

Lance Farr

Date: January 12, 2015

To: North Pacific Fishery Management Council

From: Pacific Northwest Crab Industry Advisory Committee ("PNCIAC")

Re: February 2015 Report

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Committee Members Present: Lance Farr (Chair), Keith Colburn (proxy to Farr), Mark Gleason, Kevin Kaldestad, Steve Minor, Kirk Peterson, Dale Schwarzmiller, Gary Stewart, Tom Suryan (proxy to Kaldestad), Brett Reasor, Ruth Christiansen (Secretary, Non-voting), Chris Pugmire

Members of the Public: Sarah Marrinan (NPFMC Staff), Edward Poulsen, Jenni Klein, George Hall, Dean Fasnacht

### ***Summary***

The PNCIAC met on Monday January 12, 2015 in the Nordby Conference Room at Fishermen's Terminal in Seattle, Washington. Three issues were on the agenda: Election of Officers, Discussion of Council Ten Year Review, and Western Bairdi Tanner (WBT) Season Extension. Each issue will be addressed in a subsequent section of this report.

### ***Election of Officers***

Lance Farr was unanimously re-elected as Chair of PNCIAC and Steve Minor was unanimously elected as Co-Chair of PNCIAC.

### ***Council 10-Year Review***

Council staff Sarah Marrinan was invited to provide PNCIAC with an update on the development of the Work Plan for the 10 Year Review of the BSAI Crab Rationalization Program. Ms. Marrinan informed PNCIAC that the draft Work Plan would be published on the Council website "early next week." PNCIAC members interpreted this to mean the week of January 19, 2015. Ms. Marrinan also indicated the following documents would inform development of the Work Plan: BSAI Crab Rationalization program 5 Year Review (including the Social Impact statement), the Amendment 80 Five Year Review Work Plan, the "LAPP" provisions contained in the current Magnuson Stevens Act ("MSA"), the supporting documents produced during the development of the BSAI Crab Rationalization Program from the early 2000's, and finally, any changes that have occurred to the program since 2010 (including those amendments that were proposed but not enacted). Ms. Marrinan further indicated that the draft Work Plan would be presented to the Council during its February 2015 meeting despite currently being listed as "Tentative" on the Council website. And finally, Ms. Marrinan speculated that the Council would complete the 10 Year Review during the December 2015 Council meeting. However, Ms. Marrinan did offer the caveat that this may change depending on Council priorities for the upcoming year.

After lengthy discussion, the assembled members of PNCIAC agreed upon the following Statement of Principles and recommendations regarding the BSAI Crab Rationalization Program:

- During the 10 years of its existence the Bering Sea/Aleutian Islands (BSAI) Crab Rationalization program has been thoroughly examined, scrutinized, and analyzed. There have been a number of significant program amendments enacted to address concerns and/or problems with the Program. At this point in time participants feel the Program is working well and processes are in place to address issues that may be identified from time to time. Many of these processes include annual reporting requirements in order to keep the Council fully apprised of the current state of the fishery. Participants prefer this type of “co-management” arrangement whereby the Council provides broad policy guidance and develops the necessary frameworks to empower the industry to take specific action to implement Council intent.
- PNCIAC feels that the Right of First Refusal (ROFR) provision has been fully addressed since program implementation and is unlikely to require further Council action as part of the 10 Year Review. Any issues related to the ROFR program should be considered under the civil contract process originally envisioned by the Council during the development of the Program.
- There is an existing process in place for addressing issues related to Emergency Relief from Regional Landing requirements. In addition, there is an annual reporting requirement associated with this process. Thus, PNCIAC feels it is unlikely to require further Council action and doesn’t need to be included in the 10 Year Review.
- There are several ongoing industry-led efforts to address concerns over crew compensation, active participation, and lease rates. In addition, there is an annual reporting requirement whereby crab-harvesting cooperatives inform the Council of their efforts to address the aforementioned issues. Finally mandatory annual Economic Data Reports (“EDR”) capture information such as wages paid to crew and arm’s length leasing information each year. As a result, if the Council has concerns based on information provided in the EDR’s, the Council still has the option to address that issue(s) in the course of normal Council deliberations. As such, PNCIAC feels that this issue has been fully addressed since program implementation and is in front of the council yearly, and it is unlikely to require further Council action as part of the 10 Year Review.
- And finally, PNCIAC members feel that discussions between the arbitration organizations and the Price Formula author is the proper process to resolve Price Formulation issues.

#### ***Western Bairdi Tanner (WBT) Season Extension***

PNCIAC members had a lengthy discussion about the possibility of the industry requesting a season extension for WBT. Several members of PNCIAC spoke to a

2014 Agenda Change Request (“ACR”) made by the Alaska Bering Sea Crabbers (ABSC) requesting the Board of Fisheries (BoF) consider a permanent change to the season date during its March 2015 meeting. These PNCIAC members further noted the Boards intent to delay consideration of the issue until the Board has “another years worth of fishery data.” Noting the Board’s desire for additional fisheries data, PNCIAC members agreed to draft a letter to the Board as a follow up to ensure that Alaska Department of Fish & Game (ADF&G) personnel is collecting this information. PNCIAC members further agreed to re-convene during the February Council meeting to continue the discussion of a possible season extension request.