

Atlantic Sea Scallop Fishery Management Plan

Amendment 21

**(Northern Gulf of Maine and Limited Access General
Category Amendment)**

Alternatives in Development

March 23, 2020

1.0 EXECUTIVE SUMMARY

To be completed.

2.0 TABLE OF CONTENTS

2.1 TABLES

No table of figures entries found.

2.2 FIGURES

No table of figures entries found.

2.3 MAPS

No table of figures entries found.

3.0 BACKGROUND AND PURPOSE

3.1 BACKGROUND

To be completed later

3.2 PURPOSE AND NEED

To be completed later.

3.3 VISION FOR LAGC COMPONENT

In Amendment 21, the Council is reaffirming the Amendment 11 vision statement for the Limited Access General Category component as:

“a fleet made up of relatively small vessels, with possession limits to maintain the historical character of this fleet and provide opportunities to various participants including vessels from smaller coastal communities.”

3.4 GOALS AND OBJECTIVES:

3.4.1 Northern Gulf of Maine Management

1. Support a growing directed scallop fishery in federal waters in the NGOM.
2. Allow for orderly access to the scallop resource in this area by the LAGC and LA components.
3. Establishing mechanisms to set allowable catches and accurately monitor catch and bycatch from the NGOM.

3.4.2 LAGC IFQ Measures

1. Improve overall economic performance of the LAGC IFQ component.
2. Allow for continued participation in the General Category fishery at varying levels.

3.5 NEPA AND PUBLIC SCOPING

3.5.1 Notice of Intent and Scoping Process

NMFS published a Notice of Intent (NOI) on March 1, 2019 to announce its intent to develop Amendment 21 and prepare an Environmental Assessment (EA) or Environmental Impact Statement (EIS) to analyze the impacts of the proposed management alternatives. The announcement stated that Amendment 21 would “consider measures related to the Northern Gulf of Maine Scallop Management Area, Limited Access General Category individual fishing quota possession limits, and the ability of Limited Access vessels with Limited Access General Category individual fishing quota permits to transfer quota to Limited Access General Category individual fishing quota-only vessels.” The scoping period extended from February 28, 2019 to April 3, 2019 and included ten scoping hearings

3.5.2 NEPA Compliance

As part of the scoping document, the Council stated at it will either prepare an EA or an EIS. The processes for competing an Environmental Assessment and an Environmental Impact Statement are different. In general, and EIS takes longer to complete. The decision on whether or not an EA or an EIS is appropriate for this action will, in part, depend on the alternatives that the Council develops in Amendment 21.

“In accordance with the National Environmental Policy Act (NEPA), the Council will prepare an Environmental Assessment (EA), and may prepare an Environmental Impact Statement (EIS), that will analyze the impacts of this amendment on the affected biological, physical, and human environment.

This scoping document is to inform you of the Council’s intent to gather information necessary for the preparation of an EA or EIS. Specifically, your input is needed to identify concerns, potential impacts, and relevant effects of past actions related to the changes being considered by the Council in this action, as well as a range of alternatives that should be considered in Amendment 21.”

3.6 DEFINITIONS

The following definitions define terms used in this action.

ACL Flowchart: Annual Catch Limit flowchart. The schematic used to describe relationship between legal limits in the scallop fishery, such as the overfishing limit (OFL), acceptable biological catch (ABC), annual catch limit (ACL), and annual catch target (ACT). In the scallop FMP, the $OFL > ABC = ACL > ACT$. The ACL flowchart is not used to develop days-at-sea (DAS) allocations for the LA component, or allocations for spatial management. The values in the flowchart represent an upper-bound that annual projected landings (APL) developed through spatial management should not exceed.

APL: Annual Projected Landings. Fishery allocations set by the Council through the application of spatial management. The APL is the combination of landings from access areas and open areas of the fishery. The APL is calculated using survey data with a forward projection model (SAMS), and applying

target F rates to spatially explicit areas of the resource (SAMS areas). The APL is reduced by LAGC incidental catch, the observer set-aside, and the research set-aside. Currently, the APL for the scallop fishery is based on exploitable biomass in areas that are surveyed and open to the fishery on Georges Bank and the Mid-Atlantic. The APL is allocated to the Limited Access (94.5%) and Limited Access General Category IFQ (5.5%) components. The NGOM set-aside is outside of the APL, and the APL would not be reduced by this value.

NGOM APL: Northern Gulf of Maine Annual Projected Landings. The NGOM APL are defined as pounds that would be added to the LA and LAGC IFQ allocations. The NGOM APL would be split 94.5% for the LA component, and 5.5% for the LAGC IFQ component. The Council will establish measures to govern how the NGOM set-aside can be harvested. The Council will establish measures to govern how the NGOM set-aside can be harvested.

NGOM TAC: Northern Gulf of Maine Total Allowable Catch. The total allocation associated with the Northern Gulf of Maine management area. The NGOM TAC will be developed by Council's scallop PDT and approved by the Council. If survey data is available, the NGOM TAC will be set using a projection method developed by the scallop PDT.

NGOM Set-Aside: Northern Gulf of Maine Set-Aside. A portion of the NGOM TAC that can be available to support research and for harvest by LAGC Category (IFQ) A and LAGC Category B (NGOM) vessels. The trip limit for LAGC A and LAGC B vessels fishing the NGOM set-aside would be set at 200 pounds. The Council will establish measures to govern how the NGOM set-aside can be harvested.

NGOM Monitoring Set-Aside: Northern Gulf of Maine monitoring Set-Aside. A portion of the NGOM TAC that can be available to offset the cost of monitoring in the scallop fishery. This monitoring set-aside would be added to the observer set-aside. Any observer compensation awarded to vessels fishing in federal waters of the NGOM management area would come out of the observer set-aside.

Set-Aside Trigger: A value (in pounds) specified by the Council to separate allocations to NGOM set-aside, and to other components of the scallop fishery. Below the trigger, 100% of the NGOM TAC would contribute to the NGOM set-aside. Above the trigger, the NGOM TAC will be allocated to other components, such as the NGOM APL.

4.0 ALTERNATIVES UNDER CONSIDERATION

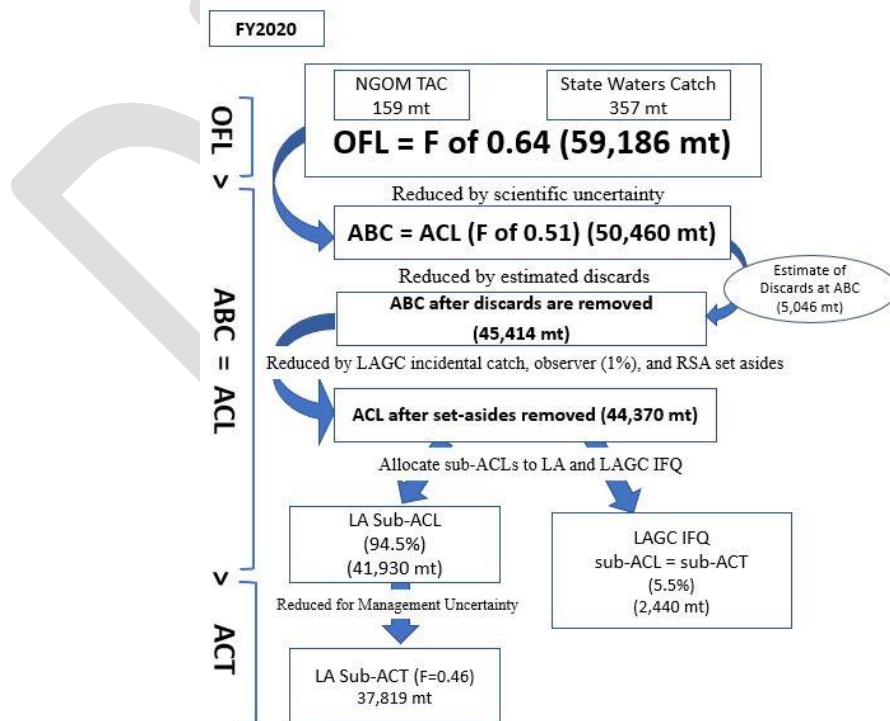
Scallop AP and Committee: Please review the draft alternatives that have been developed in response to Committee tasking. Staff have flagged issues and decision points in **red text**.

4.1 ACTION 1 – NORTHERN GULF OF MAINE ALLOCATIONS AND CATCH LIMITS

At this time, all allocation options under consideration in Action 1 assume that there would be no change to how the NGOM TAC is accounted for with respect to the legal limits in the fishery (OFL & ABC). This means that the NGOM TAC would continue to be added to the OFL, along with an estimate of state waters landings, and would not be included in the calculation of the ABC/ACL (added into the ACL flowchart). This is the process that has been used in the management of this area since Amendment 15 to the FMP. The expectation is that the NGOM management area could be folded into the ABC and ACL as more data for this area becomes available.

AP and Committee: We should confirm if this is the approach (outlined above in 4.1) that you would like to take during your meetings. If you want to fold the NGOM into legal limits (ABC/ACL) in this action, we will add another alternative and make it a decision point.

Figure 1 - Example of scallop legal limits (OFL, ABC, ACL) presented in the ACL flowchart. In all allocation scenarios, the NGOM TAC would continue to be handled as it has since Amendment 15, where it is added to the OFL with stat waters catch.



4.1.1 Alternative 1: No Action

Under Alternative 1, allocations to the Northern Gulf of Maine management area would follow the approach the Council established in Amendment 11.

The Northern Gulf of Maine management unit would be managed as follows:

1. LAGC IFQ catch applied against NGOM TAC and individual IFQ
2. LAGC Incidental catch is not applied against TAC, 40 lb possession limit
3. Landings from NGOM vessels fishing exclusively in state waters are not deducted from the NGOM TAC
4. LA catch is not applied against the NGOM TAC, vessels would operate under DAS management
5. Once TAC is reached, NGOM is shut down to all federally permitted vessels
6. NGOM landings would not be included in annual projected landings (APL) used to set overall allocations for LA and LAGC IFQ components

If estimates of exploitable biomass are available for parts of the Northern Gulf of Maine Management Unit, they would be used to develop a TAC for the area. The Council recommends

If estimates of biomass in the area are not available or suitable for setting catch limits, the Council may consider setting a TAC based on other available data, such as but not limited to historic catch.

Rationale: This suite of measures was adopted by the Council in Amendment 11 when the NGOM management area was created.

4.1.2 Alternative 2: Create Northern Gulf of Maine set-aside to support research and a directed LAGC fishery, share additional NGOM TAC between the NGOM set-aside and NGOM APL (LA and LAGC IFQ).

