

Appendix V

Amendment 15 to the Sea Scallop FMP

Summary of Oral Comments from Public Hearings
Compiled for the New England Fishery Management Council, September, 2010

APPENDIX V



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Summary of Public Hearings

The following paragraphs summarize the overall opinions voiced at the Amendment 15 public hearings for the major alternatives.

Stacking/Leasing

There was much more opposition than support for stacking and leasing alternatives. Some favored leasing, but not stacking, and those favoring leasing/stacking agreed for the most part with FPA, but not the mortality 'tax.' All who were supportive cited increased efficiency for their business and the fleet overall as reason for wanting to stack. Those opposing measures cited work by Dr. Olsen in A15, and national standards 5 and 7, along with a fear that small businesses will not be able to remain viable. They worry that increased efficiency will bring resource biomass down and cause reduced DAS for all. They also felt that the FPA and mortality adjustments are not enough to account for increased efficiency that will be seen with stacking and leasing.

ACLs and AMs

There was generally support for the flow chart, but some concerns were raised. The majority of industry favors Year 3 yellowtail AMs and wants to avoid any AMs that will cause derby effects or take place at a bad time for fishermen. There was minority support for more proactive AMs; these people think we have the monitoring in place for real-time closures, etc. Most felt the 25% chance of exceeding ABC is an appropriate way to account for scientific uncertainty, and favor the use of an ACT as AM in LA fishery. There was support for LA management uncertainty Option 1 (ACT at F with 25% chance of exceeding LA ACL), and support for 0% management uncertainty buffer in LAGC.

LAGC

The majority of speakers favored leaving the possession limit at status quo. Those who want to see it increased feel it would help them cut down on fuel costs and spend less time away from home, and gave values ranging from 600-1000 lbs. Those who want to keep it the same think an increase could threaten the nature of the fishery. There was some support for making it frameworkable. There was universal support for IFQ rollover and quota splitting. Opinion on CFAs was split, with more support than opposition but concerns still exist.

EFH and FY

There was nearly unanimous support for changing EFH closed areas to be consistent with GF because the industry wants to see increased access to high density resource. A minority feels the Omnibus amendment is too close to changing it all anyway so we should leave as is. There was no real support for changing the fishing year because the majority in the industry feels it works as is and will cause business problems if changed. Even those that seemed to want to support it to make management more effective feared the effect it would have during the transition period.

RSA

There was much support for the research set-aside program in general, but lots feel it is not running effectively and want to see changes. There was generally support whatever researchers ask for, but industry wants to be sure research stays on industry boats and does not go to 'subsidize' NMFS survey.

Amendment 15 Public Hearing Summary; Portland, ME; July 12, 2010

Six individuals attended the public hearing in Portland, ME, and about four gave oral comment. Mary Beth Tooley, a member of the Scallop Committee, welcomed the audience and gave an overview of the process and purpose of the meeting. Deirdre Boelke, NEFMC staff reviewed the public hearing document and explained the preferred alternatives the Council has identified so far in Amendment 15. The meeting was held from about 7:00-8:45 PM.

Comment Summary:

The majority of the speakers at this public hearing wanted to discuss the alternatives to address excess capacity in the limited access fleet. Three were in favor of stacking because of the increased efficiency it would lend their businesses, one preferred leasing as a means of increasing flexibility, and a fourth thought all forms of capacity reduction were a threat to small businesses and equity in terms of resource availability. Those who favored stacking and leasing agreed with the fishing power adjustment for the most part, but felt that a second mortality adjustment equated to a “tax” on them for choosing to consolidate and is unnecessary. Those in favor of stacking and/or leasing did provide some comments on the other alternatives within the stacking and leasing ‘bundle,’ including subleasing, leasing from CPH, de-stacking, and DAS carryover. A few people spoke out against the general category possession limit change, in favor of eliminating the A10 EFH closed areas, and feelings were split on changing the fishing year.

Commenter #1: Steve Zalidas – Edgar Seafood Products, 2 boats (one FT dredge, one PT dredge)

This speaker felt that there is a definite need to address overcapacity in the Limited Access fleet. Right now a FT vessel fishes 70-80 calendar days a year, and a PT <30 days year, and this is inefficient because it costs a lot to keep up docked boats. He feels the stacking and leasing alternatives will be helpful in addressing this, though he preferred the leasing option. Rationale for leasing is less rigid and included increased flexibility for businesses, especially in the case of a catastrophe (fire, etc.). He felt that the fishing power adjustment should only be applied when boats are in different categories, and that the 10:10:20 rule will help to prevent any changes in LPUE when boats are in the same category. He felt that the second adjustment is not necessary and should be 0% or the lowest possible value, and be made adjustable by framework if it is too high. In the case of stacking being chosen, he thinks that de-stacking should be an option because parties should not be penalized if a business relationship fails, but that the permit should go to another scallop vessel already in the fleet or CPH. He thought some of the leasing restrictions do not make sense, and that the cap on leasing should be even higher than 2 permits. Leasing from CPH should be allowed and would be an effective way of reducing capacity. Subleasing is necessary in the case that a vessel has a catastrophic event and is unable to access the resource. He felt that history of leased effort should go to both permits equally to prevent ‘jumbo permits’ from forming, but was not sure how that would work. The public hearing Chair asked that he follow up with any ideas about how that could be done in writing. Overall he feels that leasing DAS would lead to a safer, more efficient fleet and would not lead to many job

losses. In the case of his business he already splits one crew between two boats, and would appreciate the convenience of not having to move gear from vessel to vessel, having a less crowded dock, cutting back on electricity, paint, and other non-renewable resources, thus also decreasing the fleet's carbon footprint.

Commenter #2: Ray Starvish, multi-vessel owner:

This commenter agreed that excess capacity exists, and supports either stacking or leasing. He feels that leasing will have to be done every year which is problematic and prefers stacking in part because it does not require annual declaration. In his opinion leasing is a more temporary solution that would be especially helpful in case of fall-outs between parties. He also agrees with FPA, but thinks the mortality adjustment is not needed. He feels that it is a tax in the spirit of "if you want to stack and I don't, you should pay a tax on it;" and that stacking on identical boats is not going to make a platform any more efficient. He confirmed support for the 10 DAS carryover provision, de-stacking, limiting to two permits, and leasing or stacking effort from CPH, which is necessary in the case of a boat sinking and needing to put the permit elsewhere. He was in favor of changing the fishing year, understanding that it could bring catch levels closer to numbers estimated by managers/scientists. He did note that some people do not support changing the FY because if you leave more DAS for after winter you could lose those days in the chance of a breakdown. He agreed with changing the EFH areas, and does not agree that the LAGC possession limit should be changed. He said the Council told the LAGC fleet not to come back asking for a higher possession limit when A11 was passed, and that it will only defeat the purpose of A11, to maintain a sustainable day boat fishery. He supported all the other general category related measures.

The commenter said that 66% scallop boats are between 21-46 years old, and he hopes stacking/leasing will get rid of some older boats and make it safer to fish. He also said he believed that 75% of mortalities in recent years have occurred on older boats. He does not think that fishermen need to lease/stack across permit categories – they should be able to stay within (FT/FT, PT/PT etc.) when combining effort. He feels that the biggest obstacle on the docks to leasing and stacking is the concern of single vessel owners surviving if allocations are cut back. For example, if one or two trips are taken away from a multi vessel fleet the impacts are not the same compared to a single vessel owner. So there is concern moving forward that if allocations continue to be cut back it will be a lot harder for a single-boat owner to take a hit in allocation than it will be for a stacked/leased business.

Commenter #3: Justin Long, O'Hara Corporation, skipper of two boats

This speaker agrees with stacking, but is nervous about how it will impact single-boat owners. He feels the horsepower:length 'tax' is sufficient; and that increased mortality should be addressed after the fact if it is seen. This could be added by framework later if it is determined to be necessary. The second 5-11% adjustment is not needed right now. He noted that mortality is more about being in the right place and time, and often has less to do with the platform. Adjustments do need to be made, but the analyses give too much credit to the power of the vessel; what really matters is the crew and the season. IN addition, if you lock two permits together that vessel has to fish some effort when catch rates are lower, so less catch. He also said that he does not expect to extend his trips if the effort is stacked – that his fishing behavior will remain more or less the same with the exception of possibly combining a trip once in awhile, which would reduce steaming time for the year.

He would rather stay with the current fishing year. He is not in favor of the GC possession limit being increased, but if it happens believes LA boats should be able to take access area trips at once, same logic.

Commenter #4: Gary Hatch, Maine scallop advisor

The speaker started out saying that the LAGC program has annihilated the small-boat fishery, and he does not want a higher possession limit. In terms of capacity reduction he feels that if we go to stacking/leasing, etc. only the privileged few will be able to fish because permits will be so far out of reach financially. Though there are many aspects of these alternatives he is in favor of as a businessman; NMFS needs to be fair and equitable to all communities and people; and with this move the general public will lose all ability to use these public assets. He said that we are trying to go too fast and not covering the bases that we need to cover, and will end up destroying the fishery because we make a decision based on how it sounds on paper but will have unintended consequences. "This whole thing is just an exercise in social engineering."

Commenter #5: Steven Soutfour, O'Hara Corporation, skipper on 2 LA vessels

This speaker fishes two LA boats of the same Length:HP class and is in favor of stacking. He said one boat is newer, and one older, and he uses the same crew; he would be more efficient and like to fish only on the newer boat, with increased safety, and the convenience of not having to move equipment, etc. Finally he testified that he does better on the smaller boat in the summer; therefore there is evidence that fishing power adjustments are not straightforward because of seasonal changes, etc. He said it is not always newer, bigger boats with better catches.

