

# Amendment 18 Overview

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March 25, 2015



# Presentation outline

- “ Documents
- “ Purpose and Need
- “ Goals
- “ Timeline
- “ Affected Environment
- “ Alternatives, Draft Impacts, PDT Input
  - . Accumulation Limits
  - . Handgear A Permit Measures
  - . Data Confidentiality
  - . Inshore/Offshore Gulf of Maine
  - . Redfish Exemption Area



# AI8 Documents

#4 – Action Plan

#5 – PDT memo to Cte

#6 – Draft Environmental Impact Statement

#6A – DEIS biological impacts section

#7 – Cte Decision Document

#8 – This presentation

#9 – Inshore/offshore presentation

#10 – 9/16/14 GAP mtg summary

#11 - Correspondence



# AI 8 Purpose and Need

Doc #6  
p. 35-36

To address concerns related to the potential for decreased fleet diversity and increased consolidation in the fishery resulting from:

- . Catch shares and currently low catch limits.
- . Increases in catch limits as stocks rebuild in the future.

## AI 8 Goals

1. Promote a diverse groundfish fishery, including different gear types, vessel sizes, ownership patterns, geographic locations, and levels of participation through sectors and permit banks;
2. Enhance sector management to effectively engage industry to achieve management goals and improve data quality;
3. Promote resilience and stability of fishing businesses by encouraging diversification, quota utilization and capital investment; and
4. To prevent any individual(s), corporation(s), or other entity(ies) from acquiring or controlling excessive shares of the fishery access privileges.



# National Standard 4

Doc #6  
p. 44-45

## National Standard 4

*“If it becomes necessary to allocate or assign fishing privileges among various United States fishermen, such allocation shall be:*

- A. fair and equitable to all such fishermen;*
- B. reasonably calculated to promote conservation; and*
- C. carried out in such manner that no particular individual, corporation, or other entity acquires an **excessive share** of such privileges.”*

## National Standard 4 Guidelines

*“An allocation scheme must be designed to deter any person or other entity from acquiring an **excessive share** of fishing privileges, and to avoid creating conditions fostering inordinate control, by buyers or sellers, that would not otherwise exist.”*

## Note

Limited Access Privilege Programs (of which groundfish is not) must have accumulation limits, though the National Standards apply to all fisheries.



# AI 8 Timeline

(details in Action Plan)

Doc #4  
p. 6-7

2015	
→ Mar. 25	GAP mtg – review DEIS, may recommend preferred alts.
Mar. 26	Cte mtg - review DEIS, may recommend preferred alts.
Apr. 10	DEIS sent to Council.
Apr. 28-30	Council mtg - approve DEIS, may select preferred alts.
July-Aug.	Public comment period.
Sept. 22-24	Council mtg - final action.
2016	
Jan.-Feb.	Public comment period.
May 1	Possible implementation of measures.



# Affected Environment (Sect. 6.0)

## (Valued Ecosystem Components)

Doc #6  
p. 85-221

- ” Target Species (updated re current assessments)
- ” Nontarget Species (updated re current assessments)
- ” Physical Environment and EFH (no updates)
- ” Protected Resources (revamped w/ latest references)
- ” Human Communities
  - . Updated definitions and lists of primary and secondary GF ports
  - . Updated permit and PSC holdings data, through May 1, 2014
  - . Added fleet diversity analysis (draft presented in June 2013)
  - . Updated data to reflect FY 2013 NEFSC fishery performance report
  - . Added data on dealers and processors



# **Range of Alternatives & Impacts Analysis**



## **Accumulation Limits Section 4.1**





# Sect. 4.1

Doc #6  
p. 46-49

## To whom caps would apply

To individuals, entities, and permit banks. NMFS likely to apply a cap to individuals and state-operated permit banks.

Doc #7  
p. 3-4

## Future adjustment of a cap

May be modified in a framework due to a permit buyout/buyback.