Alternative 2 would create a permanent NGOM set-aside that could be used to support research, and a directed LAGC fishery in the NGOM management area. The NGOM set-aside would be a portion of the NGOM TAC, and allocated first, up to a trigger. When the NGOM TAC is set at a level above the trigger, the remaining NGOM TAC would be shared between the NGOM set-aside and NGOM APL. The NGOM APL would then be added to the overall APL to increase allocations for the LA and LAGC IFQ. This approach is similar to how the NGOM is currently being managed through recent framework actions (FW29, FW30, FW32). The Council developed several options on how to allocate the NGOM TAC using this approach.

Alternative 2 would allow the size of the NGOM set-aside to increase if the NGOM TAC is larger than the ‘trigger’ NGOM set-aside.

If survey data is available, the NGOM TAC would be developed using a projection method to estimate exploitable biomass in upcoming fishing years. The NGOM TAC would be set by applying an F rate ranging from F=0.15 to F=0.25 to exploitable biomass in specific open areas of the NGOM.

If the NGOM TAC exceeds the trigger, the Council would determine how the NGOM APL could be harvested in a subsequent specifications package or framework adjustment.

The trip limit for LAGC vessels fishing the NGOM set-aside (NGOM and IFQ) would be 200 pounds. LAGC IFQ vessels fishing the NGOM set-aside would need to use IFQ, and their landing would be deducted from the set-aside.

Rationale: The NGOM set-aside with a tiered approach would preserve and support a directed LAGC fishery in federal waters in the NGOM, and distribute allocations to all permit types as the biomass in the area grows. The set-aside approach would promote conservation in the management unit by setting allowable catch for all components of the fishery (vs. No Action).

Figure 2 - Schematic of how the NGOM TAC would be distributed using a NGOM set-aside approach.

NGOM Set-Aside Scenario: Less than the Trigger

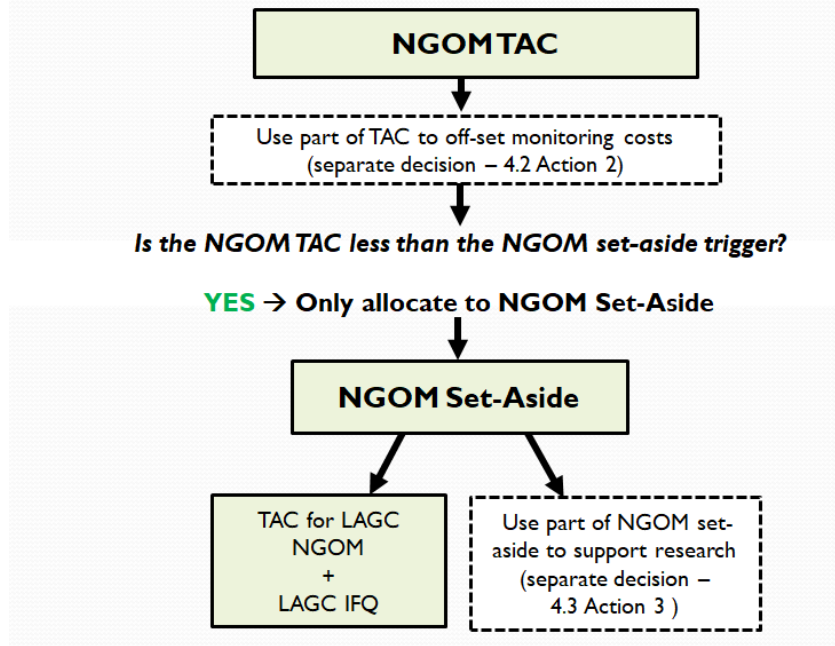
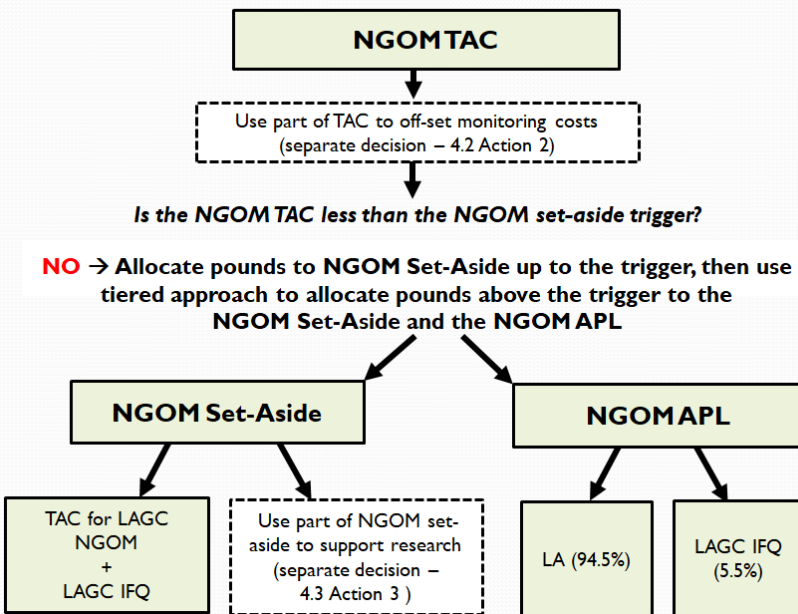


Figure 3 – Schematic of how the NGOM TAC would be distributed if the TAC is above the specified trigger, using a NGOM set-aside approach.

NGOM Set-Aside Scenario: More than the Trigger



4.1.2.1 Option 1: NGOM set-aside trigger of 1 million pounds.

The NGOM set-aside trigger would be set at 1 million pounds. At or below this value, the NGOM TAC would be allocated as NGOM set-aside. Over this value, the remaining NGOM TAC would be shared between the NGOM APL and additional allocation for the NGOM set-aside.

Rationale: AP and Committee: Input is needed in the rationale for amount of pounds in each trigger option so that the Council can compare them during decision making.

4.1.2.1.1 Sub-Option 1: Pounds over the trigger would be split 5% for the NGOM set-aside and 95% for the NGOM APL. (Committee Motion 3, Feb. 7, 2020)

If there are no additional sub-options, this could be included in Option 1 (above). This goes of all options being developed in this section.

Alternative 2, Option 1, sub-Option 1 would increase the size of the NGOM set-aside if the NGOM TAC is determined to be above a ‘trigger’ value specified in the sub-options below. For all allocation over the trigger, 5% would go to the NGOM set-aside, and 95% would go to the NGOM APL. To calculate the final NGOM set-aside when the NGOM TAC is larger than the trigger, pounds up to the trigger would be added to the 5% share of pounds over the trigger.

Table 1 - NGOM TAC allocation sharing formula for NGOM set-aside and NGOM APL for Alternative 2, Option 1, Sub-Option 1.

	<i>Poundage Range</i>	<i>Sharing Formula</i>
Set-Aside Trigger	1,000,000 pounds	n/a (all pounds up to 1 million go to the NGOM set-aside)
Tier 1	Greater than 1,000,000 pounds	5% for NGOM set-aside 95% for NGOM APL

Rationale: AP and Committee: Input is needed in the rationale about the number of pounds in each TAC sharing option so that the Council can compare them during decision making.

4.1.2.2 Option 2: NGOM set-aside trigger of 750,000 pounds.

The NGOM set-aside trigger would be set at 750,000 pounds. At or below this value, the NGOM TAC would be allocated as NGOM set-aside. Over this value, the remaining NGOM TAC would be shared between the NGOM APL and additional allocation for the NGOM set-aside.

Rationale: AP and Committee: Input is needed in the rationale about the of number of pounds in each trigger option so that the Council can compare them during decision making.

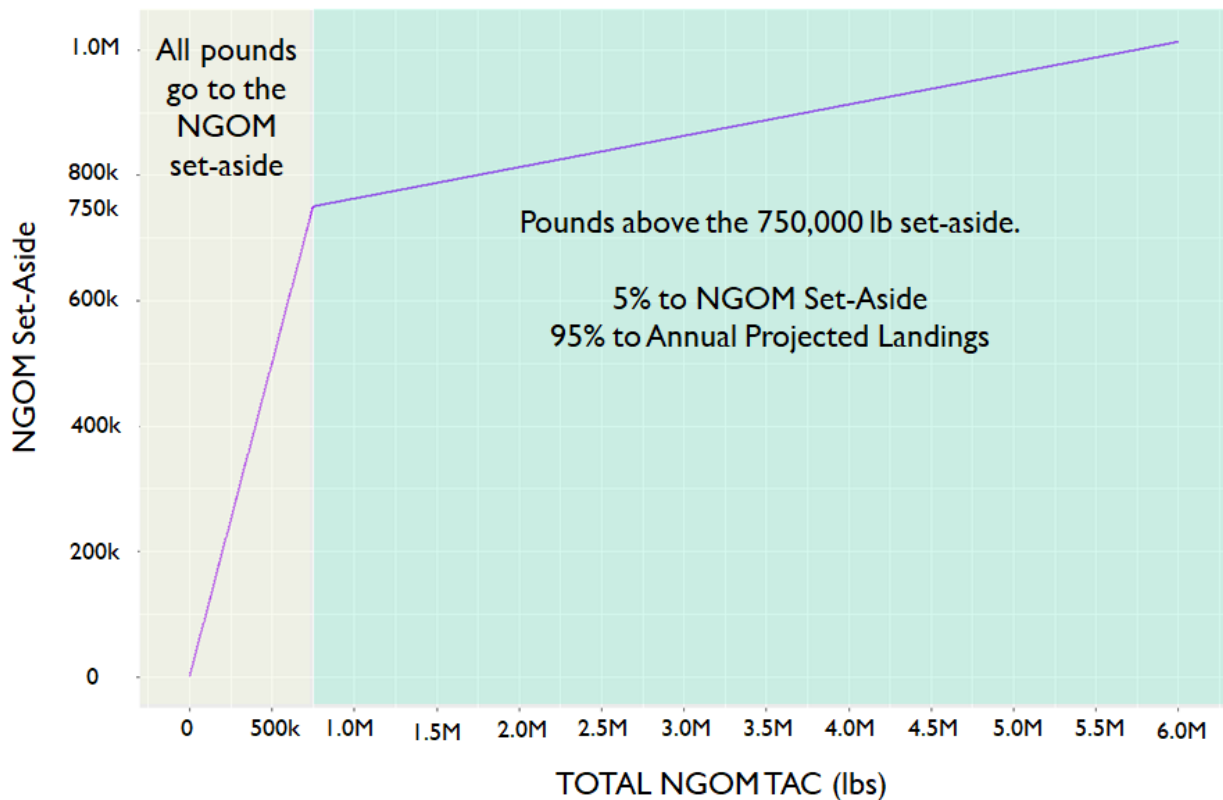
4.1.2.2.1 Sub-Option 1 - Pounds over the trigger would be split 5% for the NGOM set-aside and 95% for the NGOM APL. (Committee Motion 3, Feb. 7, 2020)

Alternative 2, Option 2, sub-Option 1 would increase the size of the NGOM set-aside if the NGOM TAC is determined to be above a ‘trigger’ value specified in the sub-options below. For all allocation over the trigger, 5% would go to the NGOM set-aside, and 95% would go to the NGOM APL (Tier 1). To calculate the final NGOM set-aside when the NGOM TAC is larger than the trigger, pounds up to the trigger would be added to the 5% share of pounds over the trigger. Figure 4 illustrates how the NGOM set-aside would grow as the NGOM TAC increases, using sub-option 4.1.2.1.2 as an example.

