section 7 consultation was reinitiated in April 2006 when NMFS Sustainable Fisheries submitted their biological assessment to NMFS Protected Resources. The Council's SSL Mitigation Committee (SSLMC) has been reconvened to review proposals for changes to SSL protection measures as "the principal interface between the Council and the consultation" process. The SSLMC met twice since the April Council meeting to review research that has taken place since the last BiOp. The SSLMC recommends that the Council issue a call for proposals to change SSL protection measures in Pacific cod, Atka mackerel and pollock fisheries in the GOA and BSAI, with proposals due in early August. The Council will need to issue a call for proposals at this meeting in order to initiate a review process that would result in regulations commencing in 2008.

The SSC notes that the SSLMC minutes refer to the development of a "tradeoff tool." The SSC has had concerns over the methods used in the past and notes that the same two methods, a modified "bump" analysis and the zone approach are being considered again for use. The last time the SSC saw this tool was in June 2004 when it was delivered during the meeting without lead time, and thus was not reviewed thoroughly by the SSC. The SSLMC apparently is proposing to use some sort of tradeoff tool as they work through proposals for changes to SSL

conservation measures. **The SSC or some other peer review body should review the tradeoff tool before it is used to inform Council decisionmaking.** If the tradeoff tool is revised during the summer, then at the October meeting, the SSC can review the application of the tool, rather than its formulation. One of the challenges of devising a tradeoff tool is that the tradeoffs involve different criteria measured in different ways that cannot be easily subsumed into a unified criterion or ranked in terms of absolute importance. The SSC has previously commented on the logical inconsistencies of summing scores across dissimilar criteria. The SSC notes that there are a variety of decision-making analytic tools that are specifically designed to evaluate the performance of alternatives in the context of multiple dissimilar criteria¹. We suggest that tests for outcome, event, and stochastic dominance could serve as appropriate measures for ranking alternatives. In addition, the SSC notes that there are a variety of decision analytic methodologies that could be used to elicit implicit weighted rankings of plural criteria. The analytic hierarchy process (AHP)², is one such methodology for reducing complex multiple criterion decisions to an internally consistent set of pairwise comparisons and could serve as a useful approach to assess tradeoffs.³

The SSC received a report from Jack Tagart (Tagart Consulting) on a compendium of SSL research reports since 2000. The Compendium is an annotated bibliography with summary sections by general topic and is available on the SSLMC web site. The SSC thinks this will be a useful document for the upcoming SSL discussions. The SSC notes that some work is missing, particularly theses. The compendium includes abstracts and posters from conferences in an effort to capture the most recent information. The SSC understands that the project is basically finished and modifications are not possible from the authors but **strongly urges language be added to the document highlighting the differential quality of citations.** Some users of the material may not be aware that abstracts and posters are often preliminary analyses that may not have undergone peer review and conclusions may change with further analysis and peer review. Abstracts printed in symposium books of abstracts are printed in advance and may not even represent work as it was actually presented at the conference.

¹ See for example:

- Keeney, R. and H. Raiffa. 1976. Decisions with multiple objectives. John Wiley and Sons 569 p.
- Bain, M. 1987. Structured decision making in fisheries management: trout fishing regulations on the Au Sable River, Michigan. *American Journal of Fisheries Management* 7:475-481.
- Brownlow, S. A. and S. R. Watson. 1987. Structuring multi-attribute value hierarchies. *Journal of the Operational Research Society* 38(4):309-317.
- Gass, S. 1983. Decision-aiding models: validation, assessment, and related issues for policy analysis. *Operations Research* 31(4):603-625.
- Healey, M. 1984. Multiattribute analysis and the concept of optimum yield. *Canadian Journal of Fisheries and Aquatic Sciences* 41:1393-1406.
- Hilborn, R. and C. Walters. 1977. Differing goals of salmon management on the Skeena River. *Journal of the Fisheries Research Board of Canada* 34: 64-72.
- Mackett, D. 1985. Strategic planning for research and management of the albacore tuna fishery. *Systems Research* 2(3):201-210.
- Walker, K. D., R. B. Rettig, and R. Hilborn. 1983. Analysis of multiple objectives in Oregon coho salmon policy. *Canadian Journal of Fisheries and Aquatic Science* 40:580-587.

² See for example:

- Saaty, T. L. 1990. Multicriteria decision making. University of Pittsburgh, Pittsburgh, Pennsylvania. 287 pp.
- Merritt MA and KR Criddle. 1993. Multiple criterion decision theory for judging management strategies and resolving conflict: a case study of the Kenai River recreational fisheries. Pages 683-704 in G Kruse, DM Eggers, RJ Marasco, C Pautzke and TJ Quinn II (Editors). *Management Strategies for Exploited Fish Populations*, Alaska Sea Grant, Fairbanks, AK.

³ It might be advantageous to ask Dr. Margaret Merritt (University of Alaska Fairbanks) to participate as facilitator for a session of the upcoming SSLMC meeting to assist the SSLMC team members to structure an AHP model of the tradeoff tool.

B-7 (b) The List of Fisheries (LOF) for 2006. Four of the 5 Category II fisheries listed in the 2005 LOF remain on the 2006 list; turbot longline was dropped. The SSC commented extensively on LOF analyses and issues in our minutes from February 2005 and October and December 2004. Some of the issues may have been addressed (e.g., double counting, assignment of killer whale takes to specific stocks) but others have not. From the February 2005 minutes:

“The SSC previously commented on the analyses and assumptions that went into the List of Fisheries for the 2005 report in our October and December 2004 minutes. Four main issues were highlighted: (1) the sampling of incidents of serious injury and mortality of marine mammals, which are rare events, and the appropriate length of time series of observations to use to estimate the frequency of these rare events, (2) the need for observers to estimate the frequency of serious injury and mortality in state-managed fisheries, (3) the assignment of observed mortalities to more than one marine mammal stock per occurrence, and (4) the appropriateness of procedures used to estimate incidents of serious injury and mortality for unobserved hauls and fisheries. The SSC feels that these issues remain to be addressed, but they are not easily resolved”.

In the future, the SSC requests that proposed rules for LOF be scheduled in a way that allows for SSC review before the end of the comment period. Also, the SSC requests that the authors work with the SSC to resolve outstanding analytical issues.

B-7 (c) Draft SSL Recovery Plan. The SSC appreciates the amount of work that has gone into this plan and recognizes the contentious nature of the discussions during its writing. SSC comments here will be cursory due to lack of time to review this large document. The SSC sees this as an important document that is likely to affect the upcoming FMP consultation and subsequent documents since those will need to be consistent with downlisting and delisting criteria, threats assessment, and associated conservation actions contained in the recovery plan. Because this document sets the basis for future actions, the SSC thinks it is important to do a thorough review. The deadline for comments will not allow the depth and quality of review that the SSC thinks is appropriate. **Therefore, the SSC requests that the Council ask for an extension on the comment period deadline. The SSC proposes to proceed with the review by establishing smaller workgroups to review specific elements of the recovery plan such as the PVA, threats, down-listing and delisting criteria, and the research plan or actions.**

During the presentation on the SSL Recovery Plan, most SSC questions concerned the following topics:

1. Availability of data on various hypotheses and ranking of various inputs.
2. Merits of comparing the western stock to the eastern stock.
3. Status of stocks relative to carrying capacity and evaluation of carrying capacity.
4. Use of growth rate-based vs. abundance-based criteria for downlisting or delisting.
5. Length of time over which rate must be maintained.
6. Ability to implement the adaptive management strategy, given previous obstacles to implementing such experiments.
7. Down-listing criteria that require that no two adjacent sub-areas can be declining significantly, with particular concern about the potentially low productivity in the western Aleutian Islands region and the Asian region, for which the U.S. has no regulatory authority.
8. The feasibility of obtaining comprehensive vital rate estimates (e.g., survival, fecundity) on a broad scale as a check on population growth rate in each region.
9. The need to hear a presentation and conduct a thorough review of the PVA presented in Appendix 3, including model structure, input, and assumptions.

10. The possibility of utilizing a PVA to develop a quantitative risk assessment of down-listing and de-listing criteria.
11. Development of a research plan that would produce data useful to support or falsify the three primary hypotheses regarding factors potentially affecting the western population (i.e, killer whale predation, prey availability affected by climatic variability, and prey availability affected by fisheries).
12. Concern about circular reasoning in the development of de-listing criteria for the eastern stock. The requirement that “the population has increased at 3% per year for 30 years” appears to be based on the observed historical trend and not based on any assessment of risk or status of the stock.

The SSC anticipates that these issues would be explored and dismissed or highlighted and refined in connection with the workgroup reviews proposed above.

B-7 (d) Seabirds. The SSC received presentations on two reports concerning seabird abundance and distribution by Ed Melvin and Michelle Wainstein (Washington Sea Grant) and two reports from Sunny Rice (with co-authors Torie Baker and Paula Cullenberg, Alaska Sea Grant) discussing the development of alternative seabird bycatch deterrence devices for small longline vessels.

The analysis of seabird distribution and abundance was based on several summer surveys and concluded that longline fishing posed little to no risk for the tubenose (procellariiform) seabirds or other species with conservation concern encountered as bycatch in Alaskan inside waters. This conclusion is based on the low abundance of tubenose birds in areas most frequently fished by these vessels, the overall low bycatch of birds in Alaska inside waters, and operational characteristics of small vessels that reduce the probability of interaction. Of all Alaskan inside waters surveyed, black-footed albatrosses were observed only in the mouth of Chatham Strait and Dixon Entrance (four ADFG statistical areas).

The SSC supports the development of an EA/RIR to analyze the feasibility of eliminating the requirements for seabird bycatch deterrents for longline fishing in inside waters, while at the same time upholding current deterrent requirements in all outside waters. This action would relieve requirements for vessels fishing only inside waters (at least 25% of longline vessels), and would help vessels fishing both inside and outside waters (up to 42% of longline vessels). A more formal assessment of bycatch risk and development of options to provide seabird bycatch protection in those areas should be pursued as management options are developed. In particular, the EA/RIR analysis should also explore an option to include the entrances of Chatham Strait and Dixon Entrance as outside waters, although they are presently considered inside waters, given the sightings of black-footed albatross in these areas.

Also, the definition of vessels possessing masts or rigging as applied to deterrent regulations may be made simpler by removing many of the vessels that fish inside waters only. The SSC recommends the analysis include other potential sources of information on seabird distribution in inside waters, noting the paucity of data (only one survey station) in state waters of Cook Inlet. The SSC concurs with the inclusion of data from agency longline surveys and also recommends pursuing additional collaborations with other surveys and observer programs (e.g., pot or trawl gear) to increase the spatial and temporal distribution information collection about seabird activity, especially in relation to long-term changes in climate and fisheries.

Small longline vessels have unique challenges in conforming to the same performance standards implemented for larger vessels due to physical and operational constraints (e.g., limited storage

space, rigging height, and financial ability). These projects were conducted to develop options for seabird deterrents on smaller vessels and to evaluate the necessity of deterrence devices for vessels operating in Prince William Sound (NMFS area 649), inside waters of Southeast Alaska (NMFS area 659), and the state waters of Cook Inlet.

The SSC also received two reports describing feasibility tests of alternative seabird deterrent devices designed specifically for small vessels. We applaud the collaborative approach with industry in developing options to address these problems. The authors tested several designs that would be acceptable under current regulation, such as using larger hoses to reduce entanglement with drag buoys, lighter-weight line for streamers, longer-length lines for streamers, and davits to deploy streamers when appropriate rigging is not present. The authors also tested the feasibility of designs that would not be permissible under current regulation, such as an integrated weight mainline or water spray devices. The projects did not compare seabird encounter rates, only practicality of deployment and compliance with performance standards.

The SSC does not recommend development of an EA/RIR for new seabird mitigation measures for small vessels at this time. Information provided indicated that additional information is needed before an EA/RIR can be prepared. The SSC encourages further development of these tools and supporting experiments to determine efficacy of bycatch avoidance methods. Researchers should continue to work with the fishing industry to develop bycatch reduction measures that meet acceptable performance standards when applied to the diversity of small vessels in the fleet. Further development and testing under fishing trials is necessary before an amendment can be developed.

C-1 IR/IU

C-1(b) IR/IU Data John McCracken (NPFMC staff) and Darell Brannan provided an update on the development of a program to gather vessel-level production, cost, and financial performance data for the non-AFA catcher processor sector. **The SSC strongly supports the regular collection of this data as a necessary input into retrospective analyses intended to determine whether amendment 80 is successful at achieving its intended purpose.** It will also serve as a basis for informing future Council decisions regarding the potential consequences of introducing similar management measures in other fisheries. **Because the non-AFA catcher processor sector includes a relatively small number of vessels and because there is considerable diversity in the size and configuration of the vessels, the SSC recommends that the data be collected as a census rather than a statistical sample.**

C-1(c) MRA Jeff Hartman (NMFS) provided an overview of the draft EA/RIR/IRFA for changes to the MRA accounting intervals. **The SSC supports release of this draft amendment for public review.**

C-3 CV Eligibility Jim Richardson (NPFMC) provided an overview of a staff discussion paper about a potential amendment to retract LLPs that have been relatively inactive. **The SSC notes that changes in the LLP could involve important distributional consequences for individuals and communities and that the character and magnitude of these impacts will need to be assessed if an amendment analysis is developed.**

C-5 Observer Program and Video Monitoring

Nicole Kimball (NPFMC staff) reviewed the status of Amendment 86, noting that the Council is slated to take final action at this meeting. Ms. Kimball noted that staff endeavored to adopt SSC recommendations in their analysis. **The SSC agrees that our prior concerns have been**

addressed and finds that the EA/RIR/IRFA provides a reasonable basis for Council decision-making.

Alan Kinsolving (AKRO Sustainable Fisheries Division) presented a discussion paper on the regulatory and implementation issues associated with adoption of electronic monitoring systems for catch monitoring. An appendix to the discussion paper described results from the pilot study of video monitoring of bycatch in the Kodiak-based rockfish fishery. **The SSC encourages further research and evaluation of video monitoring technology. Automated catch monitoring is a promising but evolving technology that is not yet appropriate as a stand-alone system for routine catch monitoring.**

Public testimony was provided by Mark Buckley (Digital Observer Inc.) and Julie Bonney (Alaska Groundfish Databank).

