

Scallop Advisory Panel and Committee Meetings

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Council Staff

New Bedford, MA
September 19 and 20, 2017



New England
Fishery Management Council

Upcoming Scallop Meetings:

- Scallop PDT meeting – Boston, MA on September 25th
- Council meeting September 26 – 28.
 - Scallop Report on Thursday at 9:30am.
- SSC meeting on October 12th (OFL/ABC)
- AP and Committee – Boston, MA on October 25th/26th
- November meetings have not been planned
 - Will be week before or after Thanksgiving.
- FW29 Final Action – December Council Meeting
 - December 5 – 7 in Newport, RI
- Target implementation date for FW29: April 1, 2018



Overview of survey presentation

Part I: Summary of 2017 survey results (VIMS, SMAST, WHOI, CFF, NEFSC)

Part II: Summary of PDT discussions to date

See Doc.3c and 3d – PDT Meeting Summaries (Aug. 29/30, Sept. 12)

Survey Presentations are also available on the NEFMC scallop page under the [Aug. 29/30 meeting link](#).



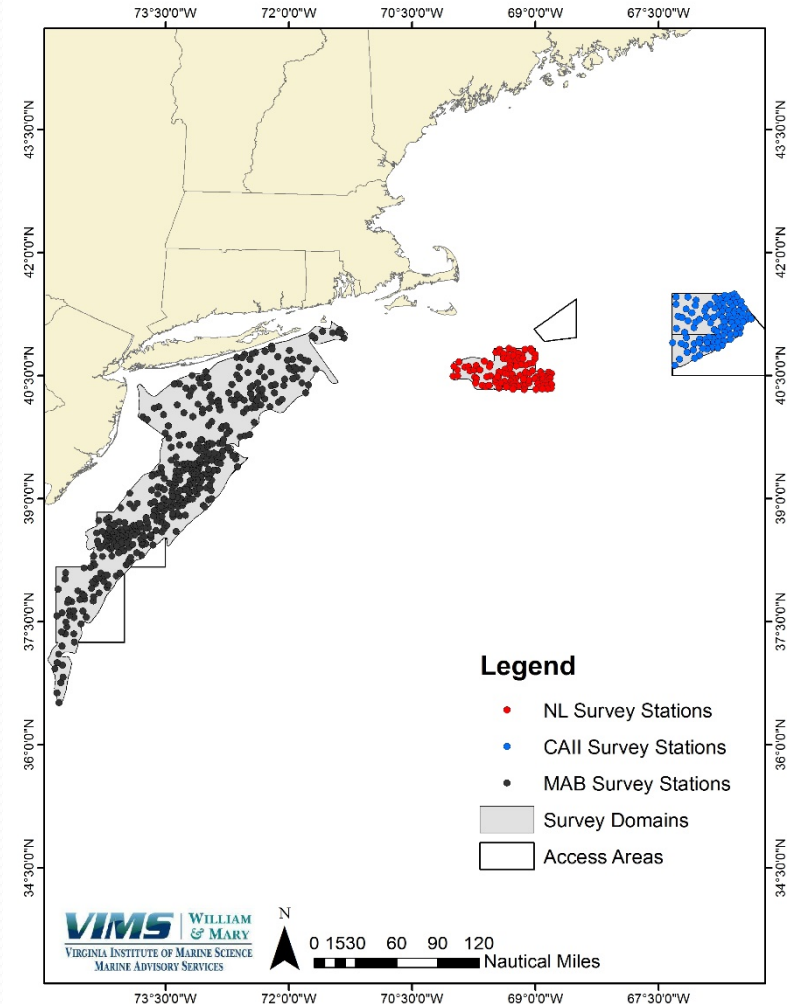
Part I – Summary of 2017 survey results

- Very successful survey season – 5 separate surveys of resource
 1. VIMS dredge survey of MA, NLS, and CA II
 2. SMAST intensive survey of CA I, CA II, ET, broadscale of GB and MA
 3. WHOI HabCam v5 survey of the Northern Edge
 4. CFF HabCam v3 survey of NLS
 5. NEFSC dredge of GB and Habcam v4 of MA and GB
 6. Surveys of GOM presented under NGOM agenda item
- Slides will give a brief overview of all surveys and major take home messages from each research group
- Very high level findings:
 1. Total biomass expected to increase.
 2. No strong signals of incoming recruitment observed throughout the resource.



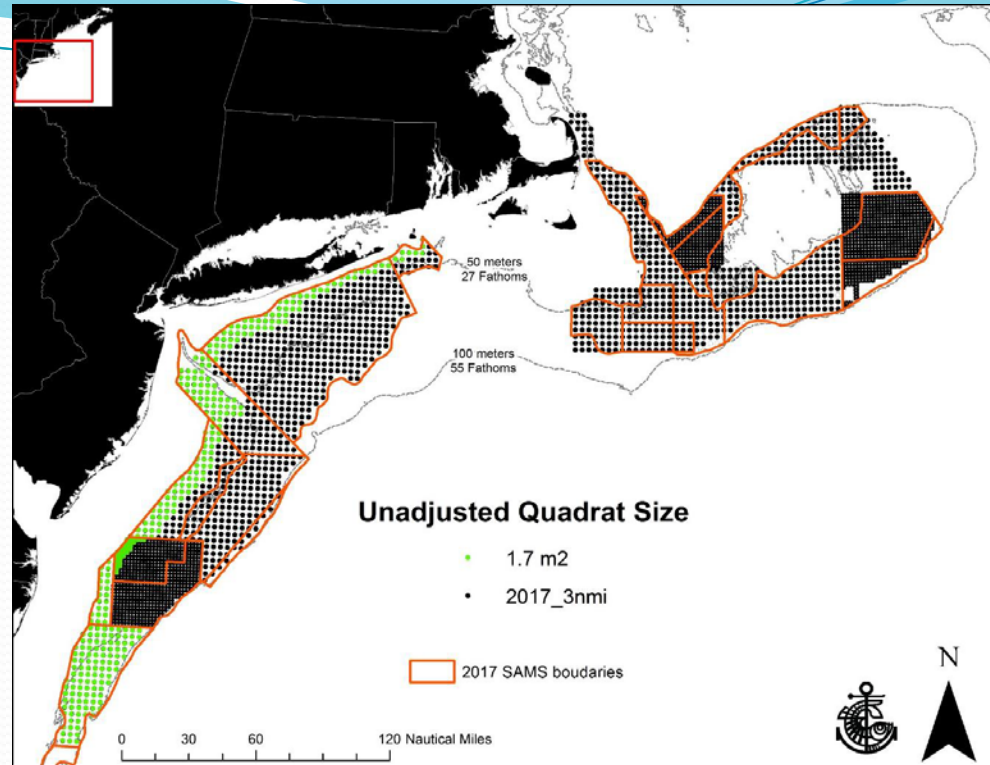
VIMS surveys

- 3 Surveys conducted from early-May to mid July (MA, NLS, CA II)
- Continued use of stratified random sampling design to increase precision, automated data collection
- 659 dredge tows (440 MAB, 115 in NLCA and 100 in CA II)
- Sampling intensity of SH:MW ~5,500 samples in MA and ~1,000 samples for both the NLS & CAII II
- Slower growth rates in ET Closed and southern portion of NLS
- No strong signals of incoming recruitment.
- Findings consistent with 2015 and 2016 survey campaigns



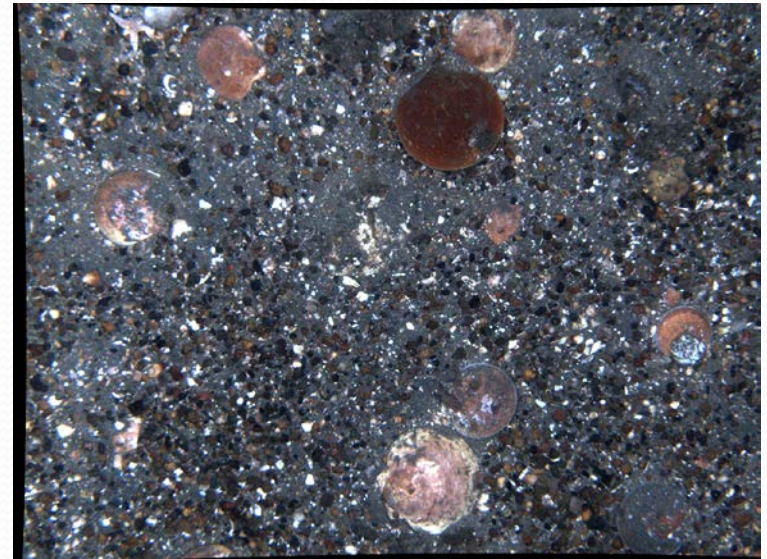
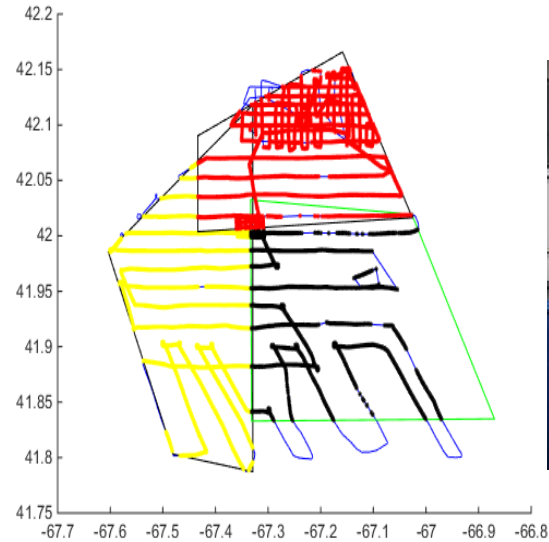
SMAST survey

- GB & MA Broadscale, high-res surveys of ET, CAI, CAII
- 2,875 total stations on 9 cruises from April - July
- New: Imperx DSC camera
- Web-based image sharing
- CA I – high densities of 7yo animals in “sliver”
- High densities in ET-Flex, NLS-S, NLS-NA, and parts of NLS-ext
- Slow growth in high density areas
- Recruits (>75mm) detected along western boundary of ET & DMV, also in CAII ext, and LI



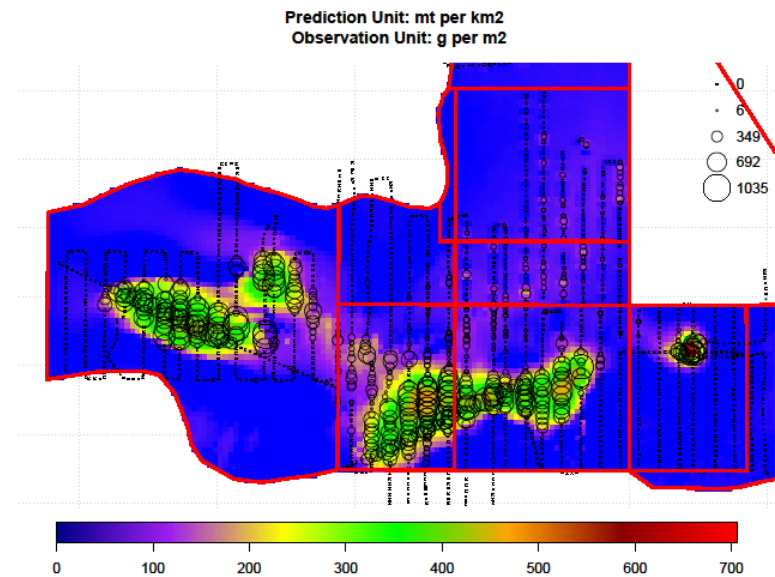
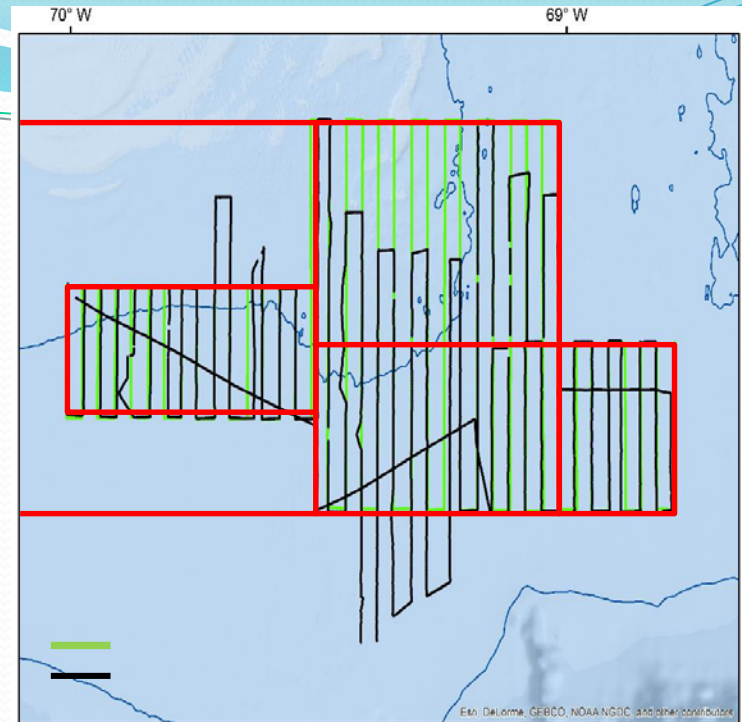
WHOI

- HabCam v5 survey of the Northern Edge in partnership with Lund's Fisheries
- Area included Northeast Reduced Impact Habitat Management Area, the Northeast Habitat Management Area, and eastern Georges Shoal.
- Exploitable scallops concentrated in the northern portion of the survey area.
- Data suggests there are several cohorts of scallops within the footprint of the survey.



CFF

- Survey NLS using HabCam v3
- July 15 – July 22 F/V Kathy Marie
- ~875 miles of transects, ~10,000 annotated images (1/400)
- High densities and majority of biomass in the NLS-S and NLS-NA
- Majority of animals in NLS-N are $\geq 100\text{mm}$
- Localized aggregation of scallops in NLS-ext may be driving estimate
- Findings generally consistent with VIMS and SMAST surveys

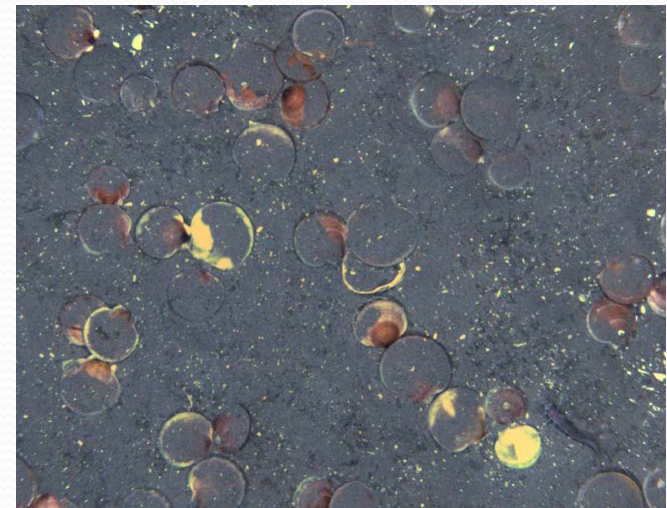


NEFSC Survey

- Four legs from May - June
- 128 dredge tows on GB
- HabCam v4 coverage of GB and MA, over 8 million images taken, estimates based on ~160,000 manually annotated (1/50)
- Lack of incoming recruitment, some along northern edge
- High densities of 5yo scallops in NLS, NLS-ext, HC, and ET
- Slow growth in high density areas remains an issue



