

– EXCERPTS FROM (INCLUDING SECTION 1, 2, APPENDIX A) –

Amendment 15

The Pacific Coast Groundfish Fishery Management Plan

**Environmental Assessment (EA) / Regulatory Impact Review (RIR) and  
Determination of the Impact on Small Businesses**

September 2001

**REVIEW DRAFT**

## American Fisheries Act EA/RIR/RFA

### 1.0 INTRODUCTION AND BACKGROUND

#### 1.1 Purpose and Need for Action

The American Fisheries Act of 1998 (AFA) mandates that, "the Pacific Fishery Management Council... shall recommend for approval by the U.S. Secretary of Commerce (Secretary), conservation and management measures to protect fisheries under its jurisdiction and the participants in those fisheries from adverse impacts caused by this Act, or by any fishery cooperatives in the directed pollock fishery." If the Council does not recommend conservation or management measures to the Secretary, the AFA authorizes the Secretary to "implement adequate measures including, but not limited to, restrictions on vessels which harvest pollock under a fishery cooperative which will prevent such vessels from harvesting Pacific groundfish, and restrictions on the number of processors eligible to process Pacific groundfish."

The AFA contains several provisions specific to the Bering Sea and Aleutian Islands (BSAI) pollock fishery and requirements for the Pacific Fishery Management Council (Council) to recommend measures to protect against adverse impacts resulting from the AFA. Among the provisions of the AFA that affect vessels and processors in North Pacific fisheries are (1) allocation of the walleye pollock directed fishery allowance among the catcher vessels of the inshore component, catcher-processors of the offshore component, and catcher vessels harvesting pollock for motherships in the offshore component; (2) declaration of eligible vessels and processors—specifically naming catcher vessels, catcher-processors, and motherships eligible to participate in the offshore component; and (3) specific eligibility requirements for catcher vessels and shoreside processors in the inshore component.

The AFA also contains guidelines for "cooperatives" within each component of the fishery. Through these cooperative arrangements, harvesters and processors may arrange fishing and processing to optimally utilize their respective allocations. The AFA anticipates that, because these AFA entities can arrange their pollock fishery opportunities, these entities may be empowered to increase their participation in non-pollock fisheries (including West Coast fisheries) where they had previously participated only marginally or not at all. At issue is the concern that traditional West Coast groundfish fishery participants could be displaced by AFA entities (catcher vessels, catcher-processors, and motherships) that do not have prior fishing history in West Coast groundfish fisheries. To prevent this harm, the AFA provides the Council the opportunity to recommend management measures to protect fisheries under its jurisdiction and participants in those fisheries.

Protective management measures may be necessary because participants in cooperatives are likely to have increased flexibility to arrange fishing schedules – optimizing participation in their current fisheries and enabling entry into other fisheries. Specifically, historic West Coast groundfish fishery participants could be harmed if AFA vessels participating in pollock fishing cooperatives rearrange their pollock fishing schedules to increase participation in non-pollock fisheries such as the West Coast groundfish fishery. To participate in most limited entry groundfish fisheries, vessels only need to purchase a general limited entry permit, and a permit is not required to participate in the open access fisheries. Because new limited entry permit holders and entrants into the open access fishery would have access rights that are equal to those who have historically participated in the fishery, entry by AFA entities may occur. Moreover, harm could also occur through the investment of funds derived by benefit of the AFA. That is, investment in the expansion of effort rather than direct transfer of vessels from AFA fisheries to West Coast fisheries. To prevent harm to current participants in West Coast fisheries, the Council is required to recommend protective management measures. Moreover, additional effort entering the groundfish fishery could exacerbate existing management problems and erode the effectiveness of measures recommended by the Council.

The AFA states:

SEC. 211. Protections for other fisheries; conservation measures.

(b) Catcher-processor restrictions.

(5) Fisheries other than the North Pacific.

The [AFA eligible] catcher/processors... and motherships... are hereby prohibited from harvesting fish in any fishery under the authority of any regional fishery management Council... other than the North Pacific Council, except for the Pacific whiting fishery, and from processing fish in any fishery under the authority of any such regional fishery management Council other than the North Pacific Council, except in the Pacific whiting fishery, unless the catcher/processor or mothership is authorized to harvest or process fish under a fishery management plan recommended by the regional fishery management Council of jurisdiction and approved by the Secretary.

The AFA explicitly prohibits catcher-processors and motherships named in the law from participating in fisheries other than North Pacific fisheries and the Pacific whiting fishery. The catcher-processor and motherships will be unable to use their AFA-eligibility to increase participation in West Coast groundfish fisheries. However, AFA-eligible catcher-processors and motherships could increase or optimize their participation in the Pacific whiting fishery.

The AFA also states:

SEC. 211. Protections for other fisheries; conservation measures.

(c) Catcher vessel and shoreside processor restrictions.

(3) Fisheries other than the North Pacific.

(A) By not later than July 1, 2000, the Pacific Fishery Management Council... shall recommend for approval by the Secretary conservation and management measures to protect fisheries under its jurisdiction and the participants in those fisheries from adverse impacts caused by this Act or by any fishery cooperatives in the directed pollock fishery.

(B) If the Pacific Council does not recommend such conservation and management measures by such date, or if the Secretary determines that such conservation and management measures recommended by the Pacific Council are not adequate to fulfill the purposes of this paragraph, the Secretary may by regulation implement adequate measures including, but not limited to, restrictions on vessels which harvest pollock under a fishery cooperative which will prevent such vessels from harvesting Pacific groundfish, and restrictions on the number of processors eligible to process Pacific groundfish.

As stated previously, the rationale for establishing protective measures is to restrict AFA entities from using advantages provided by the AFA (and cooperatives) to increase participation in other fisheries.

Section 208 of the AFA (Eligible Vessels and Processors) is scheduled to sunset on December 31, 2004 (AFA, Section 213). However, the North Pacific Council may recommend to the Secretary management measures that "give effect to the measures" thereafter (AFA, Section 213). Because AFA eligibility could affect whether or not these entities receive benefit from the AFA, the Council should state the expected duration of the recommended measures. The duration of the Council's recommended management measures is discussed in Section 2.

In September 1999, the Council began consideration of several proposals for management measures to address impacts of the AFA. These proposals sought to protect existing participants in West Coast fisheries, including harvesters and processors.

The Council requested analysis of the proposed management measures and also requested the National Marine Fisheries Service (NMFS) publish notice of the rules under consideration and a control date of September 16, 1999. The control date applies to participation by catcher vessels in mothership and inshore Pacific whiting fisheries, and in the inshore groundfish fishery for non-whiting species. On November 24, 1999, NMFS published an advance notice of proposed rulemaking and notice of a control date in the *Federal Register*.