## PSC caps

- If a PSC cap is selected, holdings as of the control date (April 7, 2011) would be grandfathered if they are above the cap.
- Council will be deciding:
  - “ What to do should current holdings be above what is grandfathered (hold but not use, divest entire permit, divest excess PSC)?
  - “ What should be done with PSC acquired in the future that is above the cap (hold but not use, divest excess PSC)?



# Alternatives

Doc #6  
p. 47, 50-54

Doc #7  
p. 5-6

## PSC caps (Sect. 4.1.3)

**Alt. 1** - No action. No accumulation limit.

**Alt. 2** - Cap PSC for all stocks at highest level held on 4/7/11.

**Alt. 3** - Cap PSC for all stocks at a level recommended by Compass Lexecon.

**3A** – Excess PSC split off and redistributed

**Alt. 4** - Cap PSC by stock type (GOM/CC/SNE, GB, unit).

**4A** - Cap PSC for all stocks.

**4B** - Cap PSC for GB cod, GOM cod, & pollock.

**Alt. 5** – Cap PSC for all stocks at same level, except GB winter flounder.

**Alt. 6** – Collective cap for all PSC holdings.

## Permit caps (Sect. 4.1.4)

**Alternative 1** - No action. No accumulation limit.

**Alternative 2** - Cap permits at 5%.



# PSC Cap Alternatives (Sect. 4.1.3)

Doc #6  
p. 50-53

Doc #7  
p. 3

<b>PSC Alternative:</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4A</b>	<b>4B</b>	<b>5</b>	<b>6</b>
GB cod	-	10	15.5	30	30	20	15.5 collectively
GOM cod	-	8	15.5	15	15	20	
GB haddock	-	15	15.5	30	-	20	
GOM haddock	-	7	15.5	15	-	20	
GB yellowtail flounder	-	14	15.5	30	-	20	
SNE/MA yellowtail flounder	-	5	15.5	15	-	20	
CC/GOM yellowtail flounder	-	8	15.5	15	-	20	
Plaice	-	9	15.5	20	-	20	
Witch flounder	-	9	15.5	20	-	20	
GB winter flounder	-	23	15.5	30	-	30	
GOM winter flounder	-	7	15.5	15	-	20	
Redfish	-	10	15.5	20	-	20	
White hake	-	8	15.5	20	-	20	
Pollock	-	6	15.5	20	20	20	
SNE/MA winter flounder	-	-	15.5	15	-	20	

**Shading** = cap is lower than the maximum currently held by an individual or permit bank.



# Impacts by VECs (Sect. 7.0)

Doc #6  
p. 7-10, 220-295

Doc #6a

## “ Biological, PR, Habitat

- . Impacts considered administrative or uncertain. Uncertain how effort might change for the constraining alternatives.

## “ Human Communities

- . Other Councils have taken various approaches to handling grandfathering and divestiture issues. No consistent approach.
- . Tease out socioeconomic impacts to individuals who may be constrained versus fishery-wide impacts.
- . Generally, having a cap would be a positive for the fishery, as excessive shares may be prevented.
- . There are ~1,500 permit holders today. Each PSC and permit action alternative could allow for substantial reduction in the number of permit holders. Negative for the size and demographics of the fishery.
- . PSC cap Alternative 2 would be most constraining. Negative for 3 individuals and 1 permit bank.
- . A permit cap may be less effective at preventing excessive shares than a PSC cap.



# Impacts by VECs (Sect. 7.0)

## How many individuals would be constrained?

PSC cap alternative	# of individuals with holdings as of the control date > limit (would be grandfathered)	# of individuals with holdings as of FY 2014 > limit (may need to divest, depending on options selected)
1	n/a	n/a
2	n/a	4*
3	1	1
4A	0	1
4B	0	0
5	0	0
6	0	0

*\*Includes a private permit bank.*



# PDT Input

- “ Delete Option 3A. Overlaps/contradicts with divestiture options that apply to all PSC cap alternatives.
- “ Add rationale for why there would be different treatments of current and future excess holdings.



