



New England Fishery Management Council

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MEETING SUMMARY

Risk Policy Working Group

January 23, 2026

12:00 p.m. Webinar

The New England Fishery Management Council’s (NEFMC) Risk Policy Working Group (RPWG) met by webinar on January 23, 2026 to: 1) continue to refine elements of the Risk Policy Concept for future use, focusing on risk factors; 3) Review and apply feedback from simulation testing, and consider recommending adjustments to the Risk Policy factors, data sources, and scoring rubric 4) discuss other business.

MEETING ATTENDANCE

Megan Ware (Chair), Dan Salerno (Vice-Chair), Jonathon Peros (Council Staff), Dr. Jason McNamee, Dr. Jonaton Deroba, Dr. Naresh Pradhan (Council Staff), Melanie Griffin, Moira Kelly, Geoff Smith, Bill Lucey, Dr. Kevin St. Martin, Dr. Gareth Lawson, Dr. Joe Caracappa. Dr. Cate O’Keefe (Executive Director), Dr. Roger Brothers from the University of Maine, along with several Council members and Council staff joined the webinar.

Materials for the meeting can be found at [this link](#).

KEY OUTCOMES

- The working group recommends refining the number of factors that will be used in the Risk Policy in 2026. The recommendations are summarized below:

Factor	Include in 2026?	Rationale, Next steps
Biomass / Stock Status	Yes	No changes proposed at this time.
Recruitment	Yes	Simplify to a quantile-based approach; adjust data evaluation and factor scoring
Stock Assessment & Uncertainty	No	Remove for now; adjust stability definition in the concept document
Climate Vulnerability	Yes	No changes proposed at this time.
Fish Condition	No	Remove for now; consider ways to reintroduce a factor that considers ecosystem productivity

Factor	Include in 2026?	Rationale, Next steps
Commercial Fishery Characterization	Yes	Simplify to five inputs; consider redundancy between questions 1 and 4, definitions of primary and secondary ports, and whether there is a potential to move in the positive direction; future iterations should consider leasing.
Recreational Fishery Characterization	Yes	Add a RAP-like question; reword question 4 and consider two-way directionality in the score.

- The working group supported convening a subgroup to develop and evaluate the technical mechanics of the risk policy.

The meeting began at 12:00 p.m.

WELCOME AND INTRODUCTIONS

Ms. Ware opened the meeting with a roll call and logistics updates. She acknowledged the new working group members Gareth Lawswon. Ms. Ware reviewed the agenda for the working group and acknowledged the need to finalize decisions on the factors to develop and the goals associated with those factors, all of which would be considered for approval at the June 2026 Council meeting.

RISK POLICY OUTLOOK FOR 2026 AND OTHER UPDATES

Mr. Peros provided a reminder of the risk policy work conducted through the alpha and beta phases to revise and refine the 2025 approved risk policy. The target for June is to coalesce all 5 steps of the risk policy workflow which includes: 1) global weightings applied to all stocks; 2) factor scoring developed by each plan development team (PDT); 3) calculating a Z-score; 4) recommending a risk tolerance level; and 5) setting an acceptable biological catch (ABC) based on the recommended risk tolerance and respective harvest control rules. The short-term focus of the work has been on how the risk policy will interface with harvest control rules.

To meet the approval milestone of the beta phase of the risk policy by June 2026, the working group will update the risk policy concept to include the results of the simulation testing conducted under the Inflation Reduction Act Initiative #1 by the University of Maine (UMaine) and the final decisions on factors from this meeting. This will guide how the Council will select their weightings, the PDTs will score the factors, and how the risk policy will be used by other technical groups such as the Scientific and Statistical Committee (SSC).

