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New England Fishery Management Council

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John Pappalardo, *Chairman* | Paul J. Howard, *Executive Director*

Skate Amendment 3 Public Hearing

Oral Comments

Hyannis, MA

October 27, 2008

The meeting was attended by six gillnet fishermen, one skate processor, a lobster fisherman, and a fishery sector manager. The skate fishermen, most of whom land wings, and the processor supported Alternative 3B, having no area closures. They thought the possession limit in Alternative 3B were too low for them to economically fish for skates but they were better than the area closures. The lobster fisherman supported Alternative 4 with the three seasonal quota periods. Most felt that the dealer should be responsible for reporting the trip type on the dealer report, rather than requiring IVR reporting of skate landings.

Mr. John Pappalardo, chair of the Council and the Skate Oversight Committee, gave a brief introduction which explained why the Council was taking action to reduce skate catches and initiate rebuilding of smooth, thorny, and winter skates. He asked if there were questions, before opening the hearing for public comments. Several questions were asked about the science and catch data. Of particular interest were the TALs and their allocation to the skate wing and bait fishery.

Mr. Greg Connors, a Chatham gillnetter, gave the following comments. He pointed out that when there was demand for bait, the bodies from the skate wing fishery are being also being landed, not going to waste. Therefore, the whole fish is being used. He asked why the TALs are aggregated by species and allocated to each fishery. The wing fishery should have its own allocation, because it is targeting mainly winter skate. He also asked whether alternative 4 for the bait fishery could be combined with Alternative 3 for the wing fishery, because many in the gillnet skate wing fishery preferred Alternative 3 but the bait fishermen wanted to be regulated with a quota.

He suggested reducing DAS to achieve skate mortality reductions, or in the Amendment triggering an increase in the skate possession limit if the Multispecies DAS are reduced by the Interim Action or Amendment 16, and fewer DAS are available to fish for skates. Mr. Connors preferred Alternative 3B, because the area closures would create gear conflicts between the trawl and gillnet fishermen. He pointed out that the 2:1 counting area has enabled the two gear types to fish separately because the trawl vessels don't fish as frequently where DAS are counted 2:1. He felt that more closed lines is not the answer. As for the TAL allocation, he preferred the 2005-07 basis, with the lower skate possession limits associated with Alternative 3B.

Mr. Jim Nash, a Chatham gillnetter, favored Alternative 3B, because it is the easiest of alternatives to comprehend. No more closed areas are needed. A glut in the market caused by quota management (Alternative 4) would be bad for the industry, he felt.

Mr. Bro Cote, a lobsterman from Hyannis supported Alternative 4 for the bait fishery, separating year into thirds to ensure a more steady supply of bait throughout the year. With the annual or semi-annual quota options in Alternative 4, a long closure period would be tough and costly for the lobster and bait fishery. He supported unlimited landings (no possession limit) in Alternative 4, because it would be economically feasible for vessels to fish for bait. Possession limits proposed in the other alternatives would be a significant disincentive to fish for skates for the bait market.

Tim Linneil, a gillnet fisherman from Chatham, asked if future day-at-sea (Amendment 16) are part of these alternatives, i.e. they have been taken into account. Mr. Pappalardo answered that Amendment 3 must proceed without waiting for Amendment 16 development. Although it didn't meet the objectives in the absence of A16, Mr. Linneil favored the status quo.

Mr. Andy Baler, a fish dealer, Nantucket Fish Co in Chatham pointed out that the skate fishery in Chatham has been an integral part for 10+ years. The Alternative 3A and 3B are the only acceptable ones, because otherwise the skate closed areas would cause too much gear interaction. On the other hand, the 2500 lb. limit is unacceptable and will not cover the fishing expenses. Why isn't a higher possession limit allowable if there is a TAL which would shut down the fishery when landings reach the TAL, he asked? It doesn't matter what the possession limit is. Is the point of the 2500 lbs. needed to make the fishery last the year? Instead, he suggested that the Council should adopt a 4,000 lb. limit with the TAL as a backstop to prevent the plan from exceeding the biological limits. Mr Baler said that it is important for the fishery that there be a higher skate possession limit without closed areas.

Mr. Dave Murdock, a Chatham gillnet fisherman, said that he cannot agree with any of the alternatives. None of them allow a viable skate fishery and would shift effort back to groundfish, targeting cod. Area closures are where the vessels fish for skates, he said. The fishery needs a 4,000 – 5,000 lb limit to remain economically viable.

