

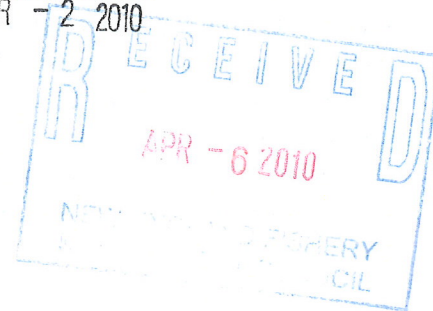
Correspondence



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
NORTHEAST REGION
55 Great Republic Drive
Gloucester, MA 01930-2276

#10a

APR - 2 2010



John Pappalardo, Chairman
New England Fishery Management Council
50 Water Street, Mill 2
Newburyport, MA 01950

Dear John:

Amendment 16 to the Northeast (NE) Multispecies Fishery Management Plan (Amendment 16) establishes the concept of potential sector contributions (PSC) for permits, defines the method to compute PSCs, and sets a finite pool of permits eligible to join a sector. The proposed rule to implement Amendment 16 clarified that the pool of permits eligible to join a sector is restricted to limited access NE multispecies permits that were either active, or in confirmation of permit history status, as of May 1, 2008. Amendment 16 states that a date is specified for calculating history so that the calculation is only done once, and the resulting shares become fixed. Since May 1, 2008, a small number of permits from this pool have been permanently cancelled, either through voluntary relinquishment by the permit holder or under the renew-or-lose provision. Amendment 16 is silent regarding the fate of history associated with those cancelled permits. This letter is to notify the New England Fishery Management Council (Council) that NOAA's National Marine Fisheries Service (NMFS) interprets Amendment 16 to allocate history associated with cancelled permits to the common pool for fishing year (FY) 2010.

At the March 2008 Groundfish Committee meeting, the following motion was passed:

Motion as perfected: To recommend to the Council that, when calculating the landings history percentage of a permit's potential sector contribution, the denominator will be landings of groundfish by permits eligible for sector membership (limited access permits, including handgear A and permits in the CPH category). ... The PDT will examine the implications of permits exiting the fishery on calculating PSCs. (Emphasis added.)

The plan development team (PDT) discussed the issue of cancelled permits at its April 7, 2008, meeting and provided two possible methods to the Groundfish Committee in a memorandum on April 20, 2008, but did not recommend a method. The Groundfish Committee has not made any recommendation to the Council on a method for reallocating history from cancelled permits.

Amendment 16 specifies that the annual catch entitlement (ACE) for a stock that is allocated to a sector will be calculated based on the PSC attached to each permit that joins the sector in a given year. A sector's ACE is a percentage of the annual catch limit (ACL) set for that stock for that fishing year. The commercial groundfish sub-ACL is divided between sector and common pool vessels by allocating each sector the proportion

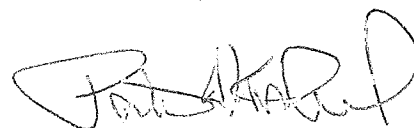


of the sub-ACL for a stock equivalent to the summed PSCs for that stock of that sector's members. Accordingly, the common pool is allocated the portion of the commercial groundfish sub-ACL for each stock that is not allocated to sectors. In order to move forward for the FY 2010 fishing year, NMFS has determined that the portion of the sub-ACLs that would be associated with a permit eligible to join a sector defaults to the common pool if that permit is cancelled (and therefore not enrolled in a sector) prior to the start of the fishing year. If the permit is cancelled during the fishing year, that portion of the sub-ACL remains allocated to either the common pool or a particular sector for the remainder of the fishing year, in accord with the enrollment of the permit at the start of the fishing year.

At present, 33 of the permits from the pool of permits eligible to join a sector (as defined by Amendment 16) have been cancelled. Together, the summed PSCs of these 33 permits amount to less than 0.3% of each allocated stock. In addition to these cancelled permits, 15 other limited access permits have not yet been renewed for FY 2010. One of these 15 permits is on a sector roster for FY 2010. If that permit is not renewed prior to May 1, 2010, it will be included on the sector roster, but its contribution to the sector's ACE would be withheld and the permit could neither be used to fish nor lease days-at-sea (DAS) in FY 2010 until it is renewed. The other 14 permits would be included in the portion of the sub-ACL allocated to the common pool. If these 14 permits are not renewed prior to May 1, 2010, these permits could not be used to fish or lease DAS in FY 2010 until renewed.

