

New England Fishery Management Council  
Interspecies Committee  
Meeting Summary  
April 6, 2010

The Committee met in Boston, MA to discuss the Committee's work plan, the NOAA draft catch share report, combining management plans, and accumulation caps for Northeast Multispecies sectors. The Committee also received a report on the Fleet Visioning Project completed by the North Atlantic Marine Alliance (NAMA). Members present included Mr. Blount (Chair), Mr. Cunningham, Mr. Fair, Mr. Goethel, Ms. Kurkul, Mr. Odlin, Mr. Stockwell, Ms. Tooley, Mr. Preble, Ms. McGee, and Mr. Beal (ASMFC staff). They were supported by Council staff Ms. Hawkins, Mr. Kellogg, and Mr. Nies, and NOAA GC representative Mr. Martin.

Documents used at the meeting included the NOAA draft catch share policy, a NOAA presentation on the draft policy, and a staff overview of accumulation cap issues. Committee members also referred to a presentation on the Fleet Visioning Project and the actual report from that project.

The Chair highlighted that the Committee's first task was to address consolidation of FMPs, and the second task was to examine accumulation caps. The Herring Oversight Committee will ask the Council to assign an additional task related to a full retention policy to the Interspecies Committee, but the Committee will not take up that issue until the Council forwards the issue.

**Work Plan**

Committee members discussed its approach to business. Committee members expressed a desire to take a global approach to Council responsibilities and to focus on overarching issues that would move the Council process forward. Concern was expressed that the Committee might become a dumping ground for issues that other committees did not want to address. A member suggested the Committee could focus on how the Council manages and promote consistency across plans on elements like starting dates for fishing years, Annual Catch Limits (ACLs), etc. Such an approach might help simplify the regulations.

The Regional Administrator said the Committee needed to avoid being overwhelmed. She suggested breaking the issues up into smaller pieces that could be addressed individually, similar to the approach used for the consistency amendment adopted in earlier years. She noted that there is considerable overlap in how fisheries are prosecuted but the management program does not recognize that. Determining which fisheries overlap with each other is a first step to addressing this issue. Another member noted that there are many administrative requirements that are not logical and are unnecessary; the Committee could identify these and work to have them eliminated.

Public comment included:

- Peter Shelley: Conservation Law Foundation (CLF). Some of the macro issues the Committee could examine relate to National Standard 8 and the impact on communities. The Council rarely examines the social and economic effects of actions over time. This Committee provides an opportunity to examine those impacts.
- Ron Smolowitz: The Committee might want to consider an approach that acknowledges there are two fleets, an inshore dayboat fleet and an offshore fleet. They should be managed differently. The inshore fleet needs more access to a wide range of different fisheries and the current management approach does not provide that flexibility.
- Gib Brogan: Oceana. There should be a full investigation of all the catch that occurs in all fisheries. The Standardized Bycatch Reporting Method (SBRM) reports provided the Council do not give context to the observed bycatch. Once this catch is known, the Council can determine which interactions warrant a management action.
- Jeff Kaelin: Lund's Fisheries. Looking at these issues on a fleet by fleet basis might make sense.

The Committee chair reiterated the task to provide guidance to other committees using the ideas brought forward by the Committee: the need for consistency between plans, less complex regulations, and to progress by taking reasonably-sized steps so that the Committee's work does not become unwieldy.

### **NOAA Draft Catch Share Policy**

Ms. Hawkins presented an overview of the NOAA Draft Catch Share Policy, using a presentation written by NOAA. The Committee offered comments on both the presentation and the policy; staff will use these comments to draft a comment letter that will be signed by the Council chair. Committee comments included:

- The presentation and the policy need to clarify the definition of sectors as implemented by the multispecies FMP. For example, sectors are considered catch share programs but are not Limited Access Privilege Programs (LAPPs) and thus are not subject to cost recovery provisions; the presentation blurs this distinction and implies that NE sectors are subject to cost recovery. An alternative approach might be for the Council to use a different term to identify multispecies sectors.
- The requirement for program review does not recognize that making any changes will be difficult after individuals have made significant investments in the fishery.
- The policy promotes a major shift in resources to implement catch shares. This is a serious concern as funds for cooperative research are being reduced.
- The definition of community used on the policy is place-based and should be expanded to acknowledge there are communities on the water. There is a concern that this narrow definition will be used after the fact to say catch shares did not adversely impact communities.
- One Council member suggested that after the policy is adopted, any existing programs should be modified to comply with the policy. This suggestion was not endorsed by all Committee members.

