

SELECTION OF PREFERRED ALTERNATIVES FOR SCALLOP AMENDMENT 15

DECISION DOCUMENT

This ‘decision document’ lists alternatives in Amendment 15 that require action (and some ‘automatic’ alternatives that do not). Alternatives are broken up by section and listed in table form with a summary of impacts analysis and outstanding clarifications needed. Following each section’s table, alternatives requiring action are broken down with input from the PDT, AP, and Committee. As the Council goes through the document any remaining issues should be resolved.

Disclaimer: It is impossible to capture the detailed analyses of these alternatives in a sentence or two. It is important to reference the full DSEIS when considering identification of preferred alternatives. This summary is only intended to help the Council get through the agenda and make recommendations for final action on Amendment 15.

Section 3.2 Measures to comply with reauthorized Magnuson Act

Decision 1. ACL Structure. (3.2.3.2, page 40)

SECTION	ALTERNATIVE	ECOLOGICAL IMPACTS (Scallop resource, EFH. Protected resources)	ECONOMIC AND SOCIAL IMPACTS
3.2.3.2	ACL Structure	In theory these measures should help prevent overfishing, with beneficial impacts on the resource. Implementation of these measures overall should not have any impacts on EFH or protected resources.	The overall results on the scallop fishery will depend on how these methods will affect the total scallop landings compared to status quo methods. In general, the differences in the yield streams are not expected to be significant and the AMs are expected to have beneficial impacts on the resource by minimizing the risks due to the scientific and management uncertainty. This in turn is expected to have positive impacts on the scallop yield and overall positive impacts on revenues, producer and consumer surpluses and net economic benefits from the fishery.
3.2.3.3	Northern Gulf of Maine ACL		
3.2.3.4	Other sources of scallop fishing mortality		
3.2.3.5	ACL sub-components		
3.2.3.6	Placement of terms and buffers for uncertainty	The Magnuson Act requires the FMP describe specific sources of management and scientific uncertainty. The magnitude of uncertainty affects buffers placed between fishing threshold and targets.	Because the Council is not permitted to set catch above ABC, having an ABC control rule should help prevent overfishing and have beneficial impacts on the scallop resource, scallop yield, revenues, and producer and consumer surpluses, leading to net positive benefits for the fishery.
3.2.3.7	Description of scientific uncertainty		
3.2.3.7.1	Qualitative analysis of scientific uncertainty		
3.2.3.7.2	Quantitative analysis of scientific uncertainty		
3.2.3.7.3	ABC control rule		
3.2.3.8	Description of management uncertainty		

Notes/Clarifications: none.

Input/Preferred Alternative:

- **PDT:** None.
- **AP:** Hughes/Gutowski; The AP agrees with the new ACL definitions and flowchart as they are consistent with current law. Vote 11:0:0.
- **Committee:**

Motion 1: Robins/Tooley: Move to recommend adoption of the ACL/ACT/ABC structure identified and described in sections 3.2.3.2 through 3.2.3.8 of Amendment 15, together with the proposed sub-ACLs, ACTs, structural flowchart, and related methods to account for discards, incidental catch, Northern Gulf of Maine catch, state waters catch, and other sources of mortality (Decision 1 in decision document). Vote: 7:0:0

Motion 2: Robins/Avila

Move to recommend adoption of the ABC control rule in section 3.2.3.7.3, so that the ABC will be set at a fishing rate that has a 25 percent probability of overfishing. Vote: 7:0:0

Decision 2a (LA) and 2b (LAGC). Management Uncertainty. (3.2.3.8, page 57)

SECTION	ALTERNATIVE	ECOLOGICAL IMPACTS (Scallop resource, EFH. Protected resources)	ECONOMIC AND SOCIAL IMPACTS	
3.2.3.8.1	BUFFER BETWEEN LIMITED ACCES SUB-ACL AND ACT			
	LA ACT set at F rate with 25% probability of exceeding LA portion of total ACL = ABC	By setting fishing targets lower than ABC/ACL, the chance of overfishing should be reduced, having beneficial impacts on the resource.	The short-term and long-term economic benefits of setting ACTs will depend on the difference of annual ACTs from the landing streams that would be projected to materialize without the change in management process; i.e., under the status quo scenario. If the new system results in a similar landings stream as expected, there would be no change in economic benefits from the status quo levels. Even if the landing streams changed as a result of the new measures, the risk to the resource from overfishing either due to the scientific or management uncertainty would be minimized by the better accounting of sources of uncertainty in the proposed measures.	
	Identify a specific buffer based on results of new analyses of A) variability in estimate of LPUE, or B) projected LPUE compared to actual estimates from open area DAS. Results supported 10% value			
3.2.3.8.2	BUFFER BETWEEN GENERAL CATEGORY SUB-ACL AND ACT			
	Zero buffer (LAGC ACL = LAGC ACT)	By setting fishing targets lower than ABC/ACL, the chance of overfishing should be reduced, having beneficial impacts on the resource.		
	Up to 5% buffer to account for potential monitoring concerns, IFQ carryover provision and other implementation error			

Notes/Clarifications: none.

Input/Preferred Alternative:

- PDT:** Decision 2A: Both will be a buffer, one is setting target at rate with 25% chance of exceeding ABC, the other a straight 10% reduction. The exact number is a policy decision, but using a probabilistic approach is recommended (25% probability of exceeding ABC). The 10% reduction is considered ad-hoc and based on LPUE analyses. Decision 2B: spatial issues not factored in so some buffer justified.
- AP:** Motion 2. Enoksen/Larsen; recommend selecting Option 1 – use 25% probability of exceeding ACL. Vote 8:1:2.
 Motion 3. AP supports a 0% buffer for LAGC ACT for management uncertainty. Vote 11:0:0.
- Committee:**
Motion 3: Robins/Berg
 Move Option 1 in section 3.2.3.8.1 as the preferred alternative, establishing the LA ACT at an F rate with a 25% probability of exceeding the LA ACL to account for management uncertainty. Vote: 7:0:0
Motion 4: Robins/Tooley
 Move Option 1 in section 3.2.3.8.2 as the preferred alternative, establishing the LAGC ACT equal to the LAGC ACL with no buffer. Vote: 7:0:0