Mr. Peros shared a timeline of the meetings related to Risk Policy to occur between January and June 2026 including a check-in and review with the SSC in March and one last update with the Council in April. Implementation would occur in two tracks of work: 1) supporting factor development with regards to scoring and data accessibility to be completed by an internal

implementation team made up of Council staff; and 2) refining risk policy mechanics to understand how changing the shape of the curve would affect the Council's risk tolerance to be completed by a smaller Risk Policy Mechanics subgroup. Work will conclude with a final concept document and a weightings exercise in June upon concept approval.

RISK POLICY CONCEPT – RECOMMENDED CHANGES

Mr. Peros provided an overview of tasks for each factor discussion and a summary of the recommendations to maintain or remove factors received by the smaller risk policy facto sub-groups. For each factor, the working group needed to understand the type of risk or uncertainty that a factor is intended to capture, its relationship to risk tolerance, its directionality relative to neutral levels of risk tolerance, and the conditions that would default or neutralize the risk tolerance. These decisions also aim to inform ongoing work by the UMaine team to evaluate the risk policy's performance and execute simulations

SSB/Stock Status Factor

While there was not a subgroup for the factor, the working group supports inclusion of this factor. Mr. Peros sought to affirm the goal and the scoring rubric for the factor. Mr. Salerno confirmed the presented goals of the factor and commended it for its simplicity.

Recruitment

Mr. Peros introduced the recruitment subgroup (Dr. Lisa Kerry and Dr. Jason McNamee) and their recommended alternative approach. He provided a reminder of the current scoring and potential challenges to characterize recent trends, data availability, and changes in recruitment.

Dr. McNamee and Dr. Kerr presented a refined approach to assess recruitment risk focusing on identifying the risk to the population associated with uncertainty, and its interaction with fisheries. The factor may also identify risk associated with process error, observation error, and future uncertainty, but there is a need to disentangle these proxies to simplify scoring, interpretation, and repeatability. They proposed a simplified quantile-based method where a baseline time series is used to calculate quantile-based categories of recruitment regimes including high, average, or low recruitment. The categories are then assigned to each of the last 5 years of the time series and summarized as a recruitment state based on the rules within a 3-box or 5-box rubric. The 3-box rubric proposes three categories, low recruitment, average recruitment, and high recruitment, and three scores, 4, 0, and -4 respectively. The 5-box rubric proposes using the existing scale but revises the descriptions to include a quantity of years within the 5-year time period that are above or below the average (i.e. if there are 4 years above the mean then this would score higher and result in higher risk tolerance). Finally, they asserted that for scenarios where recruitment is not fitting in the rubric, then the final score would be deferred to expert opinion on the PDTs.

Ms. Ware asked how a score would be determined if the regimes were not the same across all 5 years within the 3-box rubric. Dr. McNamee asserted that similar to the criteria developed for the 5-box rubric, criteria would need to be developed for the 3-box rubric. Dr. Kerr expressed that one intent is to disentangle recruitment from assessment uncertainty is also a main goal. Other

working group members shared their support for the quantile approach as well as the need to consider recent data and the recency of information in future assessments.

Mr. Salerno inquired about the feasibility of implementation of this approach. Dr. McNamee shared that incorporating this information would be a fairly easy lift within an excel spreadsheet that contains a column of the recruitment information and generates the quantiles based on that column.

Ms. Ware supported starting to base the score off the recent 5-year time series of recruitment and shared an example that applying this approach for Atlantic herring based off 5 years of low recruitment would support meaningful risk-adverse decisions for that stock. Dr. Lawson also supported starting to base the score off a 5-year time series and including a placeholder for life history in either direction for long-lived and short-lived stocks.

There were a few questions from the public including if the scoring accounts for catch estimates at the overfishing limit (OFL) derived from projections that include the last 5 years of recruitment, how to score the factor when there is missing data within the 5-year time window and how to use data updates. Dr. Kerr said the intent is to characterize the current state of recruitment to inform risk so that at lower recruitment, the Council is more risk adverse. While projections that include the last 5-years of recruitment derive an OFL, this characterization would translate to moving further away from that derived OFL. However, if there is a lack of trust in the projections, then that is a place that needs further development and integration into the risk policy. Dr. McNamee asserted that there would not typically be a missing year of recruitment since it is estimated in an analytical assessment, but there could be a missing year in an empirical assessment, and it would be important to capture the nuance and deviation.