Photo Credit: NOAA Fisheries – Robert Johnson



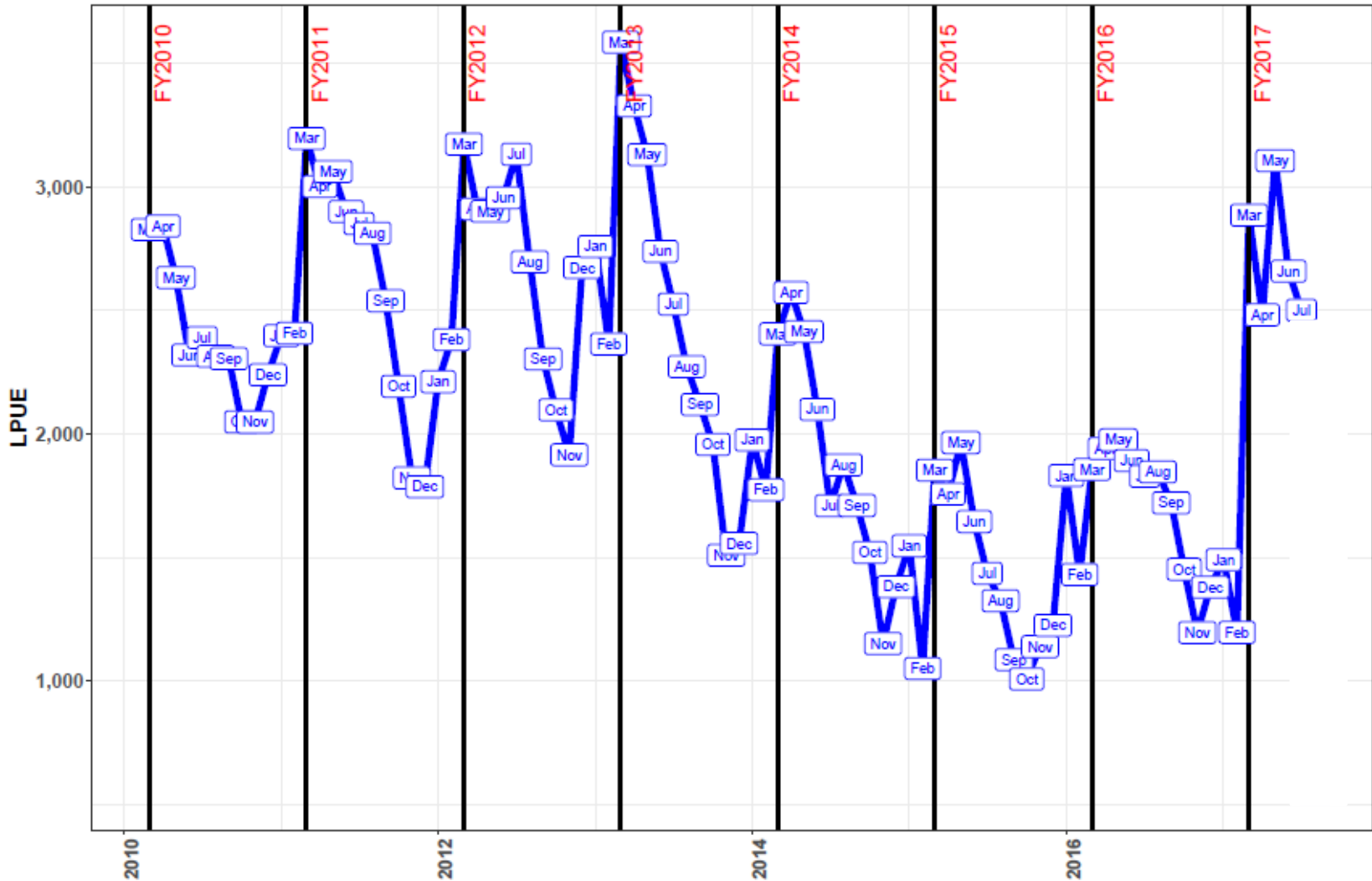
High Density in ET-Flex. Photo Credit: NEFSC

Part II

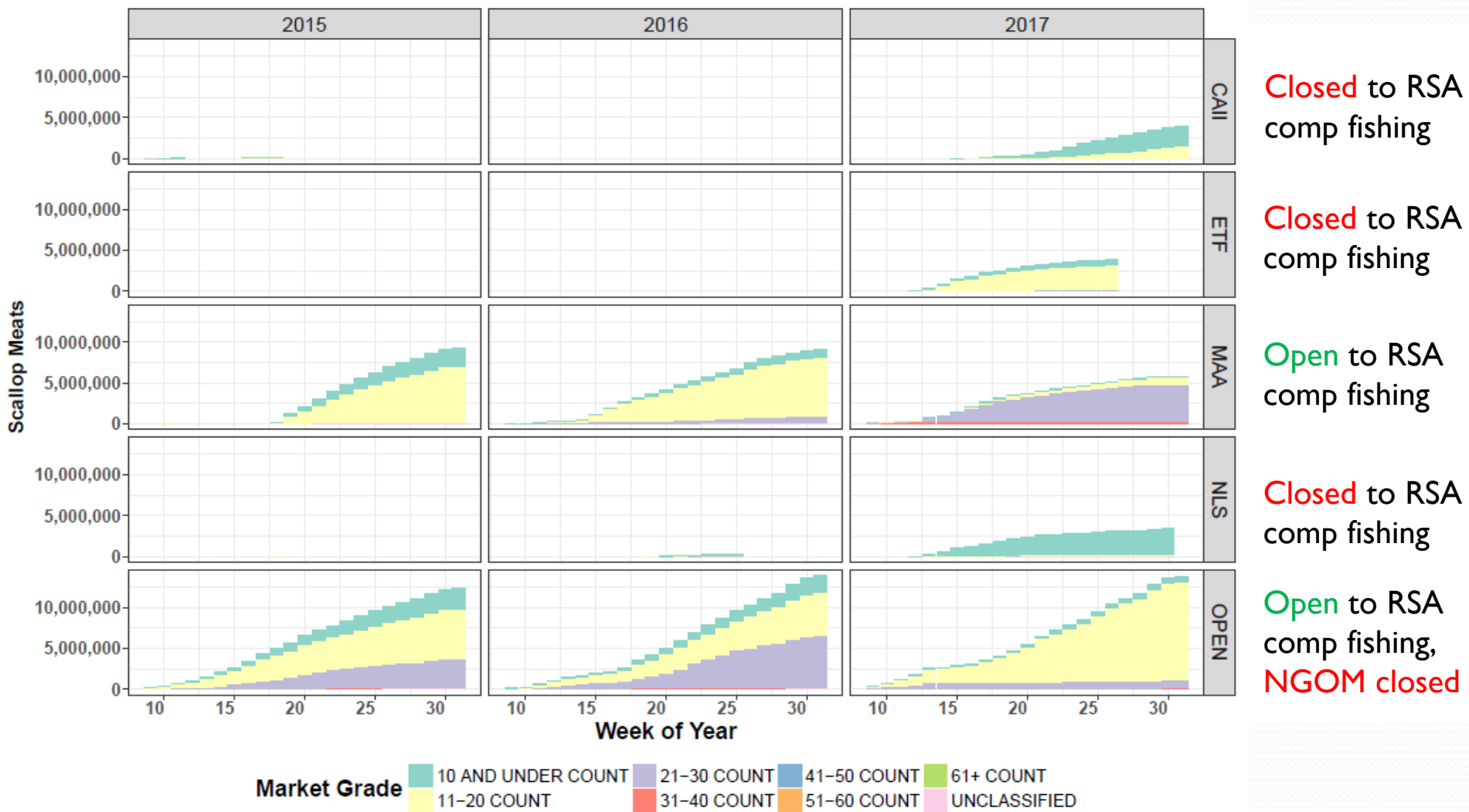
I. Additional Fishery Data

II. Summary of PDT discussion to date

AP/CTE – Provide initial input based on preliminary survey results



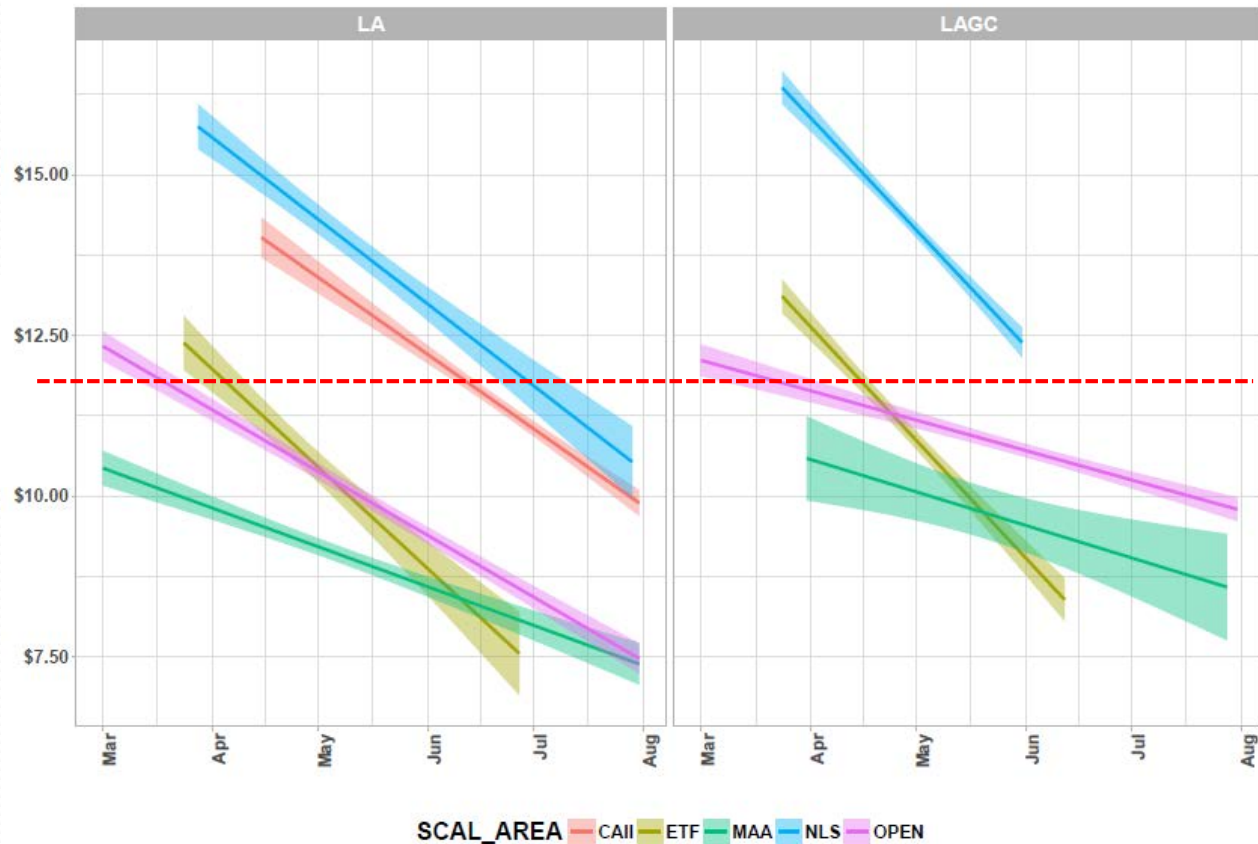
- LPUE by month for open area LA fishing. LPUE calculated by dividing monthly scallop meat total landings by DAS charged.



- Cumulative landings, by week and grade, in the first three months of fishing years 2015 – 2017 (to date) for access and open areas.

2017 Ex-vessel Price by Access Area

2017/2018 RSA
Common Scallop
Price: \$12






- Average scallop price per trip by fleet and access area for FY2017.
- Linear model of prices with 95% confidence intervals.
- Report run through July 2017.

2017 Issues:

- Continuation of slow growth in high density area, particularly in NLS-S, NLS-ext
 - The PDT is recommending using SH/MW parameters from 2016/2017 VIMS data for the NLS-S and NLS-NA closure.
 - The PDT is recommending modifying growth parameters in NLS-S and ET-Flex based observations slow growth.
- Recommend using Hennen and Hart SH/MW for all other areas.
- Dredge efficiency in high density areas remains an issues
 - Will be addressed at 2018 benchmark.
- 2017 survey biomass estimates reflect proposed changes to SH/MW estimates.
 - The net result of these changes are more conservative estimates of overall biomass.

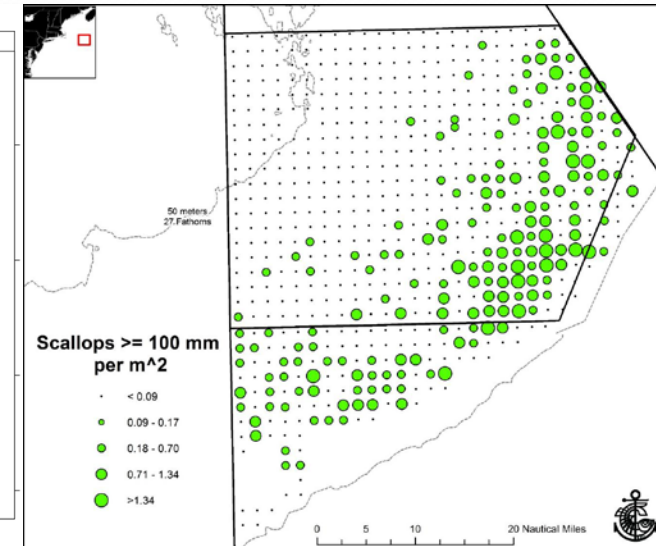
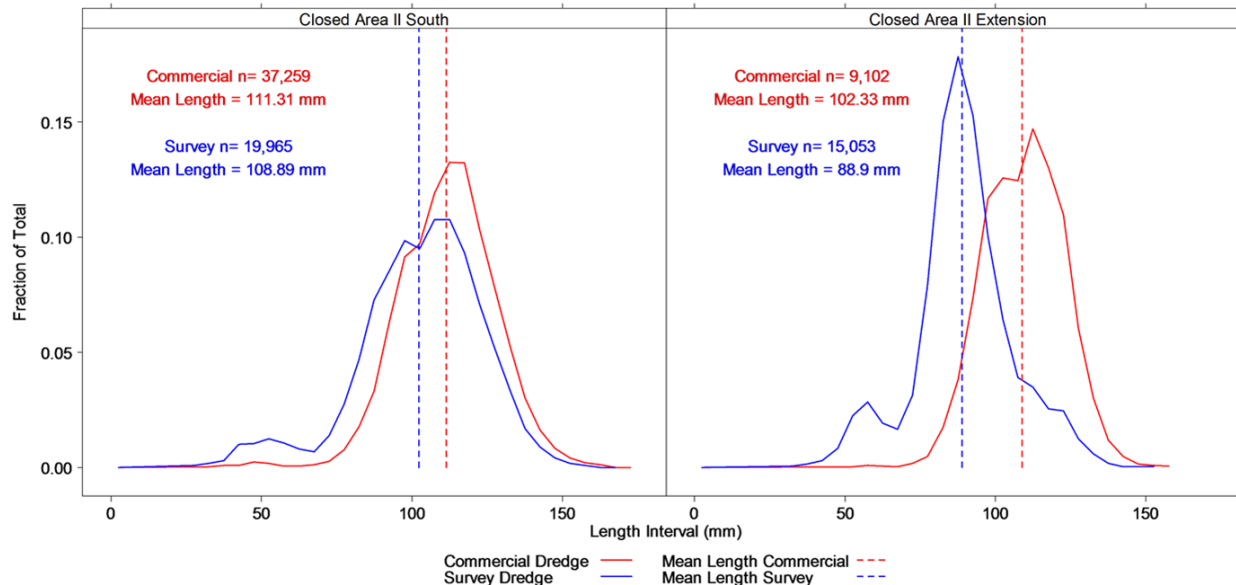
Follow-up on 2016 surveys:

- General agreement of dredge, drop camera, and HabCam biomass estimates when high density areas are excluded:
 - ET-Flex, NLS-S, and NLS-NA

Dredge	Drop Cam	HabCam
		
124,592 mt	131,501 mt	135,076 mt

Closed Area II and Extension

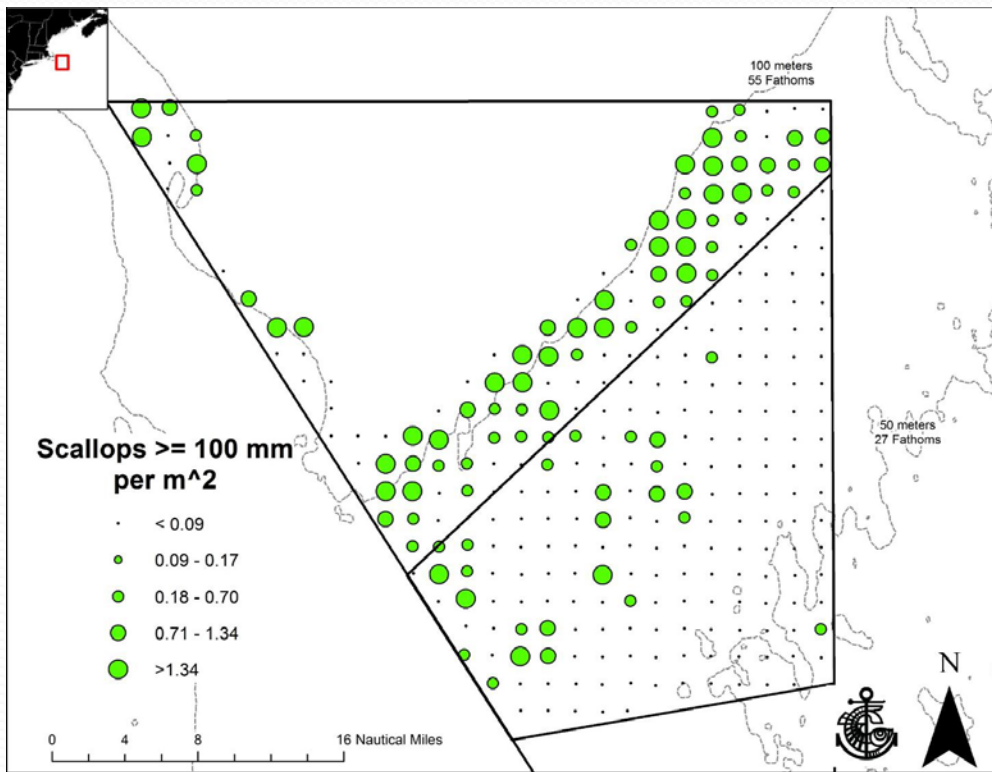
- **Potential access to CA II in FY 2018 – Could combine for CA II AA and CA II ext.**
- **Consider reopening CA II ext as open bottom in FY2019.**
- Bycatch of yellowtail flounder will continue to be an issue.
 - May consider different seasonal closure of CAII-ext
- 3yo cohort in CAII-ext likely to recruit into fishery.