At the June 2000 meeting, the Council gave further consideration to management measures aimed at protecting West Coast groundfish fishery participants from harm caused by the AFA. The Council set aside development of measures to restrict participation in the shoreside processing sector. The Council's rationale was that tangible harm to the processing sector as a result of the AFA has not been demonstrated. Moreover, the delay will allow for the North Pacific Fishery Management Council to complete portions of their AFA analysis pertaining to shoreside processors, which could guide the development of West Coast management measures.

The Council also set a control date of June 29, 2000 as notice to the public and potential purchasers of limited entry permits held by AFA entities. This control date provides advance notice that, based on future Council action, groundfish limited entry permits held by an AFA entity may be revoked or restricted to a specific fishery sector.

On September 13, 2000, NMFS published notice of the June 29, 2000 control date in the *Federal Register* (65FR55214). NMFS also noticed the Council is considering restricting future participation in the whiting fishery by AFA motherships and catcher-processors that do not have a history in the fishery. For motherships, the criterion being considered is a certain level of participation in the regular whiting season in either 1998 or 1999. For catcher-processors, the criterion being considered is whether the catcher-processor was licensed to harvest groundfish in 1997, 1998, or 1999 through September 16, 1999. No new AFA motherships or catcher-processors have entered the groundfish fishery since September of 1999.

## 1.2 Definitions of Terms Used in this Document

Definitions of several key words are included to help clarify the effect of the proposed management measures.

### AFA Vessel

A catcher vessel, catcher-processor, or mothership that, because it is named in the AFA or meets qualifications in the AFA **and** holds an AFA permit issued by NMFS<sup>1</sup>, is guaranteed a portion of the directed BSAI pollock fishery quota.

### AFA Catcher Vessel

A vessel that holds an AFA catcher vessel permit and harvested and/or delivered BSAI pollock to a shoreside processor, mothership, and/or catcher-processor during the AFA's qualifying years.

### AFA Catcher-Processor

A vessel that holds an AFA catcher-processor permit and harvested/processed and/or received/processed BSAI pollock during the AFA's qualifying years.

### AFA Mothership

A vessel that holds an AFA mothership permit and received/processed BSAI pollock during the AFA's qualifying years.

### AFA Cooperative

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1/ Beginning January 1, 2000, all vessels wishing to participate in the non-CDQ Bering Sea and Aleutian Islands pollock fishery are required to have valid AFA permits on board the vessel. AFA permits are issued by the Alaska Regional Office of the National Marine Fisheries Service.

A cooperative arrangement between vessels and processors for optimally using the portion of the directed BSAI pollock quota allocated to their sector. For example, an inshore cooperative formed by catcher vessels and shoreside processors would share a portion of the inshore sector's pollock allocation. Similarly, an offshore cooperative formed by catcher-processors would share a portion of the offshore allocation of the pollock quota.

“Spill-Over Vessel.”

An AFA vessel that possesses a limited entry permit for West Coast groundfish.

Benefits to Vessels (C/V, C/P, and M/S).

The AFA formalized the ability to form cooperatives and allocated a portion of the directed BSAI pollock fishery quota to each sector in the fishery. Vessels that join cooperatives, or lease their portion of their sector's pollock allocation, gain the advantage of more flexible fishing schedules. This operational advantage could harm West Coast groundfish fisheries, as these vessels would be able to increase their participation in these fisheries.

## 2.0 PROPOSED ALTERNATIVES

This section discusses issues addressed by the Council in developing management measures to protect West Coast fisheries from harm caused by the AFA. Issues include – qualifying criteria for AFA catcher vessels (**Issue 1**); whether AFA catcher vessel restrictions will be on vessels, permits held by vessels, or both (**Issue 2**); qualifying criteria for AFA catcher processors (**Issue 3**); qualifying criteria for AFA motherships (**Issue 4**); and duration of the restrictions (**Issue 5**).

Non-AFA vessels may participate in all Pacific Coast groundfish fisheries as per their limited entry permit and do not need an eligibility endorsement to do so. These management provisions are not intended to encumber or restrict non-AFA vessels or their limited entry permits.

### 2.1 **Issue 1** – Catcher Vessels

#### 2.1.1 Perspectives on the Need and Objectives for Catcher Vessels Restrictions

This section discusses differences between West Coast groundfish catcher vessels and AFA catcher vessels. Notably, who are the vessels we are protecting; who are we protecting against; and why and how are we proposing to do it? See Section 4 for information on the specific number of vessels.

The goal of the proposed management restrictions is to prevent destabilization of West Coast groundfish fisheries by AFA vessels. The concern stems from the ability of AFA catcher vessels to use advantages gained through the AFA to disadvantage West Coast fishermen dependent on West Coast groundfish.

Approximately 500 vessels participate in limited entry fisheries for West Coast groundfish.<sup>2</sup> A segment of this fleet also participates in BSAI fisheries, notably the BSAI walleye pollock (*Theragra chalcogramma*) fishery. The most distinct difference between catcher vessels operating in West Coast limited entry groundfish fisheries and AFA catcher vessels is eligibility to participate in the BSAI pollock fishery. The AFA contains specific qualifying requirements for vessels to participate in the BSAI pollock fishery. In addition, allocation provisions in the AFA provide surety to vessels participating in the pollock fishery that they will receive a specific portion of the annual directed fishery allowance of pollock. This certainty allows AFA catcher vessels the opportunity to arrange for optimal participation in the pollock fishery and, because they can schedule their pollock fishing, the opportunity to maximize participation in non-pollock fisheries (including West Coast groundfish). As noted in the introduction, the AFA anticipated that such preemption could occur and, hence, provided for the Pacific Council to recommend protective management measures.

Many AFA catcher vessels hold valid limited entry permits for the West Coast groundfish fishery (see Section 4). The exclusionary provisions proposed by the Council do not seek to restrict or exclude participation of AFA vessels with limited entry permits who have been active in the fishery during the qualifying period. However, AFA catcher vessels with limited participation during the qualifying period could be restricted to the fishery segments in which they participated. As stated previously, the goal of the proposed management measures is to prevent harm to West Coast fishery participants. This would be accomplished by restricting or excluding AFA catcher vessels and/or their limited entry permits that do not meet qualifying criteria for recent participation in the West Coast groundfish fishery. Restrictions could be applied generically across fishery segments or applied to each of three specific fishery segments (at-sea whiting, shoreside whiting, non-whiting groundfish). In summary, the proposed management measures seek to dampen expansion of capacity and effort (by AFA vessels) beyond what is currently active in the fishery.

The potential for capacity expansion stems from the ability of AFA catcher vessels that hold valid limited entry permits, but have not historically participated in the fishery, to enter the West Coast limited entry groundfish fishery. That is, the operational advantage provided to these vessels through the AFA could

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2/ In 2000, the West Coast groundfish limited entry fleet included 236 fixed gear endorsed permits, 264 trawl endorsed permits held by catcher boats, and 10 trawl endorsed permits held by catcher-processors. (*Draft Report on Overcapitalization in the West Coast Groundfish Fishery*, PFMC, March 2000)

facilitate expanded participation in West Coast fisheries by these vessels, increasing effort and capacity in the fishery,<sup>3</sup> dissipating profitability of the fishery, and harming current participants.