Mr. Eric Brazier, a fixed gear sector manager, said that input controls make business less efficient. He urged the Council to start Amendment 4, using output based management plan. Is there a working group for data poor stock and to what extent do the group has a role in the outcome, he asked?

In response to one of the questions in the public hearing document, the general opinion of people at the hearing is that the dealer should report the trip type on their reports, so that the landings are attributable to the correct TAL.



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Skate Amendment 3 Public Hearing

Oral Comments
New Bedford, MA
October 28, 2008

The meeting was attended by about six fishermen (most of whom fish in the skate bait fishery), three bait dealers, a PDT member, and a representative of MA DMF. The skate bait fishermen and dealers were unanimously against any alternative that included a skate bait possession limit. They supported Alternative 4, with three quota periods to minimize the duration of potential closures. They also supported the 1995-2006 allocation alternative because it allocated less landings to the wing fishery, which targets mostly overfished winter skates. Most felt that the dealer should be responsible for reporting the trip type on the dealer report, rather than requiring IVR reporting of skate landings.

Mr. Rodney Avila, a member of the Skate Oversight Committee, gave a brief introduction which explained why the Council was taking action to reduce skate catches and initiate rebuilding of smooth, thorny, and winter skates. He also outlined the TAL allocation options and the six alternatives in the amendment.

Mr. Danny Nordstrom, a bait skate dealer, read from a prepared statement (see below) and said it was imperative that the Council adopt Alternative 4 with three seasonal periods. If the skate bait fishery is not managed as outlined in Alternative 4, it will have a detrimental impact on the fishing industry. The skate bait fishery is an order-based business where what is needed is caught and sold, he explained. Bait is provided weekly, a 12-13,000 lb possession limit would be incompatible with the needs of the fishery. Little skate is not overfished and no overfishing is occurring, so the skate bait industry should not be hindered by a skate possession limit.

The SAFIS system already allows reporting of skate market, explained Mr. Nordstrom, so he favors the option to rely on reporting of trip type by the dealers. He also favors using the 1995-2006 as the basis for TAL allocation because more skate landings would be allowed for the bait fishery and little skates (targeted by the bait fishery) are not overfished. Therefore, allocation option 2 would reduce the allowable landings for the fishery that is targeting overfished winter skate.

Mr. Raymond Canasita, representing the New Bedford Display Auction and Northeast Seafood Coalition, supported alternatives using skate trip limits with no closed areas.

Mr. Albert Antonio, a bait trawl fisherman, favored adoption of Alternative 4.

October 28,2008, comments by Mr. Daniel Nordstrom

First, I would like to begin by saying that it is very imperative that we adopt the Alternative 4 of the skate possession limit with three-seasonal quota periods to manage the bait industry and its 4,106 mt TAL. If it is not managed in this way, it will have a detrimental impact on the little skate bait business (whole skate). I will now provide some reasons why:

First, the bait skate is not brought in by many boats because it is an order-based business where only what is NEEDED is caught, and sold. Also to keep a steady supply, the boats that bait-skate now, do it as a business. This means, they provide bait weekly, not being tempted to go after fluke, squid, and so on. Boats that do not fish bait as their primary business will chase other, more lucrative fish. And, as a buyer, I rely on the steady boats that do it year-round to provide what is needed. Thus, if you go to the alternative that would allow 12-14,000 lbs trip limit per day, it just wouldn't work. You would punish the boats that fish for bait exclusively. This daily trip limit would disrupt and cripple the bait industry as we know it. We took the 40% cut on the overall bait skate TAL that has been put in place onto an industry that has not been over fished, and is not being over fished. With the demand of bait skate lessened because of pot restrictions to the lobster boats, I feel the bait industry should not have to be hindered with a daily limit of 12-14,000 lbs./day. This is why we need Alternative 4 on the skate possession limit with a three-seasonal quota period. With this plan in place, we will be able to manage the bait skate industry in a responsible way.

Thank you very much.
Daniel Nordstrom



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Skate Amendment 3 Public Hearing Oral Comments Narragansett, RI October 29, 2008

The hearing had a good turnout, which included about 20 skate bait and lobster fishermen, plus two bait dealers and a PDT member. Support was unanimous for Alternative 4 with the three quota season option. All people making comments felt that this option was the least onerous on the skate bait fishery, which targets predominately little skate. Little skate is not currently overfished, nor subject to overfishing. All people making comments also supported the allocation option based on the longer 1995-2006 period. They felt that this option focused most of the catch reduction on winter skates and the 2005-2007 period was too short to base an allocation for a long-standing fishery.