Closed Area I

- 7 year old animals were observed in the "sliver" area
 - “Sliver” is not currently available to fishery – awaiting OHA2
 - Measures in FW29 to reconfigure boundary
- Meat samples appeared generally healthy, though quality may be issue as animals get older.
- The PDT supports access to CA I if the AA boundary is expanded to include the biomass that has been observed in the "sliver" area.
- Last year, PDT recommended that the first opening of CA I AA should focus on addressing carryover trips which are already on the books (~1.5 million lbs.).
- Meat quality in the CA I area declines in the fall.

Closed Area I



NW corner of CAI sliver. Photo Credit: NEFSC

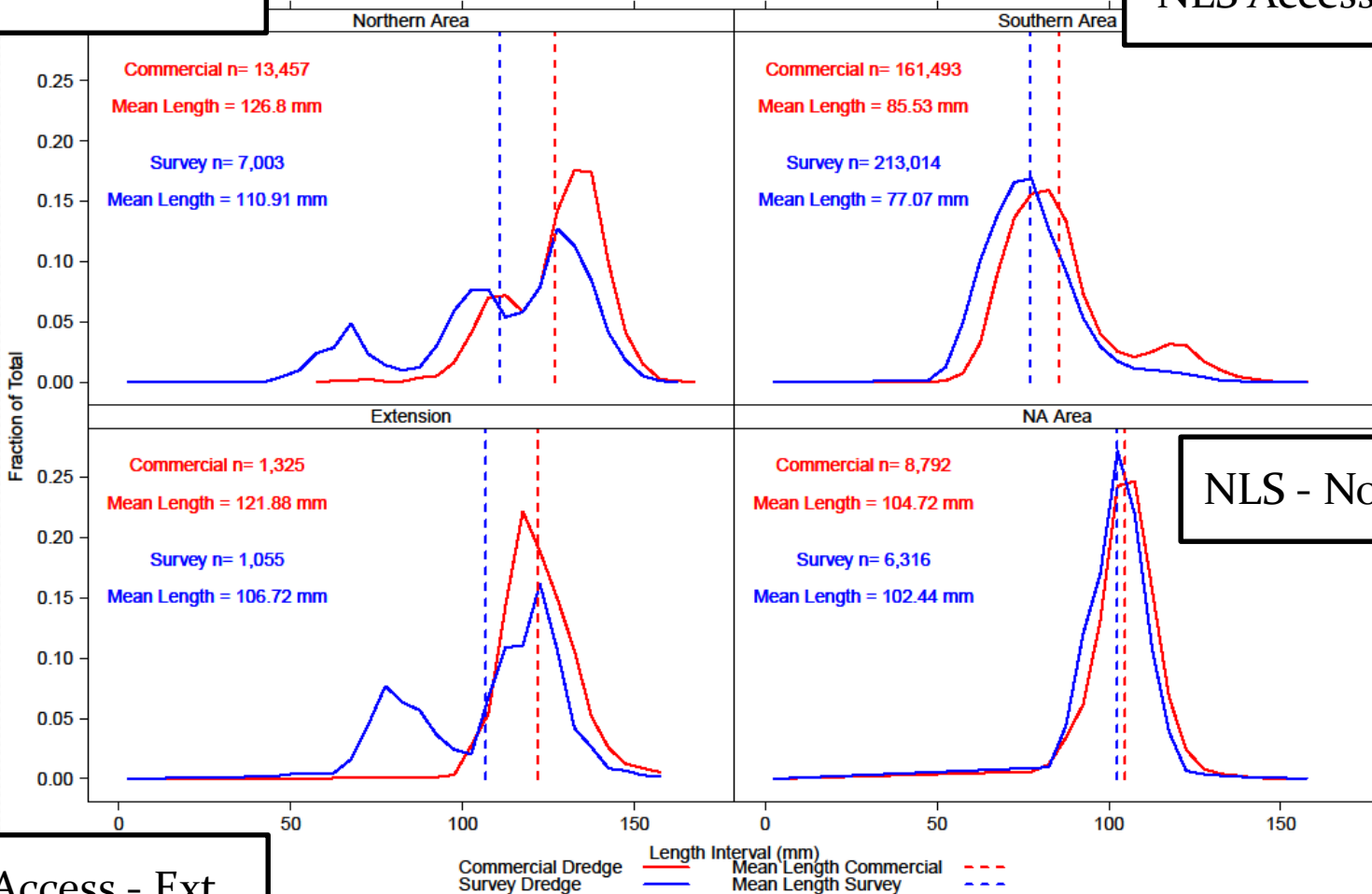
Nantucket Lightship

- Seeking input on potential management approaches given high densities and slow growth.
 - How to structure access in 2018? Potential closures?
- Unlikely NLS-N can support a full trip on its own in 2018.
 - PDT noted that the area could potentially support a full trip in 2019 if closed next year.
 - PDT does not support combining with other areas to justify higher overall landings that are expected to come from NLS-N.
- Uncertainty around biomass estimates in NLS-ext
- Some larger animals in NLS-S
- NLS-NA could likely support effort when available

Nantucket Lightship

NLS Access - North

NLS Access - South



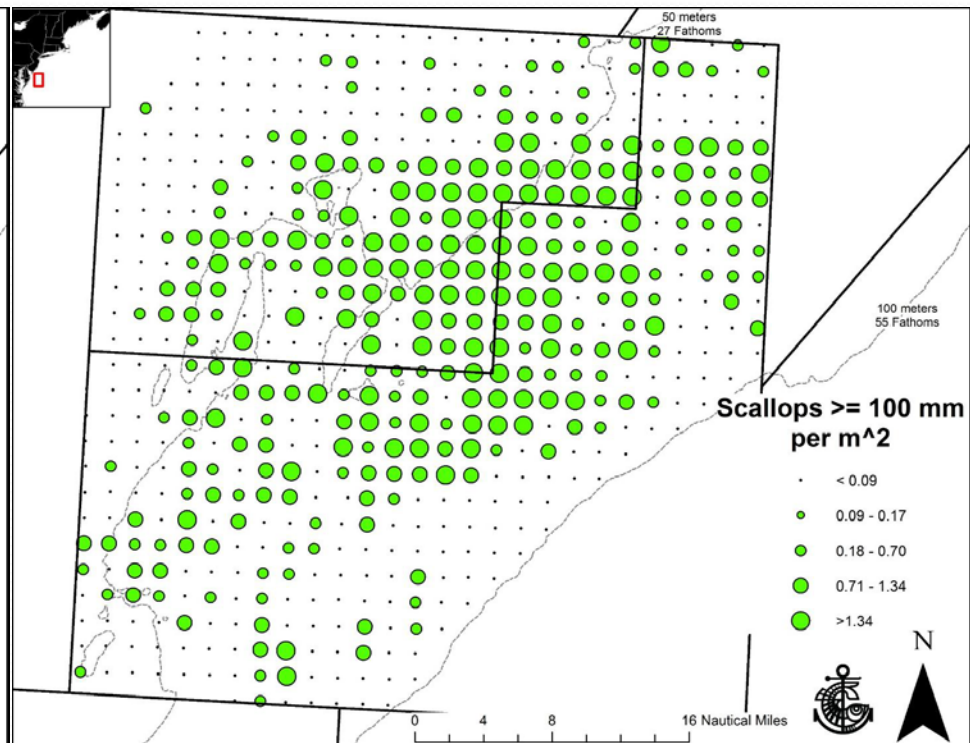
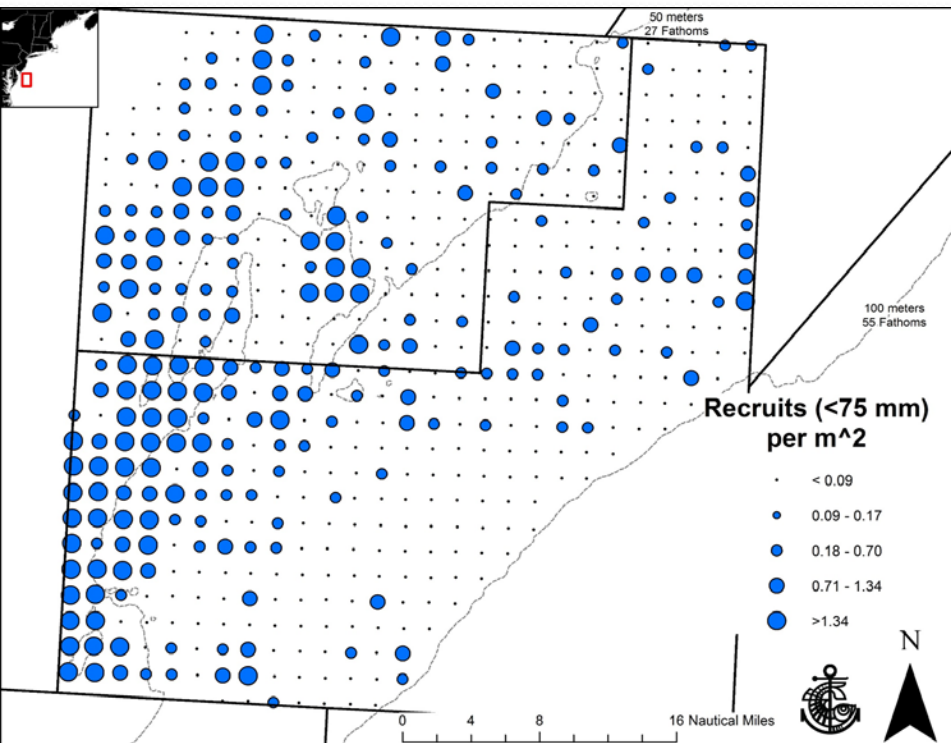
NLS Access - Ext

NLS - No Access

Mid-Atlantic Access Area

- Thoughts on access to MAAA (Megatron)?
 - Combine Flex and the MAAA into one area?
 - Continue with current approach?
 - Thoughts on number of trips?
 - How to treat Delmarva (low effort, meat quality)
- The MAAA can likely support multiple trips in 2018
- Potential growth issues in high density areas of the ET-Flex that impact expectation of size in 2018 (Dr. Rudders)
- Recruitment along western edge of ET & DMV
 - PDT does not support closure – little effort in and expected in area of recruitment, in past these sets have not panned out.

MAAA

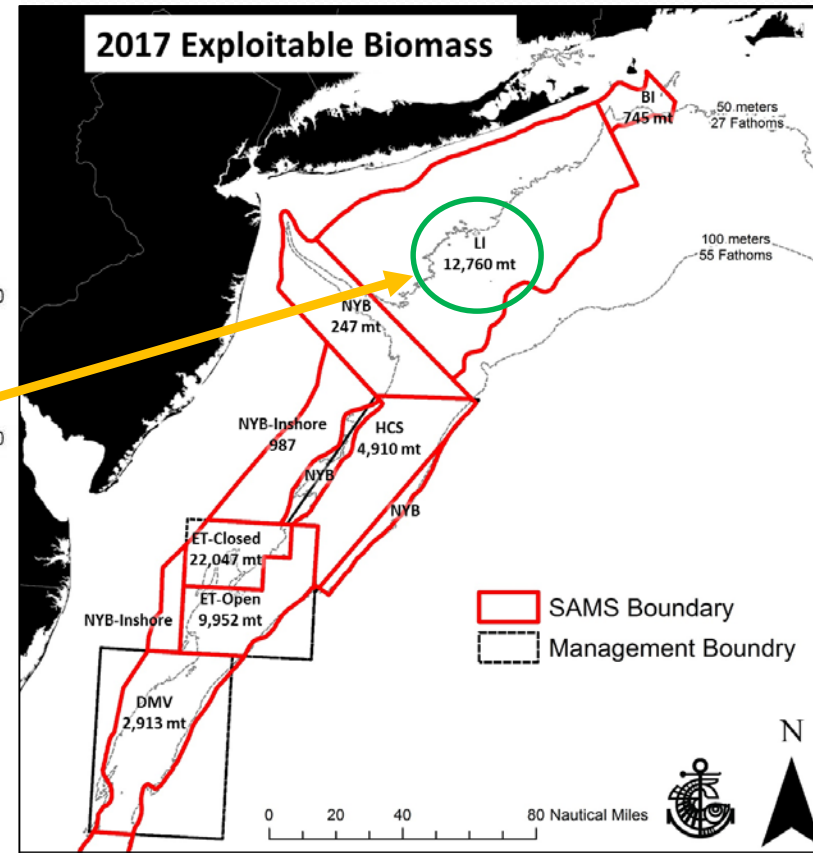
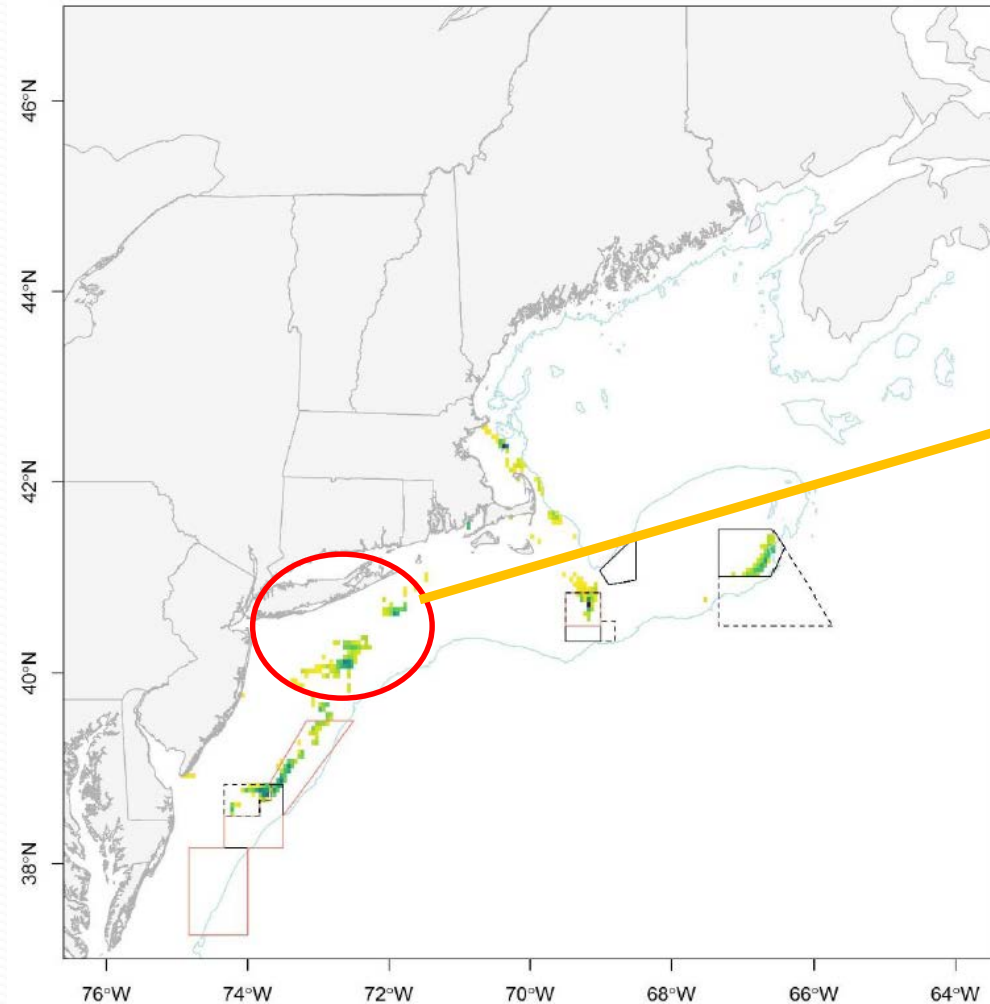


Open Areas

- Unremarkable recruitment in open areas.
 - The large 4 year old cohort may need to sustain open area fishing for multiple years.
 - Concentration of open area fishing in 2017 off Long Island, NGOM
 - Because no recruitment was evident in open areas in 2017 and open-area fishing was particularly concentrated compared to previous years, the PDT recommends that a lower target F rate be set for open area fishing in FY2018.
 - Past actions have used $F=0.48$, FW28 used $F=0.44$
- Should the PDT consider runs with a lower F?

