

Omnibus Amendment to Address Industry-funded Monitoring Programs

PDT/FMAT Report

Atlantic Herring Committee

January 14, 2014

Action	Timeline, based on current Council meeting schedule
Councils initiate amendment	September/October 2013
First PDT/FMAT meeting	December 2013
Second PDT/FMAT meeting	January 2014
Councils approve draft range of alternatives to be developed	January/February 2014
PDT/FMAT/Councils develop alternatives, draft EA	January-April 2014
Councils approve draft EA for public review	April 2014
Councils take final action	June 2014
EA finalized, proposed rule drafted	July 2014
Proposed rule publishes with 30 day comment period	September 2014
Comment period ends, final rule drafted	October 2014
Final rule publishes	November 2014
Final rule effective	January 1, 2015

Problem Statement

1. Legal constraints prevent NMFS from sharing monitoring costs with the fishing industry.
2. Limited Federal funding for NMFS's costs prevents NMFS from approving proposals for industry-funded monitoring programs it cannot guarantee funding to support.
3. Need to remedy disapprovals of Herring Am. 5 and Mackerel Am. 14.
Need to enhance monitoring of herring, mackerel, river herring, shad, haddock, and other species.

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Omnibus Alt. Set 1: Cost Responsibility

- Alt. 1a No Action – no standard definition
- Alt. 1b – Standard definition of cost responsibility

NMFS Costs	Industry Costs
Training and debriefing	Deployments and sampling
Certification	Equipment
Vessel selection	Provider overhead
Data processing	Vessel cancellations, no-shows
	All other costs

- Alt. 1c – Industry pays fee and travel cost for vessel cancellations and no-shows (needs more development)

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Omnibus Alt. Set 2: Prioritization Process

General Approach:

- Individual FMPs specify coverage *targets*.
- An annual prioritization process used to determine actual coverage rates for each FMP based on Federal funding.
- Flexibility allows NMFS to approve monitoring proposals without committing to spending funds not appropriated.
- Process must address both New England and Mid-Atlantic FMPs.

Alt. 2a: No Action

- NMFS determines the allocation of Federal funding to support industry-funded monitoring programs.
 - Proposals for new monitoring programs reviewed ad-hoc. Programs with more than incremental costs may be disapproved.

Alt.2b: NMFS-led Process

1. NMFS develops proposed allocation of resources across FMPs.
 - a. If funding is sufficient, fully implement coverage targets for all FMPs.
 - b. If funding is not sufficient, prioritize among FMPs using certain criteria.
2. At Spring NRCC meeting, NMFS and Councils discuss recommendation, make modifications
3. NMFS presents final coverage levels to Councils at a public meeting

Alt. 2c: Council-led Process

1. NMFS informs Councils of available Federal funding. If not sufficient to fully fund FMPs...
2. PDT/FMAT develops proposed allocation of resources across FMPs using certain criteria.
3. At Spring NRCC meeting, NMFS and Councils discuss recommendation, make modifications.
4. NMFS presents final coverage levels to Councils at a public meeting.

Alt. 2d: Proportional Prioritization

- If funding is sufficient, coverage fully funded for all FMPs.
- If not sufficient, amount of funding shortfall deducted from each FMP's allocation, proportional to its share of funding need.
- If funding too small to produce useful information for a given FMP, that FMP's share is re-allocated proportionally to other FMPs.
- NMFS determines allocation and presents to Councils at a public meeting.

Alt. 2d: Proportional Prioritization

Example: Total funding need = \$10M

- FMP 1 needs \$3M (30% of need)
- FMP 2 needs \$5M (50% of need)
- FMP 3 needs \$2M (20% of need)

Total available funding = \$8M

Total shortfall = \$10M - \$8M = \$2M

- FMP 1 gets $\$3M - (0.3 * \$2M) = \$2.4M$
- FMP 2 gets $\$5M - (0.5 * \$2M) = \$4M$
- FMP 3 gets $\$2M - (0.2 * \$2M) = \$1.6M$

Alt. 2e: Cost-based Prioritization

- If funding is sufficient, coverage fully funded for all FMPs.
- If not sufficient, sequentially eliminate FMP with highest funding need until available funding meets need.
- NMFS determines allocation and presents to Councils at a public meeting.