Table 2 - NGOM TAC allocation sharing formula for NGOM set-aside and NGOM APL for Alternative 2, Option 1, Sub-Option 1.

	<i>Poundage Range</i>	<i>Sharing Formula</i>
Set-Aside Trigger	750,000 pounds	n/a (all pounds up to 1 million go to the NGOM set-aside)
Tier 1	Greater than 750,000 pounds	5% for NGOM set-aside 95% for NGOM APL

Figure 4 - Example of the Option 1 (4.1.2.1) Single Tier Approach splitting the pounds above 750,000 pounds 5% for the NGOM set-aside and 95% for the NGOM APL. The tan area represents when the NGOM TAC is less than the NGOM set-aside trigger, and the green area represents when the NGOM TAC is greater than the NGOM set-aside trigger.



4.1.2.3 Option 3: NGOM Set-Aside Trigger of 600,000 pounds

The NGOM set-aside trigger would be set at 600,000 pounds. At or below this value, the NGOM TAC would be allocated as NGOM set-aside. Over this value, the remaining NGOM TAC would be shared between the NGOM APL and additional allocation for the NGOM set-aside.

Rationale: **AP and Committee: Input is needed in the rationale for number of pounds in each trigger option so that the Council can compare them during decision making.**

4.1.2.3.1 Sub-Option 1: Pounds over the trigger would be split 25% for the NGOM set-aside and 75% for the NGOM APL up to 3 million pounds, then 5% for the NGOM set-aside and 95% for the NGOM APL. (Committee Motion 2, Feb. 7, 2020)

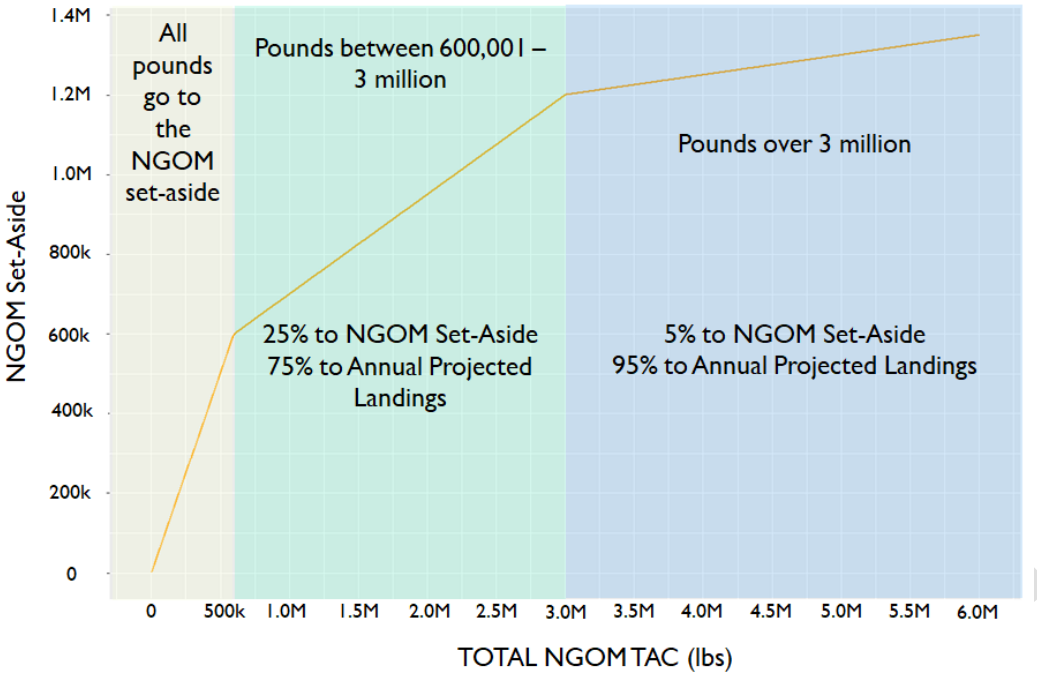
Alternative 2, Option 3, sub-Option 1 would increase the size of the NGOM set-aside if the NGOM TAC is determined to be above a ‘trigger’ value using two sharing arrangements (tiers). In Tier 1, 25% of the NGOM TAC would be allocated to the NGOM set-aside and 75% would be allocated to the NGOM APL. In Tier 2, 5% of the NGOM TAC would be allocated to the NGOM set-aside, and 95% would be allocated to the NGOM APL. The trigger NGOM set-aside values are specified in the sub-options below. To calculate the final NGOM set-aside when the NGOM TAC is larger than the trigger, pounds up to the trigger would be added to the NGOM set-aside shares from Tier 1 and Tier 2. **Error! Reference source not found.** illustrates how the NGOM set-aside would grow as the NGOM TAC increases, using sub-option 4.1.2.2.2 as an example.

Table 3 - NGOM TAC allocation sharing formula for NGOM set-aside and NGOM APL for Alternative 2, Option 3, Sub-Option 1 (600,000 pound max, with two tiers).

	Poundage Range	Sharing Formula
Set-Aside Trigger	600,000 pounds	All pounds up to 600,000 go to the NGOM set-aside
Tier 1	600,001 pounds up to 3,000,000 pounds	25% for NGOM set-aside 75% for NGOM APL
Tier 2	Greater than 3,000,001 pounds	5% for NGOM set-aside 95% for NGOM APL

Figure 5 - Example of the Option 3, sub-Option 1 (4.1.2.3.1) Two Tier Approach splitting the pounds above 600,000 pound NGOM set-aside trigger. The tan area represents when the NGOM TAC is

less than the NGOM set-aside trigger, and the green and blue areas represent when the NGOM TAC is greater than the NGOM set-aside trigger.



Rationale: AP and Committee: Input is needed in the rationale about the number of pounds in each TAC sharing option so that the Council can compare them during decision making.

4.1.2.4 Option 4: NGOM Set-Aside Trigger of 500,000 pounds

The NGOM set-aside trigger would be set at 500,000 pounds. At or below this value, the NGOM TAC would be allocated as NGOM set-aside. Over this value, the remaining NGOM TAC would be shared between the NGOM APL and additional allocation for the NGOM set-aside.

Rationale: AP and Committee: Input is needed in the rationale for number of pounds in each trigger option so that the Council can compare them during decision making.

4.1.2.4.1 Sub-Option 1 - Pounds over the trigger would be split 5% for the NGOM set-aside and 95% for the NGOM APL. (Committee Motion 3, Feb. 7, 2020)

Alternative 2, Option 4, sub-option 1 would increase the size of the NGOM set-aside if the NGOM TAC is determined to be above a ‘trigger’ value specified in the sub-options below. For all allocation over the trigger, 5% would go to the NGOM set-aside, and 95% would go to the NGOM APL. To calculate the final NGOM set-aside when the NGOM TAC is larger than the trigger, pounds up to the trigger would be added to the 5% share of pounds over the trigger.

	<i>Poundage Range</i>	<i>Sharing Formula</i>
Set-Aside Trigger	500,000 pounds	n/a (all pounds up to 500,000 go to the NGOM set-aside)
Tier 1	Greater than 500,000 pounds	5% for NGOM set-aside 95% for NGOM APL

Rationale: AP and Committee: Input is needed in the rationale about the number of pounds in each TAC sharing option so that the Council can compare them during decision making.

4.1.2.5 Option 5: NGOM Set-aside Trigger of 300,000 pounds

The NGOM set-aside trigger would be set at 300,000 pounds. At or below this value, the NGOM TAC would be allocated as NGOM set-aside. Over this value, the remaining NGOM TAC would be shared between the NGOM APL and additional allocation for the NGOM set-aside.

Rationale: AP and Committee: Input is needed in the rationale for number of pounds in each trigger option so that the Council can compare them during decision making.

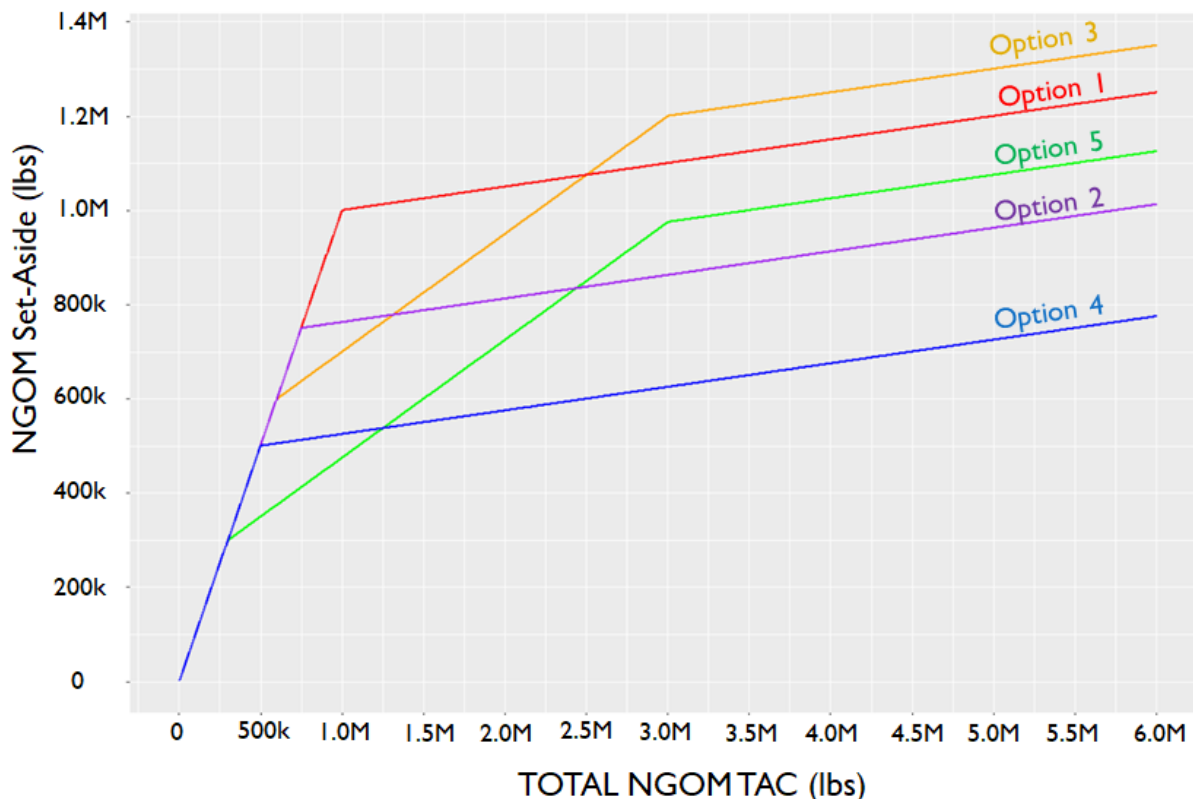
4.1.2.5.1 Sub-Option 1: Pounds over the trigger would be split 25% for the NGOM set-aside and 75% for the NGOM APL up to 3 million pounds, then 5% for the NGOM set-aside and 95% for the NGOM APL. (Committee Motion 2, Feb. 7, 2020)