Open Areas

Scallop Fishery Effort 2017 (hours)



Next Steps:

- PDT will review SAMS model run next Monday (25th)
- AP/CTE: Seeking input on range of alternatives, will bring results model runs to October meetings
 - Ideas for access area trips
 - Ideas on open area fishing/appropriate F rate
 - RSA compensation fishing
 - Other considerations
- SSC meeting on October 12th to recommend OFL and ABC for FW29 specs



Framework 29

- FW29 initiated at April Council Meeting
- Likely range of alternatives:
 - Specifications
 - Northern Gulf of Maine TAC, management measures
 - Flatfish Accountability Measures
 - OHA2 – Modify Closed Area I Access Area boundary
- **Simple → Increased likelihood FW in place for April 1.**
- AP/CTE: Input on range of alternatives
- Meetings in October and November



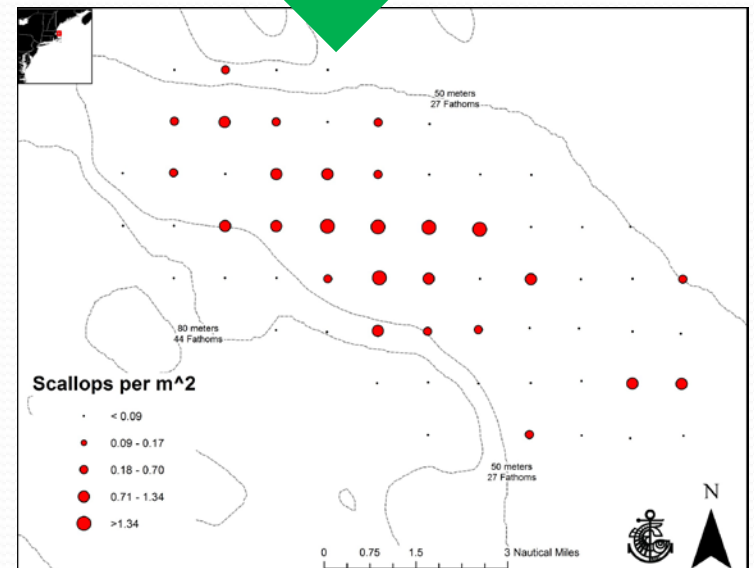
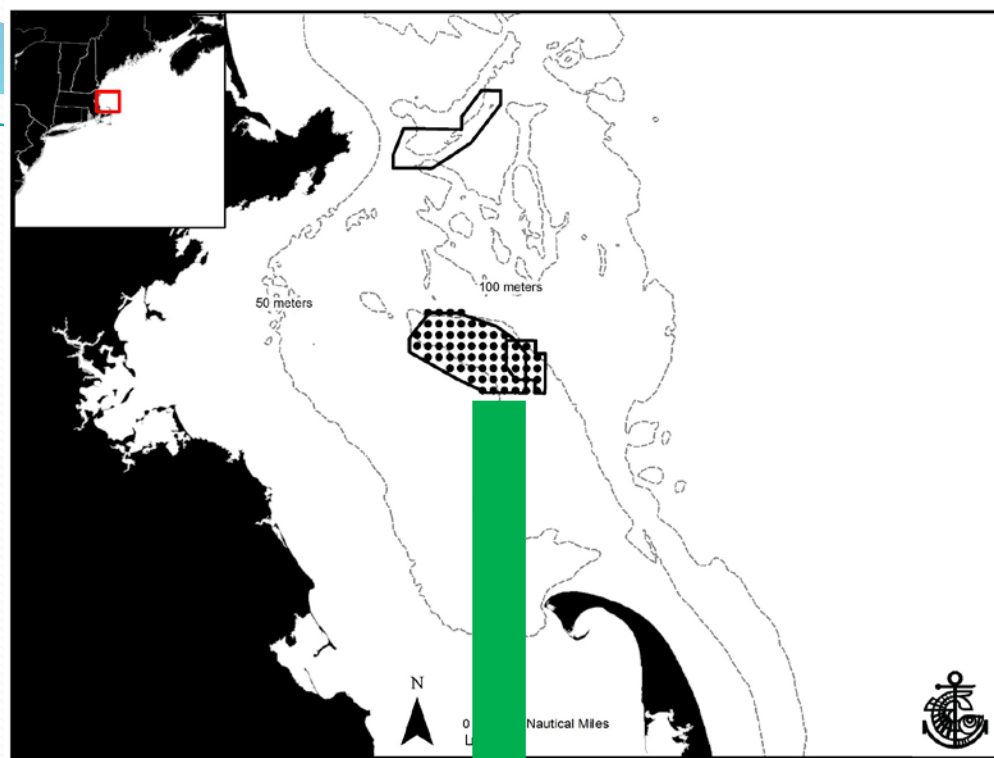
FW29: Northern Gulf of Maine

- Doc. #2c, #3c, and materials from Aug. 29/30 PDT meeting
- Problem Statement developed at April Council meeting.
- Committee tasking motion at June I meeting.
- Example of 'Hybrid' approach developed for this meeting.
- Results from 2017 survey work.
- **Simple → Increased likelihood FW in place for April I.**



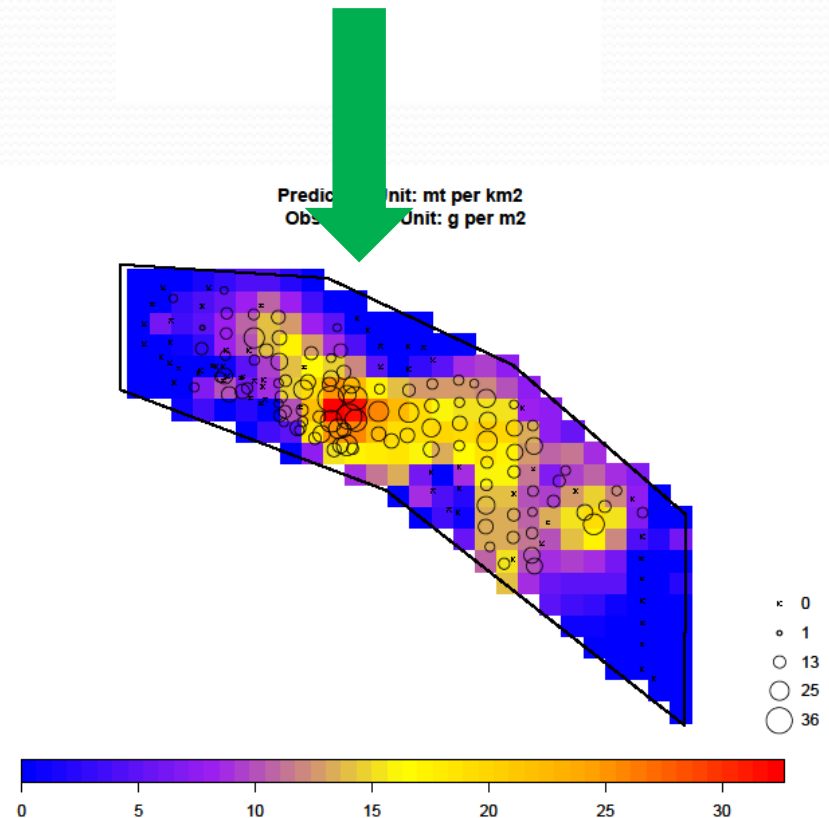
SMAST

- Stellwagen Bank focus
- Surveys covered 549 stations during two cruises in June
- Imprex DSC Drop Camera on 1.5km grid
- No signs of incoming recruitment
- Mean SH: 103mm
- Total Biomass estimate
 - 800,000 lbs (365mt, SE 69mt)
- Total Exploitable Biomass
 - 500,000 lbs (228mt, SE 44 mt)



CFF survey

- Stellwagen Bank and Jeffreys Ledge on July 8th & 9th, 2017
- HabCam V3, 90nm, 400k images
 - Annotation rate: 1:200
- 6 dredge tows on Stellwagen
- No strong signals of recruitment
- Stellwagen Biomass estimate
 - ~1 mil. lbs (459mt, SE 54mt)
- Jeffreys Ledge Biomass
 - 335,000 lbs (152mt, SE 35 mt)

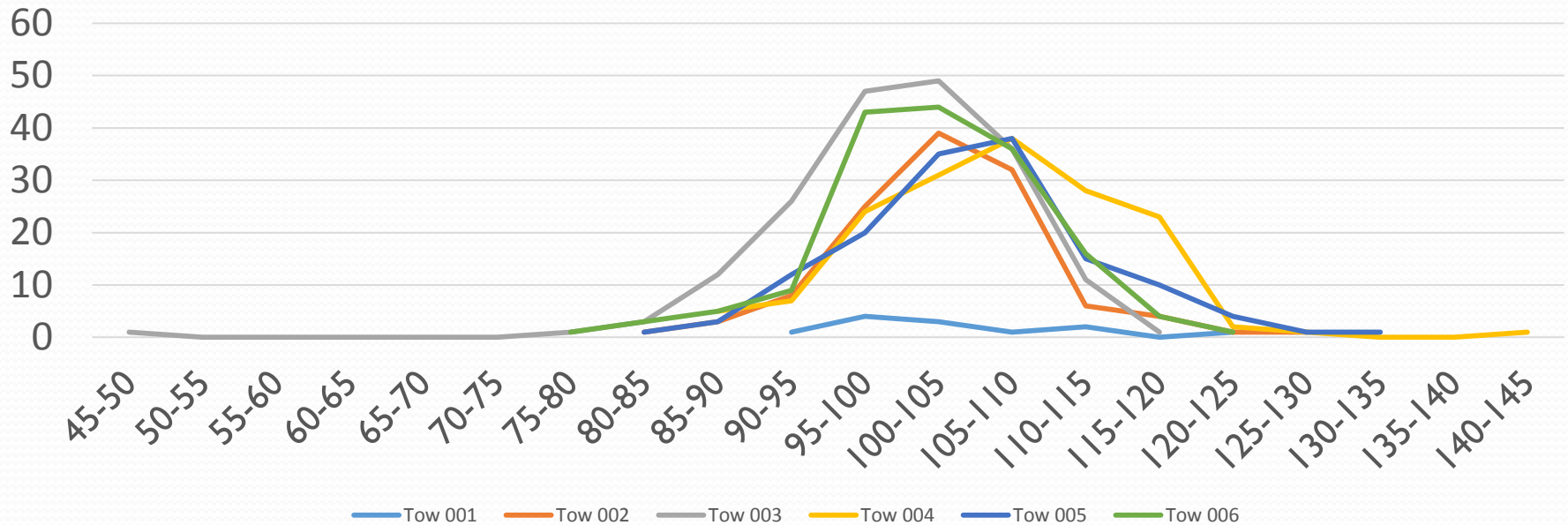


CFF survey

- 6 dredge tows on Stellwagen
- Majority of animals 95 – 110 mm
- No signal of incoming recruitment



Stellwagen Dredge Tows: Length:Frequency



NGOM Surveys and Results

- The PDT is working on developing a projection of 2018 exploitable biomass in NGOM. This includes:
 - Results of 2 surveys in southern portion of area (growth matrix)
 - For areas not fished in 2016/2017: DMR/UMaine 2016 survey
- Methods are described in PDT meeting summaries (Doc.3b)
- We don't have an estimate for 2018 exploitable biomass, but:
- Applying a conservative F rate in management area is expected to result in a TAC of a few hundred thousand lbs (as opposed to a few million lbs).



NGOM – PDT input

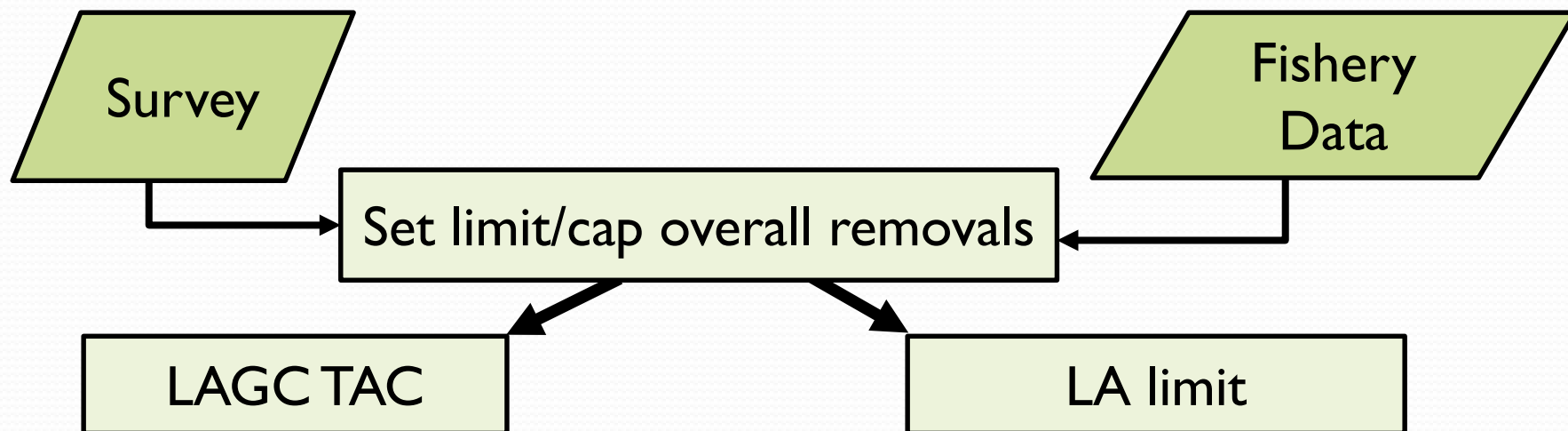
- TAC option based on $F=0.3$ (equal to GB ref. point)
- The majority of exploitable biomass is on Stellwagen, and it is reasonable to assume that this is where the majority of FY2018 activity will occur.
- Consider 3 years specifications for this area (2018, 2019, default 2020). Revisit in 2019 if additional data is available.
- Consider VMS declarations and trip limits in the area for all components.



NGOM Problem Statement:

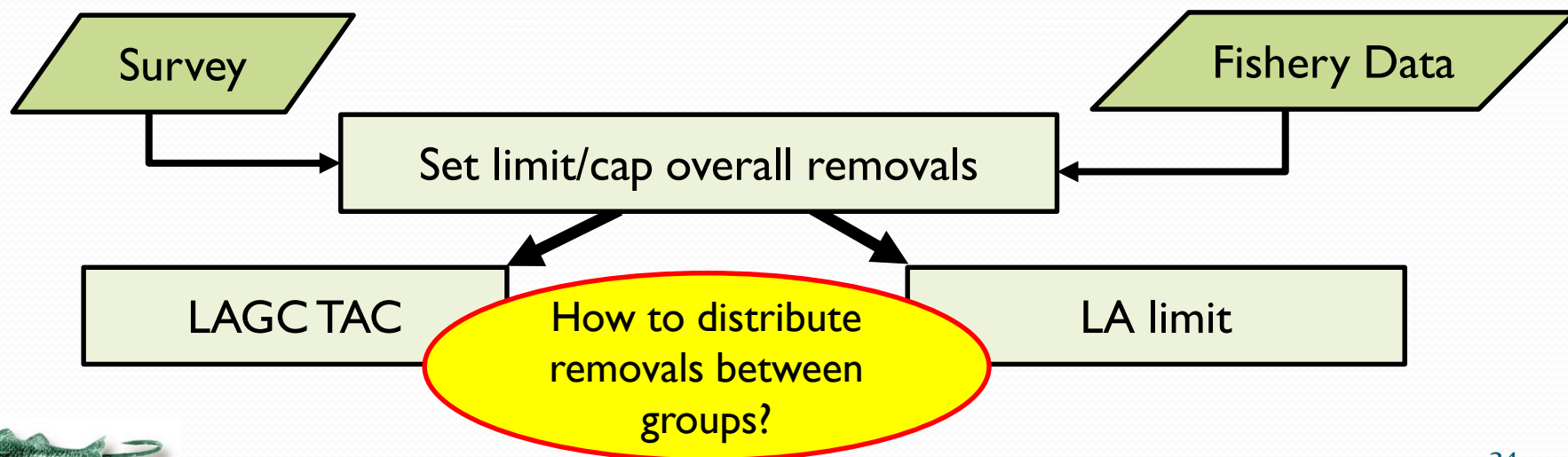
Problem: Unknown biomass and recent high landings

Goal: Understanding total removals and improving management



NGOM TAC Consideration #1:

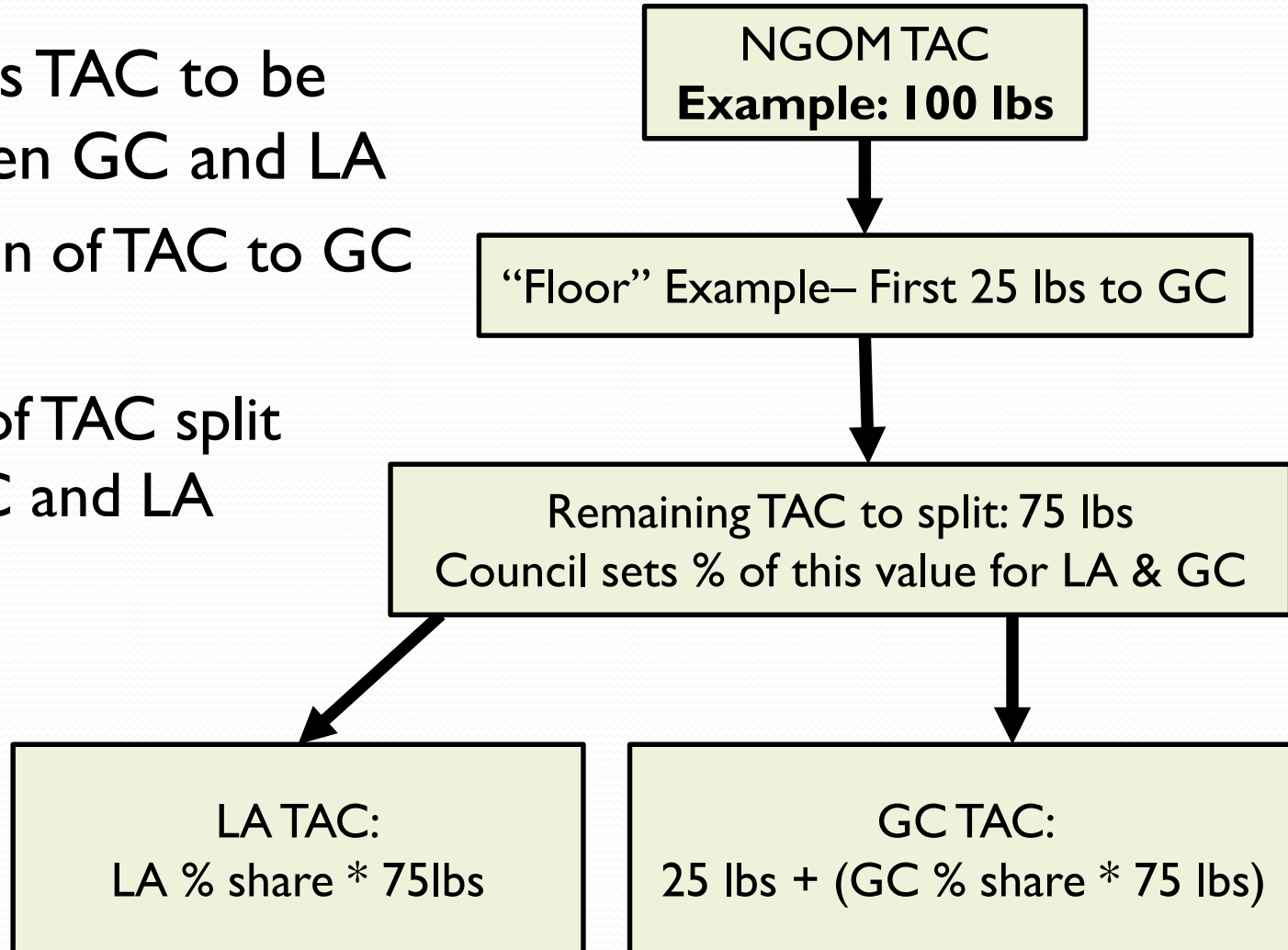
- I. How to distribute removals between groups?
 - NGOM TAC is not part of annual projected landings
 - Committee tasking motion for Hybrid approach
 - see Doc.2c, and next slide



NGOM TAC Consideration #1: Example of Hybrid Approach

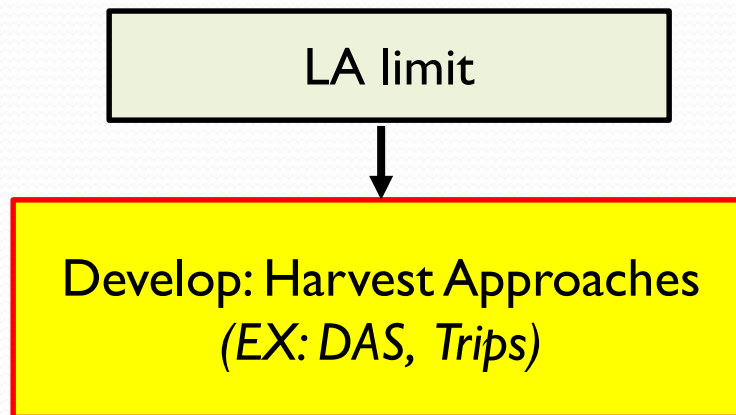
1. Council sets TAC to be split between GC and LA
2. Initial portion of TAC to GC (“floor”)
3. Remainder of TAC split between GC and LA
4. See Doc.2c

**Example
TAC
split**



NGOM TAC Consideration #2:

2. Develop harvest approach for LA component.
 - Council motion calls for status quo regs for LAGC.
 - Overall TAC may inform what approaches are feasible.
- Existing approaches used in Scallop FMP:
 - DAS
 - Trips



NGOM TAC Timeline

- Fall, with Final Action in December: Council develop range of alternatives for:
 1. Overall TAC
 2. Distribution of TAC between fishery components
 3. LA harvest approaches
- Expect some additional TAC information next week at PDT meeting
- AP and Committee will meet in Oct (25/26) and November (TBD) to develop additional guidance for the Council.



Flatfish AMs

- Committee tasking motion:
 - Focus on gear modifications (5-row apron and 1.5:1 hanging ratio), potentially consider seasonal closures
- Focus on three stocks:
 - Northern windowpane (regulatory requirement)
 - Georges Bank yellowtail
 - SNE/MA yellowtail ('savings' estimates ready in Oct.)



Key Change to AM policy

- Council Policy on Scallop AM Triggers changed in FW56 for 2 years through “temporary exception” for GB yellowtail flounder and Northern Windowpane flounder
 - FW56 removed the 150% of sub-ACL trigger.
 - Trigger: 100% of scallop sub-ACL and 100% of overall ACL is caught.

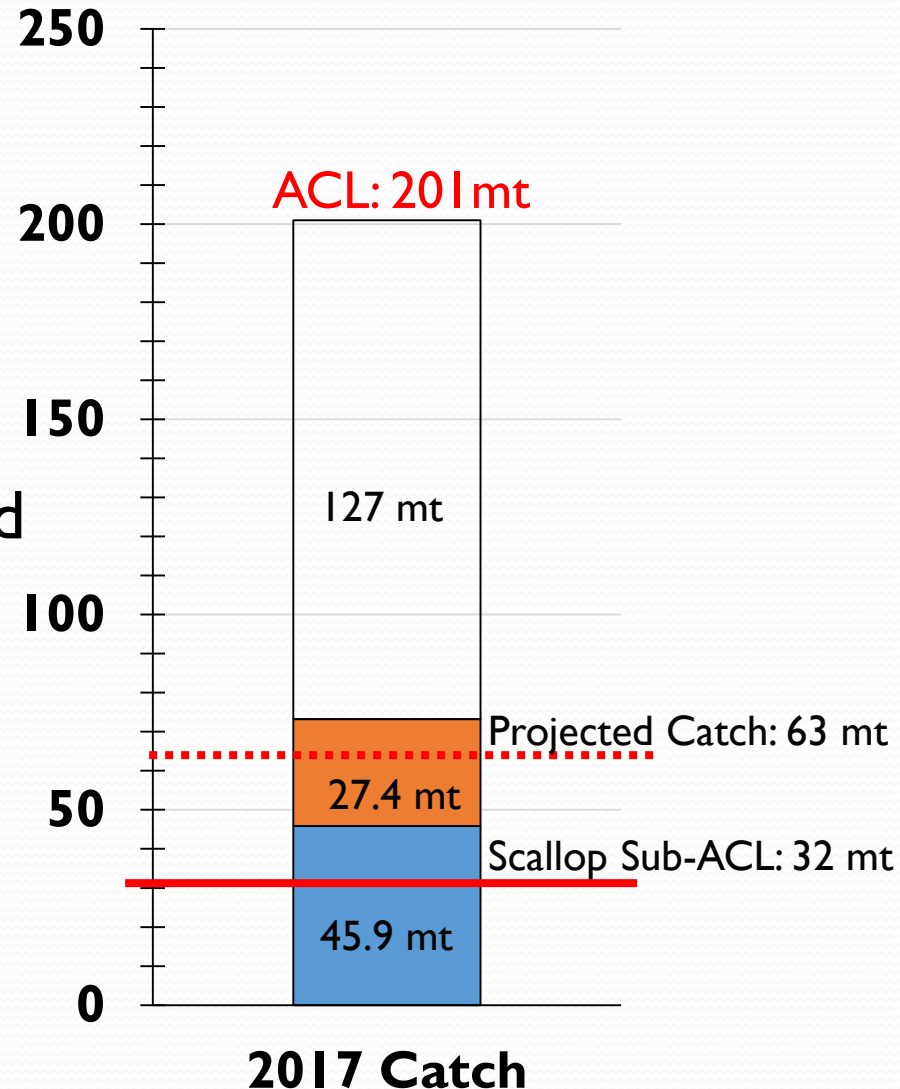
2017 Scallop sub-ACLs and projected catch

	GBYT	SNE/MA YT	So. Windowpane	N. Windowpane
2017 ACL	201 mt	256 mt	599 mt	172 mt
sub-ACL	32 mt	34 mt	209 mt	38 mt
Projected catch estimates	63.21 mt	10.66	77.85	103.33
% of 2017 sub-ACL	198%	31%	37%	272%
In Season Catch Accounting				
Catch est.	45.9 mt	5.69 mt	83.19 mt	23.50 mt
% of 2017 sub-ACL	143.3%	16.7%	39.8%	61.8%

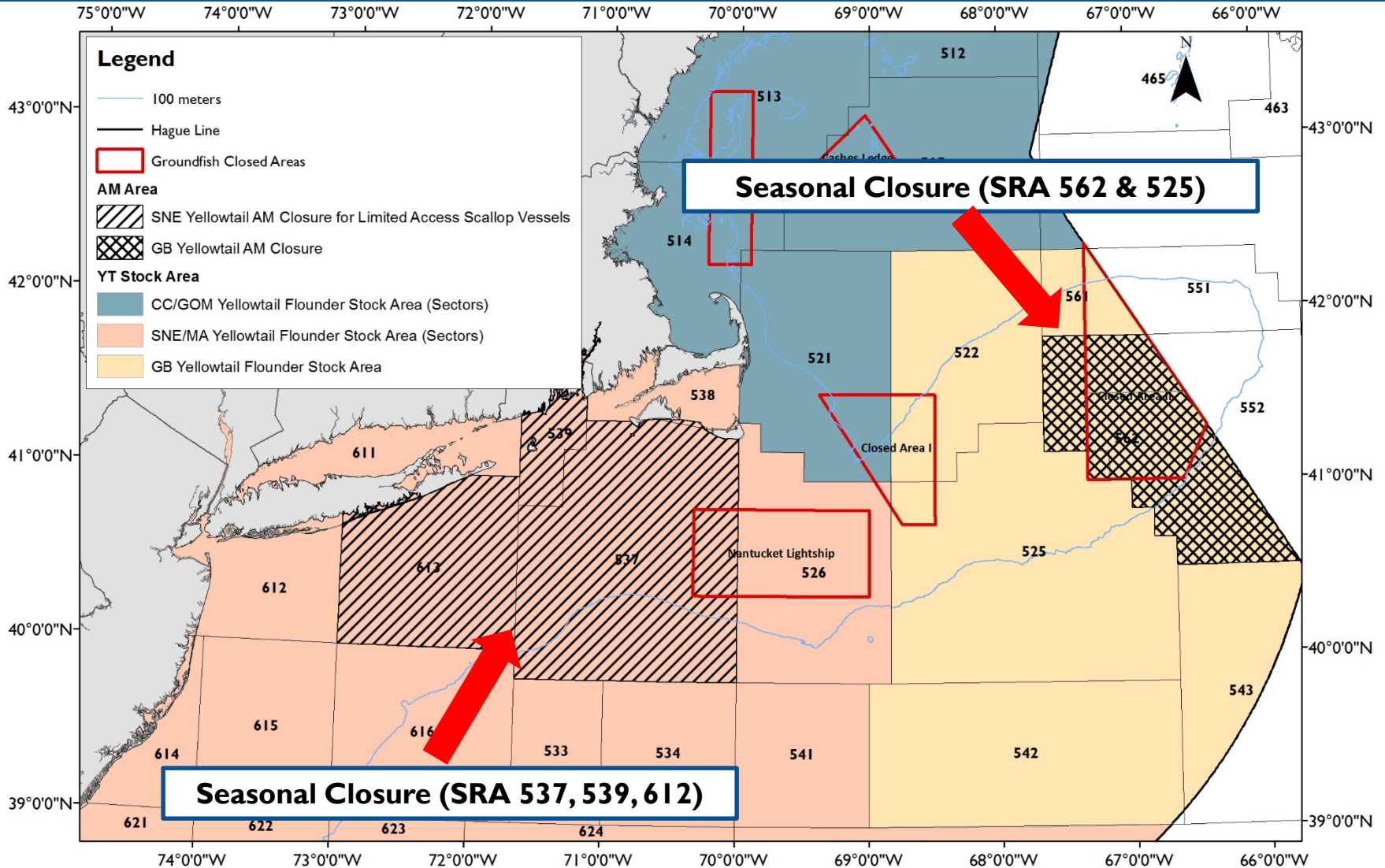
GB Yellowtail

As of early September 2017:

- Scallop fishery has exceeded sub-ACL for FY2017
- 99% of YT bycatch from CAI
- CAI landings at 82% of projected catch (5.8 mil. lbs)
- Groundfish: 16.8% of sub-ACL (27.4 mt), offshore spring fishery
- Scallop AM does not trigger unless total ACL is exceeded



No Action: Yellowtail LA accountability measure areas (GB and SNE/MA YT)

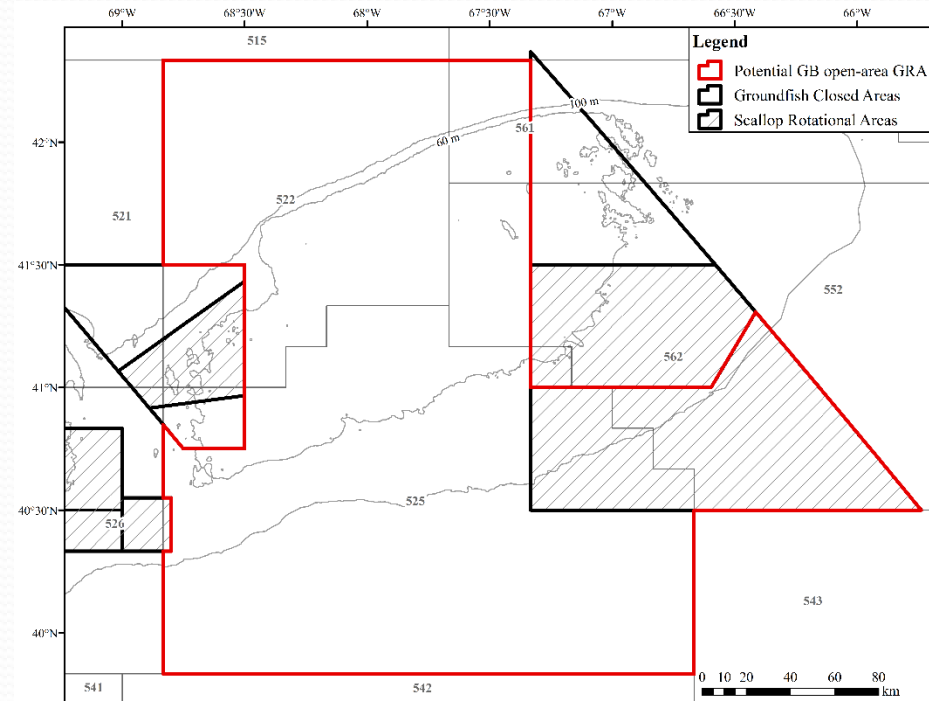


Flatfish 'Savings' Targets

- No specified target savings in NSI guidelines
- GB and SNE/MA Yellowtail: Size/Duration linked to overage (See end of Doc.2d for schedules)
- SNE/MA Winter Flounder:
 - Small AM: Overage < 20%, GRA in Feb = 6.7% savings
 - Large AM: Overage > 20%, GRA in Feb & Mar = 14.3% savings
- Groundfish Northern Windowpane: FW47, d/k hotspot analysis (See Appendix IV)