Decision 3a (LA) and 3b (LAGC). Accountability Measures. (3.2.3.9, page 67)

SECTION	ALTERNATIVE	ECOLOGICAL IMPACTS (Scallop resource, EFH. Protected resources)	ECONOMIC AND SOCIAL IMPACTS
3.2.9	ACCOUNTABILITY MEASURES FOR SCALLOP ACLs		
3.2.3.9.1	LIMITED ACCESS AMs		
	Use of ACT	AMs will hold the fishery more accountable for any overages; therefore having beneficial impacts on the resource.	If AMs help prevent overfishing, then the positive impacts to the resource will in the long-run provide positive social benefits for scallop fishermen and communities.
	Overall DAS reduction in the subsequent year to account for overage		
	Include a disclaimer for when LA AM would not be triggered		
3.2.3.9.2	GENERAL CATEGORY AMs		
	Use of ACT	AMs will hold the fishery more accountable for any overages; therefore having beneficial impacts on the resource.	Although the first measure would be more economically beneficial to the general category fishery in the short-term, the second one could have potential positive economic benefits depending on the extent of difficulty with monitoring general category fishery and risk of exceeding the overall general category TAC.
	IFQ reduced in subsequent fishing year		
3.2.3.9.3	NGOM AMs		
	Reduce Hard TAC subsequent year	AMs will hold the fishery more accountable for any overages; therefore beneficial impacts on the resource.	

Notes/Clarifications:

- Determine if partial DAS should be allocated and if yes, rounded up or down.

Committee Motion from 9/7: If AMs are triggered and DAS reductions are selected, partial DAS will be allocated – no rounding. Vote 9:0:0

Input/Preferred Alternative:

- **AP:** Motion 4. Gutowski/Larsen: AP adopt 3.2.3.9.1 in its entirety; the use of the ACT, overall DAS reduction in subsequent year in subsequent year and the disclaimer. General category cannot support a disclaimer that favors only one part of the fleet. Vote 7:0:4.
Motion 6. Keese/Maxwell: If the LA disclaimer is triggered then 5.5% if the catch associated with the difference between original F catch and updated F catch will be allocated to the LAGC IFQ fleet the next fishing year. The poundage will be divided among the fleet the same way total LAGC quota is divided now. Vote 9:0:2.
- **Committee:** Motion 5: Robins/Berg: Move to recommend adoption of the Limited Access AMs described in section 3.2.3.9.1 of Amendment 15, including: (1) use of an ACT, (2) overall DAS reduction in the subsequent year to account for overage, and (3) include disclaimer for when LA AM would not be triggered. Vote: 7:0:0
Motion 6: Robins/Berg: Move to recommend adoption of the General Category AMs in section 3.2.3.9.2 of Amendment 15, including: (1) use of an ACT, (2) IFQ reductions in subsequent year if IFQ is exceeded. Vote: 7:0:0
Motion 7: Robins/Avila: Move to recommend adoption of the NGOM AMs in section 3.2.3.9.3 of Amendment 15, including reducing the hard TAC in the subsequent year to account for an overage. Vote: 7:0:0

Decision 3d. Yellowtail Flounder AMs. (3.2.3.11, page 70)

SECTION	ALTERNATIVE	ECOLOGICAL IMPACTS (Scallop resource, EFH. Protected resources)	ECONOMIC AND SOCIAL IMPACTS
3.2.3.11.2	YELLOWTAIL FLOUNDER		
3.2.3.11.2.1.1	Seasonal closure of a portion of the stock area pre-identified as having high bycatch	Effort shifts are expected with all of the YT AMs under consideration, and effort shifts can have negative consequences on the scallop resource if effort is shifted to less optimal areas and into seasons with lower meat weights. Some of the in-season YT AMs could cause derby fishing, which can also have negative consequences on the scallop resource if effort is merged into a smaller window of time when scallop meat weights are not optimal. Several of the YT AMs could have negative impacts on sea turtles if they shift effort to the Mid-Atlantic when turtles are present. If other YT stock areas close to the fishery more effort is expected in open areas in the Mid-Atlantic.	Effort shifts can have negative economic impacts if effort is shifted to less optimal areas and into seasons with lower meat weights. Some of the in-season YT AMs could cause derby fishing, which can also have negative impacts on prices and revenues if effort is merged into a smaller window of time when scallop meat weights are not optimal. The options which would be based on identification of areas that have higher bycatch rates within a YT stock area and closing only these portions, or the options that would remove the overages in the next year for example from individual DAS would not have the negative impacts of in-season YT AMs.
<i>Option A</i>	In-season		
<i>Option B</i>	AM effective in year 3		
3.2.3.11.2.1.2	In-season closure of entire YT stock area		
3.2.3.11.2.1.3	Fleet wide maximum of DAS and percent of IFQ that can be used in a stock area		
3.2.3.11.2.1.4	Individual maximum of DAS and percent of IFQ that can be used in a stock area		
3.2.3.11.2.1.5	Revise the opening date of access areas on Georges Bank		

Notes/Clarifications:

- ✓ "Reachback" provision for any overages in 2010
 - Motion from 9/7: Cmte include an alternative in A15 to allow an adjustment in 2011 for any overages in the scallop YT flounder subcomponent in 2010 if the overall annual catch limit for YT flounder is exceeded in 2010. The specific measure will be the same measure adopted as the YT AM in A15 for future years. Vote: 7: 0: 2
- ✓ Determine if partial DAS should be allocated and if yes, rounded up or down.
 - Motion from 9/7: If AMs are triggered and DAS reductions are selected, partial DAS will be allocated – no rounding. Vote 9: 0: 0

Input/Preferred Alternative:

- **PDT:** None
- **AP:** Motion 5. Hughes/Gutowski; AP support Option B, a seasonal closure of a portion of the yellowtail stock areas in year, but with the smallest areas and time period possible. Vote 7:1:3.
- **Committee:** Motion 8: Robins/Fair: Move to identify Option B in section 3.2.3.11.2.1.1 as the preferred alternative for the yellowtail flounder AMs, requiring a seasonal closure of a portion of the YT stock area pre-identified as having high bycatch, effective in year 3. Vote: 6:0:1

Decision 4. Additional monitoring requirements or changes. (3.2.3.13 & 3.2.3.14, page 81)

Notes/Clarifications:

- ✓ Based on the decisions made for AMs, do we know yet if additional monitoring requirements will be necessary? Are any new reporting requirements needed or observer coverage changes?
 - Discussion likely needed. NMFS provided input/suggestions in comment letter. Additional monitoring requirements likely needed if in-season AMs adopted – still need to be specified.
- ✓ Timing will be complex for monitoring the scallop and YT ACLs in terms of whether AMs are triggered.
 - Staff updated text in DEIS to specify that AMs could be triggered in subsequent year, but not certain that is feasible.