Amendment 15 Public Hearing Summary; Fairhaven, MA; July 13, 2010

Approximately 100 individuals attended the public hearing in Fairhaven, MA, and about 24 gave oral comment. Dr. David Pierce, Chairman of the Scallop Committee, welcomed the audience and gave an overview of the process and purpose of the meeting and Mark Alexander, a member of the Scallop Committee, was also in attendance. Deirdre Boelke, NEFMC staff, reviewed the public hearing document and explained the preferred alternatives the Council has identified so far in Amendment 15. The meeting was held from about 7:00-10:20 PM.

The testimony at this public hearing was overwhelmingly against the stacking alternatives in Amendment 15 because of fear of the social impacts on the port and small businesses. Two elected officials spoke out against making these major changes to the fishery using the rationale that the stacking and leasing alternatives are completely economic-based and not at all related to conservation, and that fishery businesses are viable and profitable under the current management regime so we should not move into a fairly risky 'social engineering' experiment when nothing is really broken to begin with. Each of the 24 spoke about the measures to address excess capacity; overall only 3 spoke in favor of the stacking and leasing alternatives, several did not have an opinion, and the rest opposed stacking and leasing and supported No Action.

The industry members and representatives that spoke out against stacking used much of the same rationale as the politicians, and usually came from passionate standpoints where they felt the fabric of the fishing industry was at stake. One speaker said that he had mailed out a voluntary survey to all limited access vessel owners and 130 responders indicated opposition to stacking, which is a vast majority of those who returned the survey. Many said that stacking is an agenda being pushed by few to increase their bottom line, but its effects will be hard on the many who do not choose to stack with effects including decreased employment and wages, consolidation and competition for the resource, increased fishing mortality, etc. Many cited the report compiled by Dr. Julia Olsen of NMFS Social Sciences Branch for Amendment 15, which details how similar capacity reduction schemes have resulted in negative consequences for other fisheries that have consolidated.

The few who spoke in favor of stacking and leasing said that it would increase their efficiency and cut down on wasted resources, while increasing flexibility for businesses and reducing overall capacity in the fleet. Some favored leasing over stacking, saying that leasing additional effort would allow people who are operating part-time to become full-time, and increase profits, while not being a permanent commitment.

Those who did favor stacking and leasing approved of the use of a fishing power adjustment, but thought that the mortality adjustment was excessive and should be set at the lowest value possible and adjusted by framework if it was found that the fishing mortality increased due to stacked/leased effort. Those who did not support stacking/leasing felt that the mortality adjustment was too low.

Several people approved of the ACL flow chart as presented, and the use of a 25% chance of overfishing to set the ACL as an AM. With the exception of the environmental organization at this hearing, those who spoke out about Yellowtail flounder AMs preferred a Year 3 option to any in-season adjustments, wanted AMs that do not cause any type of derby effects, prefer smaller area closures during times of low meat weight, and feel that AMs should impact DAS only and not hamper the access area program. The lone dissenter of this point argued that there is sufficient data for in-season closures, and that there may be other bycatch species that necessitate ACLs and AMs that have been overlooked.

Those representing the limited access fleet that spoke regarding general category measures felt that changing the possession limit was inappropriate and at odds with the goals of Amendment 11. However, the only speaker with a general category permit favored changing the possession limit to something higher, maybe 600 pounds. He was also in favor of the 15% IFQ rollover, changing the ownership cap to 2.5%, and allowing quota to be split from permits.

No one who gave testimony at this meeting was in favor of changing the overfishing definition or the fishing year. They felt that the current overfishing definition was working fine, and that changing the fishing year is not necessary and will only have complications for their businesses.

Commenter #1: Bill Strauss, State Rep. from Fairhaven

This speaker felt that the Council made some mistakes in development of A15. His view was that this action is less a fishery-related plan than an economic alternatives plan, and that the options in this plan pick winners and losers within the industry and at its start. He did not see the reason for this kind of discussions of the Amendment; and felt that the Council decided ahead of time that some consolidation is necessary without clear rationale. He read from the EIS that 'concerns have been raised about the ability to remain profitable' in section 3.1, but noted that no source is cited and asked if this is really the case.

He made the point that inefficiencies could be reduced by looking more at closed areas and allowing greater access. He felt that the management changes under consideration have nothing to do with protecting the resource; therefore, should not be considered at all, i.e. the No Action option should be thoroughly considered.

Commenter #2: Scott Lang, Mayor of New Bedford

Mayor Lang said that NOAA and NEFMC are misguided and doing more harm than good. He agreed with Rep. Strauss that No Action is appropriate, and said that there is a need to start over from scratch. He echoed that there is no movement to help the scallop resource in this action, stating that it is purely economic in motive. Regarding the stacking and leasing analyses, he said that even affecting a small number of individuals during this difficult economic time is due more attention and analysis. He felt that we need to look more closely at the economic data in the community and empower the industry and institutions that work with it. He then cited the recent IG investigation and the Portsmouth Council meeting decision reversal, saying that the system is broke and we should work to fix it from the ground up instead of adding more on the top. He added that the Chair of the Council even

agrees that the system is broke. He also stated that work done by the industry produces science that is far superior to that of the federal government, and that the Council needs to build trust back with the industry in order to move forward. He added that the scallop fishery is not in danger so why do this; everyone is making money and the resource is healthy. He requested that the Council's job is to protect the people and the fish.

Commenter #3: Paul Weckesser, fishing business owner

This speaker said he owns three boats and several shoreside businesses. He is against stacking and sent out questionnaire to ask scallop vessel owners how they felt. About 130 permit holders that responded were against stacking, and that is a vast majority of those who responded. He feels that an agenda is being pushed by a few with nothing in mind but their own bottom line. He said the group for capacity reduction has spent \$0.5 billion in the industry, yet will not publicly identify themselves, but those against stacking are happy to do so. He said he has already seen consolidation – employment within his business alone has gone from 30something down to six. In terms of a mortality adjustment, he said 5-11% not enough to reduce catch, and felt a higher number should be used. He has seen vessels become 60% more efficient under current upgrade restrictions. He feels that the Olson report was ignored by the Council and it showed much more job losses and economic impact than indicated in the rest of the EIS. Finally, he feels that Amendment 15 is in violation of National Standards 4,5, and 8, and that communities and people need to be taken into account when considering such an action.

Commenter #4: Steven Ouellette, attorney representing those against stacking

This speaker represents 51 vessel owners (37 with single vessels and 14 with 2-5 vessels) and they are all opposed to stacking. He said this action amounts to social engineering. This fishery is the most successful plan in the region, why do we want to cut the fleet back? He noted that the economic impacts analysis suggests that any new jobs gained from this action are outside the industry, and that's not ideal. He said that NMFS has made it clear that consolidation is a goal, and feels NMFS pushed the Council to pick stacking and leasing as preferred alternative. He also cited the negative impacts indicated by the literature review complete by Dr. Olsen. He said that leasing is not about capacity reduction, de-stacking will not reduce capacity, and it is all a guise for some people to obtain a greater market share of the fishery. He feels that the document does not guarantee that there is no cost or negative impact on vessels that do not stack or lease, which violates National Standards. This is a national, public resource and profit should not be what it is all about. He concluded by saying that the leasing and stacking options should be dropped from the document entirely because they propose a threat to small businesses, fishing communities, and fishery-dependent businesses. Lastly, there will be spillover impacts for other fisheries and businesses in the region as well. He added that leasing was proposed in GF because vessel owners were desperate and all would go under unless leasing was permitted so some could survive. He argued this is not the case for the scallop fishery.

Commenter #5: Jim Kendall, New Bedford Seafood Consulting

The commenter feels that all Committee members should be present at public hearings so that the emotional aspects of feedback can be absorbed. He also feels that it is not fair to say AP members are representatives of the fishing community – they are not elected by the industry, they are put in place by the Council. In terms of stacking and leasing alternatives, he feels that rationale behind selecting stacking/leasing as preferred is not clear. The

fishery has been built on inefficiency – crew size, ring size, etc. so what is the rush to efficiency now? The speaker equated landings history to what’s been occurring in groundfishery, and made a comment about the adequacy of the fishing power adjustment. In terms of the LAGC possession limit, he believes the GC is a great fishery, why do we need to change it? Because people are greedy? He feels that increased possession limits will increase competition and price, which would impact the LA fishery. ACTs and AMs need further review – this industry needs to know how they are doing. Lastly, the industry has never supported changing the FY, and continues to feel that March 1 is better for the fleet; pushing it back would have negative impacts on sea turtles.

Commenter #6: John Boland, represents a single vessel owner

This commenter supports leasing and said leasing is an escape valve. He is only using his vessel 75 days a year and employing people part-time, leasing would allow full-time employment and make his business more efficient. He said that the Council should encourage efficiency.

Commenter #7: Gib Brogan, Oceana

ACLs and AMs – he has concerns with EIS and the explanation of which stocks deserve ACLs. He feels the non-target species analysis is incomplete – winter flounder, skates, monkfish, summer flounder are also of concern in this fishery. The 1.8 million lbs of fluke in scallop fishery needs to be reduced according to NS 9. The organization does not agree that this FMP should just wait for other FMPs to direct if an ACL is needed. Oceana also thinks an action to establish an ACL for sea turtles is warranted, and they should be considered as a stock in this fishery with a hard cap used like in the West Pacific longline fishery. In addition, ecosystem component species are not adequately addressed or explained in this document. Further discussion is warranted, and sponges, sea stars, etc. must be described more in the EIS as part of habitat. Observer data indicates 1.7 million lbs sponge, 0.5 mill lbs sea stars are taken by the fishery; thus needs more discussion. The organization supports in-season AMs of target species and non-target species, and feels buffers must be fully justified and supported. Option 1 is a further developed buffer level rather than a set percentage. For yellowtail an in-season closure is necessary; the YT reporting pilot program is a great first step and real-time data is available to make this happen. The May 1 fishing year makes a lot of sense now that there is more overlap with GF and prorating TACs etc does not make sense when it could be streamlined. They feel that the EFH measures should not be moved forward when the Omnibus is almost done. Finally, Oceana does not have an official position on stacking, but if consolidation is going to occur it should have the support of the fleet from the ground up; and more impact analysis of EFH and resource is needed.