Alt. 2e: Cost-based Prioritization

Example: Total funding need = \$10M

- FMP 1 needs \$3M
- FMP 2 needs \$5M
- FMP 3 needs \$2M

Total available funding = \$8M

- FMP 2 eliminated (most expensive)
- FMP 1 gets \$3M
- FMP 3 gets \$2M

Funds remaining = \$3M

Alt. 2f: Coverage ratio-based Prioritization

- If funding is sufficient, coverage fully funded for all FMPs.
- If not sufficient, sequentially eliminate FMP with highest ratio of coverage days needed to actual days absent (using VTR) in previous year.
 - Prioritizes most active fisheries.
- NMFS determines allocation and presents to Councils at a public meeting.

Alt. 2f: Coverage ratio-based Prioritization

Example: Total funding need = \$10M

- FMP 1 needs \$3M (ratio of 0.1)
- FMP 2 needs \$5M (ratio of 0.08)
- FMP 3 needs \$2M (ratio of 0.2)

Total available funding = \$8M

- FMP 3 eliminated (highest ratio)
- FMP 1 gets \$3M
- FMP 2 gets \$5M

Omnibus Alt. Set 3: Industry-Funded Monitoring Provisions

- SBRM Amendment would make industry-funded *observer* programs for SBRM frameworkable.
- Alt. 3a No Action – New industry-funded at-sea, dockside/portside, EM programs requires full amendment.
- Alt. 3b – Industry-funded monitoring programs frameworkable. Details of programs developed in future FMP actions.

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Herring Monitoring Alternative: H1

- No Action
- SBRM Coverage Levels
 - Applies to MWT, SMBT, and purse seine vessels
 - Waivers provided when observers are not available
- 100% observer coverage required on MWT vessels fishing in Closed Area I
- Amendment 5 establishes 100% observer coverage requirement on MWT vessels fishing in all Groundfish Closed Areas

Herring Monitoring Alternative: H2

- Based on Council's preferred alternative in Amendment 5
- 100% coverage target on Category A and B vessels using MWT, SMBT, and purse seine gear
- Waivers provided when observers are not available

Herring Monitoring Alternative: H3

- Based on Council's preferred alternative in Amendment 5
- 100% coverage required on Category A and B vessels using MWT, SMBT, and purse seine gear
- Waivers not provided when observers are not available
- Vessels may not fish without an observer

Herring Monitoring Alternative: H4

- Confidence interval coverage target
- Confidence interval around RH/S catch cap
- X% certainty that estimate of RH/S catch is within +/- Y% of actual catch
- Applies to limited access vessels using MWT in NE and MA and SMBT in MA
- Waivers provided when observers not available

Herring Monitoring Alternative: H5

- Confidence interval coverage requirement
- Confidence interval around RH/S catch cap
- X% certainty that estimate of RH/S catch is within +/- Y% of actual catch
- Applies to limited access vessel using MWT in NE and MA and SMBT in MA
- Waivers may or may not be provided when observers are not available
- Vessels may not fish unless adequate coverage exists for the limited access fleet

Other Ideas

- X-year sunset provision on coverage targets.
- Standards for portside monitoring providers.

Areas of Additional Work

- Fees for cancellations
- Terminology
- Prioritization Process:
 - Annual or periodic? CY or FY?
 - NRCC or joint Committee or joint Council meeting?
 - What criteria should be used to prioritize FMPs for funding?
 - How much public involvement?
 - Rulemaking?
- General framework for industry-funded monitoring programs
- Minimum coverage to provide sufficient information
- Portside monitoring standards