# **Range of Alternatives & Impacts Analysis**

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## **HA Permit Measures Section 4.2**



# Alternatives

Doc #6  
p. 55-61

Doc #7  
p. 7-10

## **Establish a HA permit fishery (Sect. 4.2.1)**

**Alternative 1** - No action.

**Alternative 2** – Create a HA permit sub-ACL (no trimesters, 10% carryover). Options for discard accounting, in-season & reactive AMs.

## **March 1-20 HA closure (Sect. 4.2.2)**

**Alternative 1** - No action.

**Alternative 2** – Remove March 1-20 HA closure.

## **Standard Fish Tote (Sect. 4.2.3)**

**Alternative 1** - No action.

**Alternative 2** – Remove standard fish tote requirement.

## **Sector VMS Exemption (Sect. 4.2.4)**

**Alternative 1** - No action.

**Alternative 2** – Exempt HA vessels in sectors from VMS use.





# Impacts by VECs (Sect. 7.0)

Doc #6  
p. 10-12, 220-295

Doc #6a

## “ Biological, PR, Habitat

- . Impacts considered neutral. Hook gear poses little risk, especially given fishery size (>0.75% of groundfish sub-ACL).

## “ Human Communities

- . Generally positive for HA permit holders, increasing choices and flexibility.
- . The sub-ACLs would be small. If all HA permits were to enroll, the HA GOM cod sub-ACL for FY2015 would be 3,326 lbs. With ~30 active HA fishermen, that's ~110 lbs/person.
- . Allowing a gear type to have a sub-ACL may seem unfair to others and set precedent.



# PDT Input

- “ Revise carryover provision to what was recommended through FW 53 (ABCs cannot be exceeded).
- “ The alternative that would create a sector exemption from VMS could be revised to create a universal exemption (rather than annual request).



# **Range of Alternatives & Impacts Analysis**

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## **Data Confidentiality Section 4.3**



# Alternatives (Sect. 4.3)

Doc #6  
p. 62

Doc #7  
p. 11

**Alternative 1** - No action. Price data on leasing/moving ACE is confidential.

**Alternative 2** - Price data on leasing/moving ACE would be non-confidential.



# Impacts by VECs (Sect. 7.0)

Doc #6  
p. 12, 220-95

Doc #6a

## “ Biological, PR, Habitat

- . Impacts considered neutral/administrative. Uncertain how effort would change.

## “ Human Communities

- . Positive. Disclosure of lease price data may make markets more transparent, use more ACE, and improve public understanding of fishery performance.
- . Negative. Could incentivize misreporting and would be very difficult to enforce.
- . Negative. Could be perceived as an overreach by government into private business affairs.