The Council adopted a control date of September 16, 1999 as notice to the public of the management measures under consideration. The control date applies to participation by catcher vessels in at-sea and shorebased Pacific whiting fisheries, and in the shorebased groundfish fishery for non-whiting species. On November 24, 1999, NMFS published an advance notice of proposed rulemaking and notice of a control date in the *Federal Register*.

The Council also set a control date of June 29, 2000 as notice to the public and potential purchasers of limited entry permits held by AFA entities. This control date provides advance notice that, based on future Council action, groundfish limited entry permits held by an AFA entity may be revoked or restricted to a specific fishery sector. On September 13, 2000, NMFS published notice of the June 29, 2000 control date (65FR55214).

Under Issue 1, the Council considered whether to restrict participation in the West Coast groundfish fisheries by AFA catcher vessels. Under Issue 2 (see Section 2.2), the Council considered whether restrictions would be placed on an AFA catcher vessel and/or limited entry permits held by an AFA catcher vessel. Accordingly, qualified AFA catcher vessels could be required to obtain a medallion indicating their eligibility to participate in West Coast groundfish fisheries; and a permit held by an AFA catcher vessel could be “branded” with the specified AFA restrictions.

### 2.1.2 Options Considered by the Council

#### Option 1.a AFA Catcher Vessel Qualifies Separately for Each of Three Groundfish Fishery Sectors

An AFA catcher vessel that did not harvest at least the minimum tonnage or number of deliveries during the qualifying period will be restricted. Under Option 1.a, an AFA catcher vessel must qualify separately for each of three sectors in the groundfish fishery, i.e., at-sea whiting, shorebased whiting, and non-whiting groundfish.

Qualifying criteria under Option 1.a include – catch history and qualifying period.

The Council considered the following minimum landings/delivery options and selected a preferred alternative for each sector.

<b>Minimum Landings/Deliveries Options</b>		
At-Sea Whiting Deliveries	Shorebased Whiting Landings	Non-Whiting Groundfish Landings
50 mt	50 mt	50 mt
100 mt	100 mt	100 mt
500 mt	500 mt	500 mt
10 deliveries	10 deliveries	10 deliveries

The Council considered the following time periods during which the catch history must have been obtained and selected a preferred alternative.

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3/ The groundfish fishery is currently overcapitalized. The Council’s Scientific and Statistical Committee concluded “[o]vercapitalization in the groundfish fishery is significantly affecting the manner in which the fishery is managed and the effectiveness of management.” (*supra* note 1)

<b>Qualifying Period Options</b>
1994 through 1997
1994 through September 16, 1999

Option 1.b AFA Catcher Vessels Qualify for the Groundfish Fishery (GAP June 2001)

An AFA catcher vessel –

- which had a groundfish permit as of October 1, 1998, and
- which delivered at least 500 mt of groundfish in any year during the period January 1, 1994 to October 1, 1998, would be allowed unrestricted participation in the Pacific groundfish fishery.

An AFA catcher vessel which does not meet these criteria may not participate in the Pacific groundfish fishery. Under this option, AFA catcher vessels would qualify generically for all three segments of the groundfish fishery, i.e., shorebased whiting, at-sea whiting, and non-whiting groundfish.

Option 1.c Status Quo – No restrictions on AFA catcher vessels

Do not recommend management measures to restrict AFA catcher vessel participation. It is possible the Secretary of Commerce, through NMFS, may determine that protective measures are warranted and implement, through regulation, such measures.

### 2.1.3 Council Preferred Alternative

RESERVED

## 2.2 **Issue 2** – Restrictions Tied to AFA Catcher Vessels **or** Limited Entry Permit Held by AFA Catcher Vessels, **or** Vessels and Permits.

### 2.2.1 Perspectives on the Need and Objectives for Restrictions on Catcher Vessels, Permits, or Both

Out of concern about the effectiveness of placing restrictions solely on AFA catcher vessels, the Council considered several alternatives for restricting AFA catcher vessel participation. Under the groundfish FMP, a limited entry permit is required for harvesters to participate in West Coast groundfish trawl fisheries. Currently, the limited entry fleet includes 236 fixed gear endorsements, 264 trawl endorsements held by catcher boats, and 10 trawl permits held by catcher-processor. Many of these permits are held by AFA catcher vessels (see Section 4).

The proposed options seek to restrict catcher vessels that benefit from the AFA from participating in West Coast groundfish fisheries if they did not substantially participate in the past. It has been proposed that this could be accomplished by restricting the participation of an AFA catcher vessel, the limited entry permit held by an AFA catcher vessel, or placing restrictions on both the vessel and permit. With respect to restricting the permit, at issue, is concern that owners of an AFA catcher vessel, excluded from West Coast fisheries, would be able to sell or transfer their limited entry permit. The Council believes that if restrictions are not placed on the permit, it would be possible for a catcher vessel owner to sell the permit to a non-AFA catcher vessel or transfer the permit to a newly built boat. If this produces an increase effort or capacity, current participants could be harmed even though the AFA catcher vessel which originally held the permit has been excluded.

### 2.2.2 Options Considered by the Council

The Council considered three options: Option 2.a, 2.b, and 2.c. Under each option, the Council considered several subissues (permit requirement; medallion transferability, i.e., substitution; and permit transferability). Depending on the option recommended by the Council, the Council will also act upon several suboptions corresponding to the subissues for that option. For example, if the Council recommends Option 2.c, the



Council will also recommend options to address permit requirements (2.c.1), medallion transferability (2.c.2), and permit transferability (2.c.3).

#### Option 2.a Vessel restricted (medallions issued)

- if qualifying criteria not met, AFA catcher vessel is prohibited from participating in West Coast groundfish fisheries. However, if the Council selects Suboption 2.a.2.A, a non-qualified AFA catcher vessel could be allowed to substitute for a qualified AFA catcher vessel.
- if qualifying criteria met, AFA catcher vessel receives a medallion. If Council selects Option 1.a, the medallion will indicate the segment of the fishery the vessel is eligible to participate in (at-sea whiting, shorebased whiting, and non-whiting groundfish). If the Council selects Option 1.b, medallion would apply generically to the groundfish fishery.
- if some qualifying criteria met, AFA catcher vessel participation could be restricted to specific fishery segments (if combined with Option 1.a).
- limited entry permits held by non-qualified AFA catcher vessels will not be restricted under Option 2.a. Permits holders will be free to sell or lease these permits.
- an AFA catcher vessel must hold an appropriate groundfish permit and an AFA catcher vessel medallion.

##### Subissue 1 – Permit Requirement (note: there are no suboptions for the Subissue)

AFA catcher vessel with an AFA medallion must also obtain at least one groundfish limited entry permit. This permit could be any trawl A permit. (GAP June 2000).