The scope of this issue is very small at this time, and the allocation of the cancelled permits' history to the common pool appears to result in only a very negligible allocative difference between common pool and sector vessels in FY 2010. However, the Council may wish to consider whether, in future years, it would be better to recalculate PSCs annually (prior to the start of the next fishing year), removing cancelled permits from the pool of eligible permits. Thus, the history of the cancelled permits would be redistributed equally among the remaining pool of eligible permits, rather than defaulting to the common pool. My staff is available to further discuss this process with your staff, if you have questions regarding this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Patricia A. Kurkul". The signature is stylized and somewhat cursive.

Patricia A. Kurkul
Regional Administrator

cc: Paul J. Howard, Council Executive Director

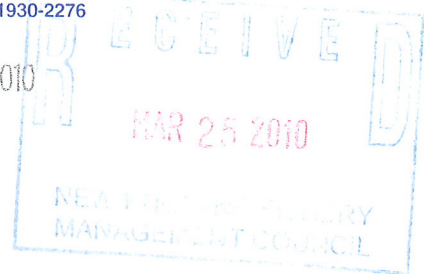
#10b



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
 NATIONAL MARINE FISHERIES SERVICE
 NORTHEAST REGION
 55 Great Republic Drive
 Gloucester, MA 01930-2276

John Pappalardo, Chairman
 New England Fishery Management Council
 50 Water Street, Mill 2
 Newburyport, MA 01950

MAR 23 2010



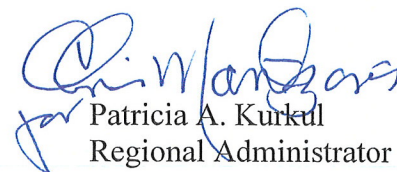
Dear John:

In my January 21, 2010, letter I commented that the New England Fishery Management Council (Council) could revise the disapproved Amendment 16 Gulf of Maine (GOM) Sink Gillnet Pilot Program in a future action, but also that elements of this program could be used to increase access to haddock on a smaller, more controlled scale by sector vessels without unnecessarily compromising efforts to eliminate overfishing and rebuild overfished stocks of cod and pollock. In that letter I informed you that NOAA's National Marine Fisheries Service (NMFS) would support efforts to approve such opportunities for sectors through another means, and would work with the Council to explore such possibilities.

This letter is to inform you that NMFS will be contacting each of the 17 sectors that have submitted an operations plan for FY 2010 to offer all of them an opportunity to request an exemption from the minimum gillnet mesh size requirements in the GOM from January through April and to also ask them whether or not there are any additional exemptions they would like to request for FY 2010. These additional exemptions for FY 2010 would be limited to the comprehensive list of exemptions already analyzed for sectors for FY 2010, and exemptions functionally equivalent to the GOM Sink Gillnet Pilot Program. These additional exemption requests would be considered in a separate rule, with a supplemental environmental assessment (EA). Limiting the exemptions to those previously analyzed will allow us to tier the supplemental EA off the Amendment 16 Final Environmental Impact Statement and the 17 sector EAs already prepared. This is the most expeditious mechanism to approve additional exemptions for the sectors.

My staff is available to discuss this process with your staff, if you have questions regarding this letter.

Sincerely,


 Patricia A. Kurkul
 Regional Administrator

cc: Paul J. Howard, Council Executive Director



#10c

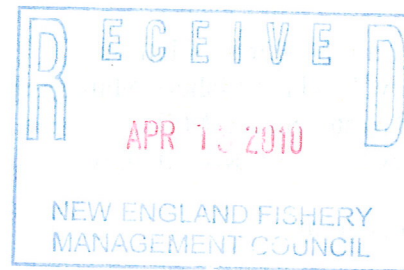
ASSOCIATED FISHERIES OF MAINE

PO Box 287, South Berwick, ME 03908

207-384-4854

April 12, 2010

Mr. John Pappalardo, Chair
New England Fishery Management Council
50 Water Street
Newburyport, MA 01950