# **Range of Alternatives & Impacts Analysis**



## **Inshore/Offshore GOM Section 4.4**



# Alternatives

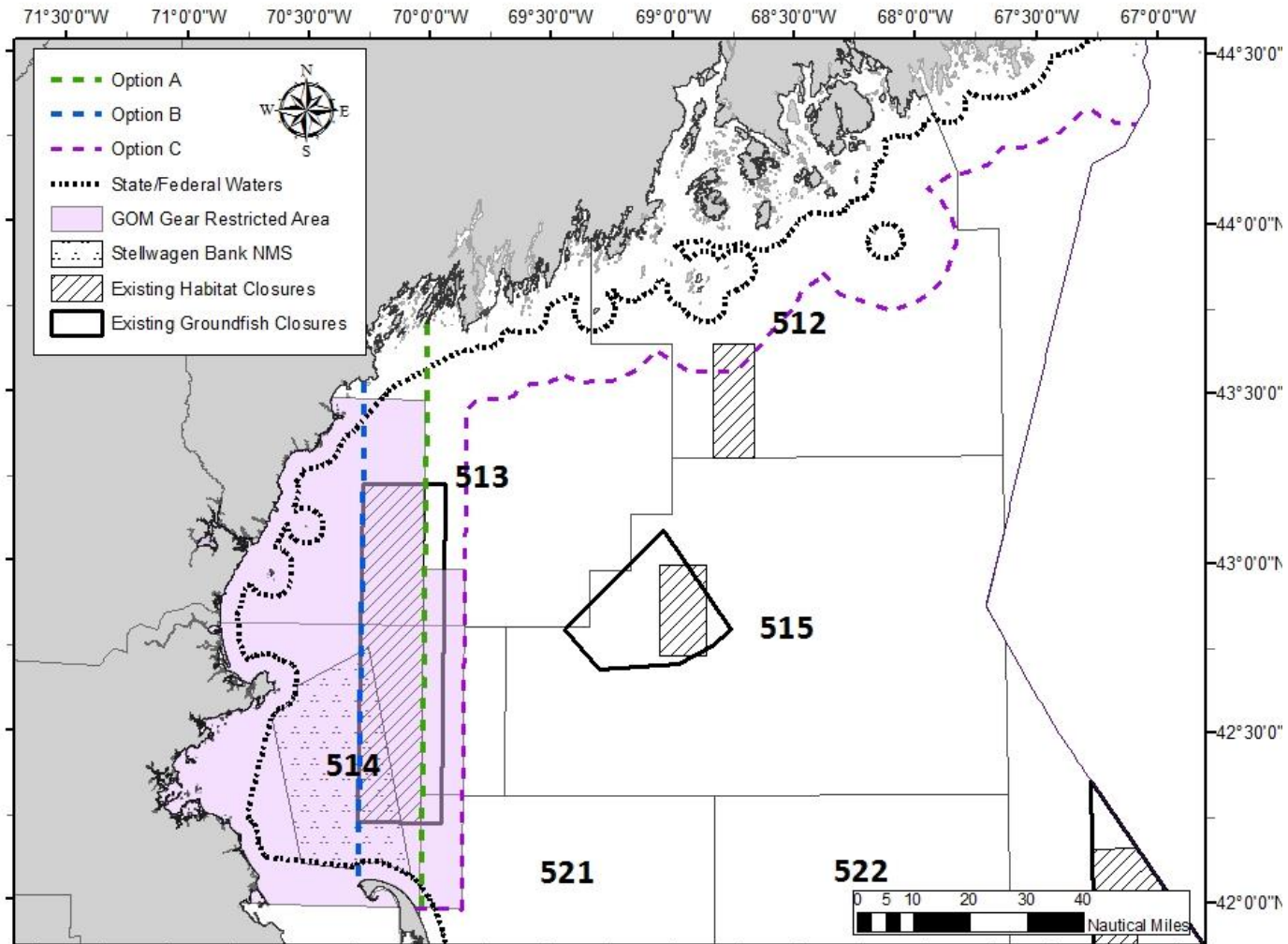
Doc #6  
p. 63-65

Doc #7  
p. 12

## Inshore/offshore GOM boundary (Sect. 4.4.1)

**Alternative 1** - No action. No new boundary.

**Alternative 2** – 3 options for boundary.



# Alternatives

Doc #6  
p. 66-68

Doc #7  
p. 13

## GOM cod sub-ACLs (Sect. 4.4.2)

**Alternative 1** - No action. No new sub-ACLs.

**Alternative 2** - Establish commercial GOM cod sub-ACLs.

- “ Commercial allocation and leasing unchanged.
- “ Catch monitoring
  - . Observed trips - Vessels may declare into both inshore and offshore GOM areas on a given trip.
  - . Unobserved trips - If a vessel declares into more than one BSA, the vessel cannot fish in the inshore GOM area, similar to FY14 sector ops plans.