##### Subissue 2 – Medallion transferability (substitution)

- Suboption 2.a.2.A – medallions are **transferable**. A non-qualified AFA catcher vessel may substitute for a qualified AFA catcher vessel. (GAP June 2000); or
- Suboption 2.a.2.B – medallions are **not transferable**. A non-qualified AFA catcher vessel may not substitute for a qualified AFA catcher vessel. (GAP June 2001).

#### Option 2.b Limited entry permit restricted

- If qualifying criteria not met, permit held by AFA catcher vessel confers no access to the groundfish fishery (Option 1.a or 1.b).
- If some qualifying criteria met, permit provides restricted access to the groundfish fishery (Option 1.a only). Vessel with restricted permit (“AFA-branded”) could acquire additional permits to allow for participation in other fishery sectors. This could be a feature under Option 1.a, where groundfish fishery sectors are separated (at-sea whiting, shorebased whiting, non-whiting groundfish). This feature would not apply under Option 1.b, which does not separate fishery sectors.

Subissue 1 – Permit Requirement – If qualifying criteria met, but AFA catcher vessel does not have a limited entry permit, qualified AFA catcher vessel must obtain at least one groundfish limited entry permit –

- Suboption 2.b.1.A – trawl A permit (GAP June 2000); or
- Suboption 2.b.1.B – AFA-branded trawl A permit.

Under Option 2.b.1.A, no restrictions are placed on a non-qualified AFA catcher vessel. That is, a non-qualified AFA catcher vessel’s limited entry permit could become invalid, but the vessel would not be restricted from obtaining another limited entry permit and continuing to participate in the fishery. Under, Option 2.b.1.B, the Council could specify that non-qualified AFA catcher vessels are only allowed to enter the fishery by obtaining at least one AFA-branded permit from a qualified AFA catcher vessel.

## Subissue 2 – Permit Transferability

Suboption 2.b.2.A – restricted (AFA-branded) permit is transferable – sale or lease allowed.<sup>4</sup> (GAP June 2001). The **AFA-brand stays active** and may restrict a non-AFA vessel; or

Suboption 2.b.2.B – restricted (AFA-branded) permit is transferable – sale or lease allowed. The **AFA-brand does not stay active** on a non-AFA vessel. That is, if a permit from an AFA catcher vessel is placed on a non-AFA catcher vessel, the permit will not be encumbered by the AFA-brand while it is on the non-AFA catcher vessel.

Suboption 2.b.2.C – AFA-branded permit is not transferable – sale or lease not allowed. In essence, a permit held by a non-qualified AFA catcher vessel would be revoked. (GAP June 2000).

## Option 2.c Vessel and Permit Restricted

- If qualifying criteria not met, AFA catcher vessel is disqualified from participating in West Coast groundfish fisheries and limited entry permit confers no access to the groundfish fishery. However, if the Council selects Suboption 2.c.2.A, a non-qualified AFA catcher vessel could be allowed to substitute for a qualified AFA catcher vessel through transfer of the vessel medallion. Similarly, if the Council selects Suboption 2.c.3.A or 2.c.3.B, permit could be transferred to a non-AFA catcher vessel.
- If qualifying criteria met, vessel receives medallion and permit (held for the vessel as of June 29, 2000<sup>5</sup>) is given an AFA-brand, which indicates the fishery segments they are qualified to participate in. An AFA catcher vessel with a branded permit could acquire additional medallions and permits to allow for participation in other fishery sectors. This could be a feature under Option 1.a, where groundfish fishery sectors are separated (at-sea whiting, shorebased whiting, non-whiting groundfish). This feature would not apply under Option 1.b, which does not separate fishery sectors.

Subissue 1 – Permit Requirement – AFA catcher vessel must hold at least one groundfish limited entry permit –

- Suboption 2.c.1.A – trawl A permit (GAP June 2000); or
- Suboption 2.c.1.B – AFA-branded trawl A permit.

## Subissue 2 – Medallion transferability (substitution)

- Suboption 2.c.2.A – medallions are **transferable**. A non-qualified AFA catcher vessel may substitute for a qualified AFA catcher vessel. (GAP June 2000); or
- Suboption 2.c.2.B – medallions are **not transferable**. A non-qualified AFA catcher vessel may not substitute for a qualified AFA catcher vessel. (GAP June 2001).

## Subissue 3 – Permit transferability

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4/ Rules for combining permits: If the AFA brands on a permit do not match, the most restrictive brand in terms of number of segments to which the vessel has access will be carried over to the resulting permit. Within this restriction on the number of segments for which a combined permit will be branded, where a choice must be made as to the segment(s) for which a combined permit will be branded, the person combining the permits will be allowed to choose among the segments for which the permits being combined are branded. Once this choice is made the choice may not be changed.

5/ This corresponds to the June 29, 2000 control date, which notified the public and potential purchasers of limited entry permits held by AFA entities that, based on future Council action, groundfish limited entry permits held by an AFA entity may be revoked or restricted. (65FR55214).

Suboption 2.c.3.A – restricted (AFA-branded) permit is transferable – sale or lease allowed.<sup>6</sup> (GAP June 2001). The **AFA-brand stays active** on a non-AFA vessel; or

Suboption 2.c.3.B – restricted (AFA-branded) permit is transferable – sale or lease allowed. The **AFA-brand does not stay active** while the permit is held by a non-AFA vessel. That is, if a permit from an AFA catcher vessel is placed on a non-AFA catcher vessel, the permit will not be encumbered by the AFA-brand while it is on the non-AFA catcher vessel.

Suboption 2.c.3.C – AFA-branded permit is not transferable – sale or lease not allowed. In essence, a permit held by a non-qualified AFA catcher vessel would be revoked. (GAP June 2000).

### 2.2.3 Council Preferred Alternative

The Council's PREFERRED OPTION is Alternative 2.c. The Council believes restricting participation of AFA vessels (that do not meet qualifying requirements) and limited entry permits held by those vessels would provide the greatest protection against harm. Restricting both the vessel and the limited entry permit associated with that vessel reduces the likelihood that an AFA beneficiary would be able to participate in West Coast groundfish fishery to the detriment of the current fishery participants.

[Preferred alternatives for permit requirements, medallion transferability, and permit transferability have not yet been specified.]

## 2.3 Issue 3 – AFA Catcher-Processor Restrictions

### 2.3.1 Perspectives on the Need and Objectives for Catcher-Processor Restrictions

The AFA explicitly prohibits catcher-processors named in the AFA from participating in fisheries other than North Pacific fisheries and the Pacific whiting fishery. Catcher-processors will be unable to use their AFA-eligibility to increase participation in West Coast groundfish fisheries. However, AFA-eligible catcher-processors could increase or optimize their participation in the Pacific whiting fishery.