Commenter #8: Ron Smolowitz, Fishery Survival Fund

The FSF does not have a position on stacking/leasing alternatives. The FSF is against any AMs that create a derby, or any reactive AM that takes place in the same year. In-season adjustments will have no benefit for bycatch. On the OFD alternative, the status quo is working and that is where it should remain; we effectively manage with hybrid now, and we have no idea what the consequences will be if we change it. They feel that the fishing year does not have to be in accord with GF (based on discussion with GF Council staff), and support sticking with the fishing year start of March 1st. RSA program is screwed up -- administrative issues abound, and Council needs to address this by taking it out of the

hands of NMFS and managing it similarly to the CFA approach, needs more industry control. He also disagrees with the previous speaker and thinks there should not be a TAC for sponges and other ecosystem species.

Commenter #9: Eddie Welch, Fisherman and vessel owner

This speaker echoed rep Strauss's sentiments against stacking and consolidation. He feels that the jobs that are left after stacking are going to be worth a lot less than they are right now, and that consolidation will happen and the fleet will become much smaller, which is not good for the fishery. He also supports No Action on changing the fishing year and suggests the groundfish plan considering changing to be in line with scallops.

Commenter #10: Drew Minkiewicz, FSF

FSF has no position on stacking/leasing. Supports ACL structure and the use of 25% chance of overfishing is a proactive in-season AM; any reactive in-season measures are not supported. AMs for yellowtail should avoid derby effects, and he cited the recent NLS opening as example of the negative effects these can have. AMs should impact DAS not access area trips, and area-based AMs should apply to smallest area possible, be fair to all regions, be adjustable by framework, and should not create allocation issues. YT AMs need more discrete areas, shortest period of time, and for closures to occur when scallop meat weights are lowest. ACLs for other species (esp turtles) are not required by law and there is no justification; other fish species are being tackled by their FMPs, scalloping is really less than 5% of total landings (when recreational is removed). FSF supports status quo OFD. They also strongly oppose changing fishing year. Changing access area boundaries is needed and Omnibus is not progressing quickly enough to make changes by FY 2011. The more we can do by framework that is legally defensible the better. They are also opposed to changing the 400 daily limit in LAGC fishery; because they feel it will change the nature of the fishery. Lastly, FSF submitted previous letters to the Council explaining why ACLs for turtles are not required and argued that the bycatch of summer flounder in the scallop fishery is actually less than 5% of ALL catch and that FMP is taking that bycatch into account before setting the ACL in the summer flounder fishery.

Commenter #11: Gary Hatch, fisherman from Maine, AP member

This speaker felt AMs and ACLs are appropriate. He opposes capacity reduction measures, based on their violation of national standards and feels that with stacking and leasing small businesses (3 scallop permits left in Maine) will be at a financial disadvantage – leased days will be too expensive to utilize; and job losses will be higher than estimates presented from the model. He cited the Canada Clearwater example where employment shares became less viable, and suggested that the Council leave well enough alone.

Commenter #12: Harriett Didricksen, New Bedford scallop vessel owner

The speaker cited the government capacity document (NMFS, 2008) and feels that the capacity information used to justify consolidation in the EIS is inaccurate; data limitations are abundant and it is difficult to determine whether capacity exists in the first place. She argued that the EIS needs to explain what excess capacity is more clearly and how it is being defined in the action. Industry support is needed for such an action to take place, and the conclusions are not firm, there is a paucity of evidence, with the same disadvantages as buybacks. Proposing these measures is a violation of NS 5. She is strongly against stacking and leasing, and is not even sure excess capacity exists in the first place. She feels that the

few single-boat owners will pay the price for those who stack. She cited Dr. Olsen's report and said that it does not back up the economic impacts analysis in the DEIS; and used the surf clam fishery example to illustrate negative effects of consolidation. At the end she said that the Committee and AP makeups are unfair – only two single vessel owners are represented; thus input to Council is “stacked” with fleet owners.

Commenter #13: Meghan Lapp

She is employed in a shoreside business; ACLs mean there's no point in reducing boats – same amount of scallops will be harvested. Cited national standards that she believes to be violated by this action and thinks economics are sole purpose of capacity reduction measures and the action will not minimize economic impacts on those who do not stack. She also cited the Olsen report, reading the conclusion of the paper and said she feels it is the best available science and being ignored by Council.

Commenter #14: Krisin Skarr, from fishing family

The speaker said she fears change in way of life; over-regulation will prevent sustainability of business and family. She wants the Council to understand the emotional and social side of this decision – she's afraid that her children will not be able to have the same opportunities afforded her husband and others.

Commenter #15: Melvin Kvilhoug, vessel owner

The speaker asked for a show of hands for who is against stacking at the hearing and spoke out against it.

Commenter #16: Scott Smithwick, Insurance agency

His business is part of shoreside infrastructure and has seen a reduction of 20% in recent times. He said the recent Coast Guard report on vessel age is misleading and the use of bad or insufficient data never works in favor of the industry, and the age of vessel is not always a indicator of safety. The Council needs to address safety more directly (example of NLS); and feels it is a shame and unjust if the age of the fleet is used as a reason for capacity reduction. He explained that insurance rates are individually based, and catch shares do not ensure safer vessels.

Commenter #17: Tony Alvarez, owner/operator of two boats

He is against stacking and pointed out that there is a roomful of people that feel threatened by this. The system is fine, don't try to fix something that isn't broken; an action that hurts few and helps few is not making sense. We need better science and a better access rotation system, these should be the highest priorities. Overall, keep things fair in the fishery. This action will break the fleet apart and put fishermen against fishermen.

Commenter #18: Eric Hanson, single boat owner, single permit

He is not convinced that excess capacity exists; scallop fishery is not overfished, why address capacity? This seems to be a violation of NS 5.

Commenter #19: Ray Starvish

There is overcapacity when boats are tied to the dock for a large amount of the year. Stacking is voluntary; nobody has to do it; people will do it that want to increase efficiency. He is in favor of HP adjustment, but not second mortality adjustment. Boats should have to

stack within same category, supported 10 DAS carryover limitation, argued that leasing from CPH is critical, and supported EFH alternative. He added that the LAGC 400 lb limit should stay; the GC has evolved into large boat fleet and will continue to if this passes.

Commenter #20: Rich Canastra, New Bedford Whaling City Auction

His comments focused on process not Amendment 15 specifically. He discussed a few lessons learned in terms of the GF leasing program, and suggested that CFAs are the same thing as a sector. Said he believes the Council process is corrupt and leasing is a tool for NMFS to take something away from the industry.

Commenter #21: Bob Maxwell, Gen Cat fisherman, New Jersey

His comments focused on general category measures. In support of increasing possession limit from 400 lbs to 600 lbs in terms of efficiency for IFQ fishery, we're under quota system and each individual has its own allocation. He feels Majority of people in fishery would like to increase to 600 lbs, and is not sure how this would affect LA fishery. The LA lands +40K lbs per trip, some GC vessels don't have that the whole year. Increasing the possession limit is an efficiency mechanism and that is it. 15% rollover is necessary in IFQ fishery. He is in favor of raising the cap to 2.5%. Quota splitting is a necessity to make the IFQ fishery work properly. Fishing year should stay March 1, May overlaps prime season which gets into turtle closures and throws year out of sequence; will hurt fishery as a whole.

Commenter #22: Armando, owns one boat

Believes overcapacity exists; vessels should work at least $\frac{3}{4}$ of the year; A15 does nothing to address overcapacity, it is subsidizing; overcapacity means reducing the number of vessels. But taking from the common man to give to a smart guy who owns multiple boats and can stay home and have an advantage over owner-operators who are out fishing is not what the fishery wants. He suggested instead that permits should be bought back from multi-boat owners and given to single vessel owners.

Commenter #23: Ziggy Johannsen

He owns 4 boats, all would stack according to the 10:10:20 'cris-cross'; but he does not want stacking. He cited the negative impacts of the Olsen report. If consolidation comes, will I have less days or more? Was told less and can't favor it; small businesses will have to bear the brunt of the rollback when stacked vessels catch more and increase mortality.

Commenter 24: Peter Anthony, Eastern Fisheries

One additional person spoke in favor of stacking and leasing.

Amendment 15 Public Hearing Summary; Chatham, MA; July 14, 2010

Approximately 17 individuals attended the public hearing in Chatham, MA, and about 8 gave oral comment. Dr. David Pierce, Chairman of the Scallop Committee, welcomed the audience and gave an overview of the process and purpose of the meeting and John Pappalardo, Council Chairman, was also in attendance. Jessica Melgey, NEFMC staff, reviewed the public hearing document and explained the preferred alternatives the Council has identified so far in Amendment 15. The meeting was held from about 7:00-8:45 PM.

Comment Summary:

Much of the comment at this hearing was focused on the general category alternatives, though there were several people in attendance to discuss the stacking and leasing options. All who spoke regarding gen cat alternatives were not in favor of changing the possession limit but one; he felt that a higher limit would ease some hardship of being away from home and fuel costs. All who spoke representing the gen cat were in strong support of formally incorporating community fishing associations because of the work that has been done by, and the benefits they have received from the Cape Cod Fishery Trust. Gen cat representatives were concerned about the setup of the flow chart in terms of the separation of overages between fleets – all want to be sure that the LAGC is not penalized for any overages incurred by the limited access fleet and they get their full 5%.

Those who spoke about stacking and leasing were split, with two for, one against, and one in favor of leasing but not stacking. Those who were in favor agreed on a fishing power adjustment based on HP:Length categories, but do not think a mortality adjustment is needed.