# Alternatives

Doc #6  
p. 67-68

Doc #7  
p. 13

## **Alternative 2 - Determining the inshore/offshore split**

**Option A** - No predetermined rule. Set during each specifications process.

**Option B** - Proportional to catch in sub-areas.

**sub-Option A** – Last 10 years

**sub-Option B** – Last 20 years

**Option C** - Proportional to fish distribution in sub-areas.

**sub-Option A** – Last 10 years

**sub-Option B** – Last 20 years



# Alternatives

Doc #6  
p. 69-70

Doc #7  
p. 14

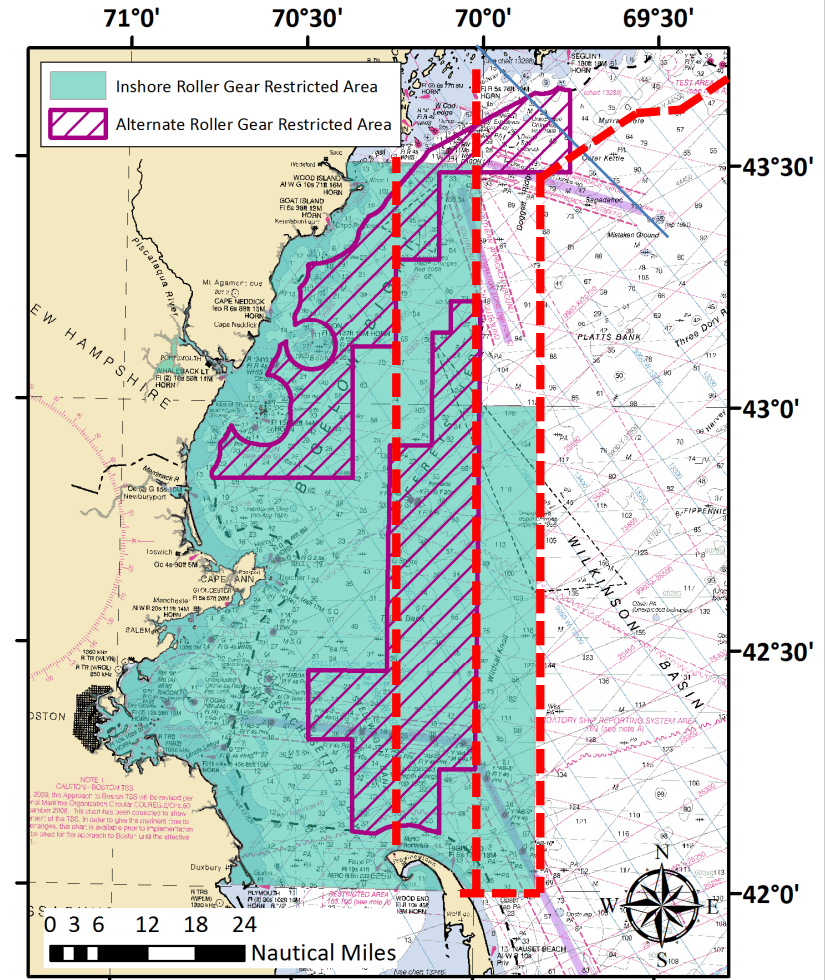
## Gulf of Maine Gear Restricted Area (Sect. 4.4.3)

**Alternative 1A** - Current no action.  
Area in **aqua**. 12" max for trawl roller gear for all trawls fishing under groundfish FMP.

**Alternative 1B** - Potential no action (prior to March Hab. Cte. mtg).

- “ Apply the area to all trawls (preferred).
- “ Change the area to that in **pink** (non-preferred).

**Alternative 2** - Make boundary consistent with inshore/offshore GOM line in **red**.



# Alternatives

Doc #6  
p. 70-71

Doc #7  
p. 15

## Declaration Time Periods

**Alternative 1** - No action. Do not specify time periods.

**Alternative 2** - Annual declaration. Each year, vessels declare which area they will fish in.

**Alternative 3** - Seasonal declaration. Each trimester, vessels declare which area they will fish in.

**Alternative 4** - Trip declaration. Each trip, vessels declare which area they will fish in.



# Impacts by VECs (Sect. 7.0)

Doc #6  
p. 12, 220-95

Doc #6a

- “ Creating a new boundary would generally be neutral/administrative. Depends on what’s done with it. Uncertain how Options B and C create a “distinction between day- and trip-boat fleets” (see rationale).
- “ PR, Habitat
  - . Impacts are uncertain or neutral; effort changes is unclear.
- “ Human Communities
  - . Negative. Inshore vessels would become more dependent on the lease market or may fish offshore unsafely. Less flexibility for offshore vessels to fish throughout GOM as markets and fish availability determine.
  - . Inshore/offshore splits based on more recent years better reflect current conditions, with less potential disruption to the fishery.
  - . No NMFS data on rockhopper size. Most offshore vessels may already be using 12” in GOM.
  - . Trip declaration would provide more flexibility than annual or trimester.