Miscellaneous notes:

- The AFSC and the AKRO plan to hold a workshop later this month to assess the use of a Norwegian-made technology called “Catch Meter” for automatic detection purposes. The technology utilizes neural networks to train the software to identify species.
- Even with state-of-the-art image compression systems, data storage requirements for the GOA rockfish fishery alone would approach 20 terabytes per year.
- Transferring data from hard drives to tape could raise legal concerns regarding chain of custody for evidence.
- Concerns about discarding outside the video field of view could be minimized by implementing paired video systems with different fields of view – one targeting the overall activities of the crew and another targeting approved discard locations.
- Using surveys as a platform to collect information to evaluate this technology offers the advantage that issues regarding confidentiality could be alleviated.

D-1 Groundfish Management

D-1 (a) Review of EFP to test halibut excluder for GOA cod trawl fishery Cathy Coon (NPFMC staff) presented the draft EA for issuance of an EFP to test a trawl gear modification intended to reduce bycatch rates of Pacific halibut in the Central Gulf of Alaska Pacific cod trawl fishery. John Gauvin (Marine Conservation Alliance Foundation) provided details on the proposed experiment, which had been modified to consider only 2 pairs of vessels to reduce the vessel effect. The SSC commented that it would be appropriate to re-do the power analysis with the changed design. There was also discussion about the significance level used in the power analysis and the possibility of the use of a recapture bag. The experiment has a performance goal of reducing halibut bycatch per metric ton of allocated groundfish by at least 40% over an unmodified net. This goal is based on an estimate of head size dimensions of Pacific cod and halibut relative to the escape opening. The SSC would like to see documentation regarding how the head dimensions were estimated. Although the EFP stated that the vessel fishing the net with the excluder would tow at a slower speed than the vessel with the unmodified net, Dr. Gauvin stated that both vessels will tow at the same speed and all paired tows will be side by side. **Based on the findings of the EA, the discussion of the experimental design, and the IPHC approval of the experiment, the SSC recommends approval of the EFP to allow conduct of this experiment.**

D-1(b) Progress report on trawl salmon excluder research John Gauvin (North Pacific Fisheries Research Foundation) and John Gruver (United Catcher Boats) provided an update on the latest trials with the salmon excluder. Trials in 2005-2006 showed good results on Chinook escapement after changing placement and size of the excluder and time of slowdowns. Future work includes focusing on maximizing the escapement at slowdown through the use of a flap that opens when tow speed decreases. The SSC commended the PI's for their advancements in gear modifications to reduce salmon bycatch.

D-2 EFH

Cathy Coon (NPFMC Staff) provided an overview of two discussion papers, the first on Bering Sea Habitat Conservation alternatives and the second on an evaluation of possible protection measures for St. Matthew blue king crab and eastern Bering Sea snow crab. The papers were intended to provide a framework to assist the Council in formulating a range of alternatives to minimize the effects of fishing on EFH in the Bering Sea. The alternatives currently envisioned are: 1) an open area approach, 2) gear modifications, and 3) other measures, including rationalization and a HAPC process. The presentation included reference to comments and recommendations made in May by the Crab Plan Team with regard to additional analyses needed to evaluate new habitat conservation measures.

The SSC received detailed public testimony from Dorothy Childers (Alaska Marine Conservation Council), Jon Warrenchuk (Oceana), John Gauvin (H&G Environmental Work Group), Peggy Murphy (Alaska Marine Conservation Council), and Michelle Ridgway (speaking on own behalf).

The SSC supports the recommendations by the Crab Plan Team (page 11 of their draft minutes), particularly those calling for analysis of the species composition of crab in trawl bycatch by sex and life history stage. This should be done in a spatial context, including those areas north of the Pribilof Islands that have had recent increased effort in the yellowfin sole fishery.

The SSC recommends that the Council should broaden consideration of alternatives to consider a wider array of potentially meaningful measures than currently envisioned. Specifically, analyses should consider these alternatives:

- 1) restricting open areas to areas traditionally fished with trawls;**
- 2) expansion of closed areas surrounding St. Matthew Island beyond the 3 nm closure in state waters to protect blue king crab and their habitat,**
- 3) additional closures of shelf break waters to conserve habitat in canyons (Middle, Zemchug, and Pribilof Canyons) and known skate nurseries;**
- 4) additional closures corresponding to special areas that may emerge from the analysis of crab life history stages; and**
- 5) consideration of closures specifically for research to assess the importance of benthic habitat for fish production.**

The SSC also supports an assessment of the effects of pelagic trawl gear on benthic habitats, as advised in a letter to the Council from the Alaska Regional Office of NMFS (June 1). The analysis should include a review of the current performance standard based on the number of crab captured, which, given the design and placement of large mesh on pelagic trawls, may be a poor indicator of effect on benthic habitats.

The SSC also requests that Council staff prepare an analysis of the efficacy of existing closures to protect Bering Sea Tanner crab, red king crab, and snow crab, given that

implementation of additional closed areas is predicated on the assumption that current closures have had their intended effects. The analysis should also include an examination of survey and fishery bycatch data for the northern areas, especially with respect to shifting distributions of fish and fisheries.

It was noted that Dr. Craig Rose (AFSC) is currently in the field conducting field studies with modified trawl gear intended to reduce trawl impact on soft bottom habitats found in the Bering Sea. Results from this study may be key in developing recommendations for specific gear modifications.

D-3 Crab Management

D-3(a)(1) Crab Overfishing Definitions The SSC received two reports from members of an inter-agency workgroup on progress toward refining alternative overfishing definitions for BSAI crab stocks. Jack Turnock presented the first report on an analysis by Turnock and Rugolo and the second was presented by Shareef Siddeek on an alternative analysis by Sideek and Zheng. There was no public testimony.

Compared to most groundfish species, modeling of crab life history is complicated and model parameterization and the choice of default values can and does vary substantially from one analytical team to the next. The SSC commends the two workgroup teams for the substantial progress they have made since April in developing simulation models to evaluate overfishing definition alternatives. While a number of differences between the two teams persist, both sets of analyses demonstrate that the proposed tier system is a considerable improvement over the current guidelines. The analyses provide a framework – in terms of an approach and models – for the development of the EA/RIR. The SSC encourages the Crab Plan team and the workgroup to continue to attempt to resolve remaining differences and to identify a recommended model for each species.

Because of the differences between the two team's approaches, it is not possible to directly compare model results. Members of the two teams have indicated it is unlikely they will reconcile their differences without outside mediation. While the Crab Plan Team may opt to go that route, it is conceivable that the end result would be a set of assigned model specifications that are satisfactory to neither team. An alternative the SSC heard, that merits serious consideration, is to split responsibility for the various crab species between the two groups. In the analyses presented to the SSC, in fact, one team was more focused on king crab while the other was more focused on snow crab. Such a division of responsibilities would allow the teams to concentrate their energy on a smaller set of species and to more fully develop the analyses of the overfishing definitions.

Whether the decision is made to co-develop models for all species or assign species to each team, there is a need to develop consistency in model output, analysis scenarios, and performance measures. For example, one team provided a concise comparison of how the proposed tier system performed in relation to the current system. Also, one team introduced measurement error in biomass estimation and its effect on performance statistics, while the other conducted a sensitivity analysis on certain parameters of the overfishing Tier formulas. **The SSC encourages the workgroup to meet and set a common ground for analyses. Some members of the SSC and/or Crab Plan Team may be able to assist in this effort.**

Some details that need consideration in the EA/RIR include:

1. The rebuilding plan uses mature male biomass as its currency, whereas the overfishing definitions are related to effective spawning biomass or total fertilized egg production. Consideration should be given to establishing a common currency by converting the rebuilding plan.
2. The Turnock/Rugolo study needs a complete description of model details and simulation methods and justification of arbitrary parameter values.
3. The Siddeek/Zheng study should downplay the deterministic analysis for clarity.
4. The Siddeek/Zheng study should use the term h for steepness (rather than sp) for consistency with other authors.
5. Both teams should consider the CIE suggestion of using a nonlinear, asymptotic function of mature male biomass as a proxy for total fertilized egg production.
6. Simulations should include the ADF&G control rule, so that one can examine whether the new overfishing definition will constrain ADF&G's TAC setting process.
7. The authors should consider whether eliminating management parameter β from the overfishing definition would simplify analysis and efficacy.
8. In Tier 3, the provisional range of F50% to F60% should be investigated. The SSC would like flexibility for assessment authors to recommend values within this range. Similarly in Tier 4, the value of γ (gamma) that converts natural mortality to the recommended fishing mortality rate should remain flexible in the definition. The teams appear to have chosen a reasonable range of values in their analyses for exploring this tier.

Council staff should spearhead the development of the EA/RIR by writing up the alternatives and review process related to overfishing and assessment as soon as possible.

D-3(a)(2) CIE review of crab overfishing definition issues Mike Bell presented a summary of the reports that he, Nick Caputi, and Patrick Cordue prepared for the Center for Independent Experts (CIE) on their review of the proposed crab overfishing definition analyses conducted by the interagency workgroup. There was no public testimony. Although the presentation was informative and well done, the SSC has not yet received the written CIE report. The CIE commented that the intent of the overfishing level definition should be described to distinguish it from acting as a default harvest strategy. The presentation stressed that the proposed tier system is much better than the status quo for making management decisions. It also pointed out the evaluation parameters involved, especially B (index of spawning biomass), may be difficult to develop but need to be defined and robust. They promoted developing a short-term approach to allow the new tier system to move forward while also developing medium- and long-term research programs to improve understanding of crab life histories and population dynamics.

We anticipate that the CIE report will be helpful to the interagency workgroup by promoting the development of common performance standards for the evaluation of the proposed tiered overfishing definition. The CIE also provided useful comments on the developing snow crab assessment model structure and assumptions, and also concurred with the list of outstanding research needs identified by the interagency work group and crab plan team. The SSC looks forward to receiving the CIE report.

D-3(a)(3) Snow crab model Jack Turnock (AFSC) gave a presentation on the development of the stock assessment model for snow crab. There was no public comment.

The SSC is pleased with the evolution of this model and envisions that it will soon be acceptable for biomass and status determination, as recommended by the Crab Plan Team. The model will be particularly useful if the alternative tier system under consideration is implemented. A variety of uncertainties remain that should be addressed before the model is adopted. **A revised model that**

addresses these issues should be vetted through the Crab Plan Team and presented to the SSC for approval before adoption. Issues identified by the SSC include:

1. There are troublesome trends in the residuals from the model fits. In particular, there is an unusual number of positive residuals in the period 1987 – 2001 (e.g., Figure 2), such that the model consistently underestimates biomass. The document would benefit from a more formal residuals analysis, in which deviations on a log scale are presented. The author should investigate the sensitivity of the model to the low biomass data from the 1985 and 1986 surveys. The author should investigate alternative weighting scenarios in addition to inverse variance weighting. Finally, retrospective analysis may assist in determining whether bias exists in the model.
2. The male maturity data needs additional examination. The logistic curve fitted to maturity of new-shell males does not fit well at smaller sizes. Better justification should be given for the logistic curve, or else a curve that matches the data should be used. A comparison of early and late survey data with respect to maturity is needed. Because the early surveys were restricted to the south, the survey range may affect the time series of maturity.
3. The document should explain the current rebuilding plan and gauge population status in regard to rebuilding goals.
4. The SSC agrees that shell condition may not be an accurate measure of age and awaits further investigation and resolution of this issue.
5. Having separate recruitment parameters by sex does not seem biologically plausible, unless there is evidence of differential mortality in the early life history. Only in 1981 is there any difference in estimated male and female recruitment, and this may be an artifact of uncertainty in the early data sources. Better justification is needed beyond the enhanced fit, or else separate parameters by sex should not be used.
6. The results from the spawner-recruit curve are not plausible, in that biomass during the entire time has been below the estimated B_{msy} level, even when the population boomed during two different cycles. This could be a consequence of the very high recruitment event of 1981. The sensitivity of B_{msy} to this data point should be investigated, as well as alternative spawner-recruit relationships.
7. Because the fishery occurs toward the south (in winter) but the population in the summer is more northward, it is unclear whether there may be differential exploitation by area. The author should further justify a single-area model and consider whether a spatial model or analysis is feasible.
8. The SSC recommends using points for observed values and lines for model values in figures.
9. More detail should be provided about the number of model parameters used and how many data points were used to fit the model. The model has a high number of estimated parameters. Efforts should be made to reduce this number.
10. A sensitivity analysis of the model to life history features should be undertaken.
11. A research priority should be fieldwork to understand variations in size, sex, and season, so that inferences about movement during the year and relative to the fishery can be made.
12. A sensitivity analysis should be conducted to examine the effects of the assumption that catchability is equal to 1.
13. Differential estimates of longevity were presented for males (18-20 years) and females (13-15 years), however the same natural mortality rate was used for both sexes. Therefore, a higher mortality rate for females than males seems appropriate, as was recommended during the February workshop. The effect of using a somewhat higher natural mortality rate for females should be explored through a sensitivity analysis. The

model consistently estimates more large females than seen in the survey. Examination of residuals should be included in the sensitivity analysis.

D-3(b) Crab Plan Team, Pacific Northwest Crab Industry Advisory Committee (PNCIAC) Reports Doug Pengilly (ADFG) provided an overview of the Crab Plan Team meeting held in Seattle during May 2006. There was no public testimony. The Plan Team noted the need for additional expertise and formed a committee to solicit ideas and personnel for potential membership. The SSC agrees that the Team needs additional expertise, particularly in the area of stock assessment.

The Plan Team requested clarification on their role in peer review of crab assessments. The SSC recommends a peer review system similar to that for groundfish: Stock assessment authors prepare the stock assessment document, which contains information, analysis, recommendations of tier level, biomass level, and OFL. The Crab Plan Team then provides review of the assessment and its recommendations to the SSC. The SSC then provides its review to the Council family. The difficulty will be in forming a schedule for review that is timely given scheduling constraints. This same problem occurred when considering TAC-setting in groundfish management and may require advice from NOAA on the requirements for accommodating public review as well, recognizing that the process for crab differs in that the State of Alaska sets the TAC, and not the NPFMC.