GB Open Areas

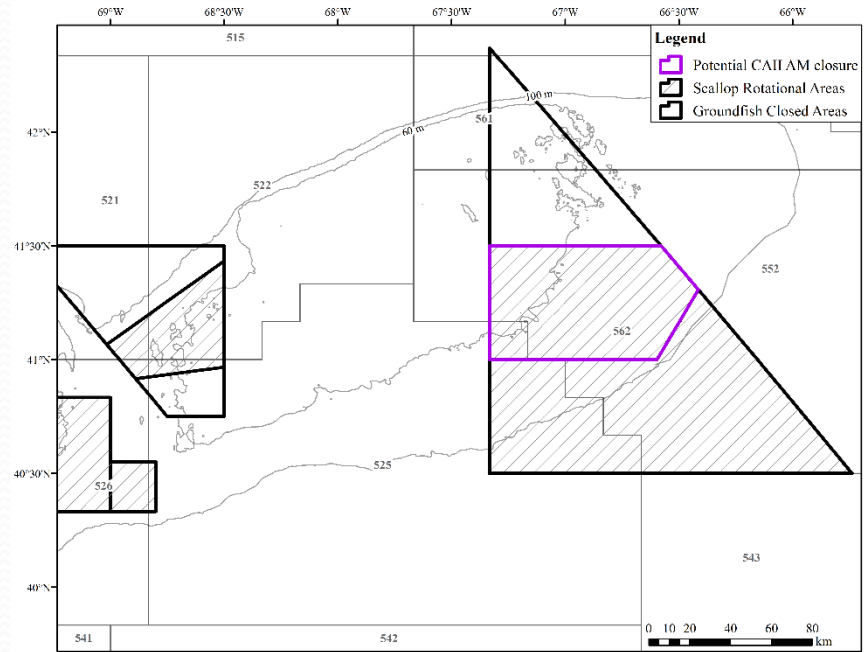
Month	% landings	GB YT savings	NWP savings
April	5.8%	1.5%	9.0%
May	20.4%	9.1%	11.8%
June	29.3%	12.9%	2.8%
Nov.	0.4%	0.0%	1.5%
Feb.	0.3%	0.1%	4.5%
March	2.0%	0.3%	6.2%



- Focus on GB open areas, East of 68° 49' 58.01" W
- 'Savings' represent upper bound of anticipated reductions
- Months presented: % Savings > % Landings; or > 10% savings

CA II Savings - Closure

Month	% landings	GB YT savings	NWP savings
April	0.6%	0.8%	8.0%
July	28.7%	14.5%	10.5%
Aug.	18.5%	18.2%	3.3%
Sept.	7.4%	29.0%	0.0%
Oct.	6.1%	9.3%	0.8%
Nov.	6.9%	6.0%	6.7%
Dec.	6.8%	6.6%	34.8%
Jan.	2.2%	5.7%	29.4%
March	0.3%	0.1%	2.9%



- Savings in CA II, Seasonal Closure Aug. 15 – Nov. 15 (gray)



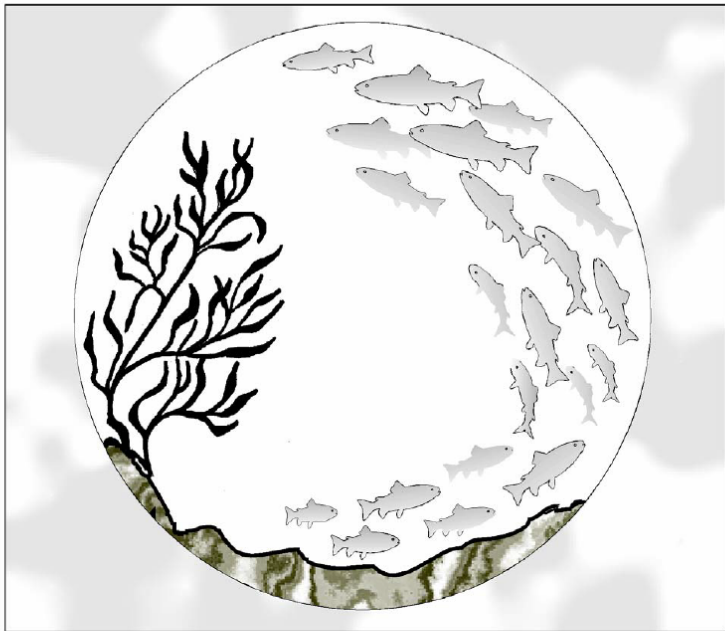
LAGC IFQ Program Review (Doc. 7 – Available Online)

Council reviewed in June – AP meeting only

Purpose, Need, and Scope of Report



Magnuson-Stevens Fishery Conservation and Management Act



U.S. DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
National Marine Fisheries Service

- Magnuson-Stevens Act requirement to review CSPs
- NOAA Guidance for Conducting Reviews of CSPs
- NOAA Catch Share Policy
- Goals and Objectives of Amendment II to FMP

Technical Work Group

GARFO:

- Travis Ford
- Ben Galuardi
- Shannah Jaburek

NEFSC:

- Eric Thunberg
- Greg Ardini
- Matt Cutler

Council:

- Demet Haksever
- Deirdre Boelke
- Sam Asci
- Jonathon Peros

In addition to technical working group, several individuals and groups assisted in data gathering, input, and analyses for this review: Min-Yang Lee, John Walden, Lisa Colburn, Tammy Murphy, Dvora Hart, Tess Petesch, Gabriela Stocks, Northeast VMS team, OLE, APSD, IRM.

History of GC management

- Scallop FMP in 1982
- Limited entry in 1994 (Amendment 4)
- GC category for vessels that did not qualify – open access with possession limit
- In 1999 increase in GC fishing activity (average of 0.2 mil lbs. between 1994-2000; 1.0 million in 2001-2003, and 3-7 million each year between 2004-2006)
- Control date on November 1, 2004
- Council developed Amendment 11 (2005-2007), effective June 1, 2008

Amendment 11

- Primary goal of controlling capacity and mortality in the GC scallop fishery, prevent overfishing
- Participation in the GC fishery at different levels

“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 small communities”

Amendment I I

- Implemented a limited entry and ITQ program
- Criteria: 1,000 pounds during and year (FY2000-2004), individual allocation based on best year indexed by # of years active in the fishery
- Vessel and ownership caps
- NGOM and Incidental limited entry programs
- 10% of projected catch allocation in FY2008 and 2009, and 5.5% of projected catch allocation starting in FY2010
- Pre-AI I there were about 2,500 permits, post-AI I about 700 permits for 3 limited entry permit categories

Post A I I modifications to LAGC program

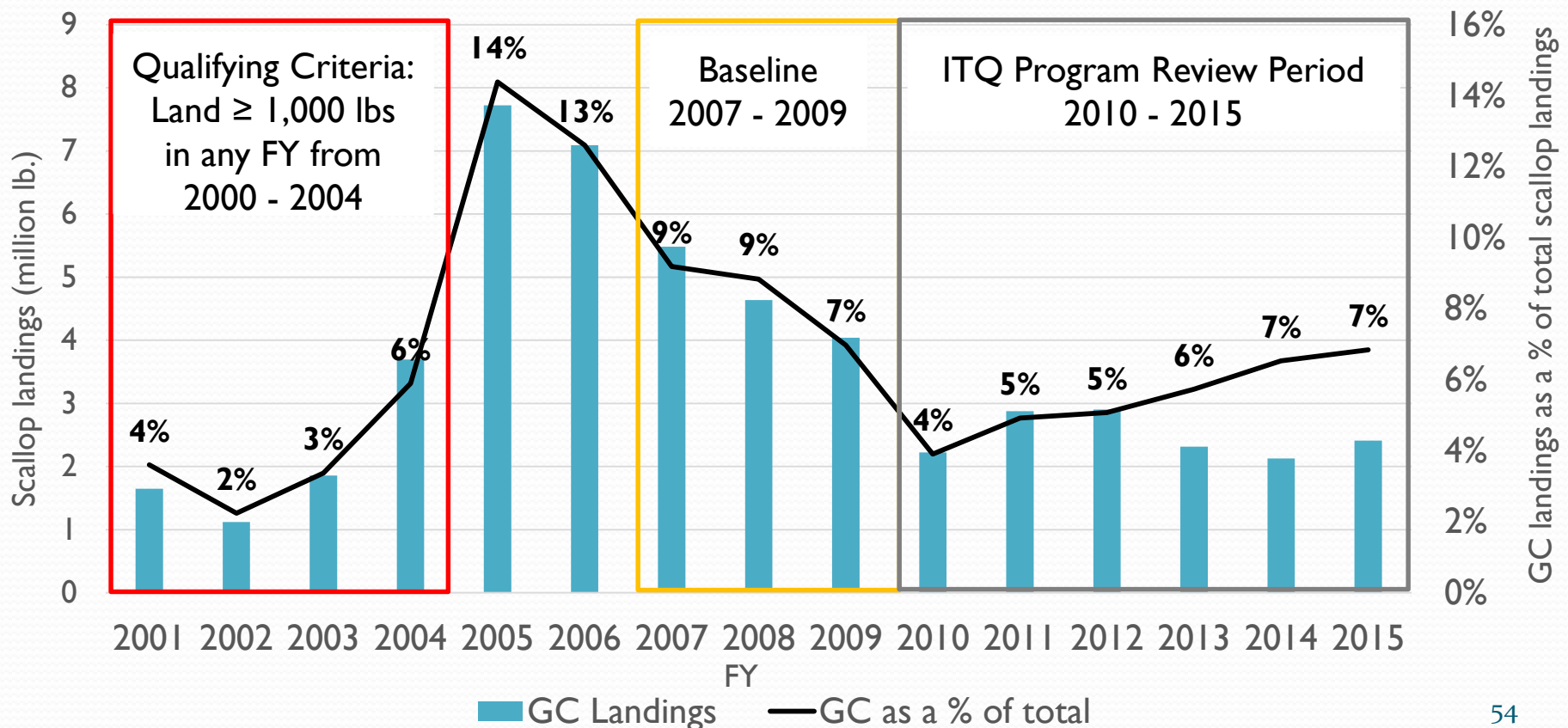
- Amendment 15 (2011)
 - Allow 15% rollover of IFQ
 - Increase possession limit to 600 pounds
 - Increase vessel cap restriction to 2.5%
 - Allow splitting of LAGC allocation from permit
 - Allow partial leasing and leasing during the year even if some fishing has occurred
- Other modifications through FW actions

Key Questions:

- Has the LAGC IFQ Fishery:
 1. Resulted in benefits to the Nation, including the evaluation of biological, economic, and social criteria in such decision making?
 2. Preserved the ability for vessels to participate in the general category fishery at different levels? Has the IFQ program prevented excessive shares?
 3. Controlled capacity, mortality, and promoted conservation and management?
 4. Promoted safety, compliance, and enforcement?

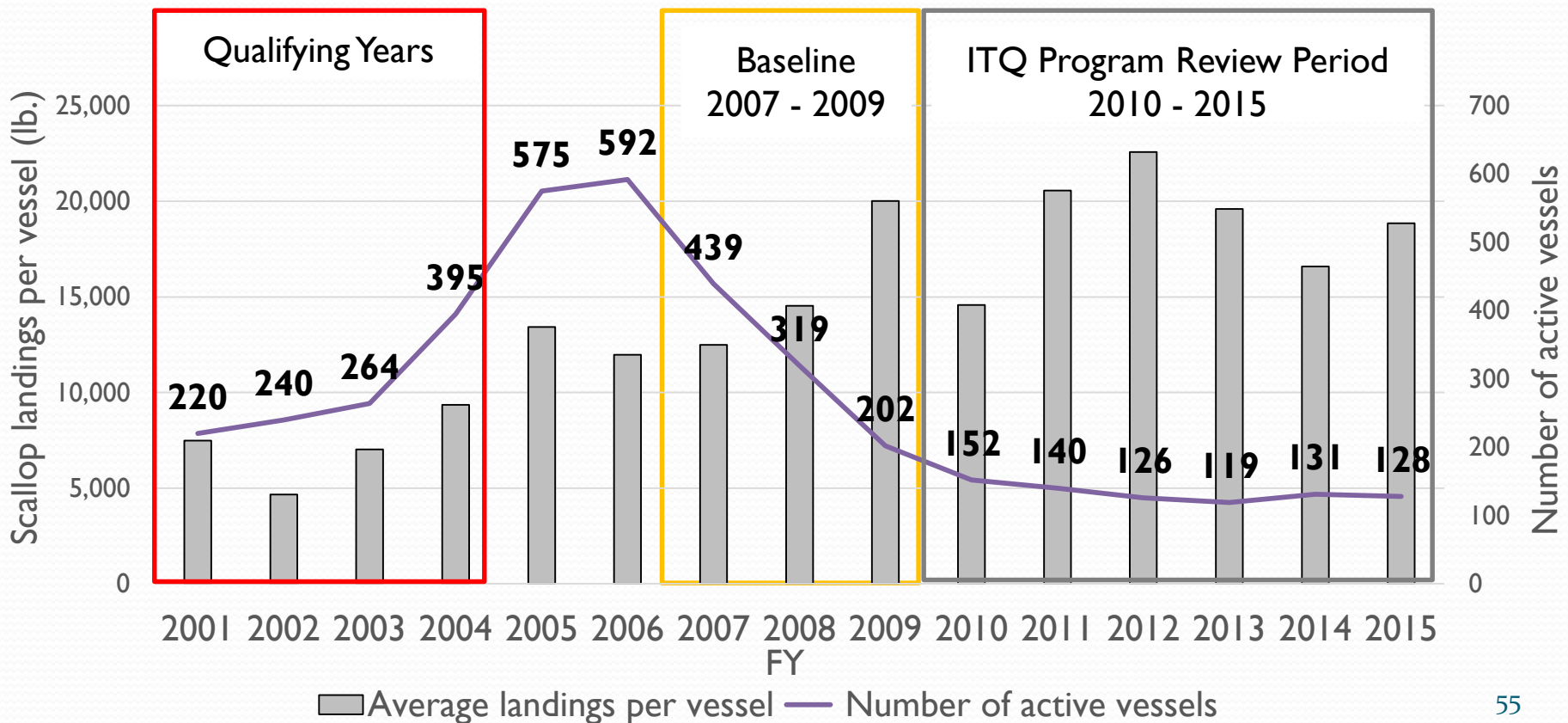
GC Landings by Fishing Year

- Peak in 2005, followed by **decline** (lbs landed, % of total).
- IFQ landings have not exceeded sub-ACL



Active GC vessels by FY

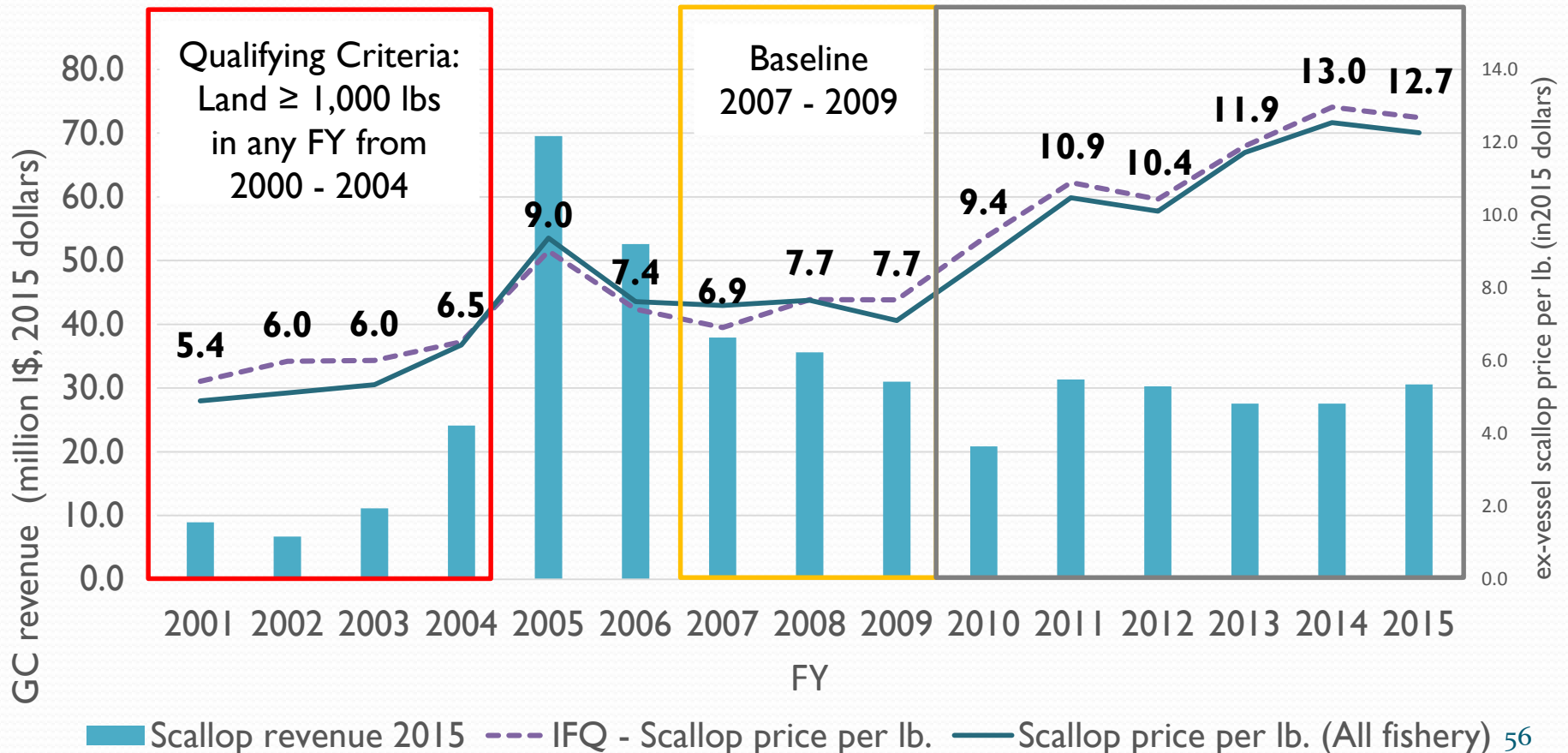
- Decline in active vessels from peak in 2006
- Average scallop landings varied, generally **increased**