Assessment Type and Uncertainty

Mr. Salerno reminded the working group that the goal of the factor was to understand the risk associated with stock assessment performance and uncertainties. The subgroup identified that as uncertainty within the stock assessments increases, risk tolerance decreases. They also noted that empirical assessments are less robust leading to less risk tolerance. While the subgroup considers the factor to be very important, they ultimately recommended that the factor be considered for longer term incorporation rather than short term incorporation to meet the June deadline. There are uncertainties around the state of assessment cycles and the data products that would be available. They also recommended to revisit the stability language within the Risk Policy Concept to ensure the definition includes management stability that allows for incremental changes in specification setting based on assessment trends.

Ms. Griffin asked how this factor would be added back into the discussion for refining at a later date after the Risk Policy has been approved. Mr. Salerno stated that the working group would not be operating in perpetuity. As such, additional work on this factor would be conducted by a smaller subgroup including Council staff and Council members but would be worth discussing that future process. Dr. O'Keefe confirmed that when the Council approves the risk policy, the working group efforts would wind down. However, the intent is to use the risk policy to revise

the ABC Control Rules moving forward and thus would be on the table for further discussion on a fairly frequent basis and would remain as a Council priority.

Dr. O’Keefe also shared that a new initiative, the Risk / Value Prioritization Process, was announced by NOAA Headquarters. It is an effort to narrow the scope of NOAA science and management, translating into less stocks or managing stock complexes rather than single stocks. There is an interest in understanding how the Risk Policy could inform this initiative and thus is another example as to how the Risk Policy will remain a top priority for the Council.

Dr. Caracappa inquired whether the recommendation is to maintain the factor but default the score to zero until further development or to remove the factor from the list in the concept document altogether. Mr. Salerno stated that the factor would be removed from the list to score and weight as the functional calculation with or without the factor is still plausible. Mr. Peros countered that the seven factors that were initially approved would remain in the document and would be documented as those planned for update with a process to do so. Dr. Caracappa and Mr. Salerno clarified that by removing the factor, the working group maintains it is an important factor but there currently is not a way to measure it and therefore do not want to skew the final weight and score as a result.

Dr. Kerr expressed concern about removing the factor because it is important to include and was part of the motivation for the revision of the Risk Policy. This feature is prominent in other Council’s Risk Policies. In lieu of this factor, there would need to be guidance on how to handle or address this in the short term. Ms. Ware also wondered what the qualifying metric would be to reinstate development of this factor, i.e. stability in the Northeast Region Coordinating Council (NRCC) discussions on assessments and the number the Council would receive. Mr. Salerno agrees there needs to be a metric, but there are too many unknowns and concerns around the capacity available from the Northeast Fisheries Science Center to support development of this factor. Ms. Griffin asserted that cataloging the factor as important but lacks quantitative support allows for the factor to still be used qualitatively.

Mr. Peros expressed concern over the lack of directionality within the factor and the little control that the Council has in terms of the type of data product they are receiving and when they are receiving it to be able to move the score in response.

Fish Condition

The goal of this factor is to assess the risk associated with ecosystem productivity. The subgroup recommended not to use fish condition as a factor. There are concerns that it would not be a strong proxy for measuring environmental and habitat change. Over time, there is potential correlation with this factor and recruitment, as well as others. There is support to have to distinct factors in the Climate and Ecosystem theme; an ecosystem characterization should include habitat changes and trophic relationships which are not already captured in assessment processes. Other ideas were proposed such as a forage field index, a primary predator/biomass ratio, or productivity anomaly. While it is an important characterization, there needs to be additional work for the future incorporation. Dr. Caracappa highlighted that the subgroup aimed to revise the factor because the current indicator in the State of the Ecosystem was not the cleanest indicator

or able to aptly measure stock health, but condition is still important to capture in a revised indicator.

Climate Vulnerability

Overall, there was support to maintain the Climate Vulnerability factor and has been consistent over time. It uses the Hare et. al (2016) paper and recognizes that an updated Climate Vulnerability Assessment is in progress. The final updated Climate Vulnerability Assessment is expected in Fall 2026 and may require revisiting the scoring of the factor.

Commercial Fishery Characterization

The goal of this factor is to identify risk associated with the socioeconomic health of the commercial fishery. Ms. Ware provided a reminder of the first iteration of the factor which included six characterizing questions and the number of yeses to those questions determined the overall score and how much risk tolerance was considered. Feedback regarding this approach included concerns about the number of variables and the connection between consolidation and concentration to risk tolerance and scoring. In response, the subgroup proposed to pare down the inputs to quota usage, fishing community, value, constraining stock within a fishery management plant (FMP) or on another FMP, and advisory panel (AP) Input. The mechanism for scoring though remains the same as the initial iteration. The quota input would identify chock stocks, availability of stocks, or large impacts from quota reductions, and would need to identify what quota is intended for each fishery. The fishing community input would indicate changes in fishing community health and could be evaluated by data already included in the Human Communities section of the Affected Environment. Value would be evaluated based on revenue of the fishery at the FMP level or in the case of groundfish, based on the revenue a stock contributes to the overall groundfish fishery. The intent is to indicate economic stress, or the economic importance of a stock in the groundfish fishery. A constraining stock input would identify if species were limiting the execution of other fisheries. For this input, the subgroup would recommend developing an initial list of fisheries or stocks that this would apply to and revise as needed. The AP input aims to acknowledge that APs are an important source of information.

Ms. Griffin asked the subgroup to consider if the quota input question was potentially redundant to the constraining stock question if it is evaluated within the FMP and if the subgroup could refocus the constraining question to solely its effect on another FMP. Mr. Salerno provided that the groundfish fishery experiences stocks constraining the persecuting of other stocks within the FMP (i.e. cod quotas constrain haddock catch) but other FMPs experience constraints because of other fisheries (i.e. Skates and Monkfish), and as such it is important to look at the constraint in both respects and is a place where AP input would be valuable. Ms. Griffin also wondered if the value input was potentially missing information for leased fish. Mr. Salerno explained that it is difficult to bring in inter-sector and intra-sector lease information regarding the groundfish fishery. Conversely, Dr. O'Keefe stated that there is also need to recognize the profits being made on lease-only permits or permit banks as revenue within the fishery. Mr. Salerno shared that sector manager reports include value as a part of the leasing component so the information

could be available but would take some effort to differentiate which permits are active and making the revenue.

Mr. Pradhan asserted that primary and secondary ports are not consistently defined across FMPs, and thus would need to be clarified, as well as what happens when a primary port moves to a secondary port.

Dr. Lawson wondered if there was an ability to move in the positive direction based on responses to the inputs. Dr. Kerr supported this approach and views this as applying expert opinion; she pondered if something similar could be applied to other factors as well such as the assessment factor. Overall, the working group supported incorporating this factor for June as a first iteration.

Recreational Fishery Characterization

The goal of this factor is to identify risk associated with the socioeconomic health of the commercial fishery. Ms. Ware provided a reminder of the first iteration of the factor which included four characterizing questions and the number of yeses to those questions determined the overall score and how much risk tolerance was considered. Feedback regarding this approach noted a desire to reflect fleet diversity and an acknowledgement that tuna and striped bass can overwhelm recreational fishery metrics. In response, the subgroup evaluated how answering yes to the original questions would translate to the socioeconomic health of the recreational fishery. Ultimately, the subgroup found that these results were inverse to the signals of socioeconomic health intended by the commercial fishery factor. In response, they proposed revising the questions to align the signals between the two fishery factors and sought feedback on whether to include a Recreational Advisory Panel (RAP) question to mirror the commercial fishery factor.