Arni Thomson presented the PNCIAC report. Members are concerned about an increase in discards of legal male king crab. The SSC shares this concern in that discards must be measured and accounted for in estimates of total fishing mortality and crab assessments. The higher the discards, the more uncertainty there is in the estimate of total removals and size distribution.

D-4 Ecosystem-based Management (No SSC quorum)

Diana Evans (NPFMC staff) presented the main recommendations from the last Ecosystem Committee meeting held in Seattle with regard to the development of an AI Fishery Ecosystem Plan (FEP). There was also a brief update with regard to progress in advancing an ecosystem approach to management beyond fisheries through the Alaska Marine Ecosystem Forum. It appears this Forum is still in the developmental stage and would involve an interagency level policy group that might begin with the Aleutian Islands in the definition of cross-sector ecological management goals. There was some recognition that this broader approach might intersect with the FEP efforts in the future.

The committee recommendations were to initiate the development of an FEP for the Aleutian Islands to meet a number of purposes, primarily to integrate information across FMPs, refine indicators, identify sources of uncertainty, and ultimately to assist the Council in setting management goals and harvest levels and in understanding cumulative effects of management actions. The committee recommended that Council form an AI Ecosystem Team to work with Council staff to develop the AI FEP. Members of the SSC present agreed that it would be useful to constitute such a team with membership that might contain individuals knowledgeable about groundfish, crab, habitat, seabirds and marine mammals. There was a question regarding the extent to which ADF&G fishery representatives could be involved and an acknowledgement that a broad range of expertise should be included. Involvement of academics and representatives of interest groups might also be desirable as team members to generate new, forward-thinking ways of applying the FEP. The Council might need to support travel costs for these types of individuals. Some efficiencies could involve utilizing some groundfish plan team members and this workgroup could potentially meet in conjunction with the groundfish plan team meetings.

The full SSC will discuss potential membership for the Ecosystem Team intersessionally and provide a list of possible members to the Council this summer.

Additional Items

The SSC gives its thanks to Lt. Dan Schaeffer for his organization of Coast Guard demonstrations and tour of the training center. They were highly informative and enjoyable! Finally, the SSC wishes to thank Jeff Stephan for arranging the use of the Fishermen's Hall for the SSC meeting.

**ADVISORY PANEL
MINUTES
JUNE 5-9, 2006
Kodiak, Alaska**

B-7 Protected Species

The AP supports the SSC's intent to thoroughly review and comment on the draft SSL Recovery Plan and recommends the Council request that NMFS extend the comment period to facilitate their efforts. *Motion carried 16/0*

The AP recommends that existing seabird avoidance requirements be maintained in all outside waters. *Motion carried 14/0*

C1 – IRIU

Amendment 80

AP recommends moving forward with the Preliminary Preferred Alternative (starting on page 7 of the Action Memo) with the following amendments:

Component 3 and 13– Change the allocation of yellowfin sole to the non-AFA trawl CP sector to 95% of the ITAC and in Component 13, adopt the following table for threshold levels and sector allocations of ITAC above the threshold:

Threshold Level of ITAC	Allocation to Non-AFA Trawl CPs	Limited Access
87,500	87.5%	12.5%
95,000	82%	18%
102,500	76.5%	23.5%
110,000	71%	29%
117,500	65.5%	34.5%
125,000+	60%	40%

Motion carried 10/6

Component 6

For halibut, the AP recommends 6.1.4 with a possible increase to the floor and ceiling for non-AFA trawl CP fleet to account for the impacts of Amendment 85 allocations and with consideration of taxing rollovers of halibut PSC from limited access fishery. *Motion carried 10/6*

Minority Report

The undersigned minority opposes the halibut PSC allocation formula under Option 6.1.4. The formula underfunds the non-AFA trawl CP sector's needs while over-funding the limited access fishery. The non-AFA trawl CP sector may be unable to harvest its allocations of Amendment 80 target species with this limited amount of halibut PSC, and will have no assurance of rollovers from the limited access fishery. This is contrary to the problem statement to "...provide the opportunity for participants in this sector to mitigate the cost, to some degree, associated with bycatch reduction." Signed: Lisa Butzner, Lori Swanson and John Moller

For crab, the AP recommends that an amount equal to the sum of the AFA CV and CP crab sideboards would be available to the limited access fishery. The remainder of the crab caps would be allocated to the non-AFA trawl CP sector. *Motion carried 16/0*

Component 11

Vessel use caps – No vessel shall harvest more than 30% of the non-AFA trawl CP allocation in the aggregate. *Motion carried 15/1*

Component 13

See Component 3

The AP recommends that the data necessary for monitoring and enforcement be collected under Amendment 80. Data collection necessary to evaluate the impacts of Amendment 80 should be developed as a trailing amendment. *Motion carried 16/0*

C-1(c) MRA

The AP recommends that the final send out the EA/RIR/IRFA for public review with modifications as described below and for final action in October.

Components and options for changing MRA accounting

The following components are proposed to address this MRA regulatory amendment:

Component 1: Define Species- Increase the enforcement interval for all groundfish species (excluding pollock, sablefish, Alaska plaice, “other species,” and squid). This includes the following species: **cod**, yellowfin sole, rock sole, flathead sole, Atka mackerel, BSAI Pacific ocean perch, “Other flatfish”, and arrowtooth flounder, ~~greenland turbot and rockfish.~~

Option 1: Applies to **cod**, yellowfin sole, rock sole, flathead sole, “Other flatfish” and arrowtooth flounder.

Option 2: Applies to Amendment 80 species (yellowfin sole, rock sole, flathead sole, Atka mackerel, Aleutian Islands Pacific ocean perch) as well as **cod**, “Other flatfish,” and arrowtooth flounder.

Component 2: Define Sector- Any increase in the current enforcement MRA interval applies only to the non-AFA trawl C/P sector (under the Department of Commerce and Related Agencies Appropriations Act, 2005, Public Law No. 108-447)

Component 3: Define Time Period- The MRA enforcement period for species defined in Component 1 would be increased from any time during a fishing trip to:

Option 1: the end of a fishing trip or (if a suboption is selected whichever option or suboption comes first), or

Option 2: at the time of offload (changed from “point of offload”).

Alternatives for MRA enforcement of selected species

Alternative 1. No action, and no change in MRA enforcement period.

Alternative 2. In the BSAI, allow the calculation of the MRA of **cod**, yellowfin sole, rock sole, flathead sole, “other flatfish”, and arrowtooth flounder to occur at the end of a fishing trip, for the non-AFA trawl C/P sector.

Option: Include Aleutian Islands Pacific ocean perch and Atka mackerel.

Alternative 3. In the BSAI, calculate the period of enforcement for MRA of **cod**, yellowfin sole, rock sole, flathead sole, “other flatfish”, **and** arrowtooth flounder, ~~Atka mackerel and AI pacific ocean perch~~ at the time of offload, (previously read: “at the point of an offload”) for the non-AFA trawl C/P sector.

Option: Include **Aleutian Islands Pacific ocean perch and Atka mackerel**. ~~Greenland turbot and rockfish species~~

Due to the interaction of Amendment 80 and changes to BSAI MRAs, the AP recommends that the Council request staff to expand the cumulative effects section to address relevant elements under the Council’s most current Amendment 80 package. *Motion carried 17/0*

Corrected C-3 CV Trawl Eligibility

The AP recommends the Council adopt the following problem statement:

The trawl catcher vessel groundfish fisheries in the BSAI and trawl vessel groundfish fisheries in the GOA are fully utilized. In addition, the existence of latent licenses may exacerbate the disadvantages to GOA dependant CVs resulting from a lack of comprehensive rationalization in the GOA. Competition for these resources is likely to increase as a result of a number of factors, including Council actions to rationalize other fisheries, favorable current market prices and a potential for TAC changes in future years. Trawl ~~catcher~~ vessel owners who have made significant ~~long-term~~ investments, have long catch histories, and are significantly dependent upon BSAI and GOA groundfish resources need protection from others who have little or no recent ~~limited~~ history and with the ability to increase their participation in the fisheries. This requires prompt action to promote stability in the trawl catcher vessel sector in the BSAI and trawl vessel sector in the GOA until comprehensive rationalization is completed.

Motion passed 15/0

The AP requests the Council adopt the staff language to clarify that Council intent is to use a license basis for action. *Motion passed 14/0*

Additionally, the AP requests the following components and options be included:

Component 1 – Area / subarea endorsements

Option 1: Catch thresholds will be applied at the management area level in the BSAI/GOA. Failure to meet the management area threshold will result in the removal of all subarea endorsements in the management area.

Option 2: Catch thresholds will be applied at the endorsement subarea level in the BSAI/GOA. Failure to meet the threshold for an endorsement subarea will result in the removal of that subarea endorsement.

Motion carries 13/0/1

Component 2 In addition to the threshold information already provided in the analysis, the AP recommends inclusion of the following additional landing requirements:

Option 1. Trawl LLPS (BSAI CV and GOA CV and CP) – trawl landing requirement (except sablefish)

1. No action
2. at least one landing of groundfish from 2000-2005
 Suboption: at least one landing of groundfish from 1995-2005
3. at least two landings of groundfish from 2000-2005
 Suboption: at least two landings of groundfish from 1995-2005

Option 2: Trawl LLPS (BSAI CV and GOA CV and CP) –groundfish landing requirement (except sablefish)

1. No action
2. at least one landing of groundfish from 2000-2005
 Suboption: at least one landing of groundfish from 1995-2005
3. at least two landings of groundfish from 2000-2005
 Suboption: at least two landings of groundfish from 1995-2005

Motion carries 14/0

Catch history of a vessel accumulated while licenses are stacked on the vessel will be fully credited to all stacked licenses (with qualifying endorsements and designations). *Motion carries 14/0*

The AP requests the Council have staff provide the number of stacked licenses with identical endorsements within the trawl sector and to provide the number of <60 ft licenses that would be eliminated under component 1 and 2. *Motion passed 15/0*

The AP requests staff provide information describing the parallel fishery pcod harvest in the AI by CV trawlers who hold valid trawl llps but do not have AI area endorsements. *Motion passed 15/0*

C-4 Halibut Charter Program

The AP recommends that the Council fast-track analysis of a halibut charter boat permanent solution instead of the moratorium. The analysis should incorporate the elements and options recommended by the stakeholder committee and staff's recommendations concerning community provisions (Attachment 5 on page 4 of the May 23, 2006 discussion paper excluding the last paragraph on that page).

The AP further recommends that the staff (including State of Alaska) work with KACO to further develop their proposal.

In the Stakeholder Committee report:

Issue 1. Allocation.

- i. ~~Total Constant Exploitation Yield and~~
- ii. ~~Combined commercial/charter Fishery Constant Exploitation Yield.~~

Motion carried 15/1

The AP has heard the community of Kodiak charter halibut fleet in their desire to allocate the GHs between sub-areas and the development of local area and sub-area management plans and recommends inclusion of these concepts in the analysis. Area registration should be considered as part of the local area management plans.

Motion carried 16/0

Should the Council decide to go ahead with an interim moratorium, the AP recommends the following modifications to the Council's April 2006 moratorium alternative.

Issue 1. Areas

Option 1. ~~2C&3A~~

Option 2. For Areas 2C and 3A communities previously identified under Amendment 66.

~~Suboption a. Exclude the following communities from the moratorium~~

~~Suboption b. Provide community eligibility through CQE to purchase moratorium licenses between 3-25 per community.~~

Qualify community CQE's as eligible to purchase moratorium permits.

Area 2C- 5 permit limit

Area 3A - 10 permit limit

~~Suboption c. Provide the qualifying CQE an option to request, on behalf of community residents, additional charter halibut moratorium permits from NMFS for use by residents in the community.~~

~~Between 5-25 permits per community~~

~~Permits requested would have limited duration for any one individual from 5-15 years.~~

The CQE in CQE qualified Communities that have less than 10 active charter business (with 20 or more charter trips per year) with their primary place of business in the community can request, on behalf of a community resident (as defined in amendment 66), a limited entry permit.

1. Area 2C – up to 3 permits per qualified community

2. Area 3-A - up to 5 permits per qualified community option

Issue 6:

Eliminate option 1 *Motion carried 14/1*

The AP further recommends the Council work with the State of Alaska to establish authority for the State to support management of halibut charter harvests within established allocation and conservation guidelines.

Motion carried 14/0/1

C-5 Observer Program

The AP recommends the Council adopt Alternative 2. *Motion carried 15/0*

Video Monitoring

The AP appreciates the efforts of the agency to date and looks forward to updates on the use of video monitoring in the rockfish pilot program. The AP recommends that the Council encourage the agency to continue development of video monitoring. *Motion carried 15/0*

C-6 IFQ Omnibus V proposed amendments

The AP recommends the following preferred alternatives:

Action 1. Use of catcher vessel QS

Alternative 2. Allow processing of non-IFQ species on a vessel that is otherwise authorized to process non-IFQ species when any amount of IFQ halibut resulting from quota share assigned to vessel categories B, C, or D are held by fishermen on board a vessel in the Gulf of Alaska, Bering Sea, and Aleutian Islands. *Motion passed 15/0*

Action 2. Sablefish pots

Alternative 2 Allow use of longline pot gear in the Bering Sea IFQ and CDQ sablefish fisheries during June *Motion passed 15/0*

Action 3. Inactive IFQ permits

Alternative 1. No action *Motion passed 12/3*

Minority Report

We, the undersigned, support Alternative 3, QS lottery program, which provides a means for redistributing unused halibut quota shares to qualified recipients. Signed, Julianne Curry, Michelle Ridgway, and John Moller

Action 4. Military exemption for mobilized reservists and guardsmen

Alternative 2. Allow mobilized reservists and guardsmen to temporarily transfer IFQs for the duration of their deployment. *Motion passed 15/0*

The AP discussed that future gear conflicts may occur under Action#2, and notes for the Council the possibility of future requests to address such conflicts should they occur.