Therefore, as with catcher vessels, the goal of the proposed management restrictions for catcher-processors is to prevent destabilization of current participation in West Coast groundfish fisheries by AFA vessels. This concern stems from the ability of AFA catcher-processors to use advantages gained through the AFA to disadvantage West Coast fishermen dependent on West Coast groundfish. Moreover, members of the public have expressed concern that, without restrictions on participation, the hard fought Pacific whiting allocation framework could be negated by the entry of AFA vessels that have not traditionally participated in West Coast groundfish fisheries.

The whiting allocation framework was adopted by the Council in October 1996 and implemented by NMFS on May 20, 1999 (62FR27519). The allocation framework was developed to address a series of problems identified by the Council in 1996 (*Preliminary Whiting Analysis – Section 1: Allocation and Season Framework*. Supplemental Attachment c.7.a. PFMC. October 18, 1996.):

- Harvest capacity exceeds the amount of whiting available for harvest.
- Processing capacity exceeds the amount of whiting available.
- The allocation regulation expiring at the end of 1996 contributed to industry stability, elimination of federal management would negate previous gains.
- Absent federal regulation, the Council believes there would not be an equitable distribution of economic benefits.

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6/ Rules for combining permits: If the AFA brands on a permit do not match, the most restrictive brand in terms of number of segments to which the vessel has access will be carried over to the resulting permit. Within this restriction on the number of segments for which a combined permit will be branded, where a choice must be made as to the segment(s) for which a combined permit will be branded, the person combining the permits will be allowed to choose among the segments for which the permits being combined are branded. Once this choice is made the choice may not be changed.

The objectives of the allocation framework were to (*Preliminary Whiting Analysis – Section 1: Allocation and Season Framework*. Supplemental Attachment c.7.a. PFMC. October 18, 1996.):

- Provide for orderly attainment of the annual whiting harvest guideline.
- Provide an equitable opportunity for industry sectors to participate in the fishery.
- Reduce the need for speed in prosecuting the fishery.
- Encourage the industry to work cooperatively to solve its problems.

As described in Section 4, all current participants in the catcher-processor component of the whiting fishery are AFA catcher-processors. However, because of their participation in the West Coast groundfish fishery, these vessels could also be defined as traditional participants and, thus, deserving of protective management measures. This protection could include exclusion of AFA catcher-processors that do not meet the qualifying requirements. However, as defined, these protective measures would only apply to AFA catcher-processors. Non-AFA catcher-processors would still be free to purchase limited entry permits and take up participation in the fishery.

As for AFA catcher vessels, the Council set a control date of June 29, 2000 as notice to the public and potential purchasers of limited entry permits held by AFA entities. This control date provides advance notice that, based on future Council action, groundfish limited entry permits held by an AFA entity (including catcher-processors) may be revoked or restricted.

On September 13, 2000, NMFS published notice of the June 29, 2000 control date in the *Federal Register* (65FR55214). The September 13, 2000 notice also notified the public the Council is considering restricting future participation in the whiting fishery by AFA motherships and catcher-processors that do not have a history in the fishery.

### 2.3.2 Options Considered by the Council

- Option 3.a If an AFA catcher processor was licensed to harvest groundfish in the years 1997, 1998, or 1999 through September 16, 1999 it will be allowed to participate.
- Option 3.b Status quo – Do not recommend management measures to restrict AFA catcher processor participation. It is possible the Secretary of Commerce, through NMFS, may determine that protective measures are warranted and implement, through regulation, such measures.

As written, Option 3.a does not address limited entry permits held by non-qualified AFA catcher processors. Thus, if the Council adopts this as the preferred option an AFA catcher processor will either qualify or not qualify for participation in the groundfish fishery. However, there are no provisions for determining the disposition of limited entry permits held by non-qualified AFA catcher processors. The Council could opt to specify options similar to those under Issue 2 (for AFA catcher vessels) to address whether restrictions under Option 3 apply to catcher processors, or their limited entry permits, or both.

### 2.3.3 Council Preferred Alternative

RESERVED

## 2.4 Issue 4 – AFA Mothership Restrictions

### 2.4.1 Perspectives on the Need and Objectives for Mothership Restrictions

As for catcher-processors, the AFA explicitly prohibits motherships named in the AFA from participating in fisheries other than North Pacific fisheries and the Pacific whiting fishery. Motherships will be unable to use their AFA-eligibility to increase participation in West Coast groundfish fisheries. However, AFA-eligible motherships could increase or optimize their participation in the Pacific whiting fishery.

Thus, the arguments for management measures to protect the mothership component are essentially the same as for catcher vessels and catcher-processors. As for catcher-processors in the whiting fishery, the mothership sector also worked in good faith to construct the whiting allocation framework. Therefore, it is

also reasonable for this component of the industry to seek to protect that arrangement by restricting entrance of AFA motherships that have not traditionally participated in the West Coast groundfish fishery.

Similar to the catcher-processor sector, all three motherships participating in the whiting fishery are AFA motherships. Because of their participation in the West Coast groundfish fishery, these vessels could also be defined as traditional participants and, thus, deserving of protective management measures. This protection could include exclusion of AFA motherships that do not meet the qualifying requirements. However, as defined, these protective measures would only apply to AFA motherships.

As noted previously, on September 13, 2000, NMFS published notice of a control date (June 29, 2000) in the *Federal Register* (65FR55214). This notice notified the public that the Council is considering restricting future participation in the whiting fishery by AFA motherships and catcher-processors that do not have a history in the fishery.

#### 2.4.2 Options Considered by the Council

Option 4.a If an AFA mothership received at least 1000 mt of Pacific whiting during the regular whiting season in 1998 or 1999 it will be allowed to participate. This option could require issuance of “mothership medallions,” which could be operationally similar to catcher vessel medallions.

Option 4.b Status quo – Do not recommend management measures to restrict mothership participation. It is possible the Secretary of Commerce, through NMFS, may determine that protective measures are warranted and implement, through regulation, such measures.

Currently, there is no permit system for motherships participating in West Coast groundfish fisheries. Option 4.a could entail development of a permit system for motherships.

#### 2.4.3 Council Preferred Alternative

RESERVED

### 2.5 Issue 5 – Duration of Restrictions

#### 2.5.1 Perspectives on the Need and Objectives for Duration of Restrictions

The proposed management measures seek to prevent AFA vessels from using benefits derived from the AFA to harm West Coast groundfish fishery participants. If benefits derived through the AFA are perceived to be permanent, then the proposed measures could be permanent features of the West Coast groundfish fishery. Conversely, if benefits derived through the AFA are perceived to be linked to AFA provisions for fishery cooperatives, then protective measures could expire when the measures in the AFA are no longer in effect.

#### 2.5.2 Options Considered by the Council

The Council considered two alternatives for the duration of the proposed management measures: permanent or only in effect for the duration of the AFA.

Option 5.a Restrictions permanent.