# PDT Input

- “ A portion of the “inshore” side of the Option C line falls within the GB BSA. Do not revise BSA boundaries. Rather, align C to match BSA boundary for purposes of the sub-ACL or for the entire section.
- “ Add rationale for why there would be sub-ACLs created, beyond “limiting catch to more specific areas,” which is an outcome not a rationale.



*See additional Inshore/Offshore GOM  
impacts analysis:*

- . Biological (Jamie Cournane)

# **Range of Alternatives & Impacts Analysis**



## **Redfish Exemption Area Section 4.5**



# Alternative I

Doc #6  
p. 72-73

Doc #7  
p. 16

## No action

Sectors can annually request exemptions.

## Proposed status quo

Sector exemption in FY15-16 Sector Rule. Allow vessels to use a  $\geq 5.5''$  codend within the Redfish Exemption Area (see next slide). Standard monitoring coverage. In Area, 50% kept catch must be redfish. On observed trips,  $\leq 5\%$  catch may be discarded.

1. Prior to leaving the dock, vessel operators would be required to declare their intent to fish in the Redfish Exemption Area through the VMS by checking the box next to "Redfish Trip";
2. In the first part of the trip, vessel operators would fish with conventional groundfish codends (6.5'') in the GOM and GB regulated mesh areas, except when towing a separator trawl on GB where the codend may be 6'';
3. Vessel operators would be allowed to switch to 5.5'' codends at the end of the trip after submitting VMS notification;
4. Vessel operators would report catch from the entire trip through the VMS prior to returning to port; and
5. Vessel operators would submit a separate VTR to report catch on each codend.