Motion passed 14/1

D-1 Groundfish Management

The AP recommends the Council Issue an Exempted Fishing Permit to Test a Trawl Gear Modification to Reduce Bycatch Rates for Pacific Halibut in the Central Gulf of Alaska Pacific Cod Trawl Fishery. *Motion passed 16/0.*

D-2 EFH BSAI habitat conservation

The AP recommends the Council accept the following alternatives and options for analysis:

Alternative 1, status quo

Alternative 2, Open area approach utilizing fishing data through 2005 to define area

Option 1: Include the areas north of Bogoslof, south of Nunivak Island in the open area, and the 10 minute strip in the Red King Crab Savings Area.

Alternative 3, Require gear modifications on all bottom flatfish trawl gear to reduce seafloor contact and/or increase clearance between the gear and substrate.

Alternative 4. Open area approach utilizing fishing data through 2005 to define area, plus require gear modifications on all bottom flatfish trawl gear to reduce seafloor contact and/or increase clearance between the gear and substrate.

Option 1: include the areas north of Bogoslof and south of Nunivak Island in the open area, and the 10 minute strip in the Red King Crab Savings Area.

Motion passed 10/5/1

The minority of the AP objects to the very narrow range of alternative for addressing BS EFH in the motion. These alternatives do not sufficiently address crab EFH protection, do not incorporate research areas, or address other EFH priorities identified by the SSC. Signed: Michelle Ridgway, Duncan Fields, Bob Jacobson.

There was a motion to strike “bottom trawl gear” and replace with “trawl gear fished on bottom”. *Motion failed 12/3/1*

Minority Report: The AP minority notes that NMFS letter on pelagic trawl definition, dated May 2006, public comment on the EFH EIS, and analysis in the EFH EIS mention that through labeled “pelagic” pelagic trawl nets are frequently fished in contact with seafloor habitat. For this reason, the AP minority feels that pelagic trawls fishing on the bottom should be evaluated for possible modifications under the current analysis. Signed Michelle Ridgway, Jeb Morrow, and Duncan Fields.

D-4 AI Ecosystem Plan

The AP recommends that the Council endorse the Ecosystem Committee’s recommendations regarding initiating development of an Aleutian Islands Fisheries Ecosystem Plan and forming an AI ecosystem team.

Motion passed 15/0/1

D-5 Staff Tasking

The AP recommends that seabird avoidance requirements be eliminated for longline vessels fishing in the inside waters of Prince William Sound (NMFS Area 649), Southeast Alaska (NMFS Area 659), and state waters of Cook Inlet. Avoidance requirements in southern Chatham Straight and Dixon Entrance of the SEAK region should remain in place due to increased risk to seabirds in those areas. *Motion carried 14/0*

The AP strongly supports efforts to institutionalize the collection and management of seabird observation data from fish stock assessment surveys from NMFS and IPHC. We also strongly support making the data available through the North Pacific Palegic Seabird Databse. *Motion carried 14/0*

The AP requests the Council encourage further research regarding seabird avoidance measures for small vessels which do not have poles, mast and rigging (PMR). *Motion passed 16/0*

The data collection plan for the BSAI crab rationalization program and the anticipated data collection plan for the Amendment 80 groundfish fishery provide important information for program evaluation and review. The AP notes that parallel data collection protocols are not in place of the AFA and IFQ rationalization programs. Therefore, the AP recommends the Council direct staff to develop data collection programs that are appropriate for and applicable to the AFA and IFQ rationalization programs and will provide programmatic evaluation information that is parallel to the information obtained through the BSAI crab and Amendment 80 programs. *Motion passed 16/0*

The AP recommends that the Council request staff to develop a discussion paper addressing the following SSC recommendations on Bering Sea Essential Fish Habitat:

2. expansion of closed areas surrounding St. Matthew Island beyond the 3 nm closure in state waters to protect blue king crab and their habitat,
3. additional closures of shelf break waters to conserve habitat in canyons (Middle, Zemchug, and Pribilof Canyons) and known skate nurseries;
4. additional closures corresponding to special areas that may emerge from the analysis of crab life history stages;
5. consideration of closures specifically for research to assess the importance of benthic habitat for fish production.

Motion passed 15/1

**Amendment 80 – Draft Council Motion
June 9, 2006**

The Council adopts the following changes to the Amendment 80 Preliminary Preferred Alternative:

Component 1: No change

Component 2: No change

Component 3: Identifies the sector allocation calculation (after deductions for CDQs, ICAs, and other existing fishery allocations, i.e., Atka mackerel jig) for the Non-AFA Trawl CP sector. The remaining portion of the primary species TAC included in this program would be allocated to the BSAI trawl limited access fishery.

For purpose of allocation to the Non-AFA Trawl CP sector, each primary species allocation is:

Yellowfin Sole	<u>ITAC (mt)</u>	<u>H&G/Limited Access</u>
	< = 87,500	93% / 7%
	87,500 – 95,000	87.5% / 12.5%
	95,000 – 102,500	82% / 18%
	102,500 – 110,000	76.5% / 23.5%
	110,000 – 117,500	71% / 29%
	117,500 – 125,000	65.5% / 34.5%
	>125,000*	60% / 40%

***AFA sideboards are removed for YFS.**

Rock Sole **100% (see table below)**

Flathead Sole **100% (see table below)**

Atka Mackerel 98% in 541/EBS and 542, in the first year of the program, decreasing by 2% increments over 4-yr period to 90%. 100% in 543.

AI POP 95% in 541 and 542 in the first year of the program, decreasing to 90% in the second year of the program. 98% in 543.

ICA Management

Fishery	ICA for fixed gear & trawl limited access is made after allocation to the CDQ Program. (ICA in harvest specifications).	ICA for fixed gear is made after allocation to the CDQ Program. (ICA in harvest specifications). ICA for trawl limited access is incorporated in the allocation made to the sector. (ICA in harvest specifications).
Flathead Sole	X	
Rock Sole	X	
Atka Mackerel	X	
AI POP	X	
Yellowfin sole	X	
P. cod	N/A (Amendment 85)	N/A (Amendment 85)

+ ROLLOVER language from Sue Salveson in Section 3.5

Component 4: No change **[meaning: its eliminated]**

Component 5: Increase PSQ reserves allocated to the CDQ program (except **halibut**, herring and Chinook salmon) to levels proportional to the CDQ allocation of primary species under Component 2.

Component 6: PSC allowances of halibut and crab to the Non-AFA Trawl CP Sector

Halibut PSC

BSAI Trawl limited access sector: 875 mt

Non-AFA Trawl CP sector: 2525 mt initial allocation with a 50mt reduction in the second, third, fourth and fifth year after program implementation. In the sixth year and subsequent years, the allocation would be 2325mt.

Crab PSC

Allocation of crab PSC to the non-AFA Trawl CP sector shall be based on the % of historic usage of crab PSC in all groundfish fisheries from **2000-2002 for red king crab (62.48%) and from 1995 to 2002 for opilio (61.44%) and bairdi (zone 1: 52.64% and zone 2: 29.59%)** (resulting percentages are reported in the far right column in Table 3-43 **May 5, 2006 EA/RIR/IRFA**). The initial allocation will be reduced by 5% per year starting in the second year until the Non-AFA Trawl CP sector is at 80% of their initial allocation. Trawl limited access sectors shall receive an allowance of the sum of the combined AFA CV/CP sideboards. These levels shall be reviewed, and further reduced as necessary, by the Council during the fifth year of the program. (Note – basing usage on a % of annual PSC limits, results in a calculation that is crab abundance based.)

Component 7: The BSAI non-pollock groundfish CP buyback legislation establishes the vessels eligible to participate as a catcher processor in the BSAI non-pollock groundfish fisheries. The members of the Non-AFA Trawl Catcher Processor subsector are defined as the owner of each trawl CP:

- a.) that is not an AFA Trawl CP
- b.) to whom a valid LLP license that is endorsed for BSAI Trawl CP fishing activity has been issued; and
- c.) that the Secretary determines who has harvested with trawl gear and processed not less than a total of 150 mt of non-pollock groundfish during the period January 1, 1997 – through December 31, 2002.

This definition establishes the vessels that can participate in the Amendment 80 program.

Restrict LLPs that are used for eligibility in Amendment 80 (either to be included in the Non-AFA CP sector or to be used in Amendment 80 cooperative formation) from being used outside of the Amendment 80 sector, except that any eligible vessel which is authorized to fish Pollock under the AFA would still be authorized to fish under the statute.

Only history from eligible vessels will be credited in the program. The catch history credited to an eligible vessel will be catch history of that vessel. The catch history credited to an eligible vessel for the first license assigned to that vessel will only be the catch history of the eligible vessel. **In the event of the actual total loss or constructive total loss of a vessel, or permanent inability of a vessel to be used in the Program as documented by the vessel owner and NMFS either before or after the qualifying period, the vessel owner may transfer the catch history of the vessel that meets the non-AFA and catch criteria of Component 7 from that vessel to the LLP license that was originally issued for that vessel.**

Any such license assigned to an eligible vessel will be credited with the catch history during the Component 10 period of the eligible non-AFA trawl CP from which the license arose, except that no history can be assigned to more than one vessel at a given time. Once the catch history has been assigned to the license, that license must be used on an eligible Non-AFA Trawl CP vessel.

Component 8: Component 8 establishes the number of vessels required before the cooperative is allowed to operate. No later than November 1 of each year, an application must be filed with NOAA fisheries by the cooperative with a membership list for the year.

In order to operate as a cooperative, membership must be comprised of at least three separate entities (using the 10% AFA rule) and must be:

- Option 8.2 At least 30% of the eligible vessels, including LLP licenses with associated catch history for an eligible vessel that has been transferred to that LLP license under Component 7.**

Component 9: No change

Component 10: No change

Component 11: Determines if excessive share limits are established in the Non-AFA Trawl CP sector.

Option 11.2 Consolidation in the Non-AFA Trawl Catcher Processor sector is limited such that no single person (using the individual and collective rule) can hold catch history more than a fixed percentage of the overall sector apportionment history. The cap would be applied on an aggregate basis at 30%, of the sector's allocation).

Suboption 11.2.2 Persons (individuals or entities) that exceed the cap in the initial allocation would be grandfathered **based on catch history held at the time of final Council action.**"

Option 11.3 No vessel shall harvest more than **20%** of the entire Non-AFA Trawl CP sector allocation.

Suboption 11.3.1 Vessels that are initially allocated a percentage of the sector allocation that is greater than the vessel use cap shall be grandfathered at their initial allocation **based on catch history held at the time of final Council action.**"

If a buyback program proceeds, any person or vessel that exceeds a use cap due to the buyback removing catch history would be grandfathered in at that new level.

Component 12: Establishes measures to maintain relative amounts of non-allocated species until such time that fisheries for these species are further rationalized in a manner that would supersede a need for these sideboard provisions. Sideboards shall apply to eligible licenses and associated vessels from which the catch history arose.

Option 12.3 In the BSAI, Pacific cod will be managed under existing sector apportionments, with rollovers, until new Pacific cod sector allocations are implemented. Pacific cod will be allocated between the cooperative and non-cooperative sub-sectors based on the same formula as Component 10.

In the BSAI, management of unallocated species should remain status quo.

Option 12.4 GOA sideboard provisions

Sideboard provisions for Amendment 80 qualified non-AFA trawl CP sector with valid GOA LLP with appropriate area endorsements are as follows:

Suboption 12.4.1 Vessels associated with LLPs that have Gulf weekly participation of greater than 10 weeks in the flatfish fishery during the years defined in Component 10 will be eligible to participate in the GOA flatfish fisheries.

Suboption 12.4.2 Non-AFA trawl CP vessel(s) that fished 80% of their weeks in the GOA flatfish fisheries from January 1, 2000 through

December 31, 2003 will be exempt from GOA halibut sideboards in the GOA. Vessel(s) exempted from Amendment 80 halibut sideboards in the GOA and may participate fully in the GOA open-access flatfish fisheries. **Vessel(s) will be prohibited from directed fishing for all other sideboarded species in the GOA (rockfish, Pacific cod, and Pollock).** The history of this vessel will not contribute to the Non-AFA Trawl CP sideboards and its catch will not be subtracted from these sideboards.

Suboption 12.4.2.1 Vessel(s) exempted from Amendment 80 GOA sideboards **may** lease their BSAI Amendment 80 history.

Suboption 12.4.3 Gulf-wide halibut sideboards for the deep and shallow complex fisheries would be established by season calculated based on:

Option B: Actual usage for the Amendment 80 qualified non-AFA trawl sector for the years defined in Component 10.

Suboption 12.4.4 GOA Pollock, Pacific cod, and directed rockfish species (POP, NR and PSR) sideboards for the Amendment 80 qualified non-AFA trawl CP sector would be established using the years defined in Component 10, where catch is defined as retained catch by Gulf area as a percentage of total retained catch of all sectors in that area.

Suboption 12.4.5 While the CGOA rockfish demonstration program is in place, the CGOA rockfish demonstration program takes precedence. The demonstration program would remove the need for catch sideboards for the CGOA directed rockfish species. The Amendment 80 CPs deep halibut mortality sideboard cap for the 3rd seasonal allowance (in July) will be revised by the amount of the deep complex halibut mortality allocated to the rockfish demonstration program for the Amendment 80 qualified non-AFA trawl CP sector while the demonstration program is in effect.

Suboption 12.4.6 Sideboards apply to vessels (actual boats) and LLPs used to generate harvest shares that resulted in allocating a percentage of the Amendment 80 species TACs to the non-AFA trawl CP sector. The intent is to prevent double-dipping with respect to GOA history related to sideboards.

Suboption 12.4.7 On completion of a comprehensive rationalization program in the GOA, any sideboards from the BSAI Amendment 80 plan amendment will be superseded by the allocations in the GOA rationalization program.