One person spoke in favor of changing the fishing year to make management more effective, but is concerned about the effects it could have on fishermen during the transition to it becoming the norm.

Commenter #1: Tom Dempsey, Policy Director, Cape Cod Fishery Trust

The speaker had concerns about the separation of limited access and limited access general category fleets according to the ACL flowchart. He asked about what occurs for the GC fleet if an overage is incurred by the LA fleet? He would like to be assured that the general category fishermen will be protected from being hurt by any overage that is the responsibility of the LA fleet. Gen cat AMs are reasonable and so are LA, but he feels that the disclaimer is a retrospective correction for one fraction of the fishery that should not harm the other fraction, and wants to be sure that the gen cat gets their full 5%. For yellowtail flounder Option 1 with in-season closures makes the most sense for the general category. The 15% IFQ rollover provision needs clarification – it is unclear whether this means 15% of the boat's initial total IFQ or 15% of what is left at the end of the year, and initial allocation is needed. The possession limit should not be eliminated – doing so could be detrimental to the nature of the fishery. However making the general category

possession limit a frameworkable item is favorable to add flexibility in the future. The organization supports permit splitting from other LA permits in addition to quota; the movement to IFQ means we need to rethink the way the system works and in favor of transferring some or all of the quota associated with the permit; it is essential to be able to move quota around permanently. CFAs used to be a novel idea (during development of these alternatives) but they have become more common; the organization wants to be recognized by Council and form networks of permit/quota banks to benefit fishermen and stabilize businesses during times of transition. There will be no negative employment effects of CFAs on the Cape. Changing the fishing year is probably a good idea because the current system is clunky and ineffective, but there are concerns about how the transition would occur. Ultimately in years 2, 3, and forward the management would be more effective, but what until then?

Commenter #2: Tom Reilly, Gen Cat fisherman, Cape Cod

The speaker agreed with the first speaker that there is a need for ACL clarification so that gen cat is not harmed by limited access overages. He would also like to see the 15% IFQ rollover clarification; feels it's too unclear whether the alternative means 15% of total or what's left. He is in favor of the possession limit being set at 1000 lbs; in the last few winters he has traveled to the Mid-Atlantic to fish and he would like to spend less time away from his family. Right now he is forced to steam over 2000 miles to catch small amounts, and a larger limit would be helpful in terms of shortening the time spent away and cutting cost steaming. He is strongly supportive of implementing CFAs because the Cape Cod Fisheries Trust has helped a lot of the local fishermen.

Commenter #3: Ray Starvish, Multi-boat owner

He is supportive of stacking and leasing, and strongly recommends that it be limited to like-category boats. He is supportive of the HP adjustment, but not second mortality adjustment. The 10-day carryover is good, 2 max permits is fine, de-stacking and leasing from CPH will add flexibility in case of adversity. Wants to note that stacking/leasing is not mandatory, should not affect many people, and is optional. He has 5 vessels, 3 crews, and 7 permits; stacking/leasing would allow him more flexibility to take trips off, etc., and allow for more flexibility while allowing a full year's work. He thinks stacking would actually increase jobs and business shoreside, because there will be more time and resources to get work done. Putting two permits from two equal boats together should not increase efficiency; we should try it for one year and see what happens and then apply another adjustment if needed. Right now boats are tied up for a year at a time, and this will help to prevent that. There are not enough young people in the fishery; it will be a slow process if stacking occurs; he would be amazed if 20-30 do it the first year; he does not feel that there will be job losses.

Commenter #4: Bob Keese, General Category fisherman, Cape Cod

Wanted to know whether 15% rollover is 15% of total IFQ or 15% of what is left at the end of the year. Staff clarified that it is 15% of total IFQ allocation, and agreed that it could be made clearer in the document. He said IFQ rollover is favorable as a means of protection at the end of the year. He also feels the ACL flowchart should make it clear that gen cat will get 5% of the ACL each year. He feels quota splitting is essential for the GC program because permit transfer is currently not allowed, and this change will allow people looking for more quota to obtain pieces and fully harvest it. The possession limit change would increase

profit, but it will make the quota more appealing to larger corporations or people with 'deeper pockets' and increase competition and price of quota. He feels it would also encourage absentee ownership in the fishery, and believes it will change the nature of the fishery in a negative way. He is in favor of keeping the possession limit at 400 lbs. In terms of CFAs and Cape Cod Fisheries Trust, everyone he knows of scalloping on Cape Cod has benefited from presence of this entity; it allows people to lease quota at a reasonable cost and make a living on top of permit already in place, so he is strongly in favor of implementing CFAs formally through this action.

Commenter #5: Chad McLaughlin, Limited Access fisherman

The speaker feels that stacking is not a good idea, but leasing is okay. He has lost years where he had a blown engine, and it would be helpful to have the flexibility provided by being able to lease quota. Regarding the fishing power adjustment, he thinks tides and weather effect small boats versus large boats, making it difficult to determine how an adjustment should be made. The proposed HP scale is not realistic; observer data should be used to give a better idea of how to make FPA. Changing the fishing year seems like it would make sense and be better for management, but fishing is better in late February and March, which makes such a change problematic. He feels that the shoreside industry is in trouble due to GF transition to IFQs, and it will continue if consolidation of the scallop fleet occurs.

Commenter #6: Andy Keese, GC fisherman, Chatham

He would like possession limit to stay at 400 lbs. He thinks there is a need to adjust the ACL flowchart to be sure gen cat gets 5%. He expressed support for CFAs and continuation of programs such as Cape Cod Fishery Trust, which has been very helpful to fishermen on the Cape.

Commenter #7: Ron Schraeder, Eastern Fisheries; F/Vs Tradition and Generation

This speaker supports stacking and the FPA; he feels tides and weather in terms of HP and the vessel's fishing capabilities are not always clear but the model seems to capture the necessary adjustment. He supports the 10 DAS carryover, and does not believe there should be a second mortality adjustment on top of the HP:Length adjustment. He thinks trips should be able to be made stacked, i.e. taking 2 access area trips in one. Destacking should be allowed. He thinks there should be a separate category for people who don't want to stack to insulate them from negative effects.

Commenter #8: Harriet Didricksen, One boat owner, one permit, New Bedford

The speaker feels it is difficult to say there would be no loss of jobs from stacking when you look at the literature in terms of consolidation schemes; most have gone down to very few boats. Men are paid by the cages and not by the meat in the clam fishery; the community was finished so they had to move and made the fishing business less safe. We're making money now, but you can make more if you get rid of platforms, but what will happen to them? Somebody else will buy them in the fishery. An increase in LPUE means that DAS will go down; when you have less days on one boat pretty soon that boat is going to go out of business. Permits will get moved to more efficient boats and it becomes a LAPP system of fishing; you can trade them and if you do not fish them nobody else does; exchanging is allowed. If stacking is to occur it's referendum territory. There's no capacity reduction in leasing, there's latent effort there still. The IMPLAN model needs critiquing, and Dr. Olsen's

report on social effects of consolidation needs to be noticed and referenced. She does not believe in modifying everything by framework; we created latent history of permits and now say there are too many boats – this is a knee jerk reaction. Frameworks cut out the public process in order to make changes happen more quickly. The phrase ‘if input controls are adjusted in future actions’ needs to be clarified. Finally, she believes there is an imbalance of power on the advisory panel, only two single boat owners; mostly vertically integrated business owners.

Amendment 15 Public Hearing Summary; New London, CT; July 19, 2010

Approximately 11 individuals attended the public hearing in New London, CT, and about 8 gave oral comment. Mark Alexander, a member of the Scallop Committee, welcomed the audience and gave an overview of the process and purpose of the meeting. Jessica Melgey, NEFMC staff, reviewed the public hearing document and explained the preferred alternatives the Council has identified so far in Amendment 15. The meeting was held from about 7:00-9:00 PM.

Comment Summary:

Of the 8 speakers, two were in support of stacking and leasing alternatives and the other six were against them. Those who spoke for stacking cited the potential increased efficiency of their businesses and cutting back on the number of days boats are tied up. They do not expect a large change in employment due to this action, and feel that the impacts on single-boat owners are exaggerated. Both agreed with the HP:Length adjustment but were not in favor of the mortality adjustment and felt it was an excess penalty, and that it should be set as low as possible and adjusted by framework if found to be detrimental. They expressed opinions on many of the restrictions and options that are attached to the alternatives, including limiting stacking to max 2 permits, allowing de-stacking, allowing leasing from CPH, etc.

Those that spoke against stacking cited social reasons and fear of being small business owners being marginalized. They cited the action as in violation of National Standards 5 and 8. They felt that either the fishery is successful and there is no need to make these kind of changes, or that there are other problems that are more important and should be tackled first (i.e. correcting area management so 'old' scallops are not left to die before being harvested, etc). Most said that the FPA was not adequate to account for increased efficiency of stacked boats and that the range of the mortality adjustment had been lowered without rationale.

One person spoke against stacking but was in favor of leasing.

Most who commented on ACL structure approved of the Council's flow chart. One suggested it was not well explained and that the incorporation of uncertainty was excessive given that much uncertainty is already incorporated in the assessment. All who spoke regarding AMs were not in favor of in-season AMs or any AMs affecting access area trips. They would like YT AMs to not be in-season, not cause derby effects, and be over the smallest area possible and at times when scallop weights are less.

One person suggested that RSA allocations should be made in pounds, and supported multi-year and rollover of awards to help the program run more smoothly. Another did not say that hard poundage was the answer, but agreed that the program needs adjustments to be more effective.

Those that commented on the LAGC alternatives did not want the possession limit to increase. They cited the rationale that this would change the nature of the fishery and perhaps attract investors, etc. which would be negative for the fleet. None of these speakers represented the GC fishery.

Everyone who spoke about the EFH alternative was in favor of opening up the Scallop A10 areas.

No one who spoke was in favor of changing the fishing year.