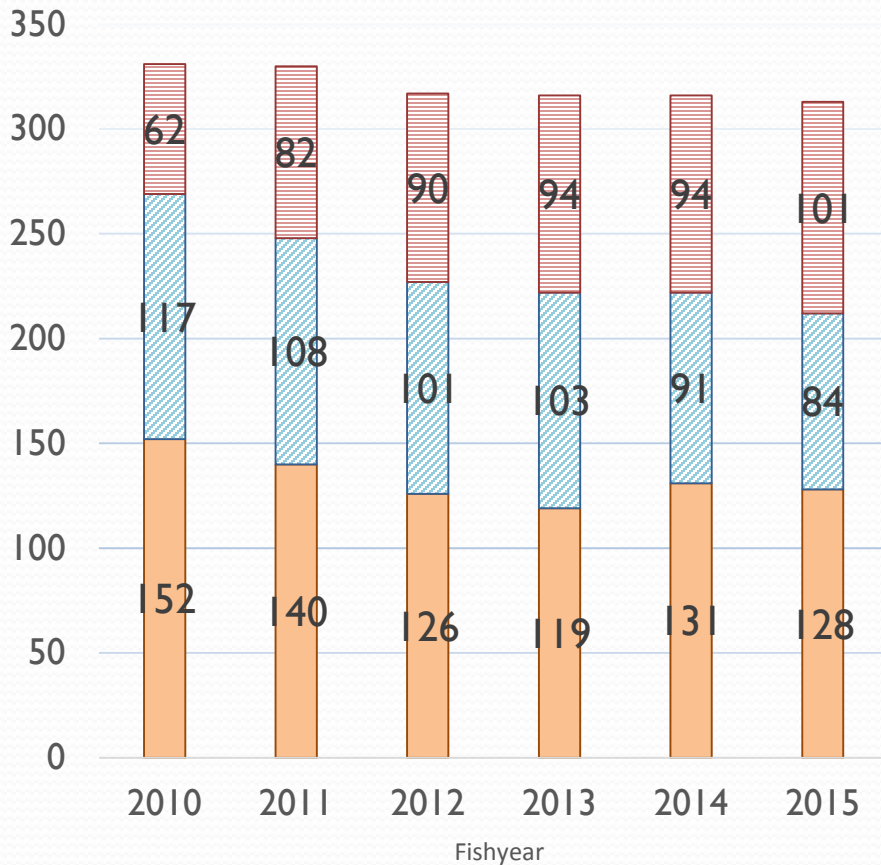
GC Ex-Vessel Price, Revenue

- Scallop Ex-Vessel Price
- General Category Revenue

ITQ Program Review Period
2010 - 2015



Number of permits by activity



DECREASE in active permits active in scallop fishery (152 → 128)

DECREASE in active permits that were not active in scallop fishery (117 → 84)

INCREASE of permits in CPH, not active in scallop fishery (62 → 101)



- CPH - Not active in scallop fishery
- ActivePermit - Not active in scallop fishery
- ActivePermit - Active in the scallop fishery

Affiliations by activity status

- If Jonathon and Demet hold a permit, and Demet and Sam hold a permit, we are affiliated.
- Active Affiliations
 - # of affiliations **declined**: 127 → 102
 - # of permits **declined**: 210 → 181 (active + CPH)
 - Active vessels in the IFQ fishery: 152 → 128
 - Inactive in IFQ fishery, active in other fisheries: 58 → 53
 - With no fishing activity (CPH): stayed constant 15
- Inactive Affiliations
 - # of affiliations **declined**: 106 → 90
 - # of permits **increased**: 121 → 132
 - Inactive in IFQ fishery, active in other fisheries: 58 → 53
 - With no fishing activity (CPH): 64 → 79

Changes in net revenue, producer surplus

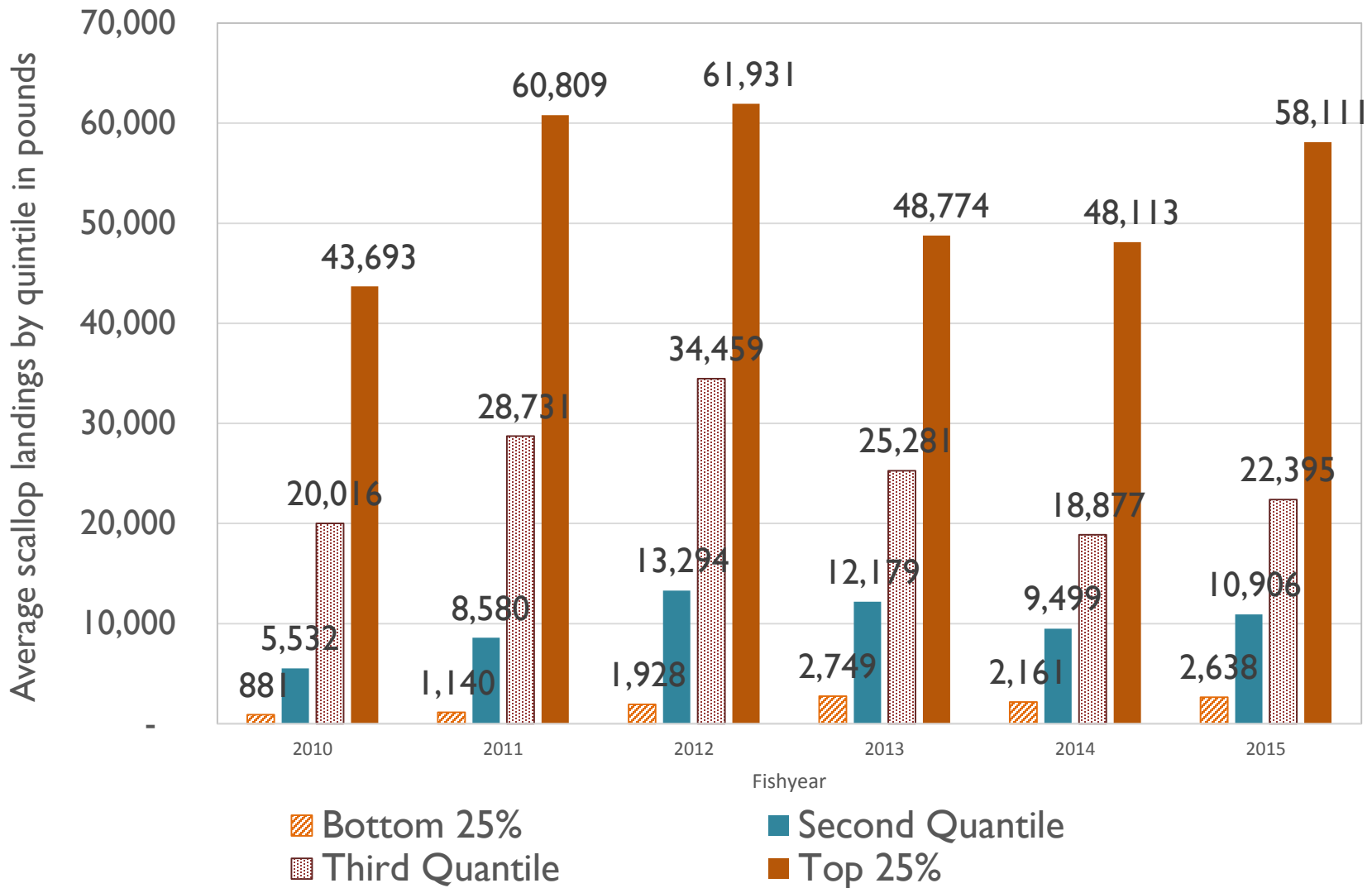
% change in 2015 from 2010 levels

- Produced surplus **increased** by 60%,  trip limits,  fuel cost
- Average net revenue per active affiliation **increased** by 88%
 - \$152k in 2010 → \$282k in 2015
- Average net revenue per active vessel **increased** by 79%
 - \$125k in 2010 → \$225K in 2015
- Average leasing revenue per inactive affiliation **quadrupled**
 - Lease prices more than doubled
 - \$9.4k in 2010 → \$36.7k in 2015

Diversity and Distribution

- IFQ affiliations participate in the scallop fishery at varying levels
 - Half of the affiliations derive >50% of their revenue from scallops
 - Decline in the number of affiliations that derive <25% of their revenue from scallops
- Landings, revenues and profits concentrated among the top 25% of active affiliations.
 - About 32 affiliations account for about 63% of total scallop landings
 - Bottom 25% account for about 3% of scallop landings
- No significant changes in these trends from 2010-2015

Scallop landings per active affiliation



Crew incomes

- Total crew income increased over program period, best years 2011 & 2012.
- Estimates of crew income were dependent upon whether or lease costs came from crew share
 - If crew pays lease cost, 9% **decline** in income per DAS from 2010
 - If lease costs are shared, 15% **increase** in income per DAS from 2010
- Increase in the total employment by 15% in 2015 (measured by CREW*DAS)

LAGC IFQ by Region/State

- Number of active vessels in the Mid-Atlantic **declined** from 2010 – 2015. (94 → 69), while the number of active vessels in the New England was fairly consistent.
- Majority of landings in Massachusetts and New Jersey
 - Also landings in RI, CT, NY, MD, VA, NC

Number of active vessels by homeport state (FY 2010 – FY 2015)						
STATE	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015
MA	41	41	39	36	39	41
NC	23	16	10	10	9	9
NJ	43	44	38	39	43	41
NY	16	15	14	12	13	12
Oth.Mid.At	12	11	10	8	8	7
Oth.NE	17	13	14	13	19	18

Top Ports by Landings

- Cumulative landings by LAGC IFQ from 2010 - 2015
 1. Barnegat Light, NJ
 2. Point Pleasant, NJ
 3. New Bedford, MA
 4. Chatham, MA
 5. Atlantic City, NJ
 6. Cape May, NJ
 7. Provincetown, MA

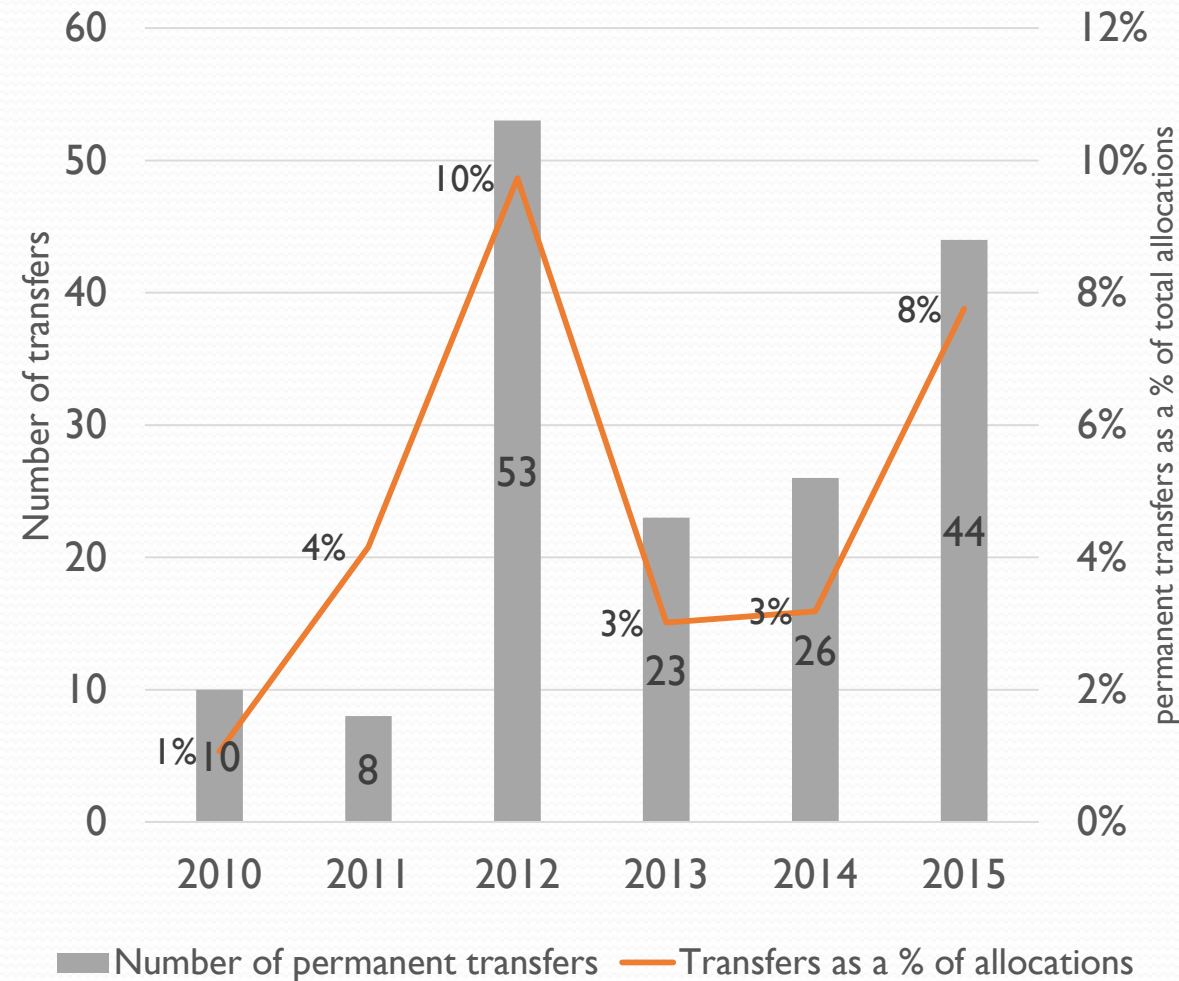


Photo: http://www.pressofatlanticcity.com/business/small-business-loans-give-a-little-egg-harbor-township-man/article_ed1f5fec-b751-5a97-9f34-092dde9b8288.html

Quota Transfer and Leasing Market

- Transfer is a permanent sale; lease non-permanent
- Share transfer market: few participants, low cohesion, and one-time transfers between businesses
- Quota leasing market: many participants, increasing cohesion, multi-year participation
- See Appendix J

Quota transfers



- Increase in the number of transfers in the 2012 fishing year, increasing from 1% in 2010 to 10% of the base allocations in 2012
- Surge coincides with changes made through AI5

Quota Leasing



- Extensive use of leasing market
- Permit banks – about 15% of leased pounds
- The number of lease transactions almost **doubled** in 2015 compared to 2010
- About 47% of overall quota leased out to different owners in 2015, up from 31% in 2010

Quota Holdings and Concentration

- Quota holdings among affiliations were unequally distributed, but became less unequal over program period
 - In 2010, 90% held 57% of the quota, top 10% held 43%
 - In 2015, 90% held 64%, top 10% held 36% quota
- With the HHI value standards, distribution of the quota holding were competitive both within the active and inactive affiliations.
- At a 5% share cap the smallest possible number of affiliates would be 20, but in 2015 there were 192 affiliates, which is 9.6 times that of the level the share cap would allow.

Capacity and Mortality

- Decline in active vessels from 592 in 2006 → 128 in 2015
 - 15% decline in active vessels over program period
- LAGC IFQ fleet capacity decreased between 2010 – 2015.
 - LAGC fleet capacity index decreased by 33.2%
 - Average length and gross tonnage decreased, HP nearly same
 - <50' group increased, decline in 50' to 74' and $\geq 75'$
- IFQ allocated 5.5% of sub-ACL; harvest has not exceeded limit during the program period.
- Program has been effective at controlling mortality and preventing overfishing.