Suboption 12.4.8 **GOA PSC and GOA groundfish sideboard limits will be established. An aggregate sideboard limit for each sideboarded species will be established for all vessels subject to sideboards.**

Add or amend the following bullets under Other Elements:

- Permanent transfers of an eligible vessel, its associated catch history, and its permit would be allowed. Eligible vessels, their associated catch history, and a sector eligibility endorsement would not be separable or divisible. **In the event of the actual total loss or constructive total loss of a vessel, or permanent inability of a vessel to be used in the Program**, catch history would be attached to the license that arose from the vessel and would not be separable or divisible. All transfers must be reported to NOAA fisheries in order to track who owns the sector eligibility permit and harvest privileges of a vessel. The purchaser must be eligible to own a fishing vessel under MarAd regulations or any person who is currently eligible to own a vessel.
- Specific requirements for reporting, monitoring and enforcement, and observer protocols will be developed in regulations for participants in the Non-AFA Trawl CP sector. These monitoring and enforcement provisions are described in Section 3.3.7 of the April 2006 EA/RIR/IRFA. Revisions to 3.3.7 have been described in March 27, 2006 letter from NMFS to the Council. **Modifications to the monitoring and enforcement requirements described in the current version of the EA/RIR/IRFA necessary to accommodate changes in GOA sideboard provisions, or other issues, will be incorporated in the Secretarial review draft of the EA/RIR/IRFA.**
- **AFA halibut PSC Sideboard limits will be fixed at the 2006/2007 level.**
- **The allocation of halibut PSC between the AFA trawl CP and trawl CV sector under Amendment 85 will incorporate the reallocation of halibut PSC to the Amendment 80 sector.**

Replace the socioeconomic data collection bullet with the following:

- **A socioeconomic data collection program as described in section 3.2.12.15 of the May 5, 2006 draft EA/RIR/IRFA for Amendment 80 will be implemented for the non-AFA trawl CP sector. The program will collect economic data from the non-AFA trawl CP sector similar to the types of cost, revenue, ownership, and employment data included in the draft Cost, Earnings and Employment Survey in Appendix 3 of the May 5, 2006, draft EA/RIR/IRFA prepared for Amendment 80. Data will be collected on a periodic basis.**

The purpose of the data collection program is to understand the economic effects of the Amendment 80 program on vessels or entities regulated by this action, and to inform future management actions. The data is needed to assess whether Amendment 80 addresses some goals in the problem statement to mitigate, to some degree, the costs associated with bycatch reduction. Data will be used by Council and agency staff, recognizing that confidentiality is of extreme importance.

Economic data collected under this program include employment data by vessel collected to determine the labor amounts and costs for the sector. In addition, revenue and cost data by vessel will be collected to evaluate trends in returns to the sector that may be compared with elements of the Amendment 80 program, such as bycatch reduction measures.

**Amendment 80 – Final Action
 Staff Annotated Council Motion
 June 10, 2006**

The Council adopts the following components and options for analysis as a Preferred Alternative:

Issue 1: Sector Allocation of BSAI Non-Pollock Groundfish to the Non-AFA Trawl Catcher Processor Sector and CDQ Program

Component 1 Allocate only the following primary target species to the Non-AFA Trawl CP sector: yellowfin sole, rock sole, flathead sole, Atka mackerel, and Aleutian Islands Pacific Ocean perch. Species could be added or deleted through an amendment process.

Component 2 CDQ allocations for each primary target (Component 1) species in the program shall be removed from the TACs prior to allocation to sectors at percentage amounts equal to 10%.

For Amendment 80 species, the reserves would be set at 10% of the TAC and all would be allocated to the CDQ reserves.

CDQ allocations for secondary groundfish species (except Pacific cod) taken incidental in the primary trawl target fisheries shall be removed from the TACs prior to allocation to sectors at percentage amounts equal to 10%.

Component 3 Identifies the sector allocation calculation (after deductions for CDQs, ICAs, and other existing fishery allocations, i.e., Atka mackerel jig) for the Non-AFA Trawl CP sector. The remaining portion of the primary species TAC included in this program would be allocated to the BSAI trawl limited access fishery.

For purpose of allocation to the Non-AFA Trawl CP sector, each primary species allocation is:

Yellowfin Sole	<u>ITAC (mt)</u>	<u>H&G/Limited Access</u>
	< = 87,500	93% / 7%
	87,500 – 95,000	87.5% / 12.5%
	95,000 – 102,500	82% / 18%
	102,500 – 110,000	76.5% / 23.5%
	110,000 – 117,500	71% / 29%
	117,500 – 125,000	65.5% / 34.5%
	>125,000	60% / 40%

AFA Yellowfin sole sideboards are removed when the Yellowfin sole ITAC is 125,000 mt or greater.

Rock Sole	100%
Flathead Sole	100%

Atka Mackerel 98% in 541/EBS and 542, in the first year of the program, decreasing by 2% increments over 4-yr period to 90%. 100% in 543.

AI POP 95% in 541 and 542 in the first year of the program, decreasing to 90% in the second year of the program. 98% in 543.

Allocations would be managed as a hard cap for the H&G sector, and for the Non H&G sector, an ICA would be taken off the top to accommodate incidental bycatch by the non-H&G sector. AFA vessel sideboard amounts will be determined after CDQ reserve amounts are deducted from TAC.

Legal landing means, for the purpose of initial allocation of QS, fish harvested during the qualifying years specified and landed in compliance with state and federal permitting, landing, and reporting regulations in effect at the time of the landing. Legal landings exclude any test fishing, fishing conducted under an experimental, exploratory, or scientific activity permit or the fishery conducted under the Western Alaska CDQ program.

Target species, PSC, and ICA rollover: any unharvested portion of the Amendment 80 target species or unharvested portion of PSC or ICA in the limited access fishery that is projected to remain unused shall be rolled over to vessels that are members of Amendment 80 cooperatives.

Any roll over of halibut PSC to the Non-AFA Trawl CP sector shall be discounted by 5%. That is, if 100 mt of halibut is available for roll over, then 95 mt of halibut would be re-allocated to the Non-AFA Trawl CP sector. Once the initial allocation has been determined, the Non-AFA Trawl CP sector may re-allocate the PSC among the target species.

NMFS shall perform a review on or before May 1 and August 1 each year, and at such other times after August 1 as it deems appropriate. In making its determination, NMFS shall consider current catch and PSC usage, historic catch and PSC usage, harvest capacity and stated harvest intent, as well as other relevant information.

Component 4 Elements of Component 4 were integrated in Component 3 with selection of percentages.

Issue 2: PSC Allowance for the Non-AFA Trawl Catcher Processor Sector and the CDQ Program

Component 5 Increase PSQ reserves allocated to the CDQ program (except herring, halibut, and Chinook salmon) to levels proportional to the CDQ allocation of primary species under Component 2.

Component 6 PSC allowances of halibut and crab to the Non-AFA Trawl CP Sector. The halibut and crab PSC levels shall be reviewed and adjusted as necessary by the Council during the fifth year of the program.

Halibut PSC

BSAI Trawl limited access sector: 875 mt

Non-AFA Trawl CP sector: 2525 mt initial allocation with a 50mt reduction in the second, third, fourth and fifth year after program implementation. In the sixth year and subsequent years, the allocation would be 2325mt unless adjusted. In the third year only, the 50 mt reduction would be reallocation to the CDQ/PSQ reserve program.

Crab PSC

Allocation of crab PSC to the non-AFA Trawl CP sector shall be based on the % of historic usage of crab PSC in all groundfish fisheries from 2000-2002 for red king crab (62.48%) and from 1995 to 2002 for opilio (61.44%) and bairdi (zone 1: 52.64% and zone 2: 29.59%) (resulting percentages are reported in the far right column in Table 3-43 May 5, 2006 EA/RIR/IRFA). The initial allocation will be reduced by 5% per year starting in the second year until the Non-AFA Trawl CP sector is at 80% of their initial allocation. Trawl limited access sectors shall receive an allowance of the sum of the combined AFA CV/CP sideboards. (Note – basing usage on a % of annual PSC limits, results in a calculation that is crab abundance based.)

If Amendment 85 is implemented prior to Amendment 80, the Non-AFA Trawl CP sector would receive an allocation of PSC in accordance with Amendment 85. Upon implementation of Amendment 80, no allocation of PSC will be made to the Non-AFA Trawl CP sector under Amendment 85.

Issue 3: Cooperative Development for the Non-AFA Trawl Catcher Processor Sector

Component 7 The BSAI non-pollock groundfish CP buyback legislation establishes the vessels eligible to participate as a catcher processor in the BSAI non-pollock groundfish fisheries. The members of the Non-AFA Trawl Catcher Processor subsector are defined as the owner of each trawl CP:

- a.) that is not an AFA Trawl CP
- b.) to whom a valid LLP license that is endorsed for BSAI Trawl CP fishing activity has been issued; and
- c.) that the Secretary determines who has harvested with trawl gear and processed not less than a total of 150 mt of non-pollock groundfish during the period January 1, 1997 – through December 31, 2002.

This definition establishes the vessels that can participate in the Amendment 80 program.

Restrict LLPs that are used for eligibility in Amendment 80 (either to be included in the Non-AFA CP sector or to be used in Amendment 80 cooperative formation) from being used outside of the Amendment 80 sector, except that any eligible vessel which is authorized to fish Pollock under the AFA would still be authorized to fish under the statute.

Only history from eligible vessels will be credited in the program. The catch history credited to an eligible vessel will be catch history of that vessel. The catch history credited to an eligible vessel for the first license assigned to that vessel will only be the catch history of the eligible vessel. In the event of the actual total loss or constructive total loss of a vessel, or permanent inability of a vessel to be used in the Program as documented by the vessel owner and NMFS either before or after the qualifying period, the vessel owner may transfer the catch history of the vessel that meets the non-AFA and catch criteria of Component 7 from that vessel to the LLP license that was originally issued for that vessel. Any such license assigned to an eligible vessel will be credited with the catch history during the Component 10 period of the eligible non-AFA trawl CP from which the license arose, except that no history can be assigned to more than one vessel at a given time. Once the catch history has been assigned to the license, that license must be used on an eligible Non-AFA Trawl CP vessel.

Component 8 Component 8 establishes the number of vessels required before the cooperative is allowed to operate. No later than November 1 of each year, an application must be filed with NOAA fisheries by the cooperative with a membership list for the year.

In order to operate as a cooperative, membership must be comprised of at least three separate entities (using the 10% AFA rule) and must be:

- Option 8.2 At least 30% of the eligible vessels, including LLP licenses with associated catch history for an eligible vessel that has been transferred to that LLP license under Component 7.

Component 9 Determines the method of allocation of PSC limits and groundfish between the cooperative and eligible Non-AFA Trawl CP participants who elect not to be in a cooperative.

- Option 9.1 Catch history is based on total catch

Assign PSC within the sector to allocated target species and Pacific cod based on the average use of PSC in each target species from the years 1998-2004, expressed as a percent of the total PSC allocation to the sector.

Each eligible vessel will then receive an allocation percent of PSC for catch of allocated target species and Pacific cod equal to its proportion of the catch history of the allocated fishery.

This PSC allocation will not change from year to year (i.e., will not fluctuate annually with the TAC).

Component 10 Determines which years of catch history are used for establishing cooperative allocations. The allocation of groundfish between the cooperative and those eligible participants who elect not to join a cooperative is proportional to the catch history of groundfish of the eligible license holders included in each pool. Applicable PSC limits are allocated between the cooperative and non-cooperative pool in same proportions as those species that have associated PSC limits. The catch history as determined by the option selected under this component would be indicated on the Sector Eligibility Endorsement, which indicates the license holder's membership in the Non-AFA Trawl CP sector. The aggregate histories would then be applied to the cooperative and the non-cooperative pool.

Notwithstanding the qualifying history of the vessel, a qualified vessel that has not fished after 1997 will receive an allocation under the program of no less than:

0.5 percent of the yellowfin sole catch history

0.5 percent of the rock sole catch history

0.1 percent of the flathead sole catch history

For all other qualified vessels, the allocation will be based on 1998 – 2004, but each vessel drops its two lowest annual catches by species during this period.

For AI POP, all vessels will receive their allocation equally in 541, 542 and 543.

Each vessel will receive its historic share of the sector's Atka mackerel allocation based on component 10 (all areas combined). Vessels less than 200' in length having less than 2% of the sector's Atka mackerel history ("Non-mackerel vessels") will receive their allocation distributed by area according to each individual vessel's catch distribution during the component 10 years. The remainder of EBS/541, 542 and 543 sector allocation after "Non-mackerel vessels" have been removed will be allocated to vessels that are greater than 200' in length or have more than 2% of the sector's Atka mackerel allocation ("mackerel vessels"). Mackerel vessels will receive their respective percentages (adjusted to 100%) equally in each area.

In the event that the Non-AFA Trawl CP sector receives an exclusive allocation of Pacific cod, that allocation will be divided between cooperatives and the sector's limited access fishery in the same manner (and based on the same history) as the division of the other allocated species within the sector.

Component 11 Determines if excessive share limits are established in the Non-AFA Trawl CP sector.

Option 11.2 Consolidation in the Non-AFA Trawl Catcher Processor sector is limited such that no single person (using the individual and collective rule) can hold catch history more than a fixed percentage of the overall sector apportionment history. The cap would be applied on an aggregate basis at 30%, of the sector's allocation).

Suboption 11.2.2 Persons (individuals or entities) that exceed the cap in the initial allocation would be grandfathered based on catch history held at the time of final Council action.

Option 11.3 No vessel shall harvest more than 20% of the entire Non-AFA Trawl CP sector allocation.

Suboption 11.3.1 Vessels that are initially allocated a percentage of the sector allocation that is greater than the vessel use cap shall be grandfathered at their initial allocation based on catch history held at the time of final Council action.

If a buyback program proceeds, any person or vessel that exceeds a cap due to the buyback removing catch history would be grandfathered in at that new level.

Component 12 Establishes measures to maintain relative amounts of non-allocated species until such time that fisheries for these species are further rationalized in a manner that would supersede a need for these sideboard provisions. Sideboards shall apply to eligible licenses and associated vessels from which the catch history arose.

Option 12.3 In the BSAI, Pacific cod will be managed under existing sector apportionments, with rollovers, until new Pacific cod sector allocations are implemented. Pacific cod will be allocated between the cooperative and non-cooperative sub-sectors based on the same formula as Component 10.

In the BSAI, management of unallocated species should remain status quo.

Option 12.4 GOA sideboard provisions

Sideboard provisions for Amendment 80 qualified non-AFA trawl CP sector with valid GOA LLP with appropriate area endorsements are as follows:

Suboption 12.4.1 Vessels associated with LLPs that have Gulf weekly participation of greater than 10 weeks in the flatfish fishery during the years defined in Component 10 will be eligible to participate in the GOA flatfish fisheries.