- There are no statutory definitions for many terms used in the policy. For example – what is an owner-operator? Does that mean the owner must be onboard when the vessel is fishing? The Committee decided not to forward this comment because the term was used as an example in the presentation and was not part of the actual policy.
- When evaluating proposed catch share programs, the expected social-economic impacts need to be compared to the status quo situation.
- Additional funding is needed to provide the scientific information needed to support catch share development.
- The policy needs to more explicitly recognize that catch shares do not constitute a property right. This is only briefly mentioned in the policy.

Public comment on the policy included:

- Maggie Raymond: Associated Fishermen of Maine (AFM). Only LAPPs need to be reviewed under the law, not other catch share programs. The proposed outreach program should make certain that all perspectives are included in the speaker's bureau.
- Ron Smolowitz: Why is it NOAA policy to provide funds for purchasing catch shares? Doesn't this put government in competition with individuals?
- Harriette Didrikson: The policy uses the term "catch share" when what it is really referring to are Individual Transferable Quotas (ITQs). NE sectors are really ITQs and are only being called sectors to avoid referendum requirements. This social engineering.
- Chris Brown: There is a need for a national quota registry. Banks have to be able to confirm the existence of quota. We have to facilitate a free flow of quota across all plans.

### **Consolidation of Fishery Management Plans (FMPs)**

The Committee reviewed a short summary of existing management plans and discussed which plans might be combined. Ideas initially suggested included combining monkfish/skates/groundfish, whiting/herring, and herring/mackerel. Another FMP raised as a candidate was the summer flounder fishery. Committee members noted that combining two plans managed by two different councils might complicate, not simplify, management. A Committee member said that the goal of combining plans should be to make the process operate more smoothly and pointed to the North Pacific Council's overarching groundfish plan as an example.

**Motion:** To recommend to the Council that we pursue consolidation of multispecies, skate, and monkfish FMPs, and that the Council should reach out to the Mid-Atlantic Fishery Management Council for consultations on monkfish.  
(Mr. Odlin/Mr. Stockwell)

Mr. Stockwell clarified that he was not suggesting that the NEFMC ask for sole management of monkfish. Some Committee members supported the idea that plans should be grouped based on what fishermen actually catch – perhaps by broad fleet

groupings. They discussed the process for combining FMPs, with the Regional Administrator providing an overview of the steps necessary. Once the jurisdiction issue is address for monkfish, an omnibus amendment would be needed to reconcile the FMPs and identify combined management measures. The Committee members considered adding spiny dogfish to the motion, but concluded doing so would complicate the issue since this stock is managed by both the MAFMC and the ASMFC.

Public comment included:

- Don Fox: Rhode Island fisherman. Mr. Fox complained that Amendment 16 regulations will not let him fish for monkfish in SNE and winter flounder on GB on the same trip, even when in a sector. He is being told this is because he is bound by the most restrictive regulations for the area fished.
- Harriette Didriksen: The MAFMC will not give up joint authority for monkfish management.
- Tom Dempsey: CCCHFA. Supports the motion and would encourage the Committee to include dogfish.

The Committee considered Mr. Fox's issue an example of why plans need to be combined but did not offer a solution.

The motion carried on a show of hands (9-0-0).

Next the Committee discussed streamlining the NEPA process. The Regional Administrator explained that a NOAA effort to streamline the NEPA process used for fishery management plans stalled after an initial proposal received only limited support from the Councils. Committee members asked whether a programmatic EIS could be prepared for Council management plans. Ms. Kurkul said that the possibility had been considered before and it was determined that it would not work well with New England's FMPs, but that it could be revisited.. Mr. Kellogg noted that this idea had been explored between the two staffs but little progress had been made.

**Motion:** The Committee tasks the staff to provide a white paper on a programmatic EIS for the fisheries (Mr. Goethel/Mr. Preble)

The motion carried on a show of hands (10-0-0).

The discussion ended with Mr. Stockwell noting that overlap of plans with the ASMFC was becoming an issue and attempting to address those plans might be difficult.

### **Fleet Visioning Project**

Mr. Brett Tolley presented the Committee a presentation on the results of the Fleet Visioning Project., assisted by Ken Downes and Chris Brown. Five broad themes emerged from the project: the project participants identified financial viability, distributional outcomes, well-being, governance, and stewardship as important elements

to foster in the groundfish fishery. The presenters urged the Committee to consider these factors in view while developing goals for management.

The Committee discussed how to use this information. Ms. Kurkul suggested the Committee and the Council could have a role in moving this forward. She noted some recurring themes in the report: preserve a small boat fleet, buybacks, consolidation, and local governance. She suggested that moving to sectors is consistent with some of these, some of the others should come from the industry, but that the Council and the NMFS should play a role.