Dear John:

I am writing, on behalf of our membership, to request that the New England Fishery Management Council (Council) initiate a framework adjustment to the Northeast Multispecies Fishery Management Plan to accomplish the following:

- Implementation of new groundfish sectors for the 2011 fishing year, consistent with industry requests
- Modification of the May Gulf of Maine rolling closure for sectors, consistent with the Council's recommendation of November 18, 2009
- Access to certain portions of the Great South Channel Scallop Dredge Exemption Area, currently closed during April, May and June, by general category ITQ vessels

Sincerely,

M. Raymond

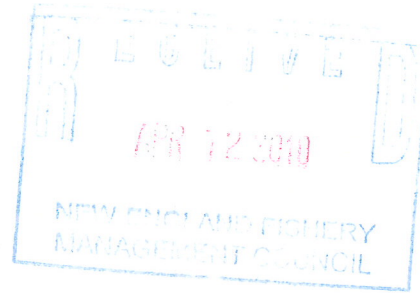
Maggie Raymond

#10d



CITY OF NEW BEDFORD

SCOTT W. LANG, MAYOR



April 5, 2010

Groundfish/Scallop Committee
New England Fishery Management Council
50 Water Street
Newburyport, MA 01950

Re: Joint Groundfish Scallop Committee of the New England Fishery Management Council, Proposed Amendment

Dear Distinguished Members of the Groundfish/Scallop Committee:

As the Mayor of the number one fishing port in the nation I write to you today to express New Bedford's stance regarding the amendment alternatives now under consideration by the Joint Groundfish/Scallop Committee of the New England Fishery Management Council. New Bedford's commercial fishing industry creates a one billion dollar economic impact in our region and employs over 4,000 people. New Bedford is a full service port with over 200 businesses that support commercial fishing. The jobs as well as the tax base the businesses provide to the City are tied to the vitality of the fishing industry. It is the highest responsibility of this Committee to rationalize the implementation of any fishery management amendment and frame a plan that takes into account fairness, flexible and contemporary modification of stock assessments, and ensure that there is adequate infrastructure for that management structure. I ask that you take every effort to ensure any promulgated amendment strikes a fair and reasonable balance between conservation and the economic sustainability of fishing communities.

I believe that the social and economic consequences that fishery management impose on our fishermen and their families, and on local economies are not fully understood by the Agency and are not weighed fairly in the decision making process. In the development of the amendment it is of utmost importance that the Committee obtain a comprehensive assessment of the socio-economic impacts as required under Rule 8 of the Sustainable Fisheries Act (SFA).

In addition, I have serious reservation in the Council attempting to tie any management system to the catchshare / sector management program scheduled to move forward on May 1, 2010. It is premature to propose a developed planned alternative for a catchshare /sector system between ground fishermen and scallop fishermen for the exchange of yellowtail flounder. Under separate cover (copy attached), I have urged that NOAA

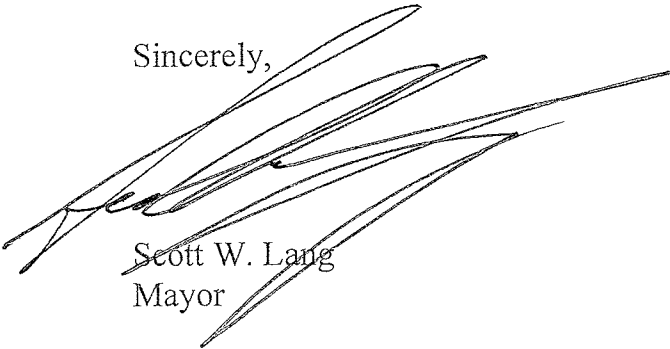
delay the implementation of the catchshare / sector management system until the program is fully developed and has a high margin for success based on workable allocations and credible science. The effect of the catchshare/ sector system is not known at this time. It should not become the foundation of the Council's management strategies until it is shown to be an effective conservation system, and that it does not decimate the economies of the fishing ports.