Alternative 2, Option 5 would increase the size of the NGOM set-aside if the NGOM TAC is determined to be above a ‘trigger’ value using two tiers. In Tier 1, 25% of the NGOM TAC would be allocated to the NGOM set-aside and 75% would be allocated to the NGOM APL. In Tier 2, 5% of the NGOM TAC would be allocated to the NGOM set-aside, and 95% would be allocated to the NGOM APL. The trigger NGOM set-aside values are specified in the sub-options below. To calculate the final NGOM set-aside when the NGOM TAC is larger than the trigger, pounds up to the trigger would be added to the NGOM set-aside shares from Tier 1 and Tier 2.

	<i>Poundage Range</i>	<i>Sharing Formula</i>
Set-Aside Trigger	300,000 pounds	All pounds up to 300,000 go to the NGOM set-aside
Tier 1	300,001 pounds up to 3,000,000 pounds	25% for NGOM set-aside 75% for NGOM APL
Tier 2	Greater than 3,000,001 pounds	5% for NGOM set-aside 95% for NGOM APL

Rationale: AP and Committee: Input is needed in the rationale about the number of pounds in each TAC sharing option so that the Council can compare them during decision making

Figure 6 - Comparison of the NGOM set-aside at different values of the NGOM TAC in Options 1-5 under consideration in Alternative 2.



4.1.2.6 Option 6 - One Tier – Use a set-aside trigger of 70,000 pounds. Pounds over 70,000 would be split 50% for the NGOM Set-Aside and 50% for Annual Projected Landings.

The AP and Committee should confirm if they want this alternative in the document.

Alternative 2, Option 6 would allocate the NGOM TAC between the NGOM Set-Aside and APL with the first 70,000 pounds to NGOM Set-Aside, with all pounds over 70,000 being split 50% for the NGOM set-aside and 50% for the APL. This option uses numbers that the Council recommended as a temporary approach for NGOM management in Frameworks 29, 30, 32. However, instead of splitting the NGOM TAC between the “General Category” and “Limited Access”, this approach allocated to the NGOM set-aside and the APL.

Rationale: The NGOM TAC for the LAGC component was set at 70,000 pounds from FY 2008 – FY 2016. Splitting pounds 50/50 above the first 70,000 pounds was the Council’s preferred approach in FW29.

4.1.3 Create a Northern Gulf of Maine set-aside, with all pounds over the set-aside trigger allocated as NGOM Annual Projected

Landings (NGOM APL) for LAGC IFQ and LA. (WOULD BE ADDED AS A SUB-OPTION TO THE MEASURES ABOVE)

The AP and Committee should confirm if they want this alternative in the document. If so, then input is needed for Decision 2. See highlighted text below. This TAC sharing arrangement would be added to each option in alternative 2 as a new sub-option for sharing the TAC.

Alternative 3 would create a permanent set-aside to support research and a directed LAGC fishery in the Northern Gulf of Maine management area. This approach is similar to how the NGOM is currently being managed through FW actions (FW29, FW30, FW32).

Any allocation above the NGOM set-aside trigger value would be allocated as NGOM APL, and split between the LA and LAGC IFQ components using the allocation sharing formula developed through Amendment 11 (94.5% to LA; 5.5% to LAGC IFQ).

If the AP and Committee wish to further develop alternatives using this approach, several decisions need to be made:

1. Decision 1: In February, the Committee recommended using a range of F rates from $F=0.15$ to $F=0.25$ for evaluating the target TAC in the NGOM, which would be based on exploitable biomass of open areas.
2. Decision 2: Determine which “trigger” amounts for the NGOM set-aside this would apply.
 - a. At or below this value, 100% of the allocation goes to the NGOM set-aside.
 - b. Over this value, all pounds are allocated to the NGOM APL.

Rationale: This option would preserve and support a directed fishery in federal waters in the NGOM for LAGC permit holders by setting aside a portion of the scallop in the NGOM that could be used to support research, and a directed fishery, while allowing for orderly access to the scallop resource in this area by the LA component if exploitable biomass is above a threshold. The Council has not established an allocation share for the NGOM or incidental portions of the LAGC component but did so for the LAGC IFQ and LA components in Amendment 11 when the NGOM and incidental permit categories were created. This option maintains the current allocation split between the LA and LAGC IFQ, while setting-aside part of the NGOM TAC to support research, and the NGOM fishery that the Council envisioned in Amendment 11.

At higher levels of exploitable biomass, this option also contributes to the LAGC IFQ and LA allocation shares.

4.2 ACTION 2 – MONITORING DIRECTED SCALLOP FISHING IN THE NORTHERN GULF OF MAINE MANAGEMENT AREA

The Council is considering a range of options in Amendment 21 that would facilitate monitoring on the Northern Gulf of Maine management area.

4.2.1 Alternative 1 – No Action

There would be no change to the scallop industry funded observer program, and no observer call-in requirement for LAGC Category A and B vessels fishing for scallops in federal waters in the NGOM management area.

4.2.2 Alternative 2 – Monitor directed scallop fishing in the NGOM by expanding the Scallop Industry Funded Observer program, use a portion of the NGOM TAC to off-set monitoring costs.

AP and Committee: There are at least three decision points in this section that you may wish to weigh in on. Decision #2 and #3 are related.

1. How much of the NGOM TAC should be made available to support monitoring? A 2% monitoring set-aside is proposed in this alternative for discussion purposes. If you would like a larger range of options, the PDT can add sub-options to this section.
2. The Council should identify what the ASM coverage is for and what standard it has to meet.
3. Does the Council want to be prescriptive about setting coverage levels in the NGOM? This could be done in a subsequent action, or in A21. The language in the alternative that NOAA Fisheries will set the coverage levels, which is what is currently done.

Using the FW32 initial NGOM TAC as an example: Using 2% of the TAC would set-aside 4,200 pounds. Observer costs are ~\$700 per day for the LAGC IFQ fishery. With a 210,000 pound TAC, there could be just over 1,000 LAGC trips in the area at a 200 pound trip limit. If the vessel compensation rate is set at 100 pounds, 42 trips could be observed using pounds from the NGOM alone. However, Alternative 2 pools the NGOM monitoring set-aside with the observer set-aside, so if additional coverage is required, the observer set-aside could be drawn from. If there are 40 LAGC vessels fishing daily in the NGOM, the 2020 season could be expected to last around 26 days. The fishery expected to operate in two areas off of Cape Ann (Ipswich Bay and Jeffreys Ledge) in FY 2020.

The NGOM management area is nested within a larger SBRM strata for LAGC vessels (LAGC NE OPEN). Observing trips in this area would help to satisfy the seaday requirement for that strata.

In FY 2019, ~70% of the observer set-aside has been used.

https://www.greateratlantic.fisheries.noaa.gov/ro/fso/reports/ScallopProgram/CURRENT_REPORTS/OSA.html

Alternative 2 would expand the observer call-in requirement to LAGC category B vessels, which would facilitate observer coverage in the NGOM management area.

Alternative 2 would set-aside 2% of the NGOM TAC to off-set monitoring costs for vessels fishing in this area. These pounds (NGOM monitoring set-aside) would be deducted directly from the NGOM TAC, as shown the red circle in Figure 7. These pounds come out before a determination of whether the TAC is greater than the set-aside trigger so that the pounds could be used to support monitoring of all permit categories that have access to the NGOM management area. The Figure 7 schematic assumes that the

NGOM TAC is accounted for as an addition to the OFL, but not part of the ABC (status quo approach). The NGOM monitoring set-aside would be added to the fishery-wide observer set-aside that is calculated as 1% of the ABC.

If scallop biomass in the NGOM became part of the calculation of the fishery wide ABC and ACL, pounds from the NGOM management area would contribute to the fishery wide observer set-aside, which is calculated at 1% of the ABC. In this scenario, there would be no deduction of the pounds to off-set monitoring cost from the NGOM TAC.

The scallop industry funded observer program would be expanded to cover directed scallop trips in federal waters in the NGOM management area. This expanded program would utilize the cumulative pounds of the NGOM monitoring set-aside and the observer set-aside to support observer coverage in the scallop fishery. All compensation pounds for all observed trip would come out of the same pool, and NOAA Fisheries would administer one scallop IFO program.

Observer coverage levels for the NGOM management area would be set by NOAA Fisheries. The Council should identify what the ASM coverage is for and what standard it has to meet. Does the Council agree with this approach, or would it like to be more prescriptive about how coverage levels are set in the NGOM? The amount of daily compensation available for LAGC trips in the NGOM may vary from the daily compensation rate for LAGC IFQ vessels that have a higher trip limit. Vessels selected to carry an observer would be able to land the full amount of the daily compensation rate in addition to the NGOM trip limit. For example, if the daily compensation rate was set at 100 pounds, vessels with observers would be able to land 300 pounds that trip.