**Motion:** To recommend to the Council that it adopt the final Fleet Vision report as the Council's vision for the fleet (Mr. Goethel/Ms. McGee)

Some Committee members expressed concern about endorsing the entire report since there were elements they did not agree with, or because they had not read the entire report recently. Others questioned how to turn the broad statements into concrete actions.

**Motion:** To table the previous motion. (Mr. Stockwell/Mr. Preble)

The understanding of the Committee was that the report would be discussed at the next meeting. The motion carried 10-0.

#### **Accumulation Limits for Sectors**

Ms. Hawkins gave an overview of LAPP provisions related to caps on excessive shares. Sectors are not LAPPs so technically are not required to address these provisions but the concepts are similar. She identified two reasons for caps: to avoid market control and to foster management objectives. One issue that needs to be addressed is "what is an excessive share?" Ms. Hawkins noted that there are three types of possible caps: vessel usage limits, control limits, and sector limits. She also pointed out a control date might prove useful to alert the industry that a cap might be adopted in the future.

Mr. Martin clarified that National Standard 4 also prohibited excessive shares and applied to the groundfish sectors. Committee members discussed the issue at length, after agreeing to focus on the issue as it applies to the existing groundfish sectors. Members argued that in order to address caps, a specific vision and goal needed to be explicitly stated. Ms. Kurkul offered that another way to look at the issue is to identify what the Committee does not want to happen: for example are two sectors that control the entire catch acceptable?

**Motion:** to recommend to the Council that accumulation limits for groundfish sectors or individual permit holders be developed to meet the following goals:

- Comply with National Standard 4
  - Prevent excessive consolidation that would eliminate the dayboat fishery.
- (Ms. McGee/Mr. Goethel)

Some Committee members expressed concern that the motion was unclear. They noted that the definition of excessive share was unclear, and referred to preliminary Groundfish Plan Development Team (PDT) work that suggested it would be difficult to exercise market power in this fishery. Several Committee members supported the motion, saying there was considerable concern in the industry that excessive consolidation would occur, and issuing a desire to make sure fleet diversity was maintained. The motion was perfected to read:

**Motion:** to recommend to the Council that accumulation limits for groundfish sectors or permit holders be developed to meet the following goals:

- Comply with National Standard 4
  - Prevent excessive consolidation and maintain some fleet diversity.
- (Ms. McGee/Mr. Goethel)

Public comment on the motion included:

- Maggie Raymond: This issue was not to be addressed until the Committee completed its work on combining FMPs. There was not much concern about this issue expressed by the industry during the Amendment 16 process. The industry supported removing the sector cap. Only a few environmental groups raised the issue and they were not clear on either the problem, or possible solutions.
- Drew Minkiewicz: Fisheries Survival Fund. We are concerned that one sector or group of sectors could control the transfer of yellowtail flounder and there will not be an open market.
- Harriette Didriksen: You should never have allowed Amendment 5 to go forward without ownership caps. They are required by law.
- Niaz Dorry: NAMA. Look to what happened with family farms. Over-consolidation leads to the undermining of ecological objectives.

The motion was again perfected to read:

**Motion:** to recommend to the Council that accumulation limits for groundfish sectors or permit holders be developed to meet the following goals:

- Comply with National Standard 4
  - Define and prevent excessive consolidation in order to maintain some fleet diversity.
- (Ms. McGee/Mr. Goethel)

While some Committee members argued a cap was needed to prevent excessive consolidation, others said that consolidation was needed to get vessels back to profitable levels.

The motion carried on a show of hands (10-0).

**Motion:** to request staff to develop a white paper that outlines baseline measures for the groundfish fishery using, but not limited to, the following factors:

1. The existing state of the ownership concentration;
  2. The existing state of vessel productivity;
  3. An assessment of types of limits:
    - a. Vessel usage limits
    - b. Ownership limits
    - c. Sector limits
  4. An analysis to show a range of outcomes for the above three types of limits
- (Ms. McGee/Mr. Preble)

Staff asked for clarification on several elements of the motion, noting the difficulty with tracking ownership of permits held by corporations. Committee members also questioned what was meant by “productivity”, whether ownership could be identified for corporations, whether the issue could be addressed by limiting ACE transfer between certain vessel sizes, and other issues. The maker of the motion clarified that her intent with the language on limits was to explore ranges and describe the impacts rather than identify the “right” value or create a large number of examples.

The motion failed on a show of hands (4-5-1).

Ms. McGee asked that the report indicate there was some Committee confusion about the charge to the Committee on accumulation limits and that this discussion was still in progress, and will be further discussed at the Council meeting.

Ms. Kurkul reported that her staff would work with Mr. Fox to see if his issue could be resolved administratively.