Input/Preferred Alternative:

- **PDT:** None.
- **AP:** None.
- **Committee:** Now that final recommendations have been made for AMs, NMFS will provide more specific suggestions for monitoring requirements at the Council meeting.

Section 3.3 – Addressing excess capacity and more flexibility for efficient use of the resource for LA fishery

Decision 5. No Action, Stacking and Leasing, Stacking only, or Leasing only. (3.3.2, page 84) [Note: impacts in table are combined, but may not be exactly the same for leasing and stacking. Please consult full DEIS.]

SECTION	ALTERNATIVE	ECOLOGICAL IMPACTS (Scallop resource, EFH. Protected resources)	ECONOMIC AND SOCIAL IMPACTS
3.3.1	NO ACTION		
3.3.2	PERMIT STACKING One vessel would be allowed to have two permits per vessel	If the fishing power adjustments are sufficient to prevent potential increases in catch, then there are no impacts expected on the scallop resource and ecosystem.	Reducing excess capacity by having a smaller number of vessels harvesting ACT would increase the technical efficiency, reduce fishing costs, and increase profits and producer surplus. This would also help to reduce congestion at the docks, and reduce the waste of fuel, electricity and lower maintenance costs. Permit stacking and leasing options could lead to increased safety if the open area DAS and access area trips are fished on newer boats. On the other hand, permit stacking and/or DAS leasing could have adverse economic impacts on vessels that are not involved with DAS transfers if no adjustments are made to transferred DAS to keep the fishing mortality constant. The social impact section summarizes the negative impacts from consolidation from various other fisheries worldwide. These negative impacts would tend to be on those less powerful segments of the fishing industry, including crew and/or the small business owners without a fleet of vessels or vertically integrated business. Overall increases in personal income are expected for vessel owners and crew that remain. Job losses are expected under stacking, in the most extreme example - 100% of vessels stack- about 250 jobs would be lost, primarily crew and manufacturing jobs that support vessel services.
3.3.3	PERMIT LEASING One vessel would be able to lease DAS and/or access trips up to the equivalent of two permits.		

Input/Preferred Alternative:

- **PDT:** None
 - **AP:** Motion 12. Enoksen/Hughes; AP recommend that both stacking and leasing alternatives be preferred provided fishing power and mortality adjustments are included.
 - Main motion was split:
 - 12a. AP recommends that stacking be identified as preferred provided fishing power and mortality adjustments are applied AND postpone consideration of de-stacking to a future action. Vote 3:5:4, motion fails.
 - 12b. AP recommends that leasing be identified as preferred provided fishing power and mortality adjustments are applied; this includes leasing from CPH. Vote 5:5:2, chair votes to break tie, carries at 6:5:2, motion carries.
- Motion 23. Welch/Hatch; If that stacking is approved and FPAs and/or mortality adjustments are adjusted by framework in the future, adjustments could only be made upwards – all higher adjustments applied in future years must be upwards from whatever value is chosen by the Council. Vote 6:3:2, motion carries.

Decision 5, continued.

- **Committee:**

Motion 9: Robins/

Move option 2 under Alternative 3.3.2.4 to prohibit de-stacking as preferred.

Ruled out of order.

Motion 10: Tooley/ Robins

Alternative 3.3.2 to allow permit stacking be the preferred alternative under Section 3.3.

Motion to substitute: Alexander/Fair

Recommend No Action as it pertains to stacking (3.3.2) as a preferred alternative to address capacity in the limited access fishery.

Vote: 4:2:1, carried

Main substitute Motion: 5:2:1, carries.

Motion 11: Robins/Avila

Motion to adopt leasing of DAS and/or access area trips as preferred for Amendment 15 (Alternative 3.3.3).

Vote: 5:2:0, carries.

If Stacking chosen (these alternatives are lumped together in the impacts section, please see DEIS:

- Committee did not have any motions related to permit stacking since it is no longer part of their preferred alternative.

Decision 6. Restrict action to two permits only. (3.3.2.1, page 84)

Decision 7. Stacked permits must be from same replacement category, or can be from different categories but FPA will be used. (3.3.2.2, page 84) This is also pertinent to leasing option.

SECTION	ALTERNATIVE	ECOLOGICAL IMPACTS (Scallop resource, EFH. Protected resources)	ECONOMIC AND SOCIAL IMPACTS
3.3.2.2	Fishing power adjustments for stacking permits		
3.3.2.2.1	Permits can be stacked provided there is a fishing power adjustment. <i>The adjustment is a two prong adjustment. First based on vessel HP and length class and second is an overall mortality adjustment (5-11% range)</i>	Selecting a higher percentage for the mortality adjustment would reduce potential risks of increased catch. It is possible that the alternative that restricts stacking between vessels that meet the replacement criteria could increase catch and F because analyses support that even when vessels are the same length and horsepower catch on one can be greater. Vessel age and increased flexibility can have impacts on catch that would not be accounted for with this alternative. The third alternative has similar risks of increased catch for vessels with the same replacement criteria described above. Neutral impacts on EFH and PR expected.	Adjustments will help to prevent an increase in fishing mortality and a consequent decline in stock biomass as a result of DAS transfers. This will prevent a reduction in scallop yield and total economic benefits in the future years and will minimize adverse impacts on vessels that are not engaged in permit stacking or leasing.
3.3.2.2.2	Permits can only be stacked which meet replacement criteria		
3.3.2.2.3	Permits in same replacement criteria have no adjustment applied and permits from different categories would be subject to fishing power adjustment		

Notes/Clarifications:

Input/Preferred Alternative:

- PDT: None
- AP: Motion 13. Welch/Hatch; AP supports that the mortality adjustment be set at 11%. Vote.
Motion to substitute: Enoksen/Larsen; AP supports that the mortality adjustment be set at 9% since that is the level the PDT analyses supported with 95% confidence. Vote to substitute 6:5:1. Vote on motion as substituted 6:5:1.