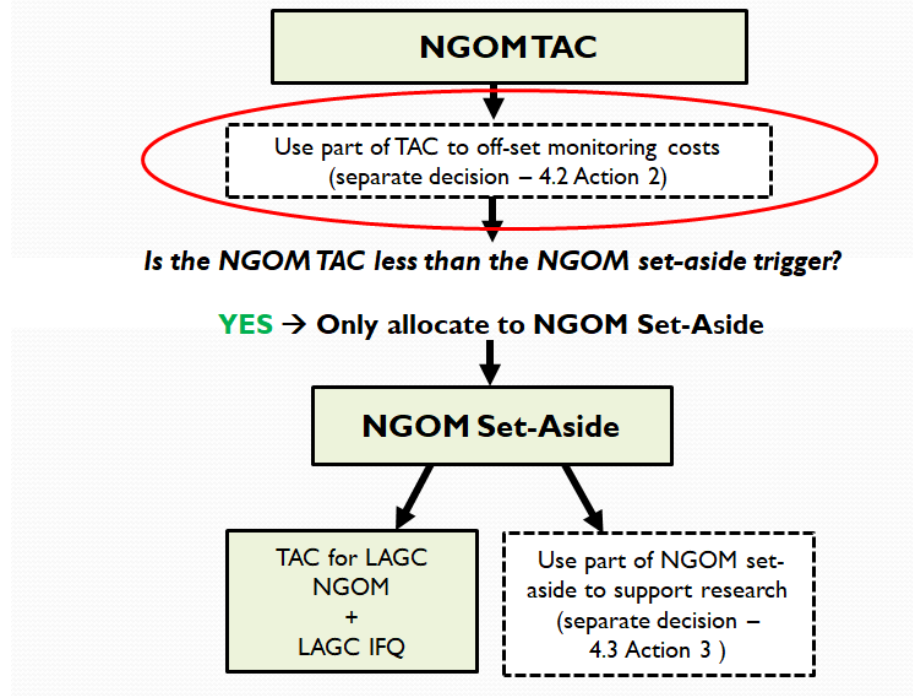
Rationale: Expanding the observer call-in requirement to the NGOM management area would facilitate the deployment of observers on directed scallop trips in federal waters.

A 2% set-aside (NGOM monitoring set-aside) from the NGOM TAC would be provide a pool of allocation to off-set the cost carrying a monitor.

Allowing vessels to land the daily observer compensation rate in addition to the trip limit is consistent with existing regulations for LA and LAGC IFQ vessels when those vessels carry observers.

Figure 7 – Schematic where observer set-aside pounds (see red circle) would come from if the NGOM set-aside approach is used, and the NGOM is accounted for as part of the OFL only.

NGOM Set-Aside Scenario: Less than the Trigger



4.2.3 Alternative 3 - Monitor directed scallop fishing in the NGOM with observers from the NEFOP program.

AP and Committee: Is this an alternative that you want in the document?

Alternative 3 would recommend that NMFS utilize the existing NEFOP program to observe directed scallop trips in federal waters in the Northern Gulf of Maine management area. This would expand the number of observer programs being used to monitor the scallop fishery (NEFOP for the NGOM and Scallop IFO for the rest of the fishery).

This alternative would expand the observer call-in requirement to LAGC category B vessels, which would facilitate observer coverage in the NGOM management area.

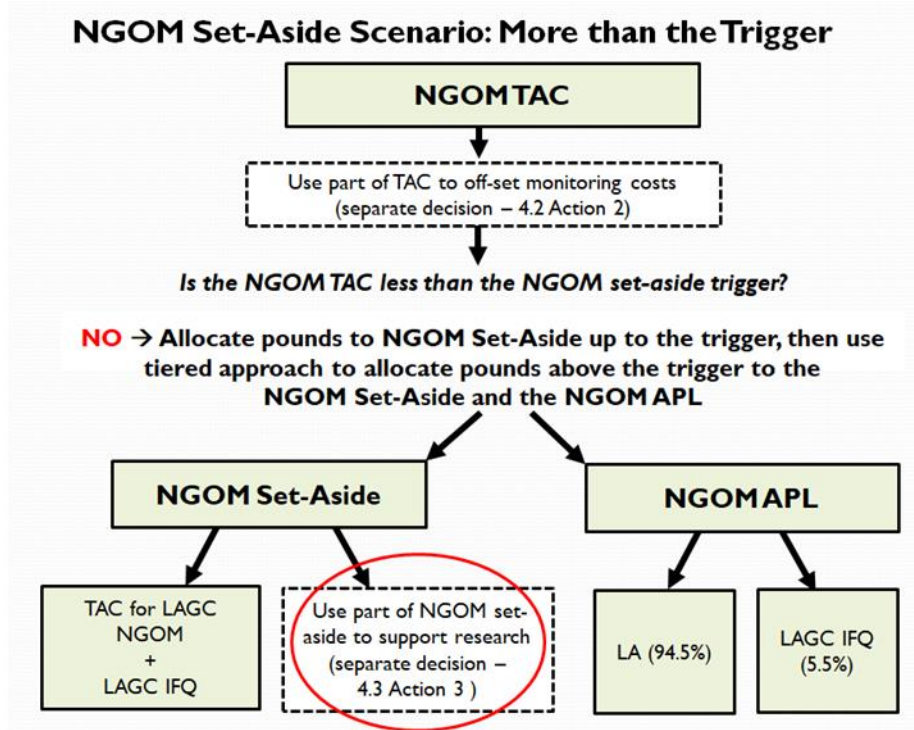
The scallop IFO program funds monitoring of the scallop fishery to meet SBRM requirements. Alternative 3 would use resources from the NEFOP program to cover monitoring costs in the NGOM management unit. As the NEFOP program is federally funded, additional pounds would not be set-aside to offset the cost of observers in the NGOM area.

Rationale: Utilizing an existing observer program to facilitate observer coverage on directed scallop trips in the NGOM management area would directly address the lack of monitoring in this area.

4.3 ACTION 3 – SUPPORT SCALLOP RESEARCH USING SCALLOPS FROM THE NGOM

Action 3 considers whether a portion of the NGOM set-aside should be added to the 1.25 million pound Scallop RSA and/or made available for RSA compensation fishing. Figure 8 shows where the research TAC would be accounted for.

Figure 8 - Schematic highlighting where research set-aside pounds (see red circle) would come from if the NGOM set-aside approach is used.



4.3.1 Alternative 1 – No Action

There would be no change to the scallop RSA program. The Council could recommend that the NGOM be available to support compensation fishing, but removals would not be accounted for in the NGOM TAC.

4.3.2 Alternative 2 – Allocate a portion of the NGOM Set-Aside as a research TAC to support Scallop RSA compensation fishing.

Alternative 2 would allocate a portion of the NGOM set-aside to support RSA compensation fishing in the NGOM management area. There would be no change to the overall size of the Scallop RSA, which is set at 1.25 million pounds. Alternative 2 would create a research TAC that would support RSA compensation fishing in the NGOM only. The research TAC would be administered as a separate TAC. Any vessels that are awarded NGOM RSA compensation would be required to declare into the area and fish exclusively within the management unit. Compensation fishing in the NGOM management area could be done to provide support to any research project awarded through the Scallop RSA. However, projects focusing on research in the NGOM would have the first opportunity to fish compensation pounds in the NGOM. This process would be administered by NOAA Fisheries.

Alternative 2 would not mandate that the research TAC be utilized, it would create an option for vessels to do compensation fishing in the area.

AP and Committee: The PDT discussed some variations of Options 1 and 2, such as 10% of the set-aside, up to 50,000 pounds. The PDT has also discussed capping the set-aside. Please be ready to weigh in on these options (Option 1 and Option 2) for setting a research TAC. If you have additional recommendations, they should be made at this meeting.

4.3.2.1 Option 1 – Allocate 10% of the NGOM Set-Aside as a research TAC

Option 1 would allocate 10% of the NGOM set-aside to as a research TAC to support RSA compensation fishing in the management area.

4.3.2.2 Option 2 – Allocate first 50,000 pounds of NGOM Set-Aside as a research TAC

Option 2 would allocate the first 50,000 pounds of the NGOM set-aside to as a research TAC to support RSA compensation fishing in the management area.

Rationale: 50,000 pounds is 4% of the 1.25 million pound scallop RSA. This value is likely large enough to cover compensation fishing for research directly related to the management of this area. For example, while the RSA compensation pounds awarded to recent surveys of the Gulf of Maine / Northern Gulf of Maine management area have varied widely, a review of all surveys in the NGOM suggests that annual optical and dredge surveys can be completed with around 50,000 pounds.

4.3.3 Alternative 3 - Allocate a portion of the NGOM Set-Aside as a research TAC to increase the overall Scallop RSA and support Scallop RSA compensation fishing.

AP and Committee: This alternative would add additional pounds to the Scallop RSA program to support research.

The PDT noted that follow-up to the RSA program review is ongoing, and that the Council could opt to change the overall poundage of the RSA in a separate action.

Alternative 3 would allocate a portion of the NGOM set-aside to support RSA compensation fishing in the NGOM management area and increase the overall number of pounds available for the scallop RSA program. The total amount of RSA available would be the sum of the NGOM research TAC and the existing 1.25 million pound set-aside.

Alternative 3 would create a research TAC that would support RSA compensation fishing in the NGOM. The research TAC would be administered as a separate TAC within the NGOM set-aside (see Figure 8). Any vessels that are awarded NGOM RSA compensation would be required to declare into the area and fish exclusively within the management unit. Compensation fishing in the NGOM management area could be done to provide support to any research project awarded through the Scallop RSA. However, projects focusing on research in the NGOM would have the first opportunity to fish compensation pounds in the NGOM. This process would be administered by NOAA Fisheries.

Alternative 3 would not mandate that the research TAC be utilized, it would create an option for vessels to do compensation fishing in the area.

4.3.3.1 Option 1 – Allocate 10% of the NGOM Set-Aside as a research TAC

Option 1 would allocate 10% of the NGOM set-aside to as a research TAC to support RSA compensation fishing in the management area.

4.3.3.2 Option 2 – Allocate first 50,000 pounds of NGOM Set-Aside as a research TAC that would increase the overall RSA to 1.3 million pounds

Option 2 would allocate the first 50,000 pounds of the NGOM set-aside to as a research TAC. The overall RSA would be increased by 50,000 pounds. Compensation fishing in the management area could occur up to the research TAC.

Rationale: 50,000 pounds is 4% of the 1.25 million pound scallop RSA. This value is likely large enough to cover the pounds needed to support a survey in the area, and the corresponding compensation fishing. For example, while the RSA compensation pounds awarded to recent surveys of the Gulf of Maine / Northern Gulf of Maine management area have varied widely, a review of all surveys in the NGOM suggests that annual optical and dredge surveys can be completed with around 50,000 pounds.

Increasing the RSA set-aside by a fixed amount could provide some stability for program administration.