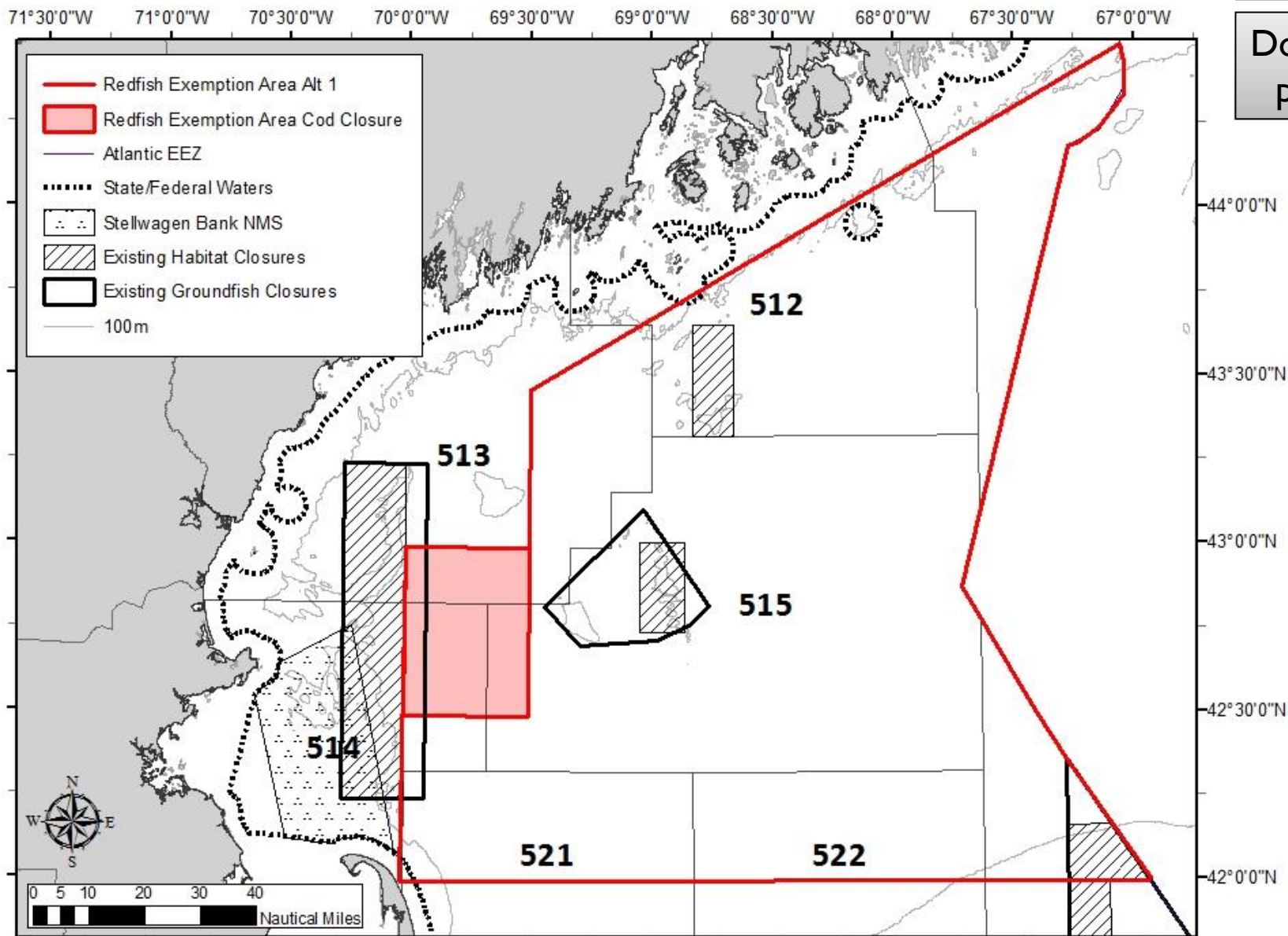




# Alternative I (proposed)

Doc #6  
p. 72-73

Doc #7  
p. 16



## Alternative 2

Doc #6  
p. 74-75

Doc #7  
p. 16

**Alternative 2** – Allow vessels to use a 5.5” codend within the Redfish Exemption Area (see next slide). Council to choose whether the standard observer rate or 100% coverage would apply.

