# **MEMORANDUM**

#### To: Phil Zavadil, City Manager

Cc: Jacob Merculief, Mayor

From: Mateo Paz-Soldan, MPStrategies LLC

**Date: December 15, 2023** 

#### Re: Results of December 2023 NPFMC Meeting

The following is a summary of the fishery issues of interest to Saint Paul that took place at the December 2023 meeting of North Pacific Fishery Management Council (NPFMC or Council) in Anchorage. Saint Paul representatives physically present at the meetings included Heather McCarty for CBSFA and myself for the City of Saint Paul (the Team).

#### 1. <u>Meetings with Alaska Department of Fish & Game regarding Crab Spend Plan:</u>

During the Council meeting, the Team met with ADF&G representatives on several occasions, as well as the ADF&G Commissioner, to discuss the State's proposed Second Draft Crab Spend Plan.

Saint Paul thanked ADF&G for the improvements in the proposed Spend Plan which include a 1% set aside for Saint Paul and taking the community allocation of 5% off the top, which increases the dollar amount destined to communities. In addition, Saint Paul thanked ADF&G for clearly dividing the disaster funds among Saint Paul entities within the 1% set aside and among communities within the 5% community allocation.

However, Saint Paul and other communities continue to believe that 5% is too low and repeated arguments made in October that disaster funds spent in Alaskan communities, were disaster funds spent in the State to the benefit of communities and fishing industry operations based in them. Communities also pointed out that the disaster funds wouldn't be disbursed to communities until late 2024 at the earliest and that it would be difficult to secure additional disaster appropriations in coming years. It was therefore important to set aside a higher amount up front.

After several discussions, community representatives agreed to jointly ask for a 6% allocation and notified ADF&G they would do this. To get to this amount the communities and the rest of the industry proposed reducing the Research Allocation from 12% to 10%.

I drafted the letter (see attached) on behalf of the communities, which was submitted on December 11, 2023.

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## 2. Crab Disaster Request for 2023-24 BSS Fishery Closure:

During the NPFMC Meeting, I finalized the City's disaster request for the 2023-24 BSS Fishery. This request was submitted on December 7, 2023 (see attached). Subsequent to submitting it to NMFS, I met with the NMFS Regional Administrator to get a sense of when the Secretary might issue a determination. NMFS was unable to provide an answer at this time.

## 3. Crab Rationalization Program Review:

At the October meeting, I had testified on behalf of the City on this matter and had identified several issues with the workplan that needed reconsideration including the need for a Social Impact Assessment (SIA), consistent with SIA's developed for the 3 Year, 5 Year, and 10 Year reviews. I had also recommended that whether the workplan had an SIA or not, information modeled on the Halibut ABM SIA should be included, such as: 1) references up front to the legal standards, executive orders, and policies relevant to underserved Alaska Native and minority communities; and 2) information regarding the tribal, CDQ, ANCSA affiliation of the relevant crab dependent communities. This would ensure that the Council would have all the tools necessary to weigh the relevant national standards and other legal guidance in actions that might arise in the future concerning the Crab Program. I testified about this at the SSC, the AP, and the Council, and all three bodies agreed.

In addition, I had noted that the organization of the workplan was flawed. The Crab Program was structured as a three legged stool, three pie, program among harvesters, processors and communities. I pointed out that there wasn't a community section in the draft, that included the elements that communities got out of the deal, namely: regionalization; increased CDQ crab percentage from 7.5% to 10%; ROFRs; and Cooling Off Periods. I argued that it was important to present these community provisions in an organized manner in order to measure whether the original objectives set out in the program's purpose and needs statement as to communities were met by the tools that were created for them. This work will also be important going forward in protecting regionalization as being responsive to NS4 and NS8, as well as considering whether new community protection tools are necessary.

The Council agreed with these major observations, but had resisted developing a separate full-fledged SIA and hiring the analyst necessary to do it.

At this meeting I consulted with NPFMC Staff on when the Crab Program Review analysis would be presented to the Council for consideration. Staff was still uncertain as to timing but the Council decided to tentatively schedule it for the June 2024 meeting in Kodiak. In addition, staff reported that the Council had decided to hire SSC member and analyst Mike Downs to do the SIA work based on public testimony. He has done excellent work in previous analyses including Halibut ABM. This is good news.

# 4. Crab Facility Use Caps:

At this meeting, the Council took Final Action on waiving the processor use caps of 60% in the Crab Program for Eastern Aleutian Golden King Crab and Western Aleutian Red King Crab; and south region designated Snow Crab, BBRKC IPQ, and Western Aleutian Golden King Crab from counting against PQS use caps, if custom processed at a plant that the IPQ holder is not affiliated with.

The latter is similar to the custom processing use cap exemption for Snow Crab in the northern region, which has benefitted Saint Paul. More importantly, regional delivery requirements are not changed as part of this action.

Given the poor status of the crab stocks and the North Pacific fisheries overall, this action will provide flexibility and efficiency to crab fishery participants. The City must continue to monitor these Crab Program amendments to ensure that major changes to program elements such as regionalization, are not proposed.

The Council's motion on this matter in December is here:

https://meetings.npfmc.org/CommentReview/DownloadFile?p=3e957d2a-c1a8-46f4-aa14e215639abf9e.pdf&fileName=C2%20Motion.pdf

#### 5. Groundfish Specifications and Halibut ABM:

This was the first meeting at which the new abundance-based halibut PSC limits were considered and implemented during the Groundfish Specifications process. The Final ABM Rule was published on November 24, 2023, and the new limits are effective January 1, 2024.

As a result of these new abundance based PSC limits, the A-80 Sector's cap has already been reduced resulting hopefully in benefits to the halibut resource. The mid to long-term prognosis of the halibut stock is not good according IPHC staff, so any savings resulting from A-123 will be positive.

In the interim, it is possible that A-80 will challenge the ABM Rule in court. If they do so, they must file the suit within a month of the publication of that rule -- that would be December 24, 2023. In anticipation, CBSFA and other halibut stakeholders are in the process of signing an MOU spelling out their financial contributions and how they would work together to enter the lawsuit as Intervenors on NMFS' side.

#### 6. <u>CCTF Recommendations</u>:

At this meeting, the Council reviewed the Climate Change Task Force's report and recommendations regarding research priorities for use of IRA Funding, onramps for inclusion of climate change information into fisheries management, as well as timing and topics for a Climate Scenarios Workshop. The Saint Paul Tribe is represented on this task force and the broader team has supported its efforts.

After consideration of the 2024 schedule, the Council agreed with the AP Motion (below) and scheduled the Workshop for the June 2024 meeting in Kodiak.

https://meetings.npfmc.org/CommentReview/DownloadFile?p=32f47f83-fb4f-4a20-94c5-07fef605a029.pdf&fileName=D2%20AP%20Report.pdf

All for now.