Since 50,000 pounds is a relatively small proportion of the current RSA, increase the set-aside by this amount may have limited biological implications if the pounds can be fished in any area open to compensation fishing. This would maintain some of the flexibility of the RSA program, while increasing the pounds available to support research.

4.4 ACTION 4 – NGOM FISHING SEASON

AP and Committee: This is currently the range of alternatives about the NGOM fishing season being developed in Amendment 21. If you have additional ideas, they should be added at this meeting.

4.4.1 Alternative 1 – No Action

There would be no changes to measures governing how vessels can fish allocations in the NGOM.

4.4.2 Alternative 2 - Limit the number of landings per LAGC vessel per week in the Northern Gulf of Maine Management Area

Under Alternative 2, LAGC vessels would be prohibited from landing scallops more than five (5) times per calendar week (Monday – Sunday) from declared scallop trips in the Northern Gulf of Maine Management area.

Rationale: Capping the total number of landings per week could slow the utilization of the General Category TAC and extend the fishing season.

4.4.3 Alternative 3 – Limit vessels to one sailing per day

LAGC vessels would be prohibited from sailing multiple times on one calendar day.

Rationale: Data from recent FY shows that some vessels have sailed multiple times in a 24 hour window. Allowing vessels to only sail once per day may slow down the utilization of the NGOM TAC, and create fishing opportunities later on in the year.

4.4.4 Alternative 4 – Establish a seasonal closure of the NGOM management area from September 1 – November 31 annually.

Alternative 4 would annually establish a seasonal closure of the NGOM management area, beginning at 12:00 am on September 1, and ending at 11:59 pm on November 31.

The seasonal closure would apply to all scallop fishing in federal waters in the NGOM management area, including RSA compensation fishing.

Rationale: Landings over this three month period have been relatively low when the NGOM fishery is open. This seasonal closure may also help to support a winter fishery in the NGOM, and could be at time when scallops are spawning. The three month closure would reduce removals from the area during a time when meat yields are low. This and other closures in the NGOM could be adjusted through a future framework or specifications action.

4.5 ACTION 5 -NORTHERN GULF OF MAINE GEAR RESTRICTED AREA

4.5.1.1 Alternative 1 – No Action

Under Alternative 1, there would be no change to the Gulf of Maine dredge exemption program, and not additional restrictions on the combined maximum dredge width that could be fished in the NGOM. Full-

Time Limited Access vessels fishing in the NGOM would be able to fish a maximum combined dredge width of 31 feet, as specified in regulation.

4.5.1.2 Alternative 2 – Limit the combined dredge width of all federally permitted scallop vessels operating in the Northern Gulf of Maine management area to a maximum of 10.5 ft

Alternative 2 would limit the combined dredge width of all federally permitted scallop vessels operating in the Northern Gulf of Maine management area. The combined maximum dredge width could not exceed 10.5 ft (3.2 m), measured at the widest point in the bail of the dredges.

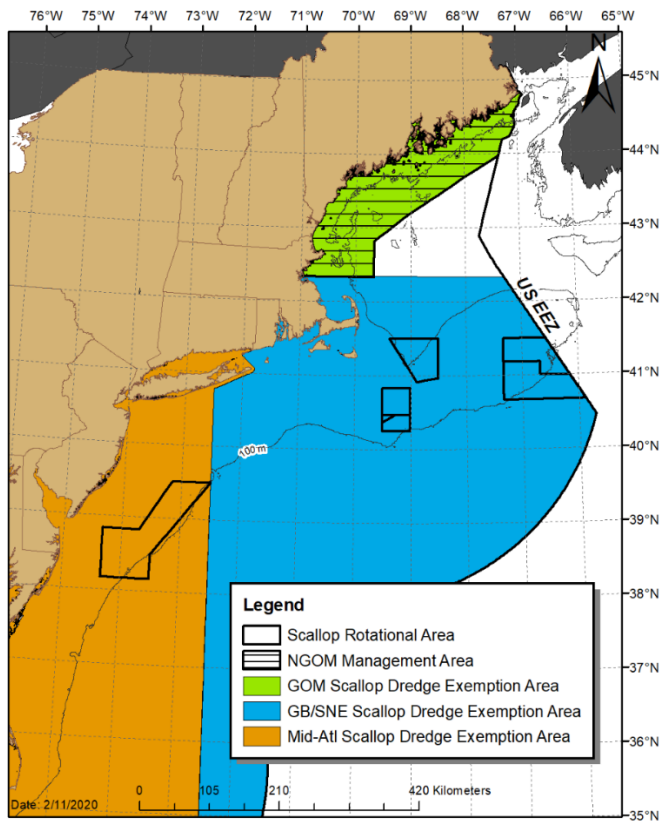
Rationale: **The AP and Committee should provide additional rationale.**

4.5.1.3 Alternative 3 - Limit the combined dredge width of all federally permitted scallop vessels operating in the Northern Gulf of Maine management area to a maximum of 15.5 ft

Alternative 2 would limit the combined dredge width of all federally permitted scallop vessels operating in the Northern Gulf of Maine management area. The combined maximum dredge width could not exceed 15.5 ft (3.2 m), measured at the widest point in the bail of the dredges.

Rationale: **The AP and Committee should provide additional rationale.**

Figure 9 - Scallop Dredge Exemption Areas as of February 14, 2020. Restrictions on maximum dredge width in Options 2 and 3 would be within the green area, which is the GOM Scallop Dredge Exemption Area.



4.6 ACTION 6 - INCREASE THE LAGC IFQ POSSESSION LIMIT

Alternatives 2-4 in this section would not change other aspects of LAGC IFQ component management (i.e., no changes to allocation structure, rotational management, capacity restrictions, observer compensation rate, etc.).

4.6.1 Alternative 1 – No Action

This alternative would maintain the current LAGC IFQ possession limit of 600 pounds for open and access area trips.

Rationale: The original 400-pound possession limit was increased to 600 pounds in 2011 (Amendment 15) to account for increased operating costs while maintaining the small, dayboat nature of the LAGC IFQ component.

4.6.2 Alternative 2 – Increase the LAGC IFQ possession limit to 800 pounds

Alternative 2 would increase the LAGC IFQ possession limit to 800 pounds at the level specified for Sub-Option 1 and Sub-Option 2.

4.6.2.1 Sub-Option 1—Increase the LAGC IFQ possession limit to 800 pounds per trip for open and access area trips

This alternative would increase the LAGC IFQ possession limit to 800 pounds for both open and access area trips. This alternative only considers the possession limit and does not propose any changes to how the LAGC IFQ component is administered or managed (i.e. no changes to allocation, rotational management, capacity restrictions, observer compensation rate, etc.).

Rationale: The LAGC IFQ component has been subject to a consistent possession limit for open and access area trips since the program's inception through Amendment 11 (2008). The original 400-pound possession limit was increased in 2011 (Amendment 15) to 600 pounds as a response to industry concerns that the 400-pound limit was not economically feasible due to increased operating costs. The Council is considering increasing the LAGC IFQ possession limit through this action following a request from industry members that are concerned with the economic viability of the current 600-pound limit.

Fishing in areas with higher catch rates and larger scallops is desirable because less tow time is needed harvest a trip limit. For LAGC IFQ vessels that elect to do so, this means transiting farther offshore to fish in open area or access areas with higher landings per unit of effort and improved meat yield. Targeting parts of the scallop resource farther offshore leads to increased trip costs due to higher fuel expenses associated with longer steam times. Increasing the possession limit would reduce the overall number of trips and combined steam time needed to harvest quota, thereby reducing trip costs (i.e. fuel) and operating expenses (i.e. vessel maintenance) relative to the current 600-pound limit. Increasing the possession limit would offer LAGC IFQ vessels more flexibility in deciding where and when to fish, which could potentially improve safety in this component of the fishery.

4.6.2.2 Sub-Option 2—Increase the LAGC IFQ possession limit to 800 pounds per trip for only access area trips

This alternative would increase the LAGC IFQ possession limit to 800 pounds for access area trips and maintain the 600-pound possession limit for open trips. This alternative only considers the access area possession limit and does not propose any changes to how the LAGC IFQ component is administered or

managed (i.e. no changes to allocation, rotational management, capacity restrictions, observer compensation rate, etc.).

Rationale: The LAGC IFQ component has been subject to a possession limit since the program's inception through Amendment 11 (2008). The original 400-pound possession limit was increased in 2011 (Amendment 15) to 600 pounds as a response to industry concerns that the 400-pound limit was not economically feasible due to increased costs. Interest in increasing the 600-pound trip limit through this action is based on the continued increase of operating expenses, which are principally driven by fuel costs associated with longer steam times. For LAGC IFQ vessels that elect to do so, transiting farther offshore to fish access areas with higher landings per unit of effort and improved meat yield leads to increased trip costs due to higher fuel expenses associated with longer steam times. Increasing the access area possession limit would reduce the overall number of trips and combined steam time needed to harvest quota from offshore access areas, thereby reducing overall trip costs (i.e. fuel) and operating expenses (i.e. vessel maintenance) relative to the current 600-pound limit. Increasing the access area possession limit could offer LAGC IFQ vessels more flexibility with regard to timing access area trips around weather conditions, which could potentially improve safety in this component of the fishery.

4.6.3 Alternative 3—Increase the LAGC IFQ possession limit to 1,000 pounds per trip

This alternative would increase the LAGC IFQ possession limit to 1,000 pounds for both open and access area trips (Sub-Option 1) or for access area trips only (Sub-Option 2).

4.6.3.1 Sub-Option 1—Increase the LAGC IFQ possession limit to 1,000 pounds per trip for open and access area trips

This alternative would increase the LAGC IFQ possession limit to 1,000 pounds for both open and access area trips. This Alternative only considers the possession limit and does not propose any changes to how the LAGC IFQ component is administered or managed (i.e. no changes to allocation, rotational management, capacity restrictions, observer compensation rate, etc.).

Rationale: The LAGC IFQ component has been subject to a consistent possession limit for open and access area trips since the program's inception through Amendment 11 (2008). The original 400-pound possession limit was increased in 2011 (Amendment 15) to 600 pounds as a response to industry concerns that the 400-pound limit was not economically feasible due to increased operating costs. The Council is considering increasing the LAGC IFQ possession limit through this action following a request from industry members that are concerned with the economic viability of the current 600-pound limit.