Commenter #1: Bill Bomster, fisherman

This speaker commented on the HP adjustment for stacking. He believes it should be very severe, and that the permits should have to match very close and any adjustment should be very severe; it must be low enough to start with so that no damage is caused to the resource and rest of the fleet. He would like not to see single dredge permits consolidated with two dredge permits, therefore if stacking does occur he feels stacked permits must stay within permit category. In terms of the EFH closed areas, he said there is need to have access to areas where scallops are dying of old age; this is happening in the NLS area with scallops being thrown overboard because of old and grey meats. He had no comment on GC measures. He feels more yellowtail are out there than there ever has been, low quota is particularly a problem off NY. He feels the fleet should change fishing habits to not fish in once place when the animals are there. This could also include turtles; i.e. stay out of Mid-Atlantic when turtles are there, etc. Overall the council should try to get better in sync with science/biology.

Commenter #2: Ron Enoksen, multiple boat owner

This person said he was speaking as owner even though he is also an advisor. For AMs: he supports one for scallops, one for YT; one for SNEMA, one for GB. He supports setting ABC and ACL below OFL, keep ABC = ACL, since ACL is a trigger for AMs. He supports using ACT which will be set below ACL using the 25% probability of overfishing, this is the same view as presented by FSF. He thinks there should be a buffer between ACL and ACT in support of this fishery because of the hybrid nature of management; a buffer creates balance between science and management. The ACT takes away incentive of derby fishing by making it okay to exceed ACT but not ACL. He envisions using ACTs as proactive measures to prevent AMs. If the ACL is exceeded, make AM the following year or year 3, not in-season. Also, changes should be made to DAS, not access area trips. For YT AMs: suggests overages taken out each fishing year, not in-season; AMs should have no impact on access areas, support lifting 10% cap in joint action because he wants to fish in areas with high scallop abundance; effort shifts will cause undesirable conditions; in-season closure with open area that is as small as possible and seasonal is ideal. For RSA: it is time to switch RSA allocation into pounds, eliminate 2%. Using a fixed poundage will speed up the process to reward researchers; keep fixed poundage in the range of 2%, put a portion of that aside to do annual surveys; use set-aside for academic and gear technology, government should not get set-aside money for their biomass surveys. He supports rollovers and multi-year awards. For EFH boundaries: he supports the Council preferred alternative to change to GF A13 closures. For Capacity: he agrees that excess capacity exists, and a major reduction in capacity for each fulltime scallop permit has taken place. They

used to fish year round (>260 DAS) – 1994 204 DAS; reduced to 7 men; 3 large GF closures lead to area rotation; now down to about 75-80 offshore days out. There is a shortage of dockage berths because so many boats are in all the time. Many captains split crew and work two vessels in the same year so they can work 160 days offshore. He supports stacking and leasing just like GF; LAGC can exchange quota, why can't LA do the same thing? He supports a limit of 2 permits on one vessel and feels that this should increase safety, he cited recent Coast Guard report. Supports use of HP:Length adjustment on just DAS only for unlike permits stacked outside 10:10:20 baseline rule; feels that mortality adjustment is based on model and productions not on real life. A second vessel may not produce the same so we should start with a number as low as possible and take a wait and see approach. Each stacked permit should stand alone to count toward the ownership cap. Supports de-stacking only if it goes to another LA boat or CPH; this will take care of any side issues and allow owners to separate from unhealthy relationships. For Leasing: max allocation 2 permits per vessel is appropriate; supports subleasing. These options will increase flexibility for any vessel that doesn't want to stack; for example a single vessel owner can lease extra effort. Supports leasing from CPH because it will reduce crowded docks. Overall he feels the capacity reduction measures encourage better fishing opportunities which will be good for biomass, and spread out and reduce derby fishing The key is that it is voluntary, nobody has to do it, but it is important to do it.

Commenter #3: Dick Grachek

This commenter asked, "what is the purpose of stacking and consolidating and decreasing fleet consolidation?" He feels there is no evidence that it will decrease impacts on biomass, it will just increase the economic return for those who stack. He wants to know who says capacity exists, and how we really know what the impacts will be on the resource. He said this approach hasn't worked anywhere else in the world and it's not likely to work here. Citing Meghan Lapp, who spoke at the Fairhaven hearing and represents his own feelings about excess capacity; American Alliance of Fishermen and their Communities; He feels the Council habitually quotes some MSA standards but ignores others. A15 has a goal to address excess capacity, but when scallops are dying of old age there isn't a capacity problem, there is a harvesting problem. He's unsure of the capacity definition; if the max amount of scallops is a set figure, it doesn't matter how many boats harvest it. NS5 states management measures should promote efficiency, except that no such measure shall have economic allocation as its sole purpose. He feels there are no conservation purposes in A15 and that there will be some losers, and some winners. He made comparison to the groundfish fleet; and asked "when is the bulk of the amendment legal in NS5?" He thinks there is a significant problem with NS8 too, which states that conservation and management measures "should take into account the importance of fishery resources to fishing communities to provide for the sustained participation of, and minimize adverse impacts to, such communities." He felt there was not a whole lot of socioeconomic research outlined in the presentation and that a lot of people are going to lose their jobs. He feels half the people are going to lose their jobs, and symptoms will include employment loss, decreased income, decreased quality of life, reduced stewardship, etc. (from Olsen report). He thinks these changes will affect the structure of communities, effect viability, and have disproportionate impacts. NS8 says we must minimize adverse economic impacts. This is a question of what values to promote; and he calls for No Action on stacking and leasing. He will also submit full letter.

Commenter #4: Joe Gilbert, Empire Fisheries and Empire Scallop, Stonington, CT

He agreed with Commenter #2 who explained ABC and ACL and new *F*, and is supportive of the same approach. In terms of capacity reduction, he feels the development has been a little confusing. He has sat through meetings and listened as the council selected stacking/leasing as preferred provided FPA is applied, but doesn't think HP adjustment is appropriate and thinks mortality adjustment is too low. He also noted that the range changed from 7-11% to 5-11% with no background information/rationale. In terms of the overcapacity issue, he knows increased flexibility has positive impacts, and this is an economic issue, but there is uncertainty in what negative impacts will be. We have a known fishery and we know how it performs, when we adjust *F* for efficiency a lot of unknowns come in, and if stacked permits become more efficient single permit holders will pay the price. He supports the A10-modified OFD. He does support leasing. He thinks there should be no action for LAGC possession limit because the intent of the fishery is to be a small boat/400 lb fishery. He supports the EFH change; wants closed areas expanded back to original considerations. He thinks the fishing year shouldn't be changed; it should remain as 1 March.

Commenter #5: Priscilla Wells, Mystic, CT; bookkeeper for local fishermen

This commenter feels that the over-regulating of the fishery has caused many trickle-down effects. Consolidation will mean only those with vast resources can make a living, and job losses are unwanted especially in these economic times. She asked, "why are we trying to fix something that isn't broken?" She feels these regulations could destroy small businesses and ports in Connecticut and speaks out against all consolidation measures in this amendment.

Commenter #6: Todd Bragdon, Oneont Fisheries, lives in CT, ties up boat in New Bedford; F/V Resilient

He Does not see how this is an effort reduction process; stacking means more time on bottom and boats will be out 30 days at a time, etc. He sees guys being put out of work from this action; a lot of guys work a boat and a half and will lose a lot of income. He noted that fewer boats means less advocates for fishing industry. He does want to get into old closed areas because there is some very productive bottom that we've been shut out of for ten years and yellowtail have recovered, so thinks EFH areas should be changed.

Commenter #7: Harriet Didriksen, one boat, one permit, New Bedford

Fishing has supported her her whole life and does today. She does not have a full understanding of the proposed OFD changes, but feels we have been viable under the current (status quo) system, and would prefer to keep current OFD under No Action. She is against changing the fishing year. In A4, both fisheries were scheduled to start in March, the only reason GF starts in May now is that vendors couldn't get 6" mesh in time for the March 1st deadline; Barney Frank made a compromise and changed the date for groundfishermen, and the same thing happened with scallop rings. March 1 was the initial date for both and she feels we should stick with it; March was chosen carefully, it goes with nature and should stay there. For stacking, she would like to see No Action. She has attended most of the meetings throughout the years of development and is disappointed in the way it has come together. She feels meetings have been run similar to public hearing format, taking testimony. In the formation of A4, there were lots more meetings and there were answers and discussion; all

permits were to be attached to boats by December 1994 or January 1, 1995 and in September 1994 through framework latent history was adopted which added permits to the fishery. Those same people that added boats then are lobbying that there are too many boats now; money was made and more boats were built so this mentality of needing to reduce capacity is problematic. The stock is not overfished, overfishing is not occurring. A presentation by Dr. Brian Rothschild says uncertainty is already taken into account in assessment (CASA) so taking more in management is problematic; there is no reason that stacking or leasing is necessary; supporters say it is voluntary but we are all working out of the same of kettle of fish. There are problems with LPUE – it was estimated at 1100 and going up to 1700 (over 60% increase) this year, and now more efficient boats are coming into the fishery. She feels that others (those who do not stack) are going to subsidize this move. She thinks Dr. Olsen (NMFS) has been clear about this in her report. Stacking can only be utilized by owners of multiple permits, but even with leasing smaller businesses are at a disadvantage; these opportunities provide flexibility for whom? One person's gain is another's pain; this is a natural resource and cannot be treated like other businesses. De-stacking is not a capacity reduction scheme, leasing is the same as de-stacking. Nothing in Dr. Olsen's paper supports Amendment 15. Limited licensing helps, as would a buyback where cost is absorbed by those who profit in the fishery.