Suboption 12.4.2 Non-AFA trawl CP vessel(s) that fished 80% of their weeks in the GOA flatfish fisheries from January 1, 2000 through December 31, 2003 will be exempt from GOA halibut sideboards in the GOA. Vessel(s) exempted from Amendment 80 halibut sideboards in the GOA and may participate fully in the GOA open-access flatfish fisheries. Vessel(s) will be prohibited from directed fishing for all other sideboarded species in the GOA (rockfish, Pacific cod, and Pollock). The history of this vessel will not contribute to the Non-AFA Trawl CP sideboards and its catch will not be subtracted from these sideboards.

Suboption 12.4.2.1 Vessel(s) exempted from Amendment 80 GOA sideboards may lease their BSAI Amendment 80 history.

Suboption 12.4.3 Gulf-wide halibut sideboards for the deep and shallow complex fisheries would be established by season based on the actual usage of the Amendment 80 qualified non-AFA trawl sector for the years defined in Component 10. That calculation results in the following percentages, less the percentage attributed to GOA PSC sideboard exempt vessel:

GOA Halibut PSC Sideboard Limits for Non-AFA Trawl CP Sector (as percent of GOA total sideboard limit, ie, 2,000mt in 2006)						
	Season 1	Season 2	Season 3	Season 4	Season 5	Total
Deep Water Trawl Fisheries	2.84%	11.92%	11.60%	n/a	Combined w/shallow water	26.36
Shallow Water Trawl Fisheries	0.85%	1.92%	2.06%	1.73%	5.15%	11.71%

Note: The F/V Golden Fleece data still needs to be deducted from the above table.

Suboption 12.4.4 GOA Pollock, Pacific cod, and directed rockfish species (POP, NR and PSR) sideboards for the Amendment 80 qualified non-AFA trawl CP sector would be established using the years defined in Component 10, where catch is defined as

retained catch by Gulf area as a percentage of total retained catch of all sectors in that area.

- Suboption 12.4.5 While the CGOA rockfish demonstration program is in place, the CGOA rockfish demonstration program takes precedence. The demonstration program would remove the need for catch sideboards for the CGOA directed rockfish species. The Amendment 80 CPs deep halibut mortality sideboard cap for the 3rd seasonal allowance (in July) will be revised by the amount of the deep complex halibut mortality allocated to the rockfish demonstration program for the Amendment 80 qualified non-AFA trawl CP sector while the demonstration program is in effect.
- Suboption 12.4.6 Sideboards apply to vessels (actual boats) and LLPs used to generate harvest shares that resulted in allocating a percentage of the Amendment 80 species TACs to the non-AFA trawl CP sector. The intent is to prevent double-dipping with respect to GOA history related to sideboards.
- Suboption 12.4.7 On completion of a comprehensive rationalization program in the GOA, any sideboards from the BSAI Amendment 80 plan amendment will be superseded by the allocations in the GOA rationalization program.
- Suboption 12.4.8 GOA PSC and groundfish sideboard limits will be established. An aggregate sideboard limit for each sideboarded species will be established for all vessels subject to sideboards

Other Elements of Amendment 80

This section provides additional specifics and elements for the Non-AFA Trawl CP cooperative program. These specifics and elements are common for any cooperative program that might be developed.

- The cooperative program developed in Amendment 80 would not supersede pollock and Pacific cod IR/IU programs.
- The Groundfish Retention Standards (GRS) (Amendment 79) would be applied to the cooperative as an aggregate on an annual basis and on those vessels who did not join a cooperative as individuals.
- Non-AFA Trawl CP sector participants that did not elect to join a cooperative would be subject to all current regulations including all restrictions of the LLP and the GRS if approved.
- All qualified license holders participating in the fisheries of the Non-AFA Trawl CP sector for Amendment 80 species would need to have trawl and catcher processor endorsements with general licenses for BSAI and the additional sector eligibility endorsement. Length limits within the license would also be enforced such that any replacement vessel entering the fishery would not exceed the Maximum Length Overall (MLOA) specified on the license.
- Permanent transfers of an eligible vessel, its associated catch history, and its permit would be allowed. Eligible vessels, their associated catch history, and a sector eligibility endorsement would not be separable or divisible. In the event of the actual total loss or constructive total loss of a vessel, or permanent inability of a vessel to be used in the Program, catch history would be attached to the license that arose from the vessel and would not be separable or divisible. All transfers must be reported to NOAA fisheries in order to track who owns the sector eligibility permit and harvest privileges of a vessel. The purchaser must be eligible to own a fishing vessel under MarAd regulations or any person who is currently eligible to own a vessel.
- Annual allocations to the cooperative will be transferable among Non-AFA Trawl CP cooperative members. Such transfers will not need NOAA Fisheries approval.

- Annual allocations to the cooperative will be transferable among Non-AFA Trawl CP cooperatives. Inter-cooperative transfers must be approved by NOAA Fisheries.
- Any non-trawl or non-BSAI catches by qualified license holders that are considered part of the Non-AFA Trawl CP sector will not be included in the defined cooperative program. In addition, these non-trawl or non-BSAI catches allocated to the Non-AFA Trawl CP sector would not necessarily be excluded from other rationalization programs.
- Catch history used for allocation and eligibility purposes will be legal and documented catch.
- Disposition of groundfish species not allocated to the Non-AFA Trawl CP sector will not change as a result of the cooperative program developed in Amendment 80.
- Bycatch limits for non-specified species or marine resources would not be established. However, if the Council deems that bycatch is unreasonable, specific regulations to minimize impacts would be considered.
- AFA halibut PSC Sideboard limits will be fixed at the 2006/2007 level. (The intent is to fix the AFA halibut sideboard amounts, in metric tons, at the level listed in the 2006/2007 NMFS reports).
- The allocation of halibut PSC between the AFA trawl CP and trawl CV sector under Amendment 85 will incorporate the reallocation of halibut PSC to the Amendment 80 sector.
- The cooperative(s) would need to show evidence of binding private contracts and remedies for violations of contractual agreements would need to be provided to NOAA Fisheries. The cooperative would need to demonstrate adequate mechanism for monitoring and reporting prohibited species and groundfish catch. Participants in the cooperative would need to agree to abide by all cooperative rules and requirements.
- Specific requirements for reporting, monitoring and enforcement, and observer protocols will be developed in regulations for participants in the Non-AFA Trawl CP sector. These monitoring and enforcement provisions are described in Section 3.3.7 of the April 2006 EA/RIR/IRFA. Revisions to 3.3.7 have been described in March 27, 2006 letter from NMFS to the Council. Modifications to the monitoring and enforcement requirements described in the current version of the EA/RIR/IRFA necessary to accommodate changes in GOA sideboard provisions, or other issues, will be incorporated in the Secretarial review draft of the EA/RIR/IRFA.
- A socioeconomic data collection program as described in section 3.2.12.15 of the May 5, 2006 draft EA/RIR/IRFA for Amendment 80 will be implemented for the non-AFA trawl CP sector. The program will collect economic data from the non-AFA trawl CP sector similar to the types of cost, revenue, ownership, and employment data included in the draft Cost, Earnings and Employment Survey in Appendix 3 of the May 5, 2006, draft EA/RIR/IRFA prepared for Amendment 80. Data will be collected on a periodic basis.

The purpose of the data collection program is to understand the economic effects of the Amendment 80 program on vessels or entities regulated by this action, and to inform future management actions. The data is needed to assess whether Amendment 80 addresses some goals in the problem statement to mitigate, to some degree, the costs associated with bycatch reduction. Data will be used by Council and agency staff, recognizing that confidentiality is of extreme importance.

Economic data collected under this program include employment data by vessel collected to determine the labor amounts and costs for the sector. In addition, revenue and cost data by vessel will be collected to evaluate trends in returns to the sector that may be compared with elements of the Amendment 80 program, such as bycatch reduction measures.

Enforcement Committee Minutes
June 5th, 2006 1-5pm
Best Western-Harbor Room
Kodiak, Alaska

Committee present: Captain Mike Cerne, Cathy Coon (staff), Ken Hansen, Mike Gonzalez, Roy Hyder (Chair), Bill Karp, Lt. Alan McCabe, and Sue Salveson.

Others present: Jane DiCosimo, Chaco Pearman, Sue Asplund, Lauren Smoker, Gregg Williams

Vessel Monitoring Systems (VMS)

Sue Salveson provided the Committee with a brief update on the analysis of expanded VMS requirements being prepared by NMFS staff. The analysis is scheduled for initial review in October 2006.

The Committee reviewed public comment (letters) on the VMS requirement proposed under the EFH/HAPC protection amendments. The State of Alaska letter requested “that all State registered vessels that do not have a federal fishing permit be exempt from all VMS requirements when transiting federal waters”. The Committee noted that that the alternatives under consideration by the Council in the new VMS analysis would already exempt State registered vessels using troll, seine and set net gear. The Committee further noted that exempting other gear types may be contrary to the objectives. The existing motion already provides an exemption for other state permitted vessels operating in the EEZ who check in/out with NMFS and stow their gear during transits. Notwithstanding this, the Committee would encourage staff analysts to take note of the State’s request relative to the objectives of the proposed action. If the Council desired to add the State’s request as another alternative, it could do that in October

Maximum Retainable Allowance (MRA)

Ken Hansen and Sue Salveson provided the Committee with an overview of the analysis that would change the time interval for MRA compliance for the Head and Gut (H&G) fleet.

The Committee supports Alternative 2 as a preliminary preferred alternative in the analysis. This Alternative best addresses enforcement concerns while providing the benefits of utilizing a reporting week as the maximum time period for compliance with MRA percentages.

Overview of GHLL and 5 fish limit

Sue Salveson provided the Committee with an overview on the GHLL provision adopted by the Council in April that would limit anglers to 5 halibut annually. A June 1 letter from NMFS to the NPFMC reported that the agency has determined that the proposed five fish annual limit would require a Federal charter vessel halibut angler permit and a charter vessel halibut logbook based on the Northern Pacific Halibut Act and data sharing agreements between the State of Alaska and NMFS, rather than reliance on State

reporting vehicles (e.g., ADF&G sportfish license). NMFS plans to prepare an implementation plan for Federal reporting requirements and detailed costs information associated with those requirements. NMFS has recommended that the Council reconsider its preferred alternative in October or alternatively hold this action in abeyance until it has developed its long-term plan for this sector. Ongoing discussion is occurring between NMFS and ADF&G on this issue.

Overview of Trawl CV eligibility-species endorsements

Jim Richardson provided the Committee with a report of Trawl CV eligibility criteria, including species endorsements on LLP licenses. The Committee discussed the proposed amendment and found that the Council is not anticipating species endorsements at this time.

New business:

Lauren Smoker provided a brief overview to the Committee on the complaint filed in Federal court in regards to the Groundfish retention standard. Briefing by the parties will occur during the summer, and will a hearing is scheduled for October 24, 2006.

Suggested Agenda Items for the next meeting

VMS-
MRA final
State Department Report on international fisheries.
Halibut Charter

The problem statement for Catcher Vessel Trawl Eligibility should be modified to reflect the different circumstances between the Bering Sea, Aleutian Islands and the Gulf of Alaska for non-AFA Catcher Vessels.

Proposed Modification of the Problem Statement:

(New 1st Paragraph)

Trawl catcher vessel eligibility is a conflicting problem among the Bering Sea, Gulf of Alaska and Aleutian Islands. In the Bering Sea and Gulf of Alaska, there are too many latent licenses and in the Aleutian Islands there are not enough licenses available for trawl vessels less than 60 feet in length.

In the Bering Sea and Gulf of Alaska, (continue with existing language of the AP)

(New last paragraph)

In the Aleutian Islands, previous Congressional and Council actions reflect a policy encouraging economic development of Adak. The opportunity for non-AFA CVs to build catch history in the AI was limited until markets developed in Adak. The analysis indicates that there are only six non-AFA CV trawl AI endorsed LLPs. The Congressional action to allocate AI pollock to the Aleut Corporation for the purpose of economic development of Adak requires that 50% of the AI pollock eventually be harvested by <60' vessels. The Council action under Am. 80 to allocate a portion of AI POP and Atka mackerel to the limited access fleet does not modify AFA CV sideboard restrictions, thus participation is effectively limited to non-AFA vessels with AI CV trawl LLP endorsements. A mechanism is needed to help facilitate the development of a resident fishing fleet that can fish in both state and federal waters. The Council will consider different criteria for the CV Eligibility in the AI.

Suggested Options for Consideration—Resulting in no more than: (1) 4 (2) 6 or (3) 8 licenses for vessels under 60 feet in length and 2 or 3 licenses CV < 125'.

1- Non-AFA vessels with a general CV trawl LLP, but which lack an AI endorsement may qualify for an endorsement based on deliveries in a parallel or state water fishery in the AI. (using the same range of landing thresholds as the existing alternatives.)

2- Expand the provision under Am. 82¹ exempting CVs under 60' that are on the NMFS approved list of participants for the AI pollock fishery from the requirement to have qualified for an AI LLP pursuant to § 679.4(k).

3- Provide that non-AFA CV BS or BSAI trawl LLPs that may not qualify in the BS under this provision, could receive an endorsement exclusively for the AI. These license endorsements would be restricted for use by in the AI between 173° and 179° W longitude, and could not be used in the BS.

¹ Excerpt from Proposed Rule for Am. 82:

“Vessels 60 feet (18.3 m) LOA or less would not need to demonstrate AI pollock harvest history and qualify for a license limitation permit (LLP) pursuant to § 679.4(k). This exception in the license limitation groundfish definition would reduce the licensing burden for participants in the AI directed pollock fishery, would allow vessels 60 feet (18.3 m) LOA or less to enter the fishery without previous pollock fishing history or the necessity for owners to have an LLP that names that vessel, and would encourage economic development of Adak, Alaska, by facilitating the building of a fleet of vessels 60 feet (18.3 m) LOA or less.”

Trawl CV Eligibility Amendment:

“Exclude from the analysis LLPs originally issued to vessels qualified under Amendment 80 and LLPs used for eligibility in Amendment 80.”

Rationale:

- The Amendment 80 sector is sideboarded in the Gulf of Alaska, so cannot expand to the detriment of other sectors. The sideboards are based on recent history (98-04).
- Amendment 80 already addressed latency in the Amendment 80 sector by setting a threshold participation level (10 weeks) for the flatfish fishery. According to the analysis, only 13 Amendment 80 CPs met this threshold. Eight vessels with history in the Gulf did not meet the threshold and cannot target flatfish in the GOA in the future. (See Table 3-82, page 185 of the Amendment 80 analysis)
- Component 7 of Amendment 80 reads: “restrict LLPs that are used for eligibility in Amendment 80...from being used outside of the Amendment 80 sector...” so Amendment 80 CP LLPs cannot be used on catcher vessels.
- Small Amendment 80 CPs may have difficulty fishing in the BSAI due to strict monitoring and enforcement requirements. These vessels will only be able to fish in the GOA, and only on the sector’s sideboards. These vessels may have been fishing in the BSAI (rather than GOA) in recent years.
- Amendment 80 coops need the flexibility to operate in the BSAI and GOA as allowed under the Amendment.
- No one is hurt by excluding this fleet from the action.

C-3 Public Testimony

Lori Swanson
Groundfish Forum
June 11, 2006

8:37am

**Council Motion
C-3 CV Trawl Eligibility
June 11, 2006**

The Council adopts the following problem statement:

Trawl catcher vessel eligibility is a conflicting problem among the Bering Sea, Gulf of Alaska and Aleutian Islands. In the Bering Sea and Gulf of Alaska, there are too many latent licenses and in the Aleutian Islands there are not enough licenses available for trawl catcher vessels.

In the Bering Sea and GOA, the trawl catcher vessel groundfish fisheries in the BSAI and trawl vessel groundfish fisheries in the GOA are fully utilized. In addition, the existence of latent licenses may exacerbate the disadvantages to GOA dependant CVs resulting from a lack of comprehensive rationalization in the GOA. Competition for these resources is likely to increase as a result of a number of factors, including Council actions to rationalize other fisheries, favorable current market prices and a potential for TAC changes in future years. Trawl vessel owners who have made significant investments, have long catch histories, and are dependent upon BSAI and GOA groundfish resources need protection from others who have little or no recent history and with the ability to increase their participation in the fisheries. This requires prompt action to promote stability in the trawl catcher vessel sector in the BSAI and trawl vessel sector in the GOA until comprehensive rationalization is completed.

In the Aleutian Islands, previous Congressional and Council actions reflect a policy encouraging economic development of Adak. The opportunity for non-AFA CVs to build catch history in the AI was limited until markets developed in Adak. The analysis indicates that there are only six non-AFA CV trawl AI endorsed LLPs. The Congressional action to allocate AI pollock to the Aleut Corporation for the purpose of economic development of Adak requires that 50% of the AI pollock eventually be harvested by <60' vessels. The Council action under Amendment 80 to allocate a portion of AI POP and Atka mackerel to the limited access fleet does not modify AFA CV sideboard restrictions, thus participation is effectively limited to non-AFA vessels with AI CV trawl LLP endorsements. A mechanism is needed to help facilitate the development of a resident fishing fleet that can fish in both state and federal waters. The Council will consider different criteria for the CV Eligibility in the AI.

Alternatives

The Council intends to a license basis for action.

Catch considered in determining whether a license meets the minimum catch criteria:

All catch from the vessel from which a license arose, prior to issuance of the license, and all catch using the license, after issuance of the license.

Component 1 – Area / Subarea Endorsements

Option 1: Catch thresholds will be applied at the management area level in the BSAI/GOA. Failure to meet the management area threshold will result in the removal of all subarea endorsements in the management area.

Option 2: Catch thresholds will be applied at the endorsement subarea level in the BSAI/GOA. Failure to meet the threshold for an endorsement subarea will result in the removal of that subarea endorsement.

Component 2 – In addition to the threshold information already provided in the analysis, the AP recommends inclusion of the following additional landing requirements:

Option 1. Trawl LLPS (BSAI CV and GOA CV and CP) – trawl landing requirement (except sablefish)

1. No action
2. At least one landing of groundfish from 2000-2005
Suboption: at least one landing of groundfish from 1995-2005
3. At least two landings of groundfish from 2000-2005
Suboption: at least two landings of groundfish from 1995-2005

Option 2: Trawl LLPS (BSAI CV and GOA CV and CP) – groundfish landing requirement (except sablefish)

1. No action
2. At least one landing of groundfish from 2000-2005
Suboption: at least one landing of groundfish from 1995-2005
3. At least two landings of groundfish from 2000-2005
Suboption: at least two landings of groundfish from 1995-2005

Catch history of a vessel accumulated while licenses are stacked on the vessel will be:

- Option 1. Fully credited to all stacked licenses (with qualifying endorsements and designations)
- Option 2. Apportioned equally among all stacked licenses (with qualifying endorsements and designations)
- Option 3. Apportioned as agreed by the holders of those licenses (with qualifying endorsements and designations), unless no such agreement exists, in which case the history would be apportioned equally.

Option for AFA vessels: Exclude LLPs originally issued to vessels qualified under the AFA and LLPs used for eligibility in the AFA.

Option for Amendment 80 vessels: Exclude LLPs originally issued to vessels qualified under Amendment 80 and LLPs used for eligibility in Amendment 80.

The Council requests that staff provide the number of stacked licenses with identical endorsements within the trawl sector and to provide the number of <60 ft licenses that would be eliminated under Component 1 and 2.

Option for Aleutian Islands Fisheries

Non-AFA vessels with a general CV trawl LLP, but which lack an AI endorsement may qualify for an endorsement based on deliveries in a parallel or statewater fishery in the AI. (using the same range of landing thresholds as the existing alternatives.)

North Pacific Fishery Management Council
MORATORIUM ALTERNATIVE
June 2006

Problem Statement

The Pacific halibut resource is fully utilized and harvest by the guided sport sector is demonstrating steady growth. To provide long term stability of the guided sport sector and lessen the need for regulatory adjustments, which destabilize the sector, the Council is embarking on development of a new management framework. In the interim, to address allocation issues between the guided sport and commercial sectors the guided sport sector is operating under a guideline harvest level (GHL). Harvest data indicate that the GHLs in Area 2C have been exceeded and are near levels established for Area 3A. This has resulted in a renewed effort to find a long-term solution. The Council has formed a stakeholder committee of affected user groups to consider management options and formulate recommendations for Council consideration in developing a management plan for the guided sector. Some of the past options under consideration include limiting entry or awarding quota share based on past involvement in the fishery. To address the potential against the rush of new entrants into the guided sport fishery, the Council is considering establishing a moratorium on the guided sport sector.

ALTERNATIVE 1. NO ACTION.

ALTERNATIVE 2. IMPLEMENT A MORATORIUM ON ENTRY INTO THE CHARTER SECTOR USING A CONTROL DATE OF DECEMBER 9, 2005.

Elements of the proposed moratorium (limited entry) program

1. **Permits**¹ may be held by U.S. citizens or U.S. businesses with 75 percent U.S. ownership of the business². Business may receive multiple permits associated with vessels owned by a business. Currently licensed vessels may be “grandfathered” above proposed limits until any change in ownership.
2. **Permit would be designated for either Area 2C or Area 3A.**
3. **Permit would be issued to registered guide business operator**
4. **Permit applicant** would be required to sign affidavit attesting that all legal requirements were met.³
5. **Transfers** of permits (permanent) would be allowed
6. **Leasing** of permits (annual) would not be allowed
7. **Permit Endorsement**

<u>6 clients</u>	<u>highest number on any trip in 2004 or 2005</u>
uninspected (6-packs) vessels	inspected vessels (but not less than 4)
new construction (uninspected or inspected vessels)	uninspected >100 gross tons (“Super-T”)
constructive loss ⁴	constructive loss ¹⁰
8. **Permits** may be stacked up to use caps^{5,6}
9. **Evidence of participation** - any ADF&G logbook entry with recorded bottomfish statistical area, rods, or boat hours.

¹ Through initial issuance and transfers

² Military (Morale, Welfare, and Recreational) boats are exempted from limited entry, but harvests still count against the GHL

³ The only tangible evidence is the ADF&G logbook, which requires meeting all State legal requirements

⁴ limited to the endorsement associated with lost vessel

⁵ a business can use, for example, two 6-packs license endorsements on one “Super-T” vessel

⁶ Clarification is requested as to whether a permit that is stacked is always stacked with the other permit or whether the permit must continue to denote its original endorsement

- 10. Qualifying years** - Require client activity for bottomfish effort as reported in ADF&G logbook in 2004 or 2005 and participation in year prior to implementation (unless unavoidable circumstance occurred).
- Option 1: minimum number of bottomfish trips (1, 5, 10, or 20) to demonstrate bottomfish activity
 - Option 2: “unavoidable circumstances”⁷ clause would be adjudicated on a case by case basis through the NOAA Fisheries Appeals Division.
 - Option 3: under construction as of December 9, 2005 and must have at least 1 year of ADF&G halibut/bottomfish logbook activity from 1998-2005.

- 11. Permit holder must annually renew permit** and have minimum activity equal to preferred alternative under **Issue 10, Qualifying years**.^{8,9}
- Option. Except under “unavoidable circumstances”⁷ clause that would be adjudicated on a case by case basis through the NOAA Fisheries Appeals Division

12. Use caps¹⁰, with grandfather¹¹ provision

uninspected vessels:	inspected and uninspected (>100 gt) vessels:
Option 1. 1 permit	Option 1. 1 permit
Option 2. 5 permits	Option 2. 2 permits
Option 3. 10 permits	Option 3. 3 permits

13. Community provisions for Area 2C and 3A communities previously identified under GOA FMP Amendment 66

- Option 1. A Community Quota Entities (CQE)¹² may purchase moratorium permits.
Area 2C – use cap of 5 permits per community
Area 3A – use cap of 10 permits per community
- Option 2. A CQE representing a community, which has < 10 active¹³ charter businesses with their primary place of business in the community, may request a moratorium permit on behalf of a community resident.
Area 2C – use cap of 3 permits per qualified community
Area 3A – use cap of 5 permits per qualified community
- Option 3. CQEs may request non-renewed moratorium permits as defined under Issue 3, Option 1, Suboption on a “first come, first serve” basis.

⁷ To address medical emergencies, military exemptions, and constructive losses

⁸ Non-renewed permits would be available for communities under Issue 13, Communities, Issue 3.

⁹ Permits could not be renewed if allowed to lapse (due to holder’s inaction to renew or because minimum activity was not met)

¹⁰ Staff interprets the proposed use caps as **not** additive across both areas and vessel categories (inspected and uninspected).

¹¹ A business whose permit is endorsed in excess of the permit limit maintains that exemption for those that remain in its control after others are sold, but those sold vessels lose that grandfather status in perpetuity. Grandfathered vessels that are sold in total when a business owner sells his entire business/fleet maintain that grandfathered status.

¹² As defined in regulation and GOA FMP Amendment 66

¹³ “Active” is defined as 20 or more charter bottomfish trips per year

North Pacific Fishery Management Council
PERMANENT SOLUTION ALTERNATIVES AND OPTIONS
June 2006

ALTERNATIVE 1. NO ACTION

ALTERNATIVE 2. ALLOCATION TO THE CHARTER HALIBUT SECTOR

Issue 1. Allocation

Option 1. Fixed Percentage of combined commercial/charter catch limit:

	Area 2C	Area 3A	formula
a.	16.37%	15.92%	125% of average harvest of 2000-2004, translated to percentage
b.	13.05%	14.11%	equal to the 1995-99 GH L, translated to percentage
c.	14.7%	12.9%	percentage of combined 2004 commercial/charter catch
d.	12.1%	12.9%	convert current GH L into percentage based on 2004

Option 2. Fixed Pounds

	Area 2C	Area 3A	formula
a.	1.693 Mlb	4.011 Mlb	update GH L to 2000-2004
b.	1.432 Mlb	3.650 Mlb	equal to the 1995-1999 GH L
	Suboption 1.		Without step up/down
	Suboption 2.		With stair step up/down provisions if changed by 5, 10, or 15% of the base years of the initial allocation

Suboption. Suballocate between subareas. Develop local area management plans (LAMPs)
(placeholder for State of Alaska recommendations)

Issue 2. Overage/Underage

- Option 1. apply overages/underages to the following year's allocations by sector
- Option 2. allow overages/underages to be transferred across sectors
- Option 3. 3 or 5 year rolling average of catch to determine if overage/underage occurred in latest year
- Option 4. \pm 5 or 10% overage/underage results in no management response and $>$ 5 or 10% overage/underage leads to change in measures

Issue 3. Mechanisms to increase charter sector harvest with compensation to the commercial sector; increased fishing opportunity to recreational anglers as demand grows; opportunity for charter sector growth in areas that are currently underdeveloped; and maintain stability in coastal communities.

- Option 1. Allow the state to hold commercial QS/IFQ and transfer the poundage/percentage to the charter sector
 - Suboption 1. By purchase of commercial quota share (permanent)
 - Suboption 2. By lease of commercial IFQs (annual)

- Option 2. Allow use of commercial QS in the charter sector through permanent transfer (converted to fish) by purchase or conversion.

Eligibility

- Suboption 1. Must hold a halibut charter limited entry permit to use commercial halibut QS in the charter fishery
- Suboption 2. Must hold a halibut charter limited entry permit and a commercial transfer eligibility certificate to use commercial halibut QS in the charter fishery

Permanent Transferability (Sale)

- Commercial QS is fully transferable across sectors and retains original class designations
- Allow commercial blocks to be split to transfer smaller pieces to the charter sector.
- Split blocks retain original block designations
- Allow transfer of any (A, B, C, or D) vessel class QS for use in charter sector
- Charter business may not hold more than 1 block of Class D QS \geq sweep-up level

Option 3. Allow use of commercial IFQ in the charter sector through temporary leasing (converted to fish)

- <10 percent of a commercial QS holder's IFQ may be annually leased to charter sector between private individuals
- Allow commercial blocks to be split to transfer smaller pieces to the charter sector.

Suboption 1. Must hold a halibut charter limited entry permit to use commercial halibut IFQ in the charter fishery

Suboption 2. Must hold a halibut charter limited entry permit and a commercial transfer eligibility certificate to use commercial halibut IFQ in the charter fishery

Option 4. Allow charter halibut limited entry permit holders to convert their permits into increased allocation at initial issuance

Suboption 1. Each charter halibut permit is equal to percentage of charter sector allocation based on total number of charter permits (equal shares)

Suboption 2. Each charter halibut permit is equal to percentage of charter sector allocation based on class or other designation of limited entry permit

Issue 4. Mechanisms to finance compensated reallocation to the current charter sector to allow for growth

Option 1. State charter stamp

Option 2. Allow private entities to purchase commercial QS/IFQ and convert to charter allocation; lease back unused allocation at end of year (part of KACO plan)

Option 3. Business Improvement District (tax on trips dedicated to certain purpose)

Option 4. Funds from compensated transfer of unused charter allocation back to commercial sector

Option 5. Allow State to hold IFQs in trust through State bonds (similar to bonds issued recently for construction of State hatchery)

Option 6. Federal funding/grants/stamp to fund entities to purchase QS and convert to charter allocation

Issue 5. LIMITED ENTRY PROGRAM¹

Elements of the program

1. **Permits²** may be held by U.S. citizens or U.S. businesses with 75 percent U.S. ownership of the business³. Business may receive multiple permits associated with vessels owned by a business. Currently licensed vessels may be "grandfathered" above proposed limits until any change in ownership.

2. **Permits will have separate designations for Area 2C and Area 3A.**

3. **Permit Endorsement**

6 clients

uninspected (6-packs) vessels

new construction (uninspected or inspected vessels)

constructive loss⁴

highest number on any trip in 2004 or 2005

inspected vessels (but not less than 4)

uninspected >100 gross tons ("Super-T")

constructive loss¹⁰

4. **Permit would be issued to registered guide business operator**

¹ Military (Morale, Welfare, and Recreational) boats are exempted from QS program. They could be issued limited entry exemption permits

² Through initial issuance and transfers

³ Military (Morale, Welfare, and Recreational) boats are exempted from limited entry, but harvests still count against GHL

⁴ limited to the endorsement associated with lost vessel

- 5. **Permit applicant** would be required to sign affidavit attesting that all legal requirements were met.⁵
- 6. **Transfers** of permits (permanent) would be allowed
- 7. **Permits** may be stacked up to use caps^{6,7}
- 8. **Permits** must be renewed annually⁸
- 9. **Evidence of participation** - any ADF&G logbook entry with recorded bottomfish statistical area, rods, or boat hours

10. Permit class

Option 1. No permit classes

Option 2. Permit class

Class A. Immediately transferable if more than or equal to a) 10; b) 30; or c) 50 days each year

Class B. Non-transferable if less than or equal to preferred alternative above [a) 10; b) 30; or c) 50 days] (except to underdeveloped communities under **Issue ?**, Option 3, if no permit class is designated)

Suboption. By port/subarea (placeholder for State of Alaska)

Option 3. Permit class based on 1998 - 2005 logbook records of total groundfish effort days per season

Suboption 1. Average of the 3 best years.

Suboption 2. i. Best year and

ii. Must have a minimum of 10 annual trips for 3A, and minimum of 6 annual trips for 2C (eliminates Area 3A Class H and Area 2C Class G logbooks)

	Area 2C		Area 3A	
	Trips	Avg. # Business	Trips	Avg. # Businesses
Class G	<6	81	Class H	<10
Class F	6 – 10	76	Class G	10 – 25
Class E	11 – 25	51	Class F	26 – 35
Class D	26 – 35	35	Class E	36 – 45
Class C	36 – 45	28	Class D	46 – 55
Class B	46 – 55	21	Class C	56 – 65
Class A	56 – 65 ceiling	14	Class B	66 – 75
Unclassified	> 66 trips	71	Class A	76 – 85 ceiling
			Unclassified	> 86 trips

Option 4. Rod permit endorsement

Sub-option 1. equal to the maximum number of rods fished in any one day on the vessel.

Sub-option 2. equal to best year of 1998-2005 for total number of client rods fished divided by effort days in the chosen season to determine the rod endorsement.

Option 5. Angler-days (= 1 client fishing bottomfish/halibut in 1 day)

Initial issuance - award number of angler day units from ADF&G logbooks which correspond to:

Suboption 1. Total angler-days during 1998-2005

Suboption 2. Average angler-days during best 3 years from 1998–2005

Suboption 3. Total angler-days during best 3 years from 1998–2005

Transfers

Suboption 1. Angler days not transferable

Suboption 2. Angler days fully transferable:

1. Permanent: must go through NMFS (RAM division)

2. In-season transfers: allowed between charter businesses

⁵ The only tangible evidence is the ADF&G logbook, which requires meeting all State legal requirements

⁶ a business can use, for example, two 6-packs license endorsements on one “Super-T” vessel

⁷ Clarification is requested as to whether a permit that is stacked is always stacked with the other permit or whether the permit must continue to denote its original endorsement

⁸ Permits could not be renewed if allowed to lapse (due to holder’s inaction to renew or because minimum activity was not met)

11. Permit Leases (in-season only; reverts to permit holder at beginning of next season)

Option 1. not allowed, except for “unavoidable circumstance”

Option 2. allowed, limited to use cap

12. Rod endorsement leases

Option 1. Allow transfers, limited to rod endorsement caps and within permit class (if selected under Issue 3, Option 4)

Option 2. Allow unlimited transfers

Suboption. Substitute angler day permits for rods in above options

13. Vessel replacement and upgrade (can switch between permit classes)

a. inspected vessels

b. uninspected vessels

Option 1. Exclude upgrades of uninspected 12-packs over 100 gross t (“Super-T” (passenger for hire))

Option 2. Grandfather uninspected 12-packs over 100 gross t

14. Vessel use caps, individually and collectively, with grandfather⁹ provision

uninspected (limited to 6 clients) :

Option 1. 1 permit

Option 2. 5 permits

Option 3. 10 permits

inspected and uninspected 12-packs > 100 gross t:

Option 1. 1 permit

Option 2. 2 permits

Option 3. 3 permits

15. Permit use caps, individually and collectively, with grandfather¹ provision

uninspected (limited to 6 clients) :

Option 1. 10 permit

Option 2. 20 permits

Option 3. 30 permits

inspected and uninspected 12-packs > 100 gross t:

Option 1. 3 permit

Option 2. 6 permits

Option 3. 9 permits

16. Communities

Option 1. For Areas 2C and 3A communities previously identified under Amendment 66, allow a community represented by a CQE to purchase between 1-10 limited entry permits per community through the CQE.

Option 2. A CQE representing a community, which has < 10 active¹⁰ charter businesses with their primary place of business in the community, may request a moratorium permit on behalf of a community resident.

Area 2C – use cap of 3 permits per qualified community

Area 3A – use cap of 5 permits per qualified community

Permits would have limited duration of 5 years after issuance of permit for use by any one individual.

Permits would be issued (10, 20, or 30) trips in Area 2C and (20, 40, or 60) trips in Area 3A

Suboption. Exclude communities from GOA FMP Amendment 66 list using the following criteria:

1. within 20, 40, 60, 80 nmi of major charter port or
2. more than 10-50 charter trips (any species) per year during 2004-2005 listing that community as port of landing
3. 1-5 number of charter (any species) businesses active in a community:

⁹ A business whose permit is endorsed in excess of the permit endorsement maintains that exemption for those that remain in its control after others may be sold, but those sold vessels lose that grandfather status in perpetuity. Grandfathered vessels that are sold in total when a business owner sells his entire business/fleet maintain that grandfathered status.

¹⁰ “Active” is defined as 20 or more charter bottomfish trips per year

ALTERNATIVE 3. INCLUDE THE CHARTER SECTOR IN THE HALIBUT IFQ PROGRAM

Issue 1. Initial QS would be: 13.05% in Area 2C and 14.11% in Area 3A of a combined charter and commercial quota

Option. Suballocate between subareas. Develop local area management plans (LAMPs)
(placeholder for State of Alaska recommendations)

Issue 2. QS recipients - Initial allocation of QS would be issued to U.S. citizens or to U.S. businesses with 75 percent U.S. ownership of the business¹¹.

Issue 3. Qualification Criteria

Participation in the charter halibut fishery by a business during any of the years 1998 – 2005 AND active participant in 2005 (or most recent year, depending on when analysis commences). Require that permit applicant signs affidavit attesting that all legal requirements were met.¹²

Issue 4. Initial Distribution of QS:

Option 1. Individual allocations shall be divided between two “pools” of recipients. The intent is that once the quota shares are determined for the recipients in “Pool 1” (1998 through 2001 “Pool 1”) those shares are proportionately applied to the initial allocation amount for each area. The remainder of the allocation goes into “Pool 2” for recent participants.

Pool 1 (“Seniority”): Businesses qualified with 1998 through 2001 logbook catch history AND must have business participation in 2005 (or most current year) AND meet the legal qualifying criteria. Individual business owners would be issued QS based on their average effort reported in the ADF&G logbook for 1998 through 2001 for pool 1 (exclude years when not active (do not average 0 years))

Pool 2 (“Recency”): Active businesses (submitted at least one logbook that reported groundfish fishing days) between 2002 and 2005 AND whose business participated in 2005 AND met the legal qualifying criteria.

Suboption 1. A recipient receives 25% of one potential share of this pool for each year of participation during 2002-2005 (four years). For example, a business with participation in all four years would receive a full share (100%). A business with participation in three years would receive 75% of a full share, etc.

Suboption 2. Use client/rod days for days fished to reward client effort (6 client rod days v 1 day for the same fishing trip). (Rods(or number of clients logged in, if rods not filled out), (A year with no effort counts as “0”) Skipper fish counts toward denominator, but not for numerator for QS and not against IFQs) This might need more explanation if left in without further details or use as a note for yourself on our intent.

Option 2. Businesses qualified with 1998 through 2005 logbook catch history AND must have business participation in 2005 (or most current year) AND meet the legal qualifying criteria. Individuals will pick their best three years during 1998 and 2005 (include “0” for years less than 3) and average their total number of client/rod days for those three years. (groundfish, where halibut not available)

Issue 5. Transfer of QS:

Permanent QS transfers

1. Initially issued QS to the charter sector is fully transferable within the charter sector.
2. QS from the commercial sector purchased by charter operators is fully transferable (two-way) across sectors and retains original designations.
3. QS issued to charter sector is non-transferable to the commercial sector

¹¹ Military (Morale, Welfare, and Recreational) boats are exempted from QS program. They could be issued QS program exemption permits

¹² The only tangible evidence is the ADF&G logbook, which requires meeting State legal requirements

4. IFQs used in charter sector may/not be leased within the sector
5. IFQs from the commercial sector transferred for use in the charter sector could be leased to either sector

Temporary transfers (IN-SEASON IFQ lease):

1. [0, 20, 40, 60, 80, 100%] of a charter operators annual IFQ is leasable within the charter sector for no more than 2 out of 5 years of the program.
2. Leasing is defined as the use of IFQ on a charter vessel on which the owner of the QS has less than a 50% ownership interest.
3. a maximum of 30% of a charter operator's annual IFQ may be leased; up to 10% may be leased to commercial sector after August 15; up to 30% maybe leased to charter sector. (allows mop-up by either sector)

Block restrictions - allow splitting of commercial blocks to transfer a smaller piece to the charter sector - split blocks retain original designations.

Vessel class restrictions - from A, B, C, and/or D commercial vessel category sizes to charter sector, except that no charter business may hold more than 1 "D" category block equal to or above the sweep-up level.

Issue 6. To receive halibut QS and IFQ by transfer:

For the charter sector, must be an initial charter issuee or sign affidavit attesting that all legal requirements were met to participate in the charter fishery.

For the commercial sector, must have a commercial transfer eligibility certificate¹³.

Issue 7. Caps

1. use cap for charter QS holders only of 1 percent of combined charter and commercial QS units in Area 2C and ½ percent of combined QS units in Area 3A (for all entities, individually and collectively) and grandfather initial issuees at their initial allocation.
2. use caps for charter QS holders only of ½ percent of combined charter and commercial QS units for combined Areas 2C and 3A (for all entities, individually and collectively) and grandfather initial recipients at their initial allocation

Issue 8. Miscellaneous provisions

- Maximum line limit of 12 in Area 3A (remains at 6 lines for Area 2C), grandfather¹⁴ initial recipients at maximum lines in 2005, however, line limits in excess of the maximum are non-transferable.
- 10% underage provision of total IFQs allows carry over to next season.
- A one-year delay between initial issuance of QS and fishing IFQs to allow reaction to initial issuance to match clients to QS prior to first season under program.
- Halibut harvested aboard a charter vessel continues to be the property of the angler who caught the halibut provided the charter owner possesses sufficient IFQ.

Issue 9. IFQs associated with the charter quota shares would be issued in numbers of fish based on 5-year rolling average determined by ADF&G).

Issue 10. Reporting:

Placeholder for NOAA Fisheries Service

¹³ All commercial rules apply to any provision that may permit the use of commercial QS/IFQ for commercial purposes by any entity in the Charter IFQ sector

¹⁴ A business whose permit is endorsed in excess of the permit endorsement maintains that exemption for those that remain in its control after others may be sold, but those sold vessels lose that grandfather status in perpetuity. Grandfathered vessels that are sold in total when a business owner sells his entire business/fleet maintain that grandfathered status.

Issue 11. Community set-aside (trailing amendment for which communities would be included)

- a. Set aside 1% of the combined commercial and charter halibut quota to communities with ¼ percent annual increases if utilized, to a maximum of 2 percent.
- b. Source of the set-aside: Equal pounds from the commercial and charter sectors.
Option : proportional to split between sectors
- c. Sunset provisions: 10 years (starting in the first year of issuance). Persons currently participating in the set-aside program at the time of sunset would be allowed to operate within the guidelines of the program.

Option. Exclude communities from GOA FMP Amendment 66 list using the following criteria::

1. within 20, 40, 60, 80 nmi of major charter port or
2. more than 10-50 charter trips (any species) per year during 2004-2005 listing that community as port of landing
3. 1-5 number of charter (any species) businesses active in a community
4. See Alternative 2, Issue 6 Communities for Stakeholder Committee list of communities that may result from the above criteria