Decision 8. Restriction on trawl permits that stack. (3.3.2.2.4, page 90)

Decision 9. DAS carryover provision for a vessel with stacked permits – increase to 20 DAS or keep at status quo (10 DAS). (3.3.2.3, page 90)

Notes/Clarifications:

- ✓ Need to clarify what happens to DAS that have been stacked if the FPA and/or mortality adjustment is adjusted in the future (up or down). Is the adjustment to DAS permanent, or should it be adjusted retroactively?
- ✓ If stacking/leasing approved, and A15 implemented mid-year, should it be allowed for 2011 fishing year, or wait until 2012?

Input/Preferred Alternative:

Decision 10. Status of stacked permits and whether or not to allow de-stacking, with or without restrictions. (3.3.2.4, p 90)

SECTION	ALTERNATIVE	ECOLOGICAL IMPACTS (Scallop resource, EFH. Protected resources)	ECONOMIC AND SOCIAL IMPACTS
3.3.2.4	Status of stacked permits		
<i>Option A</i>	Permits can de-stack	De-stacking removes the possibility to permanently eliminate capacity in the fishery; however, excess capacity does not directly impact the resource so long as there are sufficient measures in place to limit catch and mortality.	De-stacking allows for the dissolution of business relationships should they no longer be desirable, and thus provides flexibility for those who have stacked.
<i>Option B</i>	Permits cannot de-stack	Once stacked, permits must remain stacked and therefore there is no risk of re-introducing capacity.	Lack of business flexibility.

Notes/Clarifications:

- ✓ Need to clarify all the unresolved issues raised about de-stacking. In addition, consider restrictions on vessel upgrades.
- ✓ Will there be additional restrictions on permits that are de-stacked?
- ✓ If a vessel is issued more than one LA or moratorium permit, these permits will be regarded as a permit suite that cannot be split once joined unless permits are permanently relinquished. How would this work with de-stacking and baseline restrictions?
 - Motion from 9/7: Recommend that the LA permits for fisheries other than scallops are held dormant for the second permit while a scallop permit is stacked. Vote: 7:0:2, carries.
- ✓ Tracking catch histories and then apportioning them fairly after de-stacking would be challenging. Provisions may need to be included for how this would be handled.
 - Motion from 9/7: If permits are de-stacked, catch history be applied 50/50 to each permit stacked for the time period the permits were stacked on one vessel. Vote: 7:0:2, carries.

Input/Preferred Alternative:

- PDT: None
- AP: Motion 15. Enoksen/Hughes If stacking is adopted by the Committee or Council, de-stacking should be postponed until a future action. Vote 10:1:0.
- Committee: *did not make any motions related to de-stacking because stacking is no longer part of their preferred alternative.*

If Leasing chosen (again, impacts lumped in impacts section, please see DEIS):

Decision 11. Allow leasing of DAS and/or access trips, with or without FPA and maximum leasing scenarios. (3.3.3.1-3.3.3.3, page 92)

SECTION	ALTERNATIVE	ECOLOGICAL IMPACTS (Scallop resource, EFH, Protected resources)	ECONOMIC AND SOCIAL IMPACTS
3.3.3.1.1	Fishing power adjustments for leasing open area DAS		
<i>Option A</i>	Permits can lease provided there is a fishing power adjustment. <i>The adjustment is a two prong adjustment. First a FPA is applied based on vessel HP and length class and a second adjustment is then applied called an overall mortality adjustment (5-11% range considered)</i>	Selecting a higher percentage for the mortality adjustment would reduce potential risks of increased catch. It is possible that the alternative that restricts leasing between vessels that meet the replacement criteria could increase catch and F because analyses support that even when vessels are the same length and horsepower catch on one can be greater. Vessel age and increased flexibility can have impacts on catch that would not be accounted for with this alternative. The third alternative has similar risks of increased catch for vessels with the same replacement criteria described above. Neutral impacts on EFH and PR expected.	Adjustments will help to prevent an increase in fishing mortality and a consequent decline in stock biomass as a result of DAS transfers. This will prevent a reduction in scallop yield and total economic benefits in the future years and will minimize adverse impacts on vessels that are not engaged in permit leasing.
<i>Option B</i>	No adjustment applied, but vessels limited to lease within the same vessel replacement criteria.		
<i>Option C</i>	No adjustment if in the same criteria, but adjustment applied if from different criteria.		

Input/Preferred Alternative:

- **AP:** Motion 12b. AP recommends that leasing be identified as preferred provided fishing power and mortality adjustments are applied; this includes leasing from CPH. Vote 5:5:2, chair votes to break tie, carries at 6:5:2.
- **Committee:**
Motion 12: Robins/Avila: Committee supports Option A in Section 3.3.3.1.1 - all leasing of open area DAS would have a fishing power adjustment applied (both adjustments). Vote: 7:0:0

Motion 13: Robins/Berg: Move to establish a Mortality Adjustment of 11 percent as a preferred alternative, in addition to the Fishing Power Adjustment factor, for all open area DAS leasing. Vote: 6:0:1

Decision 12. Landings history and DAS use for leased effort. (3.3.3.1.2, page 92)

Notes/Clarifications:

- ✓ NMFS recommends that catch history goes to lessee and DAS usage history goes to lessor. Need to clarify if leasing will be done on an annual basis.
 - Motion from 9/7: If leasing is adopted in A15 catch history goes to the lessee and DAS usage history goes to the lessor. Leasing should be on an annual basis. Vote: 6:1:1, carries.
- ✓ Is 2 permit cap for leasing any two permits (i.e. FT/FT, FT/PT, PT/PT), or up to the equivalent of 2 FT permits – not clear.