Mr. Salerno shared that the original intent behind providing an AP question under the commercial fisher factor was recognizing that some of the other data available may be outdated or stale, whereas with the recreational fishery factor, he wondered if relying on data from the State of the Ecosystem (SOE) could allow for more recent information and therefore lessen the need for RAP input. There is additional concern that by adding a RAP question, it may only be capturing the expert opinion from a single mode based on the typical representation of a RAP rather than the numerous types of modes that are accessed within the recreational fishery. Mr. Peros and Dr. St. Martin support including a RAP question and its importance especially regarding feedback on if a given criteria is useful over time. Dr. O’Keefe suggested, rather than focusing the question on the RAP, including other advisors with recreational interests in the Council system, and Mr. Lucey concurred.

Dr. Lawson suggested finding ways to allow for two-way directionality within the factor similar to the commercial fishery recommendation and asked for clarification on the fourth question regarding consistency in regulations. Ms. Ware explained that the intent was to capture broader swings in projected catch. Overall, the working group supported incorporating this factor for June.

REVIEW RISK POLICY MECHANISMS AND NEXT STEPS

Mr. Peros reviewed the findings of the UMaine team and their request for feedback about the shape of the curve, the z-score scaling, and the range of scores. He shared that the Project

Oversight Team for the UMaine work developed a staff recommendation to form a sub-group to examine the mechanics in more detail, and to assess how changing the shape of the curve to the full logistic curve in the upper quartile would achieve the goal of the Council. The sub-group would aim to report back to the full working group in March and work in parallel to additional development of the factors.

Mr. Peros also reviewed that the motivation behind this evaluation was based on the conclusion that a truncated logistic curve results in low z-scores that are more responsive to higher risk tolerance and high z-scores that are less responsive to low risk tolerance. The focus of the work group would follow up on using the full logistic curve in the calculations and what the real-world implications of a z-score of 2 would be through harvest control rules.

There was feedback from the UMaine team that the scaling of the z-scores and the factors leads to limited access of the full curve and unintended influence on the overall z-score, respectively. The subgroup would thus also evaluate the exact z-score scaling needed to access the full range of the curve and possible revisions to the score ranges.

Ms. Ware asked if the work of the subgroup would be underpinned by simulations or discussion. Mr. Peros clarified that the simulation team would be a part of the conversations and thus could use the results as rationale for the differences in the curve and take the recommendations further than a qualitative discussion.

Dr. Caracappa noted that the choice in the curve is a policy choice. It would then be useful to construct narratives about how the shapes reflect real outcomes in the decision making and what kinds of data would influence that. This would help narrow down what the options mean practically. Dr. Kerr agrees that this would be a useful exercise and could begin by picking three curves and mapping out what that would result in as part of the narrative. Dr. Lawson provided a potential point of consideration for the subgroup is the label with which is being used for the Y-axis, because in practice the resulting Y-value is used to determine how far to back off from FMSY, and it is not the value at which to set the OFL. Therefore, if the subgroup maintains the former, then it could be labelled alternatively, and would not by regulation need to begin at 0.5.

REVIEW PROGRESS AND DISCUSS NEXT STEPS

Mr. Peros reviewed the decisions from the working group. He proposed a timeline to include subgroup meetings and another working group meeting before the SSC Meeting on March 30, 2026. Ms. Ware proposed re-evaluating the risk policy after one year of implementation while Mr. Salerno suggested using the release of the Climate Vulnerability Assessment 2.0 as a trigger to reassess and continue development on risk policy factors.

OTHER BUSINESS

No other business was discussed.

The meeting ended at 4:00PM.