Option 5.b Restrictions only in effect for the duration of the AFA or measures developed by the NPFMC pursuant to the AFA (i.e., December 31, 2004).<sup>7</sup>

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7/ As noted above, Section 208 of the AFA (Eligible Vessels and Processors) is scheduled to sunset on December 31, 2004 (AFA, Section 213). However, the North Pacific Council may recommend to the Secretary management measures that “give effect to the measures” thereafter. (AFA, Section 213).

### 2.5.3 Council Preferred Alternative

RESERVED

### 2.6 Permit Review Board

For Issues 1 through 5, no role is specified for the Council Permit Review Board. Any appeals of a NMFS decision to issue or not issue a permit would not be dealt with through the Council process. This is similar to what is done for sablefish endorsements and tier assignments. Modifications are proposed to the FMP section covering the permit review board (Appendix A). These modifications will take issues, such as the number of seats on the review board, out of the FMP and specify them as part of Council Operating Procedures. This would be consistent with what is done for Council advisory committees.

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# Appendix A

## Proposed Modifications to the Groundfish Fishery Management Plan (FMP)

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This appendix contains the changes to the language of the groundfish FMP which would be made to implement the AFA related measures identified in this document. New text is underlined and deleted text is struck through.

### Issues 1, 2 and 5

#### OPTION 1a OR 1b

**14.2 Management, Allocation and General Rules on the Issuance and Use of Groundfish LE Permits, Gear Endorsements, Size Endorsements, Fixed Gear Sablefish Endorsements [OPTION 2B OR 2C: and AFA Endorsements (“Brands”)] [OPTION 2A OR 2C: and AFA Catcher Vessel Medallions]**

#### 14.2.1 Federal LE Permits Required Only for Gears Fishing on the Limited Access Quota

##### 3. Permit Requirements for AFA Catcher Vessels

An AFA catcher vessel<sup>8</sup> must hold a trawl endorsed groundfish LE permit (Options 2a or 2c: and an AFA medallion (Section 14.6)) in order to participate in the West Coast groundfish fishery.

OPTION 1a and (OPTION 2a or 2c): The AFA medallion will provide access only to particular segments of the West Coast groundfish fishery, as those segments are defined in Section 14.6.

OPTION 2.b.1.B or OPTION 2.c.1.B: The trawl endorsed permit must be AFA branded. (OPTION 1a: The permit brand will provide access only to particular segments of the West Coast groundfish fishery, as those segments are defined in Section 14.5.)

#### OPTION 1a

##### 4. Holding Multiple Permits

OPTION 2.a.2.A or 2.c.2.A: A catcher vessel may hold multiple medallions in order to access more segments of the groundfish fishery, as those segments are defined in Section 14.2.7. Other rules for holding multiple medallions and the applicable harvest regulations may be determined through regulatory amendments, and subsequent routine management measures, in accordance with paragraph 3 of Section 14.2.4.

OPTION 2.b.2.A OR 2.c.3.A: A catcher vessel may hold multiple permits (branded or unbranded) in order to access more segments of the groundfish fishery, as those segments are defined in Section

---

8/ An AFA vessel is a catcher vessel, catcher-processor, or mothership that, because it is named in the AFA or meets qualifications in the AFA **and** holds an AFA permit issued by NMFS, is guaranteed a portion of the directed Bering Sea and Aleutian Islands (BSAI) pollock fishery quota.

An AFA catcher vessel is a vessel that holds an AFA catcher vessel permit and harvested and/or delivered BSAI pollock to a shoreside processor, mothership, and/or catcher-processor during the AFA's qualifying years.

AFA catcher-processor is a vessel that holds an AFA catcher-processor permit and harvested/processed and/or received/processed BSAI pollock during the AFA's qualifying years.

14.2.7. Restrictions pertaining to the cumulative limits for multiple permits will be determined through regulatory amendments and routine management measures. Other rules for holding multiple permits and the applicable harvest regulations may be determined through regulatory amendments, and subsequent routine management measures, in accordance with paragraph 3 of Section 14.2.4.

....

## OPTIONS 2.b OR 2.c

### 14.2.5 Gear Endorsements

....

4. A gear endorsement for a particular gear authorizes the catch of all Council-managed groundfish species with that gear, except: in the case of the designated species "B" gear endorsements, ~~and~~ for fishing for which a fixed gear sablefish endorsement is required (see Section 14.2.6) and for vessels fishing with AFA endorsed ("branded") permits (see Section 14.2.6). Designated species "B" gear endorsements authorize catch of only the designated species specified in the endorsement and bycatch as specified for the joint venture fishery for that species. Limited entry vessels using longline and fishpot gear to catch sablefish against the limited entry quota north of 36°N latitude are required to hold fixed gear sablefish endorsements during periods specified in the regulations, in addition to the required gear endorsement.

....

## OPTION 1a OR 1b

### 14.2.7 AFA Endorsement ("AFA Brands")

1. Permits held for AFA catcher vessels will be branded based on the West Coast catch history of the AFA catcher vessel holding the permit as of June 29, 2000 (see Section 14.5).

## OPTION 1a

The AFA brand will restrict the scope of activities authorized under the permit to some combination of the following segments of the fishery: (a) whiting deliveries to motherships, (b) shoreside deliveries of whiting, (c) shoreside deliveries of all groundfish species other than whiting. The permit will be branded for those fisheries for which the vessel holding the permit as of June 29, 2000 meets the minimum landing requirements (see Section 14.5).

OPTION 2.b.2.A. OR 2.c.3.A     The AFA brand restricts the permit regardless of what vessel it is associated with.

OPTION 2.b.2.B OR 2.c.3.B     The AFA brand restricts the permit only when the permit is registered to an AFA vessel.

It is possible that an AFA catcher vessel will not meet any of the minimum landing requirements, and its permit would be branded such that no groundfish activities would be allowed by the associated AFA catcher vessel. In such a case, the endorsement(s) for the gear(s) used under the AFA by the AFA catcher vessel would be

OPTION 2.b.1.A OR 2.c.3.A  
OPTION 5.a.     invalid and expire.  
OPTION 5.b.     invalid for the duration of the AFA restrictions imposed by Congress and subsequently the North Pacific Fishery Management Council.

OPTION 2.b.2.B OR 2.c.3.B     no longer valid for participation in West Coast fisheries when the permit is registered to an AFA vessel.



A permit attached to an AFA catcher vessel qualifying for all three segments of the fishery will essentially continue to allow a vessel to take part in the full range of activities typically engaged in by vessels with unbranded permits.

#### OPTION 1b

The brand will specify that the AFA catcher vessel registered with the permit may participate in any West Coast groundfish fishery in compliance with the associated gear and length endorsements.

OPTION 2.b.2.A. OR 2.c.3.A The AFA brand restricts the permit regardless of what vessel it is associated with.

OPTION 2.b.2.B OR 2.c.3.B The AFA brand restricts the permit only when the permit is registered to an AFA vessel.