Input/Preferred Alternative:

- **PDT:** None
- **AP:** Motion 14. Gutowski/Hughes; Catch history and DAS usage should go to the lessor (the individual leasing out effort). Vote 9:0:2.
- **Committee:**
Motion 14: Robins/Avila: Move to identify Option 2 in section 3.3.3.1.2 as the preferred alternative, requiring that the catch history and DAS usage for leased open area DAS and catch from access areas is applied to the lessor. Vote: 7:0:0

Decision 13. Ownership cap provisions (3.3.3.4 page 93)

Input/Preferred Alternative:

- **AP:** Motion 21. Enoksen/Larsen; If leasing is approved, the AP supports restricting it so that vessels can only lease in the same category (Alternative 3.3.3.5, Option 1), each vessel is limited to two total annual allocations (DAS and access area trips) for that permit category, and a vessel could not lease in more effort so that an individual has more than 5% of the allocation of scallop DAS and access area trips. Vote 8:1:2
- **Committee**
Motion 15: Tooley/Berg
Approve Section 3.3.3.4 regarding ownership cap restrictions as they apply to leasing. And clarify that under the first point an individual at the 5% permit ownership cap would be permitted to lease “out” not lease “in” any additional effort. Vote: 6:0:1

Decision 14. Maximum leasing limits and other leasing restrictions based on permit categories (3.3.3.3 and 3.3.3.5, p. 93)

Input/Preferred Alternative:

- **AP** input see Motion 21, above.
- **Committee:** Motion 16: Robins/Berg - Identify Option 1 in section 3.3.3.5 as the preferred alternative, restricting leasing to vessels within the same permit category and no vessel could lease in more than the net amount of one full permit in the same category, as adjusted down by any fishing power and mortality adjustments applied. Vote: 6:0:1

Decision 15 Application requirements for leasing. (3.3.3.6, page 94)

No decisions necessary - application and deadline procedure described

Decision 16. Allow leasing from CPH and sub-leasing. (3.3.3.7 & 3.3.3.8, page 94)

Input/Preferred Alternative:

- **AP** input see Motion 12b, above.
In addition, Motion 22. Gutowski/Maxwell; If leasing is approved, sub-leasing should not be allowed. Vote 9:1:1.
- **Committee:**
Motion 17: Robins/Tooley - Move to identify Option 1 in section 3.3.3.7 as the preferred alternative, allowing leasing from permit in CPH. Vote: 7:0:0

Section 3.4 - Measures to adjust specific aspects of FMP and make overall program more effective

Decision 17. Overfishing definition. Status quo, A10, or hybrid, and adoption of new reference points from SAW 50. (3.4.1, page 96)

SECTION	ALTERNATIVE	ECOLOGICAL IMPACTS (Scallop resource, EFH. Protected resources)	ECONOMIC AND SOCIAL IMPACTS
3.4.1	MEASURES TO ADJUST THE CURRENT OFD TO BE MORE COMPATIBLE WITH AREA ROTATION		
3.4.1.1	No action.	The SQ OFD underestimates the effects of fishing mortality because F is averaged across closed, access, and open areas, which all receive different amounts of fishing pressure. Yield-per-recruit is reduced with a spatially averaged OFD (current) because the yield is far lower in open areas. In the near term SQ OFD would produce higher landings, but over time they would reduce. None of these alternatives are expected to have impacts on EFH or PR.	The A10-modified definition is expected to increase catch by 10% with larger average scallop size in the long term. If these objectives are materialized, this measure could increase landings and revenues and reduce costs for the scallop fishery resulting in higher producer, consumer and net national benefits compared to the no action alternative. By removing the influence of the unharvested biomass from closed areas from the open areas' mortality estimate, the expected higher Ftarget would provide greater fishing opportunities in line with rotational management, with positive social impacts for scallop fishermen.
3.4.1.2	A10 OFD – Time averaged within specific areas	A10 OFD averages F over time within particular areas and removes the influence of the unharvested biomass in closed areas. Yield-per-recruit is increased compared to No Action. It also reduces impacts on bycatch and habitat by reducing area swept because F is lower in open areas.	
3.4.1.3	Hybrid overfishing definition alternative	Similar to A10 definition, but the Fthreshold would stay the same, but the target would be set based on time averaged F from areas open to fishing. An additional restriction would be set that the spatially averaged F shall not be higher than 80% of threshold. Similar impacts on resource, EFH and bycatch to A10 definition.	

Notes/Clarifications:

- ✓ Should A15 update OFD to include new reference points and values approved at SAW50? Best available science.
 - From 9/7: By consensus: Cmte supports modifying current reference points in the overfishing definition to reflect results from SAW50. Specifically Bmax and Fmax replaced with Bmsy and Fmsy.

Input/Preferred Alternative:

- **PDT:** Some PDT members feel that the hybrid definition is most scientifically justifiable because the target is based on areas available for fishing and the threshold is based on all areas. Adjustments to the overfishing definition can be made in this action, i.e. incorporating Fmsy and getting rid of Fmax, as suggested by SAW50 and SSC.
- **AP:** Motion 16. Fletcher/Hughes; AP supports No Action for overfishing definition. Vote 10:0:0.
- **Committee:**
Motion 23: Robins/Alexander - Option 3.4.1.3 as preferred, hybrid overfishing definition. Vote: 7:0:0

Section 3.4.2 – Minor Improvements to LAGC program

Decision 18a. LAGC IFQ rollover of 15%. (3.4.2.1, page 102)

SECTION	ALTERNATIVE	ECOLOGICAL IMPACTS (Scallop resource, EFH. Protected resources)	ECONOMIC AND SOCIAL IMPACTS
3.4.2.1	PROVISION TO ALLOW IFQ ROLLOVER		
3.4.2.1.1	No action		
3.4.2.1.2	Allow rollover of up to 15% of IFQ	This should not pose any impacts on the resource because the rollover catch is accounted for in Year 1, but may be caught in Year 2. This could cause issues with annual catch limits, but in terms of impacts on the resource it should be neutral. Neutral impacts on EFH and PR as well.	A rollover allowance would provide greater flexibility for fishermen with positive economic and social impacts. On the other hand, allowing IFQ rollover could increase management uncertainty for the following fishing year, increasing the likelihood of a larger buffer and reducing the total quota allocated to the general category fishery.

