

#4



New England Fishery Management Council

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

MEMORANDUM

DATE: January 27, 2009
TO: Scientific and Statistical Committee (SSC)
FROM: Council
SUBJECT: **Review of specific alternatives under consideration in Scallop Amendment 15 and discussion of how to analyze the economic and social impacts**

The Council is scheduled to approve the final range of alternatives that will be analyzed in Scallop Amendment 15 at the February 2009 Council meeting. The amendment is considering three overall objectives: 1) to bring the Scallop FMP in compliance with the re-authorized Magnuson-Stevens Conservation and Management Act (MSRA) requiring that each fishery use annual catch limits (ACLs) to prevent overfishing, including measures to ensure accountability; 2) address excess capacity in the limited access (LA) scallop fishery and provide more flexibility for efficient utilization of the resource; and 3) adjust several aspects of the overall program to make the scallop management plan more effective including a new overfishing definition (OFD) to be more compatible with area rotation. For this action, the Council has requested that the SSC review and provide input on two specific aspects of the amendment, and provide feedback on methods for analyzing the economic and social impacts of measures under consideration.

First, since the SSC will be an integral step in the future setting of scallop annual biological catch (ABC), as required by MSRA, the Council requests feedback on the process for setting ACLs that has been developed by the Scallop PDT and Committee to date. At the upcoming SSC meeting Council staff will present the general ACL process under development. The intention is that Amendment 15 will contain the process, and specific ACLs will be set at subsequent meetings when fishery specifications are set. *For this agenda item please review Section 3.2 of Amendment 15 DEIS – Scallop Document #2.*

Second, the Council has requested input on the alternatives under consideration to modify the overfishing definition used in the Scallop FMP. The SSC has met on this topic already (October 6, 2008) and found the proposed alternative scientifically sound and recommended to the Council that it should be considered in Amendment 15. However, based on some comments made during the SSC meeting and other public meetings the PDT has developed another alternative that hopefully addresses the main concern raised about the proposed overfishing definition. Specifically, it has been raised that the proposed overfishing definition would be difficult to assess since the area used to calculate fishing mortality would change year to year as

areas open and close. So a “hybrid” alternative has been developed that combines the $F_{\text{threshold}}$ of the status quo definition, but includes an F_{target} in the same fashion as the proposed definition using the time-averaging principles in access areas. The Scallop Committee has requested that this hybrid alternative be reviewed by the SSC before the Council approves a final range of alternatives on February 11, 2009. A brief presentation of the hybrid alternative will be given at the upcoming meeting with the opportunity for questions and comments. *For this agenda item please review Section 3.4.1 of Amendment 15 DEIS (Scallop Document #2) and Document #3 – Summary of “hybrid” overfishing definition alternative.*

Amendment 15 is considering several other topics that do not necessitate SSC input during the development stage; however it would be useful to get preliminary input from the SSC on methods used to analyze the economic and social impacts of some of these alternatives. This action is considering several alternatives to address excess capacity in the limited access scallop fishery and provide more flexibility for efficient utilization of the resource through various stacking and leasing alternatives. Since some of these measures have the potential to have substantial impacts on the fishery and communities, the Council requests that the SSC review and provide input to the PDT about how these issues should be considered. Council staff will present how these measures will be analyzed including a description of the available sources of data, the economic models that will be used, summary of assumptions that will be made, etc. The Council has requested that the SSC review these methods now before analyses are completed; therefore, if refinements are necessary the Scallop PDT will have time to make adjustments if possible. Later in the process, the full Amendment 15 package will be presented to the SSC with complete biological and economic analyses. The Council is scheduled to review the final analyses and identify preferred alternatives in September 2009 before the draft document is available for public comment. *For this agenda item please review the measures under consideration for addressing excess capacity – Section 3.3 of A15 DEIS and Scallop Documents #4(Summary of methods used for economic analyses) and #5(Summary of issues that will be considered in the social impact assessment).*

Ideally, the SSC will provide feedback to the Council on these three issues at the February 2009 Council meeting. Following a report from the SSC on February 11, the Council is scheduled to approve the final range of alternatives for Amendment 15.

Relevant Meeting Materials:

1. Scallop Amendment 15 DEIS – Description of alternatives under consideration only
2. Summary of “hybrid” overfishing definition alternative – power point presentation
3. Economic trends in the scallop fishery (landings, revenues, prices etc.)
4. Summary of methods used for economic analyses
5. Summary of issues that will be considered in the social impact assessment
(Document #5 will be emailed to SSC members later in the week)