If Section 14.5 qualifying requirements are not met, the brand will specify the endorsement(s) for the gear(s) used under the AFA by the AFA catcher vessel is (are)

OPTION 2.b.1.a OR 2.c.3.A

Option 5.a. invalid and expires.

Option 5.b. invalid for the duration of the AFA restrictions imposed by Congress and subsequently the NPFMC.

OPTION 2.b.2.b OR 2.c.3.A no longer valid for participation in West Coast fisheries when the permit is registered to an AFA catcher vessel.

OPTION 2.b.1.A OR 2.c.1.A Any AFA vessel that does not hold a West Coast groundfish permit may enter the fishery only by acquiring such a permit.

OPTION 2.b.1.B OR 2.c.1.B Any AFA vessel that does not hold a West Coast groundfish permit may enter the fishery only by acquiring at least one AFA-branded permit. This will limit the number of AFA vessels participating in the fishery to the number of West-Coast qualifying vessels holding permits as of June 29, 2000.<sup>910</sup>

#### OPTION 1a OR 1b

2. AFA brands will be affixed to permits.

3. Transferability:

OPTIONS 2.b.2.A OR 2.c.3.A The AFA brand will remain with the permit when it is transferred and will restrict the use of the permit as designated in paragraph 1 of this section.

OPTIONS 2.b.2.B OR 2.c.3.B The AFA brand will remain with the permit when it is transferred but will have effect, as specified in paragraph 1 of this section, only when the permit is registered for use with an AFA vessel.

OPTIONS 2.b.2.C OR 2.c.3.C An AFA branded permit is not transferable

4. AFA brands are not separable from the LE permit and therefore may not be transferred separately from the LE permit.

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9/ Without this language, under Option 2.b, AFA vessels that do not hold a branded permit could enter the fishery by acquiring a branded or nonbranded permit, i.e. without this addition, the only new restrictions would apply to West-Coast/AFA vessels and subsequent holders of AFA branded permits.

10/ This language would cause Option 2.b to mimic Option 2.c where both the medallion and the permit are required. Option 2.b would essentially combine the permit and medallion into a single document such that the permit and medallion could not be separated from one another.

5. Limitations which apply based on the AFA brand and fishing thereunder shall not restrict the endorsements on LE permits for any gears other than those gears used under the qualifying/nonqualifying vessel's AFA permit. It is expected that the primary gear used under AFA permits will be trawl gear.
6. Rules on the branding of West Coast groundfish LE permits and other characteristics of the branded permits are specified in Section 14.5.

***(renumber all subsequent sections)***

....

## **OPTIONS 2.b OR 2.c**

### **14.2.9 A LE Permit and Necessary Gear and Sablefish Fixed Gear Endorsements Will Be Held by the Owner of Record of the Vessel and the Vessel Will be Fished in Compliance with the Restrictions on the Permit**

....

8. A vessel owner may not use a vessel, or allow a vessel to be used, to catch any Council-managed groundfish where such catch is restricted by an AFA brand on the vessel's permit (see Sections 14.2.7 and 14.5).

### **14.2.11 Combining LE Permits**

....

3. When LE permits are combined, "A" endorsements identical on both LE permits will remain valid. Provisional "A", "B" and designated species "B" gear endorsements will generally become invalid because they are not separable from the vessel for which they are initially issued. Fixed gear sablefish endorsements will remain valid only if all the longline or fishpot permits being combined have fixed gear sablefish endorsements.

If the permits being combined both have identical AFA brands, the resulting combined permit will have the brand on it. If one permit is branded and the other permit is not, the resulting permit will have the brand on it.

OPTION 1.a: If the AFA brands on a permit do not match, the most restrictive brand in terms of number of segments to which the vessel has access will be carried over to the resulting permit. Within this restriction on the number of segments for which a combined permit will be branded, where a choice must be made as to the segment(s) for which a combined permit will be branded, the person combining the permits will be allowed to choose among the segments for which the permits being combined are branded. Once this choice is made the choice may not be changed.

....

## **OPTIONS 2.b OR 2.c**

### **14.3.1 "A" Gear Endorsement**

#### **14.3.1.2 Description, Use and Transferability of the "A" Endorsement**

....

2. The vessel for which the LE permit is registered will be allowed to catch all Council-managed groundfish with the gear specified in the "A" endorsement, except for fixed gear sablefish as specified in Section 14.2.6 except as restricted by any AFA brand placed on the permit, as specified in Section 14.2.7.

....

**14.3.2 Provisional "A" Gear Endorsement**

**14.3.2.2 Description, Use and Transferability of the Provisional "A" Endorsement**

2. The vessel identified in the provisional "A" endorsement will be allowed to catch all Council-managed groundfish with the gear specified in the provisional "A" endorsement, except for sablefish harvested north of 36°N latitude during times and with gears for which a fixed gear sablefish endorsement is required, and except as restricted by any AFA brand placed on the permit, as specified in Section 14.2.7.

**OPTIONS 2.a or 2.c**

**14.5 AFA Endorsement ("Brand") Qualifying Criteria**

1. An AFA brand will be affixed to any LE permit held by an AFA vessel as of June 29, 2000.

OPTION 1a

2. For AFA catcher vessels under 200' in length, the AFA brand minimum landing requirements for each segment of the fishery are as follows (Council to choose one for each sector):

	<u>Whiting Delivered At-sea</u>	<u>Whiting Delivered Shoreside</u>	<u>All Other Groundfish Delivered Shoreside</u>
	50 mt	50 mt	50 mt
	100 mt	100 mt	100 mt
	500 mt	500 mt	500 mt
	10 deliveries	10 deliveries	10 deliveries

The period during which these landing must have been made will be (Council to choose one):

- 1994-1997 or
- 1994-September 16, 1999

The catch history considered is deliveries or landings of Council managed groundfish.

***(renumber all subsequent sections)***

OPTION 1b

2. For AFA catcher vessels under 200' in length, the AFA brand minimum landing requirement is 500 mt of groundfish caught from January 1, 1994 though October 1, 1998. The catch history considered is deliveries or landings of Council managed groundfish.

**OPTIONS 2.a OR 2.c.**

**14.6 AFA Catcher-Vessel Medallions**

1. An AFA medallion will be issued to AFA catcher vessels meeting the landing requirements specified in this paragraph.

OPTION 1a

The AFA medallion will be valid for segments of the fishery for which the vessel meets the specified minimum landing requirements. For AFA catcher vessels under 200' in length, the AFA medallion minimum landing requirements for each segment of the fishery are as follows (Council to choose one for each sector):

	<u>Whiting Delivered At-sea</u>	<u>Whiting Delivered Shoreside</u>	<u>All Other Groundfish Delivered Shoreside</u>
	50 mt	50 mt	50 mt
	100 mt	100 mt	100 mt
	500 mt	500 mt	500 mt
	10 deliveries	10 deliveries	10 deliveries

The period during which these landing must have been made will be (Council to choose one):

1994-1997

1994-September 16, 1999

The catch history considered is deliveries or landings of Council managed groundfish.