Notes/Clarifications:

- ✓ NMFS: A 15-percent IFQ carryover allowance may be more than is necessary to account for unforeseen events in the IFQ fishery. They suggest that the Council may want to consider a lower carryover percentage. The Council needs to consider the impacts of various carryover levels on ACLs. The Council will also need to address the IFQ cap per vessel (2 percent, currently) since it is possible that a vessel already at the 2-percent cap could carry IFQ over, causing it to exceed the 2-percent cap. Finally, the Council will need to clarify how the provision would apply to leased IFQ—NMFS recommends that the Council should be consistent with the provision in the NE multispecies leasing program, under which DAS are carried over by the recipient vessel (lessee).

Input/Preferred Alternative:

- **PDT:** None
- **AP:** Motion 7. Maxwell/Marchetti; AP supports 15% rollover of annual IFQ for LAGC IFQ vessels. Vote 10:0:2.
- **Committee:**

Motion 19: Tooley/Avila

Allow a LAGC IFQ vessel to carry over up to 6,000 pounds from one fishing year to the next.

Motion withdrawn

Motion 20:Robins/Tooley

Allow a rollover of up to 15% of annual quota for LAGC vessels – Alternative 3.4.2.1.2. Clarify that 15% refers to a vessels original allocation for that year, not including any leased quota.

Vote: 6:0:1, carries

Decision 18b. Modification of LAGC possession limit. (3.4.2.2, page 103)

SECTION	ALTERNATIVE	ECOLOGICAL IMPACTS (Scallop resource, EFH. Protected resources)	ECONOMIC AND SOCIAL IMPACTS
3.4.2.2	MODIFY THE GENERAL CATEGORY POSSESSION LIMIT		
3.4.2.2.1	No action		
3.4.2.2.2	Modify the possession limit up to 1000 lbs	No impacts on resource provided the size composition of catch does not decrease. Neutral impacts on EFH and PR.	Modifying the general category possession limit (3.4.2.3) might increase economic returns for these fishing trips, with positive social impacts, but the further the fishery moves from trip limits to a pure ITQ, the further it moves from the small-scale, day-boat fishery that Amendment 11 sought to ensure. An increase in the general category possession limit is expected to reduce fishing costs and increase profits for these vessels. As a result, total producer surplus and net economic benefits could increase. The results would depend on the costs per day and the steaming time.
3.4.2.2.3	Eliminate the possession limit		

Notes/Clarifications: None.

Input/Preferred Alternative:

- **PDT:** None
- **AP:** Motion 8. Bailey/Maxwell; AP supports changing LAGC possession limit to 600 lbs/day.
- **Committee:**
Motion 18: Robins/Tooley
 Modify the general category possession limit to 600 pounds. Vote: 6:0:1

Decision 18c. Raise the maximum quota one LAGC vessel can fish to 2.5%. (3.4.2.3, page 103)

SECTION	ALTERNATIVE	ECOLOGICAL IMPACTS (Scallop resource, EFH. Protected resources)	ECONOMIC AND SOCIAL IMPACTS
3.4.2.3	MODIFY THE MAXIMUM QUOTA ONE VESSEL CAN FISH		
3.4.2.3.1	No action	No direct impacts on the resource, EFH or PR.	
3.4.2.3.2	Modify the maximum quota one vessel can fish from 2% to 2.5% of total general category allocation	No direct impacts on the resource, EFH or PR.	Making the ownership restrictions consistent would provide more flexibility for vessels to adjust their harvest levels based on changes in scallop resource conditions, and will have positive impacts on profits.

Notes/Clarifications: None.

Input/Preferred Alternative:

- **PDT:** None
- **AP:** Motion 9. Gutowski/Maxwell; AP supports increasing the maximum quota one vessel can harvest from 2% to 2.5%. Vote 5:4:3.
- **Committee:** Supports increasing the maximum quota one LAGC vessel can harvest from 2% to 2.5%. Vote: 4:2:1

Decision 18d. LAGC IFQ quota splitting. (3.4.2.4, page 103)

SECTION	ALTERNATIVE	ECOLOGICAL IMPACTS (Scallop resource, EFH. Protected resources)	ECONOMIC AND SOCIAL IMPACTS
3.4.2.4	ALLOW LAGC QUOTA TO BE TRANSFERRED FROM IFQ PERMITS		
3.4.2.4.1	Allow LAGC IFQ permit owners to permanently transfer some or all quota allocation to another IFQ permit holder	No direct impacts on the resource. Neutral on EFH and PR.	Could move the fishery closer to a pure ITQ with a host of potential negative impacts (see stacking and leasing above). The transfer of quota to a community-based trust; however, could have many positive impacts, as the literature on co-management and community-based management suggests. Under these alternatives general category scallop TAC is likely to be fully utilized by qualifiers with positive impacts on revenues and producer and consumer benefits.
3.4.2.4.2	Allow LAGC IFQ permit owners to permanently transfer some or all allocation to a community-based trust or permit bank	No direct impacts on the resource. Neutral impacts on EFH and PR.	

Notes/Clarifications:

- ✓ NMFS: The Amendment 15 document does not address how this would be administered, given that it would mix the two TACs allocated to the separate IFQ fleets. IFQ/DAS vessels are not subject to a 2-percent ownership cap, so if such a vessel accumulates IFQ through the transfer process, it can acquire substantial amounts of IFQ, unless the cap provision is extended to this fleet.

Input/Preferred Alternative:

- **PDT:** None
- **AP:** Motion 10. Keese/Marchetti; AP supports alternative 3.4.2.4.1 Option B – that LAGC quota can be split from permit for LAGC IFQ vessels only. Vessels with LA permits would not be able to split quota either. Vote 9:1:2.
- **Committee:**
Motion 22: Robins/Avila
 Supports alternative 3.4.2.4.1 Option B – that LAGC quota can be split from permit for LAGC IFQ vessels only. Vessels with LA permits would not be able to split quota. Vote: 5:0:1

Decision 18e. Community Fishing Associations. (3.4.2.5, page 104)