Fishing in areas with higher catch rates and larger scallops is desirable because less tow time is needed harvest a trip limit. For LAGC IFQ vessels that elect to do so, this means transiting farther offshore to fish in open area or access areas with higher landings per unit of effort and improved meat yield. Targeting parts of the scallop resource farther offshore leads to increased trip costs due to higher fuel expenses associated with longer steam times. Increasing the possession limit would reduce the overall number of trips and combined steam time needed to harvest quota, thereby reducing trip costs (i.e. fuel) and operating expenses (i.e. vessel maintenance) relative to the current 600-pound limit. Increasing the possession limit would offer LAGC IFQ vessels more flexibility in deciding where and when to fish, which could potentially improve safety in this component of the fishery.

4.6.3.2 Sub-Option 2—Increase the LAGC IFQ possession limit to 1,000 pounds per trip for only access area trips

This alternative would increase the LAGC IFQ possession limit to 1,000 pounds for access area trips and maintain the 600-pound possession limit for open trips. This alternative only considers the access area possession limit and does not propose any changes to how the LAGC IFQ component is administered or managed (i.e. no changes to allocation, rotational management, capacity restrictions, observer compensation rate, etc.).

Rationale: The LAGC IFQ component has been subject to a possession limit since the program's inception through Amendment 11 (2008). The original 400-pound possession limit was increased in 2011 (Amendment 15) to 600 pounds as a response to industry concerns that the 400-pound limit was not economically feasible due to increased costs. Interest in increasing the 600-pound trip limit through this action is based on the continued increase of operating expenses, which are principally driven by fuel costs associated with longer steam times. For LAGC IFQ vessels that elect to do so, transiting farther offshore to fish access areas with higher landings per unit of effort and improved meat yield leads to increased trip costs due to higher fuel expenses associated with longer steam times. Increasing the access area possession limit would reduce the overall number of trips and combined steam time needed to harvest quota from offshore access areas, thereby reducing overall trip costs (i.e. fuel) and operating expenses (i.e. vessel maintenance) relative to the current 600-pound limit. Increasing the access area possession limit could offer LAGC IFQ vessels more flexibility with regard to timing access area trips around weather conditions, which could potentially improve safety in this component of the fishery.

4.6.4 Alternative 4—Increase the LAGC IFQ possession limit to 1,200 pounds per trip

This alternative would increase the LAGC IFQ possession limit to 1,200 pounds for both open and access area trips (Sub-Option 1) or for access area trips only (Sub-Option 2).

4.6.4.1 Sub-Option 1—Increase the LAGC IFQ possession limit to 1,200 pounds per trip for open and access area trips

This alternative would increase the LAGC IFQ possession limit to 1,200 pounds for both open and access area trips. This Alternative only considers the possession limit and does not propose any changes to how the LAGC IFQ component is administered or managed (i.e. no changes to allocation, rotational management, capacity restrictions, observer compensation rate, etc.).

Rationale: The LAGC IFQ component has been subject to a consistent possession limit for open and access area trips since the program's inception through Amendment 11 (2008). The original 400-pound possession limit was increased in 2011 (Amendment 15) to 600 pounds as a response to industry concerns that the 400-pound limit was not economically feasible due to increased operating costs. The Council is considering increasing the LAGC IFQ possession limit through this action following a request from industry members that are concerned with the economic viability of the current 600-pound limit.

Fishing in areas with higher catch rates and larger scallops is desirable because less tow time is needed harvest a trip limit. For LAGC IFQ vessels that elect to do so, this means transiting farther offshore to fish in open area or access areas with higher landings per unit of effort and improved meat yield. Targeting parts of the scallop resource farther offshore leads to increased trip costs due to higher fuel expenses associated with longer steam times. Increasing the possession limit would reduce the overall number of trips and combined steam time needed to harvest quota, thereby reducing trip costs (i.e. fuel) and operating expenses (i.e. vessel maintenance) relative to the current 600-pound limit. Increasing the

possession limit would offer LAGC IFQ vessels more flexibility in deciding where and when to fish, which could potentially improve safety in this component of the fishery.

4.6.4.2 Sub-Option 2—Increase the LAGC IFQ possession limit to 1,200 pounds per trip for only access area trips

This alternative would increase the LAGC IFQ possession limit to 1,200 pounds for access area trips and maintain the 600-pound possession limit for open trips. This alternative only considers the access area possession limit and does not propose any changes to how the LAGC IFQ component is administered or managed (i.e. no changes to allocation, rotational management, capacity restrictions, observer compensation rate, etc.).

Rationale: The LAGC IFQ component has been subject to a possession limit since the program's inception through Amendment 11 (2008). The original 400-pound possession limit was increased in 2011 (Amendment 15) to 600 pounds as a response to industry concerns that the 400-pound limit was not economically feasible due to increased costs. Interest in increasing the 600-pound trip limit through this action is based on the continued increase of operating expenses, which are principally driven by fuel costs associated with longer steam times. For LAGC IFQ vessels that elect to do so, transiting farther offshore to fish access areas with higher landings per unit of effort and improved meat yield leads to increased trip costs due to higher fuel expenses associated with longer steam times. Increasing the access area possession limit would reduce the overall number of trips and combined steam time needed to harvest quota from offshore access areas, thereby reducing overall trip costs (i.e. fuel) and operating expenses (i.e. vessel maintenance) relative to the current 600-pound limit. Increasing the access area possession limit could offer LAGC IFQ vessels more flexibility with regard to timing access area trips around weather conditions, which could potentially improve safety in this component of the fishery

4.7 ACTION 7 - INCREASE THE AMOUNT OF OBSERVER COMPENSATION AVAILABLE FOR LAGC IFQ VESSELS

AP and Committee: The PDT is recommending adding options to increase the amount of observer compensation pounds available to the LAGC component if the trip limit is increased. Currently, LAGC IFQ vessels are allowed one day of compensation for carrying an observer regardless of the length of a trip, but are required to assume the cost of having the observer on board even when a trip exceeds the one day limit. The PDT feels that limiting the amount of observer compensation may result in an observer effect if behavior is different on trips selected for observers. This would result in a dataset that is not representative of actual fishing behavior.

The Committee has not added these to the document – the PDT has added them to streamline the discussion. If the AP or Committee agree that this should be included in the range of alternatives, then a motion or consensus statement should be made at your meetings on March 26 and March 27, 2020.

4.7.1 Alternative 1 – No Action

Under this option there would be no adjustment to the current regulations dictating compensation to LAGC IFQ vessels when carrying an observer on board. This means that LAGC IFQ vessels selected to carry an observer would be compensated for one 24-hour day, regardless of the length of the trip. The compensation rate would continue to be determined by NOAA fisheries, taking into account the amount of pounds available in the observer set-aside (1% of ABC), anticipated trip costs, and other aspects related to expected fishing behavior.

4.7.2 Alternative 2 – Prorate daily compensation rate in 12-hour increments for observed LAGC IFQ trips longer than one day

This alternative would make LAGC IFQ vessels eligible for additional compensation when carrying an observer on board and fishing trips longer than one day (24 hours). The daily compensation rate, as determined by NOAA fisheries, would be prorated at 12 hour increments for trips exceeding 24 hours. The amount of compensation a vessel could receive on one trip would be capped at two days (48 hours). For example, if an LAGC IFQ vessel with an observer departs on July 1 at 10 PM and lands on July 3 at 1 AM, the length of the trip would equal 27 hours, or 1 day and 3 hours. In this example, the LAGC IFQ vessel would be eligible for 1 day plus 12 hours of compensation pounds from the industry-funded observer set-aside.

LAGC IFQ vessels would be able to harvest the trip limit and the daily compensation rate on a trip. For example, vessels carrying an observer have a 850 pound trip limit in FY 2019.

Compensation would be capped at 48 hours. Vessels fishing longer than this would not receive additional compensation pounds.

Rationale: Aligning the amount that vessels can be compensated when carrying an observer with the length of the trip will reduce the risk of observer bias in the LAGC IFQ fishery. This is true in the current fishery that has a 600-pound trip limit and would hold true in the future if the Council elects to increase the possession limit through this action, which could result in longer trips. Currently, LAGC IFQ vessels are allowed one day of compensation for carrying an observer regardless of the length of a trip, but are required to assume the cost of having the observer on board even when a trip exceeds the one day limit. Prorating additional compensation in 12 hour increments over one 24-hour day and capping the amount of compensation that could be allocated on a single trip would make the level of compensation to a vessel more accurate with regard to the cost of carrying an observer on board for the full length of a trip, but not create an incentive for vessels to fish longer trips for the purpose of receiving additional compensation. Relieving vessels of the additional cost burden for trips of over one day will reduce the likelihood that fishing behavior will be different for observed trips versus unobserved trips.

4.7.3 Alternative 3 – Allow a second day of compensation for trips over 24 hours

This alternative would make LAGC IFQ vessels eligible for an additional day of compensation when carrying an observer on board and fishing trips longer than one day (24 hours). This means that LAGC IFQ vessels selected to carry an observer would be compensated for a maximum of two days should trip length exceed one 24-hour day and any trips that exceed two days would not receive any additional compensation. The compensation rate would continue to be determined by NOAA fisheries, taking into account the amount of pounds available in the observer set-aside (1% of ABC), anticipated trip costs, and other aspects related to expected fishing behavior. The daily compensation rate would be determined by NOAA fisheries.

4.8 ACTION 8- ONE-WAY TRANSFER OF QUOTA FROM LA WITH IFQ TO LAGC IFQ-ONLY

Amendment 11 allocated IFQ to Limited Access vessels that held a general category permit and met the same qualification criteria selected for the LAGC program. The LAGC IFQ share available to the Limited Access qualifiers was up to a total of 0.5% of the annual projected landings for the fishery and each

qualifying vessel received an individual share based on their historical contribution to general category landings. These vessels with both LA and LAGC IFQ permits were allowed participate in the general category fishery (i.e. outside of a scallop DAS/access area trip), under the same management measures that apply to the LAGC IFQ fishery (i.e. trip limits, gear restrictions). A key difference between LA/LAGC IFQ vessels and the LAGC IFQ-only fleet is that LA/LAGC IFQ vessels were prohibited from transferring quota in or out. The Council's rationale for this approach was that limited access vessels that had enough general category landings to qualify for quota should be permitted to fish under general category rules because these limited access vessels depended on revenue generated through general category fishing. The Council identified 0.5% as the allocation for the LA component with LAGC IFQ history because that value was close to what historical landings had been by LA vessels in years preceding Amendment 11 and did not represent a large amount of the total catch. Furthermore, the Council felt that an allocation of 0.5% to these vessels would not have substantial impacts on other limited access and general category vessels.