Bycatch

- Bycatch considerations: stock status, scallop ACLs and AMs, spatial constraints of LAGC IFQ fishery, availability of scallop resource
 - IFQ component is jointly accountable with LA component for scallop fishery overages
 - Accounts for ~20% of fishery's SNEYT bycatch
 - IFQ component bycatch estimates declined for SNE Windowpane
 - d/K ratios **declined** or remained low (<4%) in IFQ dredge fishery for key yellowtail and windowpane stocks (2007 – 2015)
 - d/k ratios **declined** for IFQ trawl fishery for SNEYT (2010 – 2015)

VMS pre-land compliance

- VMS pre-land compliance **increased** on IFQ declared trips
 - 69% in 2010 → 80% in 2015
 - Total annual IFQ declared trips: 6,610 in 2010; 5,742 in 2015
- VMS pre-land compliance **increased** on non-IFQ declared trips (ex: groundfish, surf clam and ocean quahog)
 - 17% in 2010 → 33% in 2015; compliance remains low
 - Total annual non-IFQ declared trips: 170 in 2010; 302 in 2015



Compliance and Enforcement

- **Decline** in number of IFQ MRIs with quota overages
 - 23 in 2012 → 6 in 2015
- IFQ overages small portion of overall allocation
 - High of 38,760 in 2014, followed by low of 5,426 in 2015.
- Total number of monitored offloads remains very low
 - <1% of total trips
- Total # of scallop violations remained ~14 per year
 - High of 42 in 2011, Low of 6 in 2013.


Non-qualifiers

- Analysis of non-qualifiers focuses on vessels that were active during the qualification period, and program period
 - Vessels primarily engaged in groundfish, surf clam/ocean quahog, and squid fisheries during qualification years.
 - Some vessels that did not qualify for IFQ continue to land scallops under NGOM and Incidental permits
 - The percent revenue from scallop landings has increased for this group from 0.1% during the qualification period to 1.2% during the program period.

Key Questions: Summary

- Has the LAGC IFQ Fishery:
 1. Resulted in benefits to the Nation?
 -  producer surplus from baseline to program period.
 -  net revenues during program period, crew outcomes may vary
 2. Preserved the ability for vessels to participate at different levels? Has the IFQ program prevented excessive shares?
 - Vessels participating at different levels across broad geographic distribution. Non-qualifiers remain active in fishery. Active lease market.
 - Slight decline in quota holdings by top 10% of affiliations.
 - Number of affiliations is 9.6 times that of the level the share cap would allow.

Key Questions: Summary

- Has the LAGC IFQ Fishery:
 3. Controlled capacity, mortality, and promoted conservation and management?
 - Reduction in number of vessels, landings. IFQ component has not exceeded catch limits during the program period.
 - Bycatch of key stocks has remained constant or declines (as % of scallop catch)
 4. Promoted safety, compliance, and enforcement?
 - Improved compliance with VMS requirements. Non-IFQ trips remains low.
 - Total number of monitored offloads low, size and frequency of overages 
 - Average age of vessels increased over the program period

Next Steps:

- AP: Recommend changes to Committee for consideration as part of 2018 priorities.
- Committee: Review any AP recommendations, recommend changes to consider as part of 2018 scallop priorities.



2018 Priorities Discussion

2017 Scallop Priorities

Not in priority order

1. **Specifications (regulatory requirement)**
 2. Modify flatfish accountability measures
 1. **Northern windowpane AM is a regulatory requirement**
 3. Complete 5-year LAGC IFQ review (final report to Council in JuComne)
 4. Modify access areas to be consistent with OHA2
 5. NGOM management measure changes
 6. Integrate findings from Sea Scallop Survey Methods Peer Review
 7. Gear modifications to protect small scallops
-
8. STAFF: Support annual scallop RSA process
 9. STAFF: Annual responsibilities related to estimating scallop and flatfish catch during the year.
 10. OTHER: Programmatic RSA review (Scallops, Herring, Monkfish)
 11. OTHER: 2017 groundfish assessment updates. Updating sub-ACLs for four allocated stocks. This requires scallop PDT time to develop catch projections.

Potential 2018 Priorities:

- See Doc.4
- Today: Initial discussion, are there things to add to this list?
- October Meeting: Final Recommendations
- Council takes final action on 2018 priorities in December (likely Thursday of meeting)

DRAFT List of Potential Priorities for 2018

Specifications

Amendment - NGOM management

Amendment to create harvester associations

Gear modifications to protect small scallops

OHA2 follow-up: modify access areas

Measures to address DAS and IFQ carryover

Specify allocation review triggers (NMFS allocation review policy)

Adjustments to scallop IFM observer program

RSA program review and modifications

Monitoring and catch accounting provisions

ONGOING: Scallop RSA program support, in-season bycatch tracking

Scallop benchmark assessment in 2018

PDT Input:

- **Top Priority:** Work on modifying access areas after OHA2 is final.
 - Animals in CAI 'sliver' will be 8yo, scallops in NLS-NA ready to be fished. Increased mortality of scallops in CAI-N.
- *From LAGC IFQ Program Review:* Investigate monitoring and catch accounting measures, gather data on LA component
- Investigate how product/market quality issues could be addressed in management given 2017 fishery data.
 - Little effort in ET/ET-Flex outside of northeast portion
 - Virtually no effort in DMV



Discuss Executive Orders (EOs) related to Reducing Regulation

Background

- **EO 13771 – Reducing Regulation and Controlling Regulatory Costs (“2 for 1 Executive Order”)**

Goal: Eliminate two existing regs for each new significant reg that imposes costs. Desire to control regulatory costs on society.

The new regulation must be significant – most fisheries regulations are not. Routine MSA actions are exempt (i.e. specs).

The regs removed do not have to be significant.

Total cost must be less than 0.

- **EO 13777 – Establishes task force at each agency to ensure implementation of EO 13771**

Evaluating existing regulations for repeal or modification, seek input from affected entities.



Background (cont.)

- CCC presentation in May 2017.
- NMFS still working on how to address these EOs.
- Two for one trade applied at the Agency level – within DOC.
- Several existing regulatory review processes in place:
 - MSA/Council process routinely reviews regulations.
 - Some statutory requirements for periodic reviews (catch share/LAPPs, SBRM rule, allocation policy, etc.).
 - Council sets work priorities annually
- Currently there is no streamlined way to remove regulations; full MSA/NEPA/APA process still required.
This process not expected to be fast.



Initial discussion - Scallop FMP only

Agenda Item

1. Initial step to get ideas from the public on evaluating existing regulations.
2. Council will keep track of these ideas and may consider addressing them in future actions.
3. This meeting specific to the Scallop FMP; are there any regulations in the Scallop FMP that could be eliminated, improved, or streamlined?
4. Other committees will discuss the same topic; input will be forwarded to the Council.

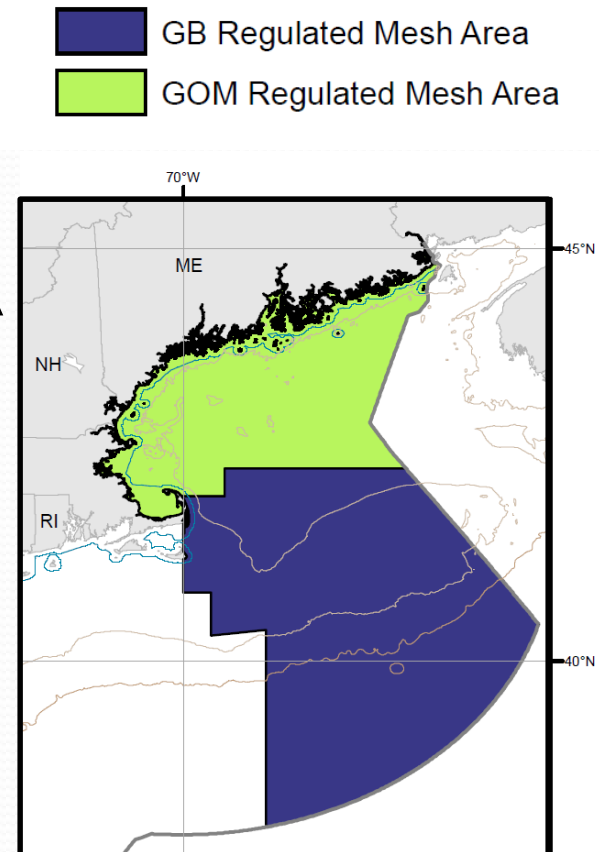


Other Business



Dredge Exemption Areas

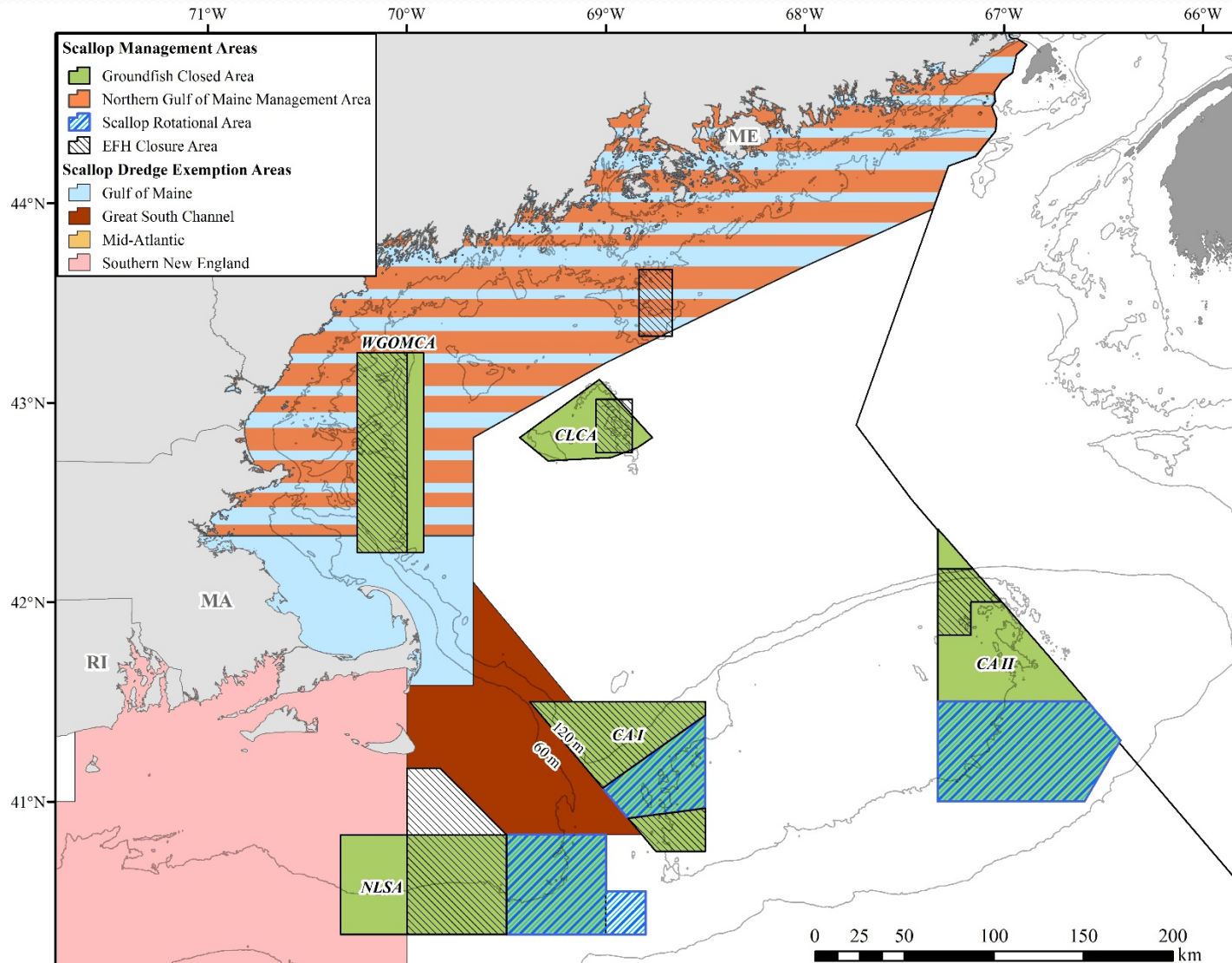
- LAGC IFQ scallop fishing is restricted to four exemption areas, plus some access areas (ex: Nantucket Lightship, CA I)
- Sep. 6, 2016: Industry Letter from AFM and CCCFA requesting the expansion of scallop dredge exemption areas to include regulated mesh areas, excluding habitat and year-round closures
- Motions at recent Groundfish Advisory Panel, Scallop Advisory Panel, and Scallop Committee meetings in support of modifying the exemption areas



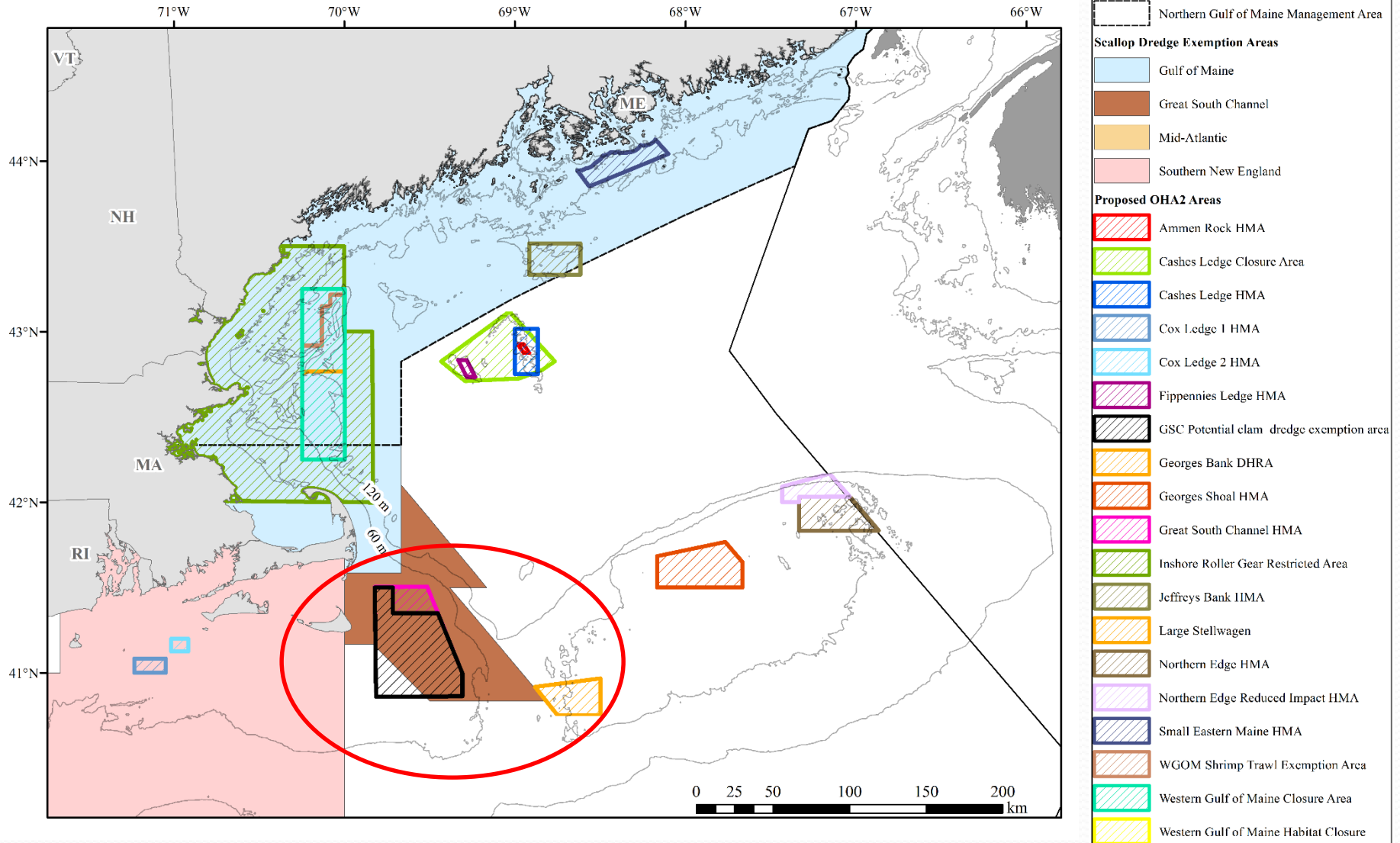
Exempted Fishery Considerations

- Percentage of regulated multispecies caught as bycatch is, or can be reduced to, less than 5% of total catch AND
- Such an exemption would not jeopardize fishing mortality objectives
- Need to show that change in exemption area will not delay a rebuilding program
- Status of stock rebuilding, and recent recruitment also considerations
- See Groundfish Amendment 13.

GOM/GB Dredge Exemption Areas



Dredge Exemption Areas w/ OHA2



NMFS Letter re: Industry Request

- Letter from Mr. John Bullard to Mr. Tom Nies dated June 13, 2017:
 - Agency has not made a determination about AFM/CCCFA request.
 - Concerns around implementing request through RA authority provided to the Council relative to specific FMPs.
 - Groundfish: Impacts on resource, data limitations for analysis
 - Scallops: Differential access, expansion of SNE/MA exemption areas, no reactive GBYT AM for LAGC
 - Habitat: Interactions with pending OHA2, CA I sliver
- Council response to NMFS – see Correspondence