SECTION	ALTERNATIVE	ECOLOGICAL IMPACTS (Scallop resource, EFH. Protected resources)	ECONOMIC AND SOCIAL IMPACTS
3.4.2.5	IMPLEMENTATION OF COMMUNITY FISHING ASSOCIATIONS (CFAs)		
3.4.2.5.1	No action		
3.4.2.5.2	Establish process for CFAs	No direct impacts on the resource, EFH, or PR.	The establishment of CFAs will not impact overall scallop landings and revenues from the general category fishery. It will have positive impacts on the participants, however, by allowing fishermen to combine their allocations and to fish using fewer vessels in order to reduce fishing costs. This will provide an opportunity for fishermen to establish and benefit from an economically viable operation when the allocations of individual vessels are too small to make scallop fishing profitable. Under these conditions, general category scallop TAC is likely to be fully utilized by qualifiers with positive impacts on revenues and producer and consumer benefits. There is some concern that CFAs could change the nature of the general category fishery from a small day-boat fishery to a fishery dominated by a few large boats fishing like offshore boats with multiple day trips. As long as general category fishery is subject to a 400 lb. possession limit per trip, however, there will be less incentive to consolidate shares on boats with higher fishing power or to invest in larger capacity boats.
	What can a CFA own and lease out		
	<i>Option A - quota only</i>	There could be some indirect positive impacts if the associations identify ways to fish more efficiently, reduce bycatch, and prevent interactions with protected species.	
	<i>Option B - quota and permits</i>		It remains to be seen how CFAs will affect employment and crew incomes in the general category fishery. Although scallop fishing with fewer vessels would reduce employment to some extent, given that many general category vessels participate in other fisheries as well, these negative impacts on crew could be small.

Notes/Clarifications:

- ✓ NMFS has substantial concerns listed in their comment letter and detailed in the ‘outstanding issues document.’

Input/Preferred Alternative:

- PDT: None.
- AP: Motion 11, Bailey/Maxwell; AP does not support including Alternative 3.4.2.5 in Amendment 15. Vote 9:0:2.
- Committee: no motion.

Decision 19. Modify existing EFH closed areas to be consistent with Multispecies Amendment 13. (3.4.3, page 110)

SECTION	ALTERNATIVE	ECOLOGICAL IMPACTS (Scallop resource, EFH. Protected resources)	ECONOMIC AND SOCIAL IMPACTS
3.4.3	MEASURES TO ADDRESS EFH CLOSED AREAS IF EFH OMNIBUS AMENDMENT 2 IS DELAYED		
3.4.3.1	No action		
3.4.3.2	Modify EFH closed areas to scallop gear under A10 to be consistent with MS Amendment 13	<p>Having both sets of EFH areas closed to scallop gear has had impacts on the fishery. Additional open area DAS have been allocated to meet fishing targets, which puts effort in areas with lower catch rates. This increases impacts on the scallop resource if fishing is in suboptimal areas, and increases bottom time which has impacts on bycatch and EFH. If some open area DAS are currently used in the Mid-Atlantic that would have been used in access areas on GB, limiting EFH areas on GB should revert some effort back to GB. When considering joint Frameworks 16/39 to the Atlantic Sea Scallop and Northeast Multispecies FMPs, the Council concluded that the potential habitat gain from protecting the southern part of the access area in Closed Area I that has not been part of a previous access program did not outweigh the economic costs of preventing the scallop fleet from accessing this area.</p>	<p>In future actions (FW22) effort could be allocated to Closed Area 1 where the scallops are larger instead of allocating more open area effort in areas with lower catch rates. This in turn could have positive effects on the scallop resource and future yield. According to the estimates, the future yield could increase by 526 mt or by 1.2 million lb a year, resulting in about \$8 million (assuming a price of \$7 per lb) more revenues from the scallop fishery per year. Fishing in more productive areas would also reduce the fishing costs. Therefore this alternative is expected to increase revenues, profits and producer and consumer surpluses from scallop fishery with overall positive impacts on net economic benefits by increasing potential areas for scallop area rotation.</p>

Notes/Clarifications: None.

Input/Preferred Alternative:

- **PDT:** None
- **AP:** Motion 17. Hughes/Enoksen; AP supports modifying the EFH boundaries in A15 to make scallop EFH closed areas consistent with the EFH areas closed in the GF FMP. Vote 10:1:0.
- **Committee:** No new Committee motion, Council preferred recommendation stands – Alternative 3.4.3.2

Decision 20. Improvements to RSA program. (3.4.4, page 112)

SECTION	ALTERNATIVE	ECOLOGICAL IMPACTS (Scallop resource, EFH. Protected resources)	ECONOMIC AND SOCIAL IMPACTS
3.4.4	MEASURES TO IMPROVE RESEARCH SET-ASIDE PROGRAM		
3.4.4.1	No action		
3.4.4.2	Publish federal funding opportunity as early as possible	If the program can be more streamlined and worthwhile projects can occur with less obstacles, better and more timely research will result. This will have indirect benefits on the scallop resource. None of the RSA alternatives are expected to have impacts on EFH.	If improvements enhance the possibilities for and benefits from research, there would be positive social impacts for scallop fishermen and communities that participate in the fishery.
3.4.4.3	Extend the RSA program to be multi-year		
3.4.4.4	Modify open area RSA allocation from DAS to pounds		
3.4.4.5	Modify entire RSA allocation to a fixed poundage rather than a percent		
3.4.4.6	Separate RSA TAC into 2 subsets (survey and other)		
3.4.4.7	Remove additional TAC specific for survey work in addition to 2% set-aside	Having dedicated resource for funding research to survey access areas would improve ability to allocate the appropriate amount of effort to prevent overfishing and optimize yield.	
3.4.4.8	Rollover of RSA TAC	All rollover measures have indirect benefits to the resource because it increases the ability to use all catch set-aside for research. However, if research set-aside is not used it remains in the ocean and is beneficial to the resource by adding to future yield and recruitment.	
3.4.4.8.1	Rollover of unused RSA TAC to the next FY		
3.4.4.8.2	Rollover of unused RSA TAC to second solicitation in same FY		
3.4.4.8.3	Rollover of unused TAC to same individuals for program development funds		
3.4.4.8.4	Rollover of unused TAC to help fund observer program		
3.4.4.8.5	Rollover of unused TAC to compensate awarded projects	Indirect positive benefits.	
3.4.4.9	Extension for harvesting compensation TAC	Indirect positive benefits.	
3.4.4.10	Increase public input of RSA review process		
3.4.4.11	Regulations from which RSA projects are exempt	Eliminating the crew restriction and requirement to return to port if fishing in more than one area are not expected to have impacts on resource, bycatch or EFH provided compensation does not involve harvesting smaller scallops. Fishing in ETA in Sept and Oct would have higher F and impacts on turtles compared to some other seasons of the year, but getting data on turtles during that period should greatly improve our understanding of turtle interactions with the scallop fishery. It is not clear if the potential impacts on turtles would be outweighed by the potential benefits of conducting research in that area during that season when interaction rates are expected to be highest. It is unlikely that all the RSA set aside for ETA would be harvested during this seasonal closure because this time of year has lower meat weights and quality is not optimal. However, there is demand for Elephant Trunk scallops and if the rest of the fishery is closed out of the area, prices may be higher for pounds from that area during the seasonal closure.	