OPTION 1b

For AFA catcher vessels under 200' in length, the AFA medallion minimum landing requirement is 500 mt of groundfish caught from January 1, 1994 though October 1, 1998. The catch history considered is deliveries or landings of Council managed groundfish.

2. A medallions is a type of limited entry license that is separate from the groundfish limited entry permit.  
3. In order to participate in the groundfish fishery an AFA vessel is required to hold at least one medallion in addition to the groundfish limited entry permit it is required to hold.  
4. Vessel owners are responsible for acquiring the medallions necessary for their AFA vessels to participate in West Coast fisheries. The owner of an AFA vessel may not use the AFA vessel, or allow the AFA vessel to be used, to catch any Council-managed groundfish where such catch is restricted by an AFA medallion held for the vessel.

OPTION 2.a.2.A OR 2.c.2.A

5. Medallions are transferable. An AFA vessel may hold multiple medallions in order to access more segments of the groundfish fishery, as those segments are defined in Section 14.2.7.

....

OPTION 2.a.2.B OR 2.c.2.B

5. Medallions are not transferable.

OPTION 5.A

6. The medallion system for AFA catcher vessels and requirements for AFA catcher vessel medallions will expire with the expiration of the AFA restrictions imposed by Congress and those restrictions subsequently recommended by the NPFMC to extend the duration of effect of the AFA.

## Issue 3 and 5

### OPTION 3.a

#### 14.7 West Coast Catcher-Processor Medallions

1. A catcher-processor medallion will be issued to catcher-processors with AFA catcher-processor permits meeting the following qualifying requirements: the catcher processor must have held an LE groundfish permit in the years 1997, 1998, or 1999 through September 16, 1999.
2. A catcher-processor medallion is a type of limited entry license that is separate from the groundfish LE permit.
3. In order to participate in the groundfish fishery as a catcher-processor an AFA vessel is required to hold a catcher-processor medallion in addition to the required groundfish LE permit. ***NonAFA vessels may enter as catcher-processors without a medallion but still require appropriate groundfish limited entry permits.***(Italicized text needs Council confirmation with respect to intent.)
4. Vessel owners are responsible for acquiring the medallions necessary for their vessels to participate in West Coast groundfish fisheries. The owner of an AFA vessel may not use the AFA vessel or allow the AFA vessel to be used to catch and process Council-managed groundfish without holding an AFA catcher-processor medallion for the vessel.
5. Medallions are transferable. (This needs Council confirmation with respect to intent.)
6. There is no size endorsement on the medallions. (This needs Council confirmation with respect to intent.)

### OPTION 5.b

7. The medallion system for catcher-processor vessels and requirements for catcher-processor medallions will expire with the expiration of the AFA restrictions imposed by Congress and those restrictions subsequently recommended by the NPFMC to extend the duration of effect of the AFA.

## Issue 4 and 5

### OPTION 4a

#### 14.8 West Coast Mothership Medallions

1. A mothership medallion will be issued to motherships with AFA permits meeting the following qualifying requirements: The mothership must have received at least 1,000 mt of Pacific whiting during the regular whiting season in 1998 or 1999.
2. A mothership medallion is a type of limited entry license that is separate from the groundfish LE permit.
3. In order to participate in the groundfish fishery as a mothership an AFA vessel is required to hold a mothership medallion. ***NonAFA vessels may enter as motherships without acquiring a medallion.***(Italicized text needs Council confirmation with respect to intent.)
4. Vessel owners are responsible for acquiring the medallions necessary for their AFA vessels to participate in West Coast fisheries. The owner of an AFA vessel may not use the AFA vessel, or allow the AFA vessel to be used, to receive any Council-managed groundfish without holding an AFA medallion for the vessel.
5. Medallions are transferable. (This needs Council confirmation with respect to intent.)
6. There is no size endorsement on the medallions. (This needs Council confirmation with respect to intent.)

### OPTION 5.b

7. The medallion system for AFA motherships and requirements for AFA mothership medallions will expire with the expiration of the AFA restrictions imposed by Congress and those restrictions subsequently recommended by the NPFMC to extend the duration of effect of the AFA.

## Issues 1, 2, 3, and 4 (and Technical Amendment)

### **14.59 LE Permit Issuance Review Board**

....

### **14.59.4 Nominations, Membership, Terms and Action**

~~Nominations for the board may be made by anyone. Selection will be made by the Council or its designee. Seats, terms, nominations, appointments and procedural rules will be as designated in Council operating procedures.~~

### ~~14.5.5 Membership~~

- ~~1. "knowledgeable" fishing industry members.~~
- ~~2. 7 to 10 voting members.~~
- ~~3. Two-thirds of the members must be present for a quorum.~~

....

### ~~14.5.6 Majority Vote~~

~~A simple majority of those present and voting shall be necessary to take action on a review.~~

### ~~14.5.7 Terms of Members~~

~~The term for a board member shall be three years. Terms will be staggered.~~

....

### **14.9.8 Review of {OPTION 3a AFA catch-processor medallions; OR 4a AFA mothership medallions; OPTION 2a AFA catcher vessel medallions; OPTION 2b AFA catcher vessel brands; OPTION 2c AFA catcher vessel brands and medallions}.**

~~The Council and Council's limited entry permit review board will not take part in the review of appeals of {OPTION 3a AFA catch-processor medallions, OR 4a AFA mothership medallions; OPTION 2a AFA catcher vessel medallions; OPTION 2b AFA catcher vessel brands; OPTION 2c AFA catcher vessel brands and medallions}.~~

### **14.610 Implementation, Application and Appeals Process**

....

- ~~8. NMFS will establish a reasonable application period for the {OPTION 3a AFA catch-processor medallions, OR 4a AFA mothership medallions; OPTION 2a AFA catcher vessel medallions; OPTION 2b; AFA catcher vessel brands; OPTION 2c AFA catcher vessel brands and medallions}. If an applicant disagrees with the {OPTION 3a AFA catch-processor medallions, OR 4a AFA mothership medallions; OPTION 2a AFA catcher vessel medallions; OPTION 2b AFA catcher vessel brands; OPTION 2c AFA catcher vessel brands and medallions} issued for the applicants permit, the applicant may appeal to the NMFS regional director. NMFS will set and publish in the *Federal Register* a date after which requirements for AFA {OPTION 3a AFA catch-processor medallions, OR 4a AFA mothership medallions; OPTION 2a AFA catcher vessel medallions, OPTION 2b; AFA catcher vessel brands; OPTION 2c AFA catcher vessel brands and medallions} will be in effect.~~

The Council authorizes renumbering of sections in the plan and cross references as necessary in order to incorporate this plan amendment.

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# Appendix A

## Proposed Modifications to the Groundfish Fishery Management Plan (FMP)

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