She feels that the public is misrepresented because it is impossible to go to meetings and make a living when you are a small business owner. The excess capacity paper developed by NMFS does not support stacking. This action cherry picks A4. There is a gray area in the 5-11% mortality adjustment and this is not a scientific formula, just a wish list. The document states that the program is at least conservation neutral or will even reduce *F*; FPA will not ensure conservation neutrality. This is the biggest issue that faces American fisheries because it changes the fabric of the fishery. The surfclam fishery reduced crews by 90%. The document does not have answers and is ambiguous at best; the only thing that is ensured is the same result that has been seen in other fisheries. Everyone is already profitable, this action is just about a better bottom line for those who have multiple permits at the cost of others. This action shows we are on the way to quotas, and is a way around a referendum. She is against stacking and leasing for social reasons. For RSA alternatives: she does not want to see allocation beyond 2%. She feels there is problems in SAW/SARC process and model which effects the amount of DAS given out and LPUE. There should be a cap for amount of set-aside, not sure if poundage is the answer but does not want to see the number go up, and does not want to see it subsidize NMFS budget; the government has control over it already and set-aside should stay in academia and with technical people that have worked within and for the industry, and all RSA work should be done on fishing boats. We need to work with universities to make sure those regulations from A10 to rotate access areas (ET having a hard time) are followed with good science and surveys; need a second opinion because there is some pressure to just have the government surveys; everyone in industry wants a second opinion; consistent areas with multispecies; we need to improve rotation system – right now we have a system of stagnation not rotation.

Commenter #8: Ray Starvish, multi-boat owner

He feels that yes, there is overcapacity when boats stay tied to the dock 300 days a year. 10 years ago the New England council staff wrote a paper saying up to 150 boats were more than enough to harvest the resource. The SMAST survey came out 325 million; grew 15 million in

2009. He supports leasing and stacking as a way to reduce capacity; if leasing and stacking are approved it should only be across like categories; FT-FT, PT-PT, etc. He supports the HP adjustment, and feels it is based on historical data and is confident that model will work. He does not support the efficiency adjustment – he feels it was pulled out of the air and doesn't understand how two boats put together would be 5-11% more efficient. A captain in Portland said that he would actually be less efficient if he stacked his two boats. He is not sure how an increase in efficiency can be proven; if efficiency did show up, how can it be proven? It's only a theory. He supports the 10-DAS carryover and max 2 permits and de-stacking. If he retires and wants to put permit elsewhere he feels he should be able to separate it from the other permit. He supports leasing from CPH and said scalloping was 100% no permits in CPH recently; so there is need for a place to park permits if something happens because we don't want people putting permits on skiffs, etc. like has happened in the groundfishery.

He thinks the gen cat possession limit should stay at 400 lbs; cited results of Chatham hearing and the support from gen cat fishermen there; higher amounts become more desirable to outside bidders, big businesses, etc. and that is not what the fishery needs. He is in support of changing EFH areas to be consistent with the GF plan. He has heard that single boat owners are going to be hurt if stacking occurs, but the fact of the matter is that there are less than 50 permits left in fleet that are single-boat owners; every single permit got treated the same since day one; when reductions occur, they were across the board, all treated exactly the same, and cannot understand how putting two permits on one boat and getting rid of one boat affects someone else when catching the same amount of scallops. At the Fairhaven hearing someone said he had 4 boats, 2 crews, 2 captains but was happy; and he can keep it that way because this is voluntary. It will take many, many years to reduce the size of the fleet; what is going to happen to the boats? He even heard someone recently is building a new boat because he doesn't want to give up anything with HP adjustments, etc.

Amendment 15 Public Hearing Summary; Cape May, NJ; July 20, 2010

30 individuals attended the public hearing in Cape May, NJ, and 11 gave oral comment. Erling Berg, a member of the Scallop Committee, welcomed the audience and gave an overview of the process and purpose of the meeting. Jessica Melgey, NEFMC staff reviewed the public hearing document and explained the preferred alternatives the Council has identified so far in Amendment 15. The meeting was held from about 7:00-9:00 PM.

Comment Summary:

Those that commented on the stacking and leasing alternatives were mostly against stacking. One spoke strongly in favor of it, and the rest were either strongly against or did not have a strong opinion on it. Several people who did not think stacking should be preferred were in favor of leasing with a fishing power adjustment. Most who spoke thought the mortality adjustment was too high and should start out at zero or the lowest value possible and adjusted after the results are seen. Those who were not in favor of stacking claimed that the FPA would not be sufficient to account for increased mortality brought on by highly efficient boats with stacked permits. They also stated that this part of the action is only aimed at multi-boat owners who would like to increase their bottom line, and thus is a violation of National Standard 5 which states that while efficiency is promoted, no measure should have economic allocation as its sole purpose. Those against stacking and leasing feel it is a threat to independent owners and that increasing efficiency will drive down DAS allocations for everybody.

All who spoke regarding ACLs and AMs were in favor of the flow chart and emphasized that a Year 3 AM for yellowtail flounder is desired. Speakers do not want AMs to cause a derby and would prefer that they affect only DAS and not access trips, and that any closures are in the smallest area possible and at a time when scallop meats are not best.

One person representing limited access boats did not want to see the general category possession limit increased. The LAGC representatives however did believe that a higher possession limit would allow them to cut fuel costs and run their businesses better, and suggestions were made in the range of 600-800 lbs. These speakers were also in favor of a 0% management uncertainty buffer (ACL = ACT), permit splitting, modifying the maximum quota one vessel can fish from 2 to 2.5%, and allowing 15% IFQ rollover. One person spoke out against implementing CFAs because he believes it was added late and it could allow quota to become concentrated in the hands of a single entity.

All who spoke were in favor of adjusting the EFH closed areas to be consistent with GF Amendment 13. No one was in favor of changing the fishing year. Many said they would like to see the RSA program made more timely and effective.

Commenter #1: Jeff Pike, Scallop Capacity Reduction Coalition

The speaker feels no one can deny that excess capacity exists in the limited access fishery. Boats are tied to the dock for 285 days a year. He represents over 100 permit holders interested in consolidation. He wants to assert that these are voluntary measures, and that the opportunity provides capacity reduction at no cost to the government. Stacking and leasing is not a new concept, North Pacific council allows 3 permits per platform, as does the surf clam fishery on the east coast. The Coalition wants stacking and leasing to be conservation neutral so vessel owners that do not stack or lease are not affected. They support two permits per boat, meeting the replacement criteria, and the fishing power adjustment. They feel that the mortality adjustment exaggerates the benefits and discounts the lack of flexibility of the program. The mortality adjustment should be started off as low as possible and changed via framework if needed. Permits should retain their original identity. They also support leasing of DAS and AA trips, and the ownership cap. Most members of the Coalition are multi-vessel owners and believe the cap should apply under leasing. One clarification that is not included in the document is that an owner that has reached the limit is not allowed to lease but an owner that has a vessel that has a catastrophe would not have the ability to lease those days out. Fishermen need the ability to lease from CPH. It will cut down capacity effectively. The Coalition is supportive of sub-leasing. Consolidation has been occurring for years under current ownership cap, and only 20% permits now belong to single vessel owners. 80% are paying for overcapacity. Non-permitted vessels will be bought up and decrease the average age of the fleet which increases safety. This year's NLS opening was derby-like and exacerbated by excess capacity. Other benefits of stacking for single-vessel owners include ability to lease DAS, reduced congestion, and being able to lease out DAS or trips under the case of a catastrophe.

Commenter #2: Drew Minkiewicz, Fishery Survival Fund

Under Goal 1 of the amendment, FSF supports the ACL flow chart and two separate ACLs, feels the 25% chance of exceeding overfishing is appropriate. The organization supports Option 1 for management uncertainty, thinks we should be able to adjust ACT by framework, and wants YT AMs that are reactive in year 3. Regarding Goal 3, FSF does not want to see the OFD changed, does not want an increase in the GC possession limit, supports changing the EFH areas, and wishes for the RSA program to be streamlined and made more responsive to fishery. Finally, FSF strongly opposes changing fishing year, and has no position on Goal 2 (addressing excess capacity in the limited access fleet).

Commenter #3: Tom Coley, skippers boat in New Bedford, lives in CT

He is speaking against stacking and leasing of permits; there are many problems with the intent of stacking and leasing. It is against National Standard 4 – single permit holders cannot participate in these provisions and the capacity of the fleet will increase, not decrease. He feels permits will go to newer, more efficient vessels which will increase mortality. With the new AMs, increased F will harm those who did not stack, and the FPA falls short of controlling the increasing capacity of fleet; it should be in the 15-20% range. The loss of jobs on deck and shoreside as the number of boats declines is inevitable. He cited the Olsen paper, 'the primary social impacts range from employment loss, decreased income, decreased quality of life, structural disadvantages, dependency, concentration of capital; inequitable gains, reduced stewardship, etc.' and stated that all of these are

undesirable consequences. He is also against leasing of permits or trips because captain and crews end up paying for fees, etc. which is not acceptable. These measures do nothing to benefit the resource, captains and crews, etc., they just benefit large fleet owners and increase their bottom line. He also cited National Standard 5 which states that measures shall not have economic allocation as sole purpose. Everyone is viable right now, why do we need to make this change? No action on stacking and leasing.

Commenter #4: Arthur Ochse

The speaker is here against stacking and leasing; he had prepared a statement but it was basically the same as previous speaker so he will submit it in writing instead of repeating everything. He wants to point out that 80 DAS is a full-time business, and not as bad as it sounds. When you consider that each DAS is a 24 hour day of work, this equates to 240 8-hour work days, plus work done at the dock. This is a good amount of time and probably on par with many other businesses.