### Stipulations:

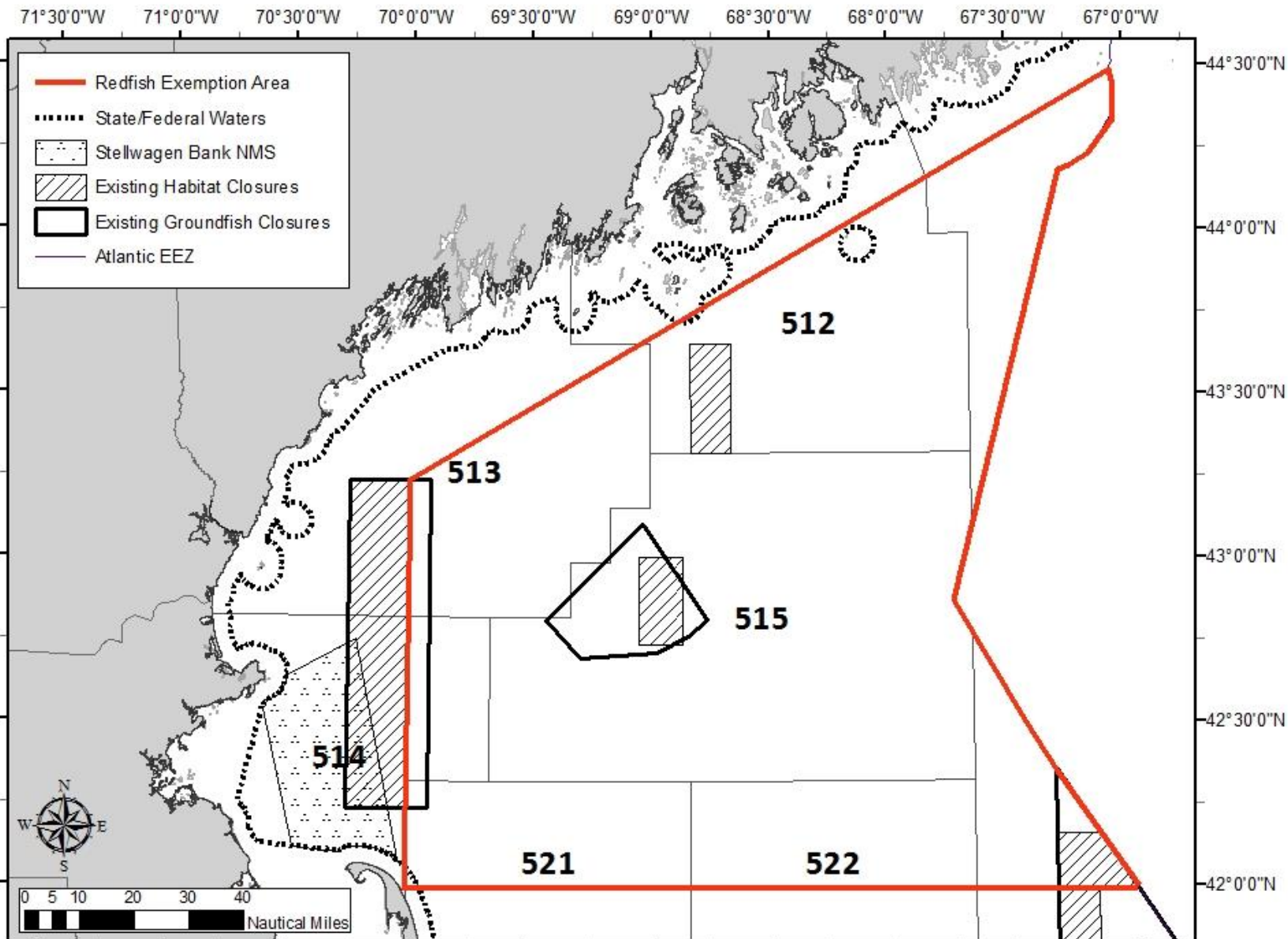
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2. In the first part of the trip, vessel operators would fish with conventional groundfish codends (6.5”) in the GOM and GB regulated mesh areas, except when towing a separator trawl on GB where the codend may be 6”;
3. Vessel operators would be allowed to switch to 5.5” codends at the end of the trip after submitting VMS notification;
4. Vessel operators would report catch from the entire trip through the VMS prior to returning to port; and
5. Vessel operators would submit a separate VTR to report catch on each codend.



# Alternative 2

Doc #6  
p. 74-75

Doc #7  
p. 16



# Impacts by VECs (Sect. 7.0)

Doc #6  
p. 12, 220-95

Doc #6a

## “ Biological

- . Neutral re No Action: harvesting ACE within ACLs.
- . Negative re proposed status quo: potential to catch cod in SA153, lack of bycatch standard.

## “ Protected Resources

- . Neutral. Low interactions with trawls in the area.

## “ Habitat

- . Positive re No Action: would move effort offshore.
- . Neutral re proposed status quo.

## “ Human Communities

- . Positive: providing greater opportunity to fish ACE, incentive to invest in the redfish fishery, reduced administrative burden for sectors, inclusive of the common pool.
- . Catch monitoring Option A (standard rate) more positive than B: more flexibility, though some stakeholders may want closer catch accounting on small mesh trips.



# PDT Input

- “ Alternative 2 was drafted to mirror the original FY 2015 sector exemption request. The Council could:
- . Keep Alternative 2 as is.
  - . Revise Alternative 2 to mirror the FY15-16 Proposed Rule.
  - . Create additional alternatives.