Notes/Clarifications: None.

Input/Preferred Alternative:

- **PDT:**

There are obviously some systematic problems with the program that need to be addressed. Some think a fixed amount of scallops would help compared to a percentage. PDT generally supports all measures except for dividing RSA TAC between survey and other interests, and letting unused TAC go to the industry-funded observer program. There are advantages to having a set poundage, i.e. 1 million lbs with area specified by the Council on recommendation from the PDT; if the resource goes down the allocation stays the same, and when the resource is bad that is when more research is needed. The June funding opportunity date may not be ideal if we are not formulating allocation scenarios until the late summer/fall. Someone suggested publishing opportunities in June and having a due date in September.

- **AP:**

Motion 19. Hughes/Enoksen; AP support RSA alternatives: 3.4.4.2 through 3.4.4.5; and 3.4.4.7, 3.4.4.8.5, and 3.4.4.9 through 3.3.4.11, excluding 3.4.4.6. Clarify that the value used for 3.4.4.5 should be added to the list of frameworkable items in the FMP. Vote 10:1:1.

Motion 20. Larsen/Bailey; AP supports increasing RSA set-aside so that it is equivalent to 2.5%, rather than 2% as it is now. If total projected catch is 50 million pounds, RSA set-aside would be equal to 1,250,000 pounds.

Motion 27: Fletcher/Hughes: AP recommends that scallop RSA continued funding be used only for projects that fully and directly benefit the management of the scallop fishery or contribute to reductions in bycatch of groundfish by the scallop fishery. Vote: 11:0:0

- **Committee**

Motion 26: Alexander/Tooley

Committee adopt the RSA alternatives supported by the Advisory panel. In addition, the compensation time period for Alternative 3.4.4.9 shall extend one quarter into the following fishing year and the initial RSA set-aside value shall be 1.25 million pounds.

AP motion: support RSA alternatives: 3.4.4.2 through 3.4.4.5; and 3.4.4.7, 3.4.4.8.5, and 3.4.4.9 through 3.3.4.11, excluding 3.4.4.6.

Clarify that the value used for 3.4.4.5 should be added to the list of frameworkable items in the FMP.

Vote: 4:0:1

Decision 21. Changing the scallop fishing year. (3.4.5, page 115)

SECTION	ALTERNATIVE	ECOLOGICAL IMPACTS (Scallop resource, EFH. Protected resources)	ECONOMIC AND SOCIAL IMPACTS
3.4.5	MEASURES TO CHANGE THE SCALLOP FISHING YEAR		
3.4.5.1	No Action		
3.4.5.2	Change start of fishing year from March 1 to May 1	This would improve integration of best available science having indirect benefits on the resource. Council is considering this again in this action based on new ACL requirements. No direct impacts on EFH or PR.	A more accurate estimation of TACs for the access areas will reduce uncertainty associated with the rotational area management, and an implementation time that coincides better with the fishing year will benefit the scallop fishery and have positive economic impacts on the participants. However, there will be some business risks if the date changes. It will require a change in the business plans of the scallop fishermen and create risks if plans do not materialize due to unforeseen conditions. The fishing year now begins at a time when meat-weight of scallops begins to increase and a higher yield per unit effort could be obtained from scallop fishing. As a result, the vessels start using their DAS based on the current resource and market conditions and fishing costs (i.e. fuel prices). If the FY starts in May, vessel owners may need to postpone part of their day-at-sea allocations until the following March, since 15% to 18% of scallops are usually landed during the months of March and April. Market conditions, bad weather, and unforeseen conditions could affect how many of the DAS allocations could be used at the end of the fishing year. DAS carryover provisions help to some degree, but changing the FY later could create different risks and reduced predictability. Negative impacts associated with this change could decline over time, however, as the vessel-owners gain experience with the new fishing year and learn to adjust their business plans more efficiently to the new conditions. Even though there could be some short-term decline in producer benefits, there is no question that more accurate estimation of area TACs and day-at-sea allocations will improve scallop yield over the long-term, increase revenues, and reduce the business costs associated with constantly changing regulations. Therefore, the positive economic impacts of changing the fishing year are expected to outweigh the negative impacts in some circumstances when the scallop resource and market conditions turn out to be less favorable than expected.

Input/Preferred Alternative:

- **PDT:** From a scientific point of view May is much better because it works better with surveys and science, and the delays in implementation are cumbersome and problematic. Also, coordination with the groundfish plan would be helpful. This would also mean that compensation trips (or any leftovers) could be pushed through April which would enhance safety and meat weights are better than they are in February. One PDT member voiced that if we give more time to get things done, it may take more time, so the change may not have the intended effect. Uncertainty around RPMs is bothersome as to how it will work if an area opens May 1 and closes June 1st.
- **AP:** Motion 18. Fletcher/Welch; AP supports No Action on changing the fishing year. Vote 10:1:0.
- **Committee:**
Motion 24: Tooley/Avila - Select Alternative 3.4.5.1 as preferred, fishing year would maintain March 1. Vote: 5:1:0
Motion 25: Goodale/Alexander
 Council include an alternative in A15 to modify specification package so that a third year would be recommended until superseded by next spec package. Vote: 4:2:0

Decision 22. Items to add to the list of frameworkable items in the FMP. (3.5, page 116)

- Modify the general category possession limit
- Adjustment to aspects of ACL management
- Fishing power adjustments