Commenter #5: Jim Brindley, Barnegat, NJ GC fisherman

This commenter noted the uncertainty factor for management and thought the 0% buffer is appropriate for the general category. They are already paying 3% to manage their quota and should not have to take another hit, nor should they be penalized for uncertainty in monitoring. The IFQ rollover alternative is helpful in the case of bad weather or other extenuating circumstances, and he supports this option. He feels the possession limit should be modified even though the 400 lb limit works. The price of fuel and weather can be problematic for trips, and something along the lines of 600-800 lbs would be better. This would mean less days per week fishing during the bad weather months and burn less fuel, and would also increase safety. He does not support changing the fishing year – it should stay March 1; if the fishing year started in May we would probably have to carry over some of our quota to fish in March and April because that is a tough time of the year already after the worst of the weather months.

Commenter #6: Bob Maxwell, West Creek, NJ GC fisherman

He supports management uncertainty Option 1 zero buffer where ACL = ACT. The GC pays up to 3% for monitoring costs to NMFS to manage the fishery already; If a quota holder goes over his allocation, violation would trigger enforcement action and reduce quota in the following year so this additional buffer is not reasonable and a hardship to fishermen. The quota system should take uncertainty out of the fishery. The IFQ rollover is desirable and will increase flexibility for fishermen in the case of unforeseen circumstances. The possession limit should be addressed, 1000 may not be proper amount, but 600 lbs would be acceptable. Modifying the maximum quota one vessel can fish from 2% to 2.5% is a necessity which shouldn't change the fishery in any way and will be consistent with A11. The 2% value means someone would have to fish with a third boat which is inefficient and against the efficiency sought in A11. He supports No Action on CFAs because everything is not spelled out clearly enough, and it was put into the document as a last-ditch effort put. He has no idea what the potential CFAs are trying to achieve percentage-wise and feels that the provision for sectors in A11 should be sufficient for what they are trying to accomplish. He fears CFAs could be a way to get around the ownership cap, and if CFAs are approved someone could own a big chunk of the GC fishery. He supports No Action on changing the fishing year because doing so will penalize a lot of fishermen. Starting on May 1 means

there is only one month of fishing before the possibility of a turtle closure, etc., which is problematic and does not give the smaller businesses the ability to be run properly.

Commenter #7: Jim Gutowski, Barnegat Light limited access fisherman

In terms of ACLs and AMs he supports the current flow chart, and supports accounting for scientific uncertainty with the 25% POF approach. He would like to see management uncertainty Option 1 selected for LA, and thinks changing the ACT should be frameworkable. He supports using the ACT as an AM. For yellowtail flounder, he supports option B for year 3 and thinks that any yellowtail action should occur in year 3 to prevent derby effects. Regarding Purpose 2 of the amendment, he does agree that there is excess capacity, but understands both sides of the issue. If any form of capacity reduction happens (stacking or leasing), he thinks that managers need to keep a keen eye on the ownership cap, etc., and attempt to monitor how people who do not stack are affected to see if the goals of reducing capacity are being met, and to see that the so-called "little guys" are not swallowed up. If stacking occurs, the fishing power adjustment should be applied. He does support leasing because of the increased flexibility it provides, and feels if selected it should be accompanied by the vessel upgrade and FPA, the 5-11% mortality adjustment, the DAS carryover, leasing from CPH, and landings history being accrued by the lessor. For Purpose 3 of A15, the OFD has been effective, and he supports No Action on changing it. Any LAGC carryover should be consistent with historical levels of quota left unused, the possession limit change is supported as one-time deal to ensure viability, the 2.5% increase in ownership cap is fine, and quota splitting supported. He thinks there should be No Action on CFAs, there is the potential for too much uncertainty in their implementation. The change in EFH closed areas is supported; most analyses show CAI should be open in its entirety right now. He is supportive of the RSA program and thinks it needs increased efficiency in order to be more effective. He is not supportive of changing fishing year; effort shifts from turtle closures, etc. will be too problematic and it should be left as is.

Commenter #8: Peter Hughes, Atlantic Cape Fisheries, Cape May

The speaker feels that yellowtail flounder AMs should be premised on scallopers having a fair and historic baseline for YT. The joint AP recommended 100% of projected need, and the fleet should not be penalized for decreasing their YT catch. AMs should also avoid creating a derby fishery. For instance, if an AM is triggered, it should impact DAS and not access area programs, keep balance geographically, apply to smallest area possible, and account for seasonal scallop variability. Regarding the RSA program, November 2009 was cut off for 2010, but projects are still waiting for letters of authorization, and researchers are now faced with turtle closures, etc. and up against a hard window if ET closes in 2011. This needs to be remedied. The OFD shouldn't be changed, Omnibus could rebalance fishery and solve a lot of the current problems. He does not want to see the fishing year changed; thinks that surveys are completed on time for the most part and the problems with the current system are being overstated. He supports adjusting the access area boundaries to match multispecies Amendment 13. In terms of the capacity reduction measures, he agrees that we need to address overcapacity. Right now we fish 70-90 DAS and keeping boats tied up the rest of the year is a major effort. Boats are better maintained working instead of sitting, tying them up continues to consume non-renewable resources, and right now the fleet has more capacity to harvest than it needs to sustain this level. Atlantic Cape Fisheries supports leasing as a preferred alternative. Leasing provides more flexibility; for instance if you don't want or need a whole year's worth of allocation on your

vessel you can lease effort. This is helpful in terms of catastrophic events, etc. A FPA should be applied but only in the case of boats in different categories; replacement vessels should not have FPA, and the 10:10:20 rule should be applied if small/large vessels lease. He feels the 'mortality tax' is based on predictions of how much more efficient the receiving vessel can become that are not solid. In addition this could discourage people from leasing. It should be set at zero or the lowest possible value and adjusted as needed by framework. Vessels already share crew, so job losses should not be as high as predicted. Owners can choose a safer, more economical platform to fish from. Finally, leasing encourages consolidation, and LPUE will not increase with leased effort. He supports increasing the 10-DAS carryover to 20 DAS to account for the larger allocations possible with leased effort. There should be no restrictions on upgrades, restrictions on leasing should not occur, and leasing from CPH is effective. They also support re/sub-leasing because flexibility is needed in case of catastrophic events, etc. The same vessel upgrade provisions should apply to all vessels whether or not they lease or stack. The landings history should accrue proportionally to any vessel leasing, to maintain the history associated with those permits, hopefully avoiding any 'super permits' which would be an unintended consequence. This could be accomplished through vessel logbook reporting, VTRS, and dealer reporting through the SAFIS system. Scallops are federally required to be reported through the SAFIS and this is a permit-based system so there should be no trouble keeping records of history straight this way. The company does not support stacking, but if it is permitted, de-stacking should be allowed but only to another vessel, its replacement, or CPH; partnerships absolve and fail and parties should not be penalized by being required to stay together.

Commenter #9: Dan Cohen, Atlantic Cape Fisheries

The speaker had a question about how management uncertainty is accounted for in Option 1 for the limited access fishery and why it is greater than GC options. Staff responded that the values are not really larger than for LAGC, the 25% option is a 25% chance of exceeding the sub-ACL, not a 25% reduction, and the 10% option is larger but based on the variability around the estimates of LPUE. He said that this amendment should adjust EFH boundaries; for too long the fishery has not been able to gain access to biomass that has died off instead; he would like to see more successful management of the resource in the Mid-Atlantic. Of the options between no action, stacking and leasing – leasing gives greatest flexibility; but you cannot track landings in terms of history, there is some question as to whether the SAFIS system does do this. Overall he expressed that it is highly important not to disenfranchise anyone in the fishery through the adoption of any of these measures.

Commenter #10: Bill Wasilewski, scallop owner and captain

In early 90s when resource was in trouble, a strong and viable FMP was implemented. He would like to remind the present Council that people felt strongly about the dangers of consolidation then, and that the main concern should remain viability of the resource and fleet by using a 5% cap, no shucking machines, and keep employment up. The ideas and goals adopted back then have served us well. He has worries that there are ways around the ownership cap and stacking will put all the power in the hands of the few. He would like the Council to answer the following questions – is there a resource problem? Are boats not profitable? We need to put consolidation to rest; it will cause a lot of problems; we are squandering time and resources for no good reason; can we afford to put more jobs at risk? We need to worry more about bycatch derbies, etc. and manage the fishery properly without this distraction.

Commenter #11: Harriett Didriksen, scallop vessel owner, New Bedford

The speaker cited the excess capacity source evidence that capacity will increase with A15 instead of decreasing. There are limitations of the data and analysis and NMFS was unable to draw firm conclusions. The document states that the capacity estimate should be used with caution and that they are not sure how much reduction should occur. The biological, economic, and social impacts are unclear and the rules to cut down efficiency must be sufficient, if not capacity will increase and mortality on the resource will as well. In the surf clam fishery vertical integration occurred along with many undesirable effects. Everything in the document indicates increasing capacity. Scalloping is piecework; this action will bring about economic efficiency for those people who want it, but action is not voluntary, it results in ITQs for everyone and small businesses will be at a disadvantage. The main principle of this action was ACLs and AMs which are mandatory which means no overfishing. The overcapacity issue is not a resource issue; everybody is making money; some people would like a better bottom line, at the cost of everyone else having to adjust to their business plan. LPUE goes up and DAS goes down, when this happens to people with few enough permits, they are no longer viable; thus some people will no longer be viable so they can subsidize others. It was voluntary to buy as many permits as people own, and people lobbied very hard for latent history; then they lobbied for more boats, and now they lobby for less. Currently, leasing is not frameworkable; frameworks cut out public input. Those who want stacking have already built up the vessels to move effort, and this is not reductive; designed at least conservation neutral or to reduce F, but they have lobbied 7-11% down to 5-11%. The AP is in favor of stacking, but the AP is not balanced and there is a problem with the process; how can this be preferred if it does not meet premise of purpose? There have been many negative consequences of consolidation in other fisheries that have gone this way. She calls for NO ACTION on stacking/leasing; they are happy to have boats in New Bedford, and consolidation will cost communities; we need to listen to the Olsen report which is the best science available. She would like to see the EFH closed areas changed to be consistent with the GF plan.