Amendment 15 allowed LAGC IFQ permit holders to permanently transfer some or all of their quota allocation to another LAGC IFQ permit holder while retaining the permit itself. During development of Amendment 15, the Council considered an option that would have included LA/LAGC IFQ permit holders in this allowance; however, the Council opted against this option because it would change the overall 5% and 0.5% allocations specified in Amendment 11. For example, the 5% allocation would be expected to increase if an LA/LAGC IFQ vessel permanently transferred quota to an LAGC IFQ-only vessel. An increase in the 5% allocation would have implications on quota accumulation caps that apply to LAGC IFQ-only permit holders (i.e. 5% maximum for owners, 2.5% maximum for individual vessels).

4.8.1 Alternative 1—No Action

There would be no change to the current prohibition on quota transfers by Limited Access vessels with IFQ.

Rationale: This alternative is consistent with the Council's rationale from Amendment 15, in that allowing permanent transfers would change the overall 5% (i.e. LAGC IFQ) and 0.5% (i.e. LA with IFQ) allocations specified in Amendment 11. For example, the 5% allocation would be expected to increase if an LA/LAGC IFQ vessel permanently transferred quota to an LAGC IFQ-only vessel. An increase in the 5% allocation would have implications on quota accumulation caps that apply to LAGC IFQ-only permit holders (i.e. 5% maximum for owners, 2.5% maximum for individual vessels).

4.8.2 Alternative 2—Allow temporary transfers of quota from LA vessels with IFQ to LAGC IFQ-only

Alternative 2 would allow temporary transfers of quota from LA vessels with IFQ to LAGC IFQ-only permits and would maintain the existing prohibition on transferring quota in to LA vessels with IFQ.

Alternative 2 would not change how quota is allocated to LAGC IFQ-only and LA with IFQ permits; for example, the LAGC IFQ-only component would be allocated 5% of the APL and LA vessels with IFQ would be allocated 0.5% of the APL based on the contribution factor associated with either permit type.

Under Alternative 2, quota accumulation caps would remain consistent with the limits established through Amendment 15 for LAGC IFQ-only permits, regardless of any additional quota that may become available through one-way, temporary transfers from LA vessels with IFQ. This means that an individual LAGC IFQ permit cannot hold more than 2.5% of the pounds allocated to the LAGC IFQ component in a year and that an ownership entity can hold no more than 5% of the pounds allocated to the LAGC IFQ component in a year.

Rationale: Allowing one-way, temporary transfers from LA vessels with IFQ to LAGC IFQ-only permits would increase the overall level of quota available to LAGC IFQ-only vessels. Allowing temporary quota transfers from LA with IFQ to IFQ-only would not require changes to how allocations are estimated and distributed among LAGC IFQ-only and LA vessels with IFQ because quota would only be able to move temporarily (i.e. annually).

4.8.2.1 Sub-Option 1 – No change to LAGC IFQ quota accumulation caps

Under Sub-Option 1, temporary one-way transfers of quota from LA with IFQ to LAGC IFQ-only would be allowed and there would be no change to the existing quota accumulation caps in the LAGC IFQ fishery (i.e. 2.5% per permit, 5% per owner). In other words, quota accumulation caps would continue to be set based on the LAGC IFQ-only share of annual quota allocations (i.e. 5% of APL). This option does not account for the potentially increased pool of quota that may be available to LAGC IFQ-only permits through one-way temporary transfers from LA vessels with IFQ.

4.8.2.2 Sub-Option 2 – Apply LAGC IFQ quota accumulation caps to 5.5% of the APL

Under Sub-Option 2, temporary one-way transfers of quota from LA with IFQ to LAGC IFQ-only would be allowed and quota accumulation caps in the LAGC IFQ fishery would be set based on the entire pool of quota that could be available to LAGC IFQ-only permits through one-way transfers from LA vessels with IFQ. This option would not change the percentages associated with quota accumulation caps (i.e. 2.5% per permit, 5% per owner); however, quota caps would apply to annual allocations of IFQ as a whole (i.e. 5.5% of APL) instead of to allocations to the LAGC IFQ-only component (5% of APL).

Rationale: This option would align existing quota accumulation caps with the quota pool that would be available to the LAGC IFQ-only component through temporary transfers under Alternative 2. This would create consistency between quota caps and the pool of quota that caps apply to, thereby reducing the complexity associated with administering quota transfers between LA with IFQ and LAGC IFQ entities.

4.8.3 Alternative 3—Allow permanent and temporary transfers of quota from LA vessels with IFQ to LAGC IFQ-only

Alternative 3 would allow permanent and temporary transfers of quota from LA vessels with IFQ to LAGC IFQ-only permits and would maintain the existing prohibition on transferring in quota to LA vessels with IFQ.

Under Alternative 3, quota accumulation caps would remain consistent with the limits established through Amendment 15 for LAGC IFQ-only permits, regardless of any additional quota that may become available through one-way, temporary transfers from LA vessels with IFQ. This means that an individual LAGC IFQ permit cannot hold more than 2.5% of the pounds allocated to the LAGC IFQ component in a year and that an ownership entity can hold no more than 5% of the pounds allocated to the LAGC IFQ component in a year.

Alternative 3 would modify how contribution factors are estimated to account for any permanent transfer of quota that may occur from LA vessels with IFQ to LAGC IFQ-only permits. Annual LAGC IFQ allocations are determined by the contribution factor of individual LAGC IFQ permits. A vessel's contribution factor is calculated based on its general category scallop fishing history during the qualification period (March 1, 2000 to November 1, 2004) and accounts for a vessel's best year (in terms of total scallop landings) and an index multiplier correlated with the number of years a vessel was active during the qualification period. The contribution factor of each LAGC IFQ permit is then translated to a percentage (i.e. individual contribution factor divided by the sum of contribution factors across the entire

LAGC IFQ fleet), and vessels/permits receive that percentage of the fleetwide quota allocation to the LAGC IFQ component in a given year. At present, this system is used to allocate to the LAGC IFQ-only and LA with IFQ separately; for example, allocations associated with contribution percentages of LAGC IFQ-only permits are based on the 5% of the APL, and allocations associated with contribution percentages of LA with IFQ vessels are based on 0.5% of the APL. This alternative would require that LAGC IFQ-only and LA vessels with IFQ share a common denominator to account for permanent movement between the two sub-components of the IFQ fleet. Modifying the denominator used to calculate allocations would not change the level of allocation for a given permit, but instead would consider contribution percentages relative to 5.5% of the APL as a whole instead of among two distinct pools of quota (i.e. 5.5% and 0.5%).

Rationale: Allowing one-way, permanent and temporary transfers from LA vessels with IFQ to LAGC IFQ-only permits would increase the overall level of quota available to LAGC IFQ-only vessels.

4.8.3.1 Sub-Option 1 – No change to LAGC IFQ quota accumulation caps

Under Sub-Option 1, temporary and permanent one-way transfers of quota from LA with IFQ to LAGC IFQ-only would be allowed and there would be no change to the existing quota accumulation caps in the LAGC IFQ fishery (i.e. 2.5% per permit, 5% per owner). In other words, quota accumulation caps would continue to be set based on the LAGC IFQ-only share of annual quota allocations (i.e. 5% of APL), regardless of any additional quota that is permanently or temporarily transferred in to the LAGC IFQ-only component from LA vessels with IFQ. This option does not account for the potentially increased pool of quota that may be available to LAGC IFQ-only permits through one-way temporary transfers from LA vessels with IFQ.

Rationale: This option would be consistent with the LAGC IFQ quota accumulation caps set by the Council through Amendment 11 and later adjusted through Amendment 15. Part of the Council's rationale for

4.8.3.2 Sub-Option 2 – Apply LAGC IFQ quota accumulation caps to 5.5% of the APL

Under Sub-Option 2, temporary and permanent one-way transfers of quota from LA with IFQ to LAGC IFQ-only would be allowed and quota accumulation caps in the LAGC IFQ fishery would be set based on the entire pool of quota that could be available to LAGC IFQ-only permits through one-way transfers from LA vessels with IFQ. This option would not change the percentages associated with quota accumulation caps (i.e. 2.5% per permit, 5% per owner); however, quota caps would consider annual allocations of IFQ as a whole (i.e. 5.5% of APL) instead of to allocations to the LAGC IFQ-only component (5% of APL).

Rationale: This option would align existing quota accumulation caps with the quota pool that would be available to the LAGC IFQ-only component through temporary or permanent transfers under Alternative 3. This would create consistency between quota caps and the pool of quota which the caps apply to, thereby reducing the complexity associated with administering quota transfers between LA with IFQ and LAGC IFQ entities.

4.9 ACTION 9 – SPECIFICATIONS AND FRAMEWORK ADJUSTMENT PROCESS

4.9.1 Alternative 1 – No Action

There would be no change to the list of measures that can be addressed through the framework adjustment process.

4.9.2 Alternative 2 – Expand the list of measures that can be addressed through specifications and/or framework adjustments

Alternative 2 would allow the following list of measures to be adjusted in a specifications package or through a framework:

- Partition the NGOM into multiple sub-areas with separate TACs.
- Partition the NGOM TAC is multiple seasons.
- Modify the F rate used to set the NGOM TAC.
- Modify how the NGOM is accounted for in the calculation of OFL, ABC, and ACLs.
- Allow the use of electronic monitoring in place of at-sea observers.

Rationale: Expanding the list of changes that may be made to the FMP in subsequent specification packages or framework adjustments would give the Council flexibility to address specific issues without initiating an amendment to the FMP.

5.0 LITERATURE CITED

GARFO Greater Atlantic Region Permit Data. Gloucester, MA: NMFS Greater Atlantic Regional Fisheries Office;
<https://www.greateratlantic.fisheries.noaa.gov/aps/permits/data/index.html>.

NEFMC (2004). *Amendment 11 to the Atlantic Sea Scallop Fishery Management Plan with a Supplemental Environmental Impact Statement, Regulatory Impact Review, and Regulatory Flexibility Analysis*. Newburyport, MA: New England Fishery Management Council in consultation with the National Marine Fisheries Service and the Mid-Atlantic Fishery Management Council. 1113 p.

NEFMC (2010). *Amendment 15 to the Scallop Fishery Management Plan including a Final Environmental Impact Statement*. Newburyport, MA: New England Fishery Management Council in consultation with the National Marine Fisheries Service and the Mid-Atlantic Fishery Management Council. 516 p.

NEFMC (2017). *Limited Access General Category (LAGC) IFQ Fishery Program Review 2010 - 2015 (LAGC IFQ REPORT)*. Newburyport, MA: NEFM Council. 173 p.

NEFSC Social Sciences Branch. Woods Hole, MA: NMFS Northeast Fisheries Science Center;
<http://www.nefsc.noaa.gov/read/socialsci/index.html>.

DRAFT