The focus of this Committee should include industry self governance and the ability of fishermen to make exchange or the purchase yellowtail flounder bycatch in harmony with market forces. While the government needs to monitor these transactions for statistical purposes, it does not need to be directly involved in the transactions themselves. I would like to add that this issue could expeditiously be resolved by changing the rebuilding requirement for yellowtail from 7 to 10 years. 16 US Code Section 1854 of the Magnuson Act requires the rebuilding of stocks at a minimum of 10 years, at this time, and you are well aware there is a strong argument that the Act should be amended to allow flexibility for rebuilding beyond 10 years. Contrary to current law, the NEFMC has voted to rebuild the yellowtail stocks in 7 years. A multi-million dollar industry should not be penalized to the point of catastrophic loss resulting from the arbitrary selection of a 7-year rebuild model. Consistent with federal law that exists at this time, the 10 year rebuild plan should be the measure adopted by the NEFMC for yellowtail.

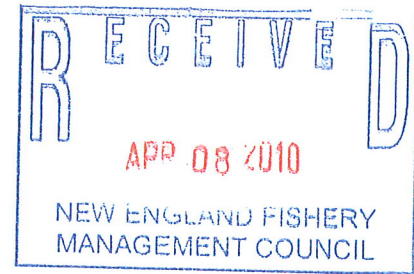
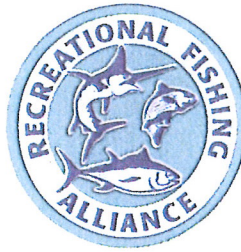
Finally, I also ask that you consider eliminating the year round closures on Georges Bank and institute seasonal spawning closures. With the implementation of sectors for the majority of the groundfish fleet year-round closures as a control may be unnecessary. This promises to yield tremendous economic gains for industry while also achieving conservation goals.

Thank you in advance for your careful consideration of these important issues.

Sincerely,



Scott W. Lang
Mayor



April 8, 2010

Mr. John Pappalardo, Chairman
New England Fishery Management Council
50 Water St.
Newburyport, MA 01950

Dear John:

On behalf of the Recreational Fishing Alliance, the Stellwagen Bank Charter Boat Association, and the Northeast Charterboat Captains Association, I would ask that the Council reaffirm the Multispecies Party/Charter Control Date of March 30, 2006.

As chairman of the Recreational Advisory Panel (RAP), I know how much effort the RAP put in to establish the control date, and as a committee we appreciate the Council's vote to implement it. At that time the RAP was assured by the Council that work on the party/charter limited entry program would begin in 2007. As you are aware, that work did not take place due to the Council's priorities scheduling. We are now into the second quarter of 2010, and there appears to be no plans to create the program this year.

We respectfully request that the Council:

- (A) Reaffirm the Multispecies Party/Charter Control Date of March 30th, 2006, as its next meeting.
- (B) Prioritize the party/charter limited entry program for 2011.

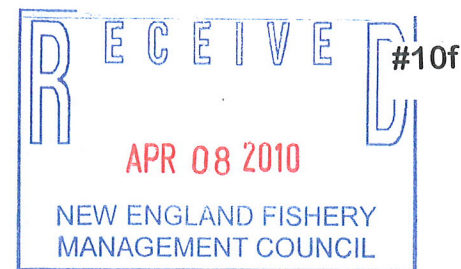
The RAP might be the logical group to perform the initial work and sort out some of the qualification issues, and perhaps use the commercial multispecies limited entry program as a template. After the RAP roughs out the program, it could be turned over to the Groundfish Committee for fine-tuning. We (the RAP) look forward to getting started on the project as soon as practicable.

Thanks very much, John, for the Council's consideration of our requests.

Sincerely,

Barry Gibson

Capt. Barry Gibson
New England Regional Director
Recreational Fishing Alliance



April 8, 2010

Mr. Paul Howard, Executive Director
 New England Fishery Management Council
 50 Water St.
 Newbury, MA 01950

Dear Paul:

This is a request for revisions in the regulations that govern **when** charter/party (c/p) vessels fishing in the GOM may possess GOM cod. The current regulations are governed by actions from Framework 42 and Amendment 16 approved by the NEFMC and adopted by NMFS.

Request: We are asking that GOM charter/party boats be allowed to possess GOM cod during all of March and April.