Amendment 15 Public Hearing Summary; Newport News, VA; July 21, 2010

Approximately 30 individuals attended the public hearing in Newport News, VA, and seven gave oral comment. Rick Robins, Chairman of the Mid-Atlantic Council and member of the Scallop Committee, welcomed the audience and gave an overview of the process and purpose of the meeting. Jessica Melgey, NEFMC staff, reviewed the public hearing document and explained the preferred alternatives the Council has identified so far in Amendment 15. The meeting was held from about 7:00-8:20 PM.

Comment Summary

Speakers at this hearing commented on alternatives under all goals for Amendment 15. Everyone who spoke about the ACL flow chart was in agreement with its current setup. All favored yellowtail AMs that will close the smallest area possible and not induce derby effects.

Three people spoke in favor of stacking and leasing alternatives, citing increased efficiency and safety, along with business flexibility in the case of leasing. Some said that stacking and leasing is unlikely to have an effect on employment at their dock because boats already share crew. Speakers wanted to emphasize that these programs are voluntary, and no one has to participate unless they want to. A few said that it is unlikely to cause a huge shift from the way things are because not that many people will want to do it. People speaking on leasing want to see history stay with the original permit, not the permit that caught it. No one spoke in direct opposition to stacking, but one single permit holder did voice concern about how he would be affected and said he would like reassurance that he will be protected from any negative effects of consolidation.

Comments on increasing the LAGC possession limit were split, with one speaker saying it should be left as is and another saying it should be increased to 1,000 lbs. One person was in favor of instituting CFAs, raising the maximum IFQ to 2.5%, allowing IFQ carryover. All who spoke on RSA alternatives want to see improvements made including extending the program to be multi-year, rollover of RSA TAC, and increasing public input. No one supported changing the fishing year. Several people spoke in favor of opening the EFH closed areas.

Commenter #1: Jim Fletcher, United National Fishing

He feels scientific uncertainty and management uncertainty uncalled for and the government should be held accountable instead of fishermen. He feels that changing the overfishing definition is also misleading; thinks scientists are being proven wrong and want to change it to suit their needs. He thinks the Council and PDT have not brought the best scientists into the process; things are being ignored such as the mortality on scallops caused by starfish and this must be addressed by the Council. He thinks that if landings were increased there would be no need to address excess capacity. He thinks that there are means to stop yellowtail flounder bycatch outside of what is being proposed with the AMs including using trawls versus dredges and fishing in different habitat. Where is the science? Why hasn't this been discussed? We don't have science; basic science compared with what

other countries are using; why isn't the Council addressing getting fishermen into aquaculture?

Commenter #2: Michelle Peabody, Peabody Corporation (packing facility that owns 8 vessels)
She is supportive of both permit stacking and leasing. Her business may or may not want to use these tools, but feels people should have the option to use them. She has had good experience with GF leasing option. The FPA should happen but not if the vessels are in the same baseline. She would like to see 0% for the mortality adjustment or the lowest possible percentage, and the ability to adjust this value should be added to list of frameworkable items. She would like to see leased effort accrue proportionally to lessor and lessee. She favors yellowtail flounder AMs that are the smallest area possible and account for seasonal variability in meat weights, etc. She does not support changing the OFD or the fishing year, but would like to see the EFH areas made consistent with Groundfish A13. She feels that the fishery will be more efficient, productive and profitable through stacking and leasing.

Commenter #3: Frank Peabody, Peabody Corporation
The speaker wanted to note that he has a GF permit that he has been leasing for the past five years, and the quota stayed with the permit he was leasing it from. He feels that any quota/catch history should stay with the original permit, not who caught it.

Commenter #4: Bill Wells, Seaford Scallop Company, unloads 14 FT LA scallop vessels, owns 2 himself, AP Chairman
The speaker feels that this is one of the best managed fisheries in the world; people are doing better than they've ever done; let's be realistic about where we are; we have increased landings 400% in 10 years. Amendment 15 should be seen as trying to perfect this already effective management system. For AMs, he thinks the Council should do anything to avoid AMs that may trigger a derby, thinks any area-based management from bycatch should be as small as it can possibly be, is against anything that would cause an AM to create an allocation transfer between GF and Scallop industry because we don't need to be in the business of leasing or buying quota for fish; feels gear avoidance measures, etc. should be used; he is not anti-groundfish, but doesn't want to be in a business relationship having to buy fish. He has not met anyone in the industry who is in favor of changing the OFD. He feels that if scallops do exist outside of where the current OFD covers, they should be counted, and reconfiguring closed areas illustrates this. In terms of the RSA alternatives, he supports whatever Bill DuPaul says he needs; we should extend RSA to be multi-year, rollover RSA TAC, extend time that if someone were to do a survey they can do it, protect the ability to use all RSA TAC, increase public input in the review process; he wants to have input on what is beneficial in terms of importance, etc. For changing the fishing year, he has never met anyone in the industry that is for it, though he understands why it is important, it should remain as is. For the Gen cat, he feels comments from people in the fishery should have more weight than those from people in the limited access fleet. At the Chatham public hearing friends of his spoke against increasing the possession limit because they do not want to change the nature of the fishery. They did not want to see small boats go away and he thinks they make a good case. In terms of consolidation, he would like to emphasize that this is a voluntary program; nobody has to do it and most will not. As best as he can analyze for his company if there is a full-bore stacking program, the most boats that would cease to exist is 3, and it could be fewer. This is not a major step, and it will likely not come as quickly as people think. There should be no adverse impact on employment where he is

because everyone already rotates boats; no one will lose a job, the other people at his business are in the same situation; employment is a big deal, but at his dock it will not be a problem. Owners are going to save money, for sure, that's being efficient with an investment; they will also use better boats and safer platforms which is good for everybody. In the past he had an unfortunate late-season breakdown in November when a boat had a lot of DAS left. He struggled to get the DAS fished in bad weather, etc. and something like that is exactly why leasing should be allowed; he could have put DAS on an identical boat instead. 67% of scallopers including GC fleet are 20 years old or older, we don't want to spend money on those vessels, and should have their effort go elsewhere. Dealing with the bank is difficult in these times for getting new boats, etc. He supports the FPA, if power is not equal it should be accounted for; he thinks the chart of HP:Length adjustments is easily supported. The mortality adjustment takes into account uncertainty and came from the PDT so if they think we need that it has his support. For those that decide to fully stack, de-stacking should be allowed. He doesn't know a whole lot of guys that can run two boats fulltime, effort may become too much (if DAS increases, more AA trips, etc.) and they may want to de-stack and should have that opportunity.

Commenter #5: Bill Mullis, P&C seafood, multiple permit owner

On AMs, this commenter agrees with Michelle Peabody and Bill Wells. Any area closures should be small as possible. He strongly urges the Council not to change OFD at this time. He does think there's a need to address excess capacity, and is in favor of stacking and leasing. He is currently leasing gen cat IFQ and it is working well. De-stacking and the ability not to lease the next year is essential. Stacking will create opportunities to upgrade platforms for those that stack and lease and even those who do not because some new boats may be made available. The FPA is supported, but the mortality adjustment is not backed; it is a double tax and he does not want to lose another piece of the fishery. He thinks we should see what develops, and feels that the numbers in document do not indicate how many crews/captains run boats. He already has 4 captains running 8 boats in his fleet. He asked whether it is assumed that every boat has a crew; he says that crew has already been stacked, boats have not. He would like to have fewer boats, and urges the Council to be careful to focus on the input from people who have a longstanding place in fishery, not just those in New Bedford. Carryover is favored, de-stacking is supported, and an annual lease scenario. Restrictions on leasing shouldn't happen, but if you lease GC quota there's a 3% tax on landings already, so he's concerned the same could happen in LA if this happens. If leasing is approved, it should be allowed form CPH; we don't want to have ghost ships to retain permit as hull in FT LA fleet and GC fleet; people should not be forced to hold hulls to stay in the fishery long-term. DAS and trips should accrue to lessor not lessee (the original permit holder). He wants No Action on OFD, supports IFQ rollover for LAGC IFQ, and feels the 400 lb limit doesn't fit well in VA and may in other areas. He would like to see an increase in the possession limit; 1000 lbs wouldn't be bad and increase efficiency – right now they are burning up diesel fuel and time. He would also like to see an increase in maximum quota from 2% to 2.5%; the fishery will take shape and form of its own in the near future. A CFA already exists in Chatham, the town has bought quota; he applauds the action of Chatham to preserve its historical small boat fleet and community and would be happy to see CFAs pass. He agrees with Michelle Peabody and Bill Wells on RSA and EFH alternatives. He does not support changing the start of the fishing year because it works the way it is and people are used to it.

Commenter #6: Drew Minkiewicz, Fishery Survival Fund

FSF has no comment on stacking and leasing. FSF supports the proposed ACL structure and wants to use the ACT as an active AM. His ideas on AMs will be submitted in writing, but he states that YT AMs should be least destructive possible, and he supports 3.2.3.11.1.1b. All reactive year 3 AMs supported, they do not want to see derby effects. He supports No action on OFD, No action on changing LAGC possession limit, and wants to see opening the EFH closed areas. Detailed comments on RSA will be submitted in writing. FSF opposes any change to the fishing year.

Commenter #7: Tom Walls, F/V Virginia Reel

He is a single-boat owner, and has no opposition to stacking/leasing, but does wonder how it will affect single-boat owners. He wants to know if he Leases quota to another boat, and an overage/penalty accrues, who is responsible in terms of liability? (Under status quo the violation would be against the operator.) He acknowledges that there are worries about losing power if consolidation occurs. He feels this is the best-managed fishery out there, and that the last 10 years have been great and he wants to see it keep improving. He thinks the alternatives are well-thought out, but that the remaining 46 individual boat owners want an opportunity to be protected from any negative effects of consolidation.