Mr. Rodney Avila, a member of the Skate Oversight Committee, gave a brief introduction which explained why the Council was taking action to reduce skate catches and initiate rebuilding of smooth, thorny, and winter skates. He also outlined the TAL allocation options and the six alternatives in the amendment.

Mr. Danny Nordstrom, a skate bait dealer, supported Alternative 4, with a three season quota. The TAL option 1995-2006 base period reflects the true historic split of the fishery. A two-year base period is too short. His favorable comment for the 1995-2006 TAL allocation option was based data presented at the May 15, 2008 meeting. These data showed that around 2002, the wing and whole skate landings were about the same, but there has been a recent increase in wing landings from 8 to 14 million lbs., while the bait period dropped from 8 to 5 million lbs. He thought that this was an anomalous event and didn't represent the true historic split in fishery landings.

Mrs. Andrea Incollingo, owner of the The Bait Company in Point Judith, read from a prepared statement (see below) and said that the bait industry depends on a consistent supply to meet demand. Most of the demand occurs during July – Oct, with some bait sold during Mar – Jun after which a shift from herring to back to using skates for bait takes place. During Nov-Feb, the weather affects demand for bait and the use of herring for bait increases. For these reasons, Alternative 4 is preferred with a seasonal quota allocation. Seasonal quota management in herring in other fisheries works, she pointed out. She understood that a cap on landings as needed to address the overfished status of skates, and that the bait fishery had some impact on juvenile winter skate. But she did not believe that the impact is so great to warrant landings reductions in the bait fishery. She recommended using the 1995-2006 period as the basis for

TAL allocation, until additional science is available to determine the impact of the little skate fishery on the overfished skate species. She also suggested that the Council consider a moratorium on new regulations and evaluate the economic impact of the skate bait fishery. The Council and NMFS should do a better job protecting the industry and communities, she added.

Mr. Jim Neronha, a skate fisherman in Newport, Ri, thought that a reduction in DAS of 42% should have resulted in much less incidental kill of skates, and the 2:1 counting also had a major effect. He thought it would be unlikely for the bait fishery to grow and fishing intensify, because the market for skate bait is a limited market. He thought that a control date is needed, and that the Council should consider managing the skate fisheries with an ITQ system. If the landings had to be reduced to less than current amounts, it would not be feasible to continue fishing. Some fishermen would instead begin targeting small mesh species. He has had observers onboard who have said that the skate fishery is the best because there is little bycatch of non-target species. He commented that a daily catch limit would end the bait business. The only option that is feasible, in his opinion is Alternative 4.

Mr. David Spencer, Atlantic Offshore Lobstermen's Association and an active lobster fisherman, commented that any socio-economic study must take into account the effect on the bait and the lobster fishery. There are large implications to both industries, caused by a reduction in the allowable landings. He supports Alternative 4 (quota management for the skate bait fishery), managed on a trimester basis (seasonal quotas). Skate possession limits would be financially infeasible for the bait and lobster fishermen. The seasonal option allows financial solvency. Prefer three seasonal quotas, a single quota would result in adverse effects on price and quality, and would cause derby-style fishing to develop. An annual quota system would cause spikes in supply and price. Insofar as the TAL allocation, he recommended that the Council take the longer outlook, 1995-2005. The shorter time frame (2005-2007) is vulnerable to anomalous spikes that don't reflect the trend. He commented that changes in the price of bait would have a major effect on his business. Alternative 4 with a three season would provide most flexibility and price stability.

Mr. Mike Sentorial, contested whether the Amendment 3 Environmental Impact Statement is a legal document. He understood that the Council had to take action due to the overfished status, but the proposal pits the bait and the wing fisheries against each other. There isn't a need to manage little and clearnose skates under the bait fishery. Ninety percent of what is landed in the skate bait fishery is little skate, which is not overfished. Why is a TAC needed, he asked? Effectively the bait market is capped, because the lobster industry is capped and there has been a gradual reduction in trap effort due to regulations in the lobster fishery. The economic impact statement pits the two fisheries against one another, and does not account for the ??? factor. The document should address the imminent problem, the overfished status of winter skate. How are we going to keep track of the catch, he asked? Can a vessel get its own bait? Too many questions are left unanswered, he asserted. As a result, he questioned the legality of the document. He noted that the Council voted 16-2 not to tackle the issue.

Mr. Dennis Ingram, representing the RI Lobstermen's Association, supported the choice of Alternative 4 with a three-season quota. The effects on the inshore lobster business should be

included in an economic impact study. Adverse effects on industry infrastructure may be irreversible.

Mr. John Swobota, a lobster fisherman and multispecies DAS permit holder, supported Alternative 4.

Mr. Glenn Westcott, Ocean State Fisheries and a skate bait fisherman, backed Alternative 4 with a trimester period split 20/60/20, with carry-overs among the periods. He recommended that the Council consider a two month delay on the skate amendment so that it can coincide with Multispecies Amendment 16, so its effects on skate fishing could be understood and taken into account. At present he uses valuable Category A DAS to catch skates in July to October and has very little groundfish bycatch. He thought that there might be a 9 DAS reduction in next fishing year, so the Council should allow use of B DAS to target skates.

No more comments were offered and Mr. Avila closed the hearing.

National Marine Fisheries Service New England
Fisheries Management Council Draft Amendment 3 To
The Northeast Skate Complex October 29, 2008

By: Andrea Incollingo, owner, The Bait Company est. 1984

The skate bait industry depends on the consistent supply of an adequate amount of skates to meet the market demands. Although the lobster industry operates year round, the bulk of activity in the Northwest Atlantic occurs during the months of July through October. The next highest demand occurs during March through June as the shift from herring as bait back to skates takes place. The third trimester, in this scenario, would be November through February, in which time weather being more of a factor in determining lobster catching activity, demand is at its lowest. Also at this time the use of herring for bait increases especially here in southern New England and specifically Point Judith, due to the availability of locally caught herring. With this in mind, Alternative 4 is the preferred alternative. We have seen this method of seasonal quota management in the herring fisheries and the squid fisheries. We have also seen this in the state managed fisheries; i.e. fluke, scup, sea bass, etc.

While the need for reduction in the bait skate fishery is suspect, the need to address the overfished status of the winter skate is apparent. Because it has been determined that there is impact on the juvenile winter skate during fishing for the little skate, we are now required to do our part to meet the mandate outlined in the reauthorization of Magnuson Stevens. . I do not feel the impact is so great as to warrant significant reductions in the little skate fishery, so the 1995-2006 basis for allocation is the preferred time frame. What I would like to suggest is that there be continued science to more specifically identify the times and areas where this impact occurs. With this knowledge there could come a better view as to what can be done to help the winter skate biomass recover, while preserving the lobster bait and lobster industries.

I have to say my focus in this industry has always been the people. My employees, the dragger fishermen, the lobster fishermen and all the support industry men and women who make this a great industry. I have watched as these regulations have forced many men to leave the industry and others who have stayed to constantly adapt there businesses to survive. In the recent change in this country's economic climate, I would like to suggest that there be a moratorium on new regulations that inhibit the economic impact of this vital industry. In all of the fishing communities along this coast, the desire to work and create brand new revenue for the economy exists. We need to start doing a better job protecting this industry, protecting these jobs, protecting these communities and until they perfect that "replicator" (as seen on Star Trek) protecting the suppliers of the greatest source of natural protein on the planet!



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Skate Amendment 3 Public Hearing

Oral Comments

Portsmouth, NH

October 30, 2008

The meeting was attended by a bait dealer, a skate marketer (wings and bait), a member of the NH Fish and Game Commission, and representatives of two industry organizations. Most of the comments were in favor of Alternative 4 for the bait fishery, with a three-season quota option and the 1995-2006 basis for allocating the TALs. Many comments were informative and focused on the relationship between foreseeable Multispecies effort reductions and their effects on the availability of DAS to fish for skates. There was also mention of using a trigger to relax the skate regulations if the future groundfish regulations reduced the availability of DAS to target skates and/or reduced skate bycatch.

Mr. Doug Grout, a member of the Skate Oversight Committee, gave a brief introduction which explained why the Council was taking action to reduce skate catches and initiate rebuilding of smooth, thorny, and winter skates. He also outlined the TAL allocation options and the six alternatives in the amendment.

Mr. Danny Nordstrom, Nordstrom Seafood Traders, reported that he sells little skate to fishermen in NH. From his perspective it is important to have a steady supply of bait. He supports Alternative 4, with three seasonal quota periods and prefers using the 1995-2006 basis as a more accurate account of historic fishery conditions. He referred to a PDT graph from the May 15, 2008 meeting (showing landings by vessels on a groundfish DAS). The data in the graph showed the wing and bait fishery at 8 million lbs. until 2002, when the landings by the wing fishery nearly doubled by 2007 and bait landings declined. The skate boats he unloads do not bring in wings, because they are on a Skate Bait Letter of Authorization. He asked if it would be possible for a vessel's trip declaration to be valid for the entire year, consistent with the Bait Letter of Authorization, maintaining the difference between the fisheries?

Mr. Nordstrom emphasized that there is only one option where the bait industry survives, Alternative 4. The 14,200 lbs. per day won't work for the bait industry.

Mrs. Bonnie Spinnazola, representing the American Offshore Lobstermen's Association, commented that the skate fishery should be managed as a quota, rather than by possession limits. Her organization therefore supports Alternative 4, broken into thirds. The association members would not want seasonal area closures, because the accountability measures would take care of the overage. Their rationale for supporting a quota system with three periods is because it would

minimize the amount of time between potential closures. The 1995-2006 is the only time period that is practical. The 2005-2007 option time period is too short as a basis for TAL allocation, she said.

Mrs. Spinnazola said that the alternatives have a huge effect on the lobster fishery. There cannot be tunnel-visioned management that fails to account for the effect on the skate bait fishery and the lobster fishery. The possession limits would favor smaller boats and for the larger boats it would not be economic to fish under such a system. Alternative 4 is conservation equivalent to the other alternatives and works for the fishermen.

Mrs. Maggie Raymond, representing the Associated Fisheries of Maine, asked why there was a target catch, or ACT, when the Council comments on the proposed guidelines said that such a target was unnecessary. She also asked about how the area closures would apply. Her members had no preference for the allocation options, but there should be a preference for the food fishery over the bait fishery. The wing fishery is only avoidable to a certain extent by vessels that are targeting other species. If a hard TAC results in closures for the groundfish fishery, that would create problems. She noted that the skate fishery is dependent on the DAS in the groundfish fishery. What happens when many vessels are in groundfish sectors and not fishing on a DAS, she asked?

Mr. Larry Lingren, Seafresh USA in Portland ME and in RI, reported that all operations in his business use skates in one way or another, both bait and wing fishery. Portland packs for the domestic fresh and the export frozen market. People are concerned about Amendment 16 and keeping up with Amendment 13 goals. There is a lot of information and data that we don't have, he thought. How will the reductions in DAS have an affect on the skate fishery? This will cause a reduction in fishing effort for skates. He thought that the skate amendment may cause a double layer of management.

Many felt that Amendment 3 is a done deal, which is disappointing, Mr. Lingren said. With both sets of reductions, many skippers will simply tie up and not fish. Many boats will be displaced from the fishery. We don't know whether the skates will come back from the reduced catch. But the industry needs a supply of skates to maintain a foreign market niche. There should be an economic analysis of the effect on the world marketing of skates captured in the US. The boats and markets may not be available when skates recover. He thought that the document does not address or analyze the dynamic changes in the skate fishery. Some bait fishermen are now landing skates for the wing fishery, in response to changes in price, which blurs the distinction between the wing and bait fishery. His business has made investments in equipment to produce skates for export. The business needs landings volume to process to make the investment worthwhile. New Bedford has about 60 skilled employees, his processing plant has about 25 employees. If there is a closure many employees will find other lines of work rather than wait out the closure period. These effects need to be considered in the EIS.

A hard TAC would be almost devastating to the processing sector, Mr. Lingren predicted. It is difficult to recommend one option over the other, but he felt that the longer time period is a better option. Historically what happened may be out of sync with the reference points, however.

Mr. Lingren reported that in some cases, skates have been the main target with an incidental catch of monkfish and winter flounder. The latest increase in the skate price has been related to the strength of the Euro, a situation that has begun reversing due to the declining value of the Euro. He thought the Council should consider using triggers in the Skate FMP that would be invoked if Amendment 16 reduces the availability of DAS to fish for skates. If this were the outcome, the Skate FMP would reduce the restrictions within it to allow some fishing on skates.