Conservation Equivalent(s): If necessary, a conservation alternative(s) could be established to replace current measures. Possibilities may include:

- A higher minimum size to a maximum of 25," either for the season or just in the March-April timeframe.
-
- Closing the month of October and opening up March and the first two weeks of April.

Cause of Problem: Framework 42 prevents recreational boats in the GOM from possessing cod from Nov. 1 to March 31. In 2009, amendment 16 prevents possession of cod another 15 days (Nov. 1-Apr.15).

Problem: Over the last 10 years, our businesses are being ruined by these regulations and other factors because:

1. GOM c/p boats have been put to a major disadvantage over (SNE) Southern New England c/p boats which do not have similar regulations and are taking away our customers who historically want to catch cod in Feb., March and the beginning of April. Many of our customers from NY, NJ, PA, DE, CT, RI and MA have "cabin fever" in March and April or have their own boats and will not come after April 15th especially when striped bass arrive in their area. The cod bite in the SNE area has greatly improved in recent years and otherwise idle boats are now filled with customers, many of which were our customers in the past but now cannot fish with us because we are "tied to the dock" by the regulations. SNE c/p boats have gained a tremendous advantage over us because of Framework 42 and Amendment 16. Major cod bites off Block Island, Montauk and NJ have been labeled "Best Cod Bite in a Century". This is in an area where GB cod are referred to as a "collapsed

fishery”. We are not suggesting any negative or punitive measures for SNE p/c boats, we are asking to restore our traditional early Spring cod fishing charter business in the GOM by treating us the same.

2. **Gear conflicts with commercial vessels.** The recreational fishery has historically had two months (60days) of Spring cod fishing before commercial vessels were allowed on Stellwagen Bank. Last year, we began April 1st and commercial boats started June 1st. Years earlier, when we were allowed to fish March 1st, the commercial fleet started May 1st. This year Sector boats start May 1st, giving us only 15 days without conflicts. It is almost impossible for us to drift and jig for cod amongst gill nets that take over entire areas with only 50 ft. between them. Draggers can clean out an entire body of fish overnight once they find us. Commercial boats start May 1st, we want to start March 1st. We are a “clean” fishery and have no bycatch and low mortality on released fish. The council and NMFS needs to take this into consideration.
3. **Choice of Season** Sector commercial boats are allowed to pick their own seasons and have their own catch allocation. C/P boats in the GOM have had this unfair closed season forced on us by the PDT of the NEFMC without choice or public comment. In 2006 the RAP of the NEFMC recommended limited access for C/P vessels and our own allotment and sector. We even established a control date for limited access, but have been ignored by the NEFMC since.
4. **Amendment 16** (Recreational Measures) Many GOM c/p boat operators attended the NEMFC meeting in Portland, ME, this past June 24th. We were told that because the council voted for the 5 year allocation period , that this would result in “Status Quo” for cod for Recreational fisherman and a one inch reduction in haddock size limit. Then, without explanation, new rules surfaced that told us of the new additional 15 day closed season. Tom Nies of NEFMC explained to Tom DePersia that the SSC of the council decided to reformulate the mortality target for GOM cod to 75% of FMSY instead of 100%. The SSC decides scientific uncertainty. Then the PDT made the decision to further punish c/p boats for our “clean fishery” by imposing an additional 15 days to our existing 5-month closure on cod. This is without analysis by the RAP and without the public being aware of what happened. No public comment.

In conversation with Tom Depersia, Tom Nies commented that “he does not feel the recreational sector will reach their GOM cod allotment during 2010”. Then why are we losing 15 more days of our season?

During Framework 42, NMFS asked for a 30% reduction in mortality by recreational fishermen. The 5 month closure and new 24” size limit resulted in a 50% reduction in our c/p bookings and a 66% reduction in mortality. This

information came to us at a RAP meeting, presented by a NMFS statistics person. The measures doubled our punishment. We feel these new measures are again excessive and that we should be left alone, perhaps no new measures and that our season begin March 1st instead of April 1st or April 15th.

5. **Only Full-Time Charter/Party boats are taking the full burden of the recreational measures of the cod closure.** Totally recreational fishermen with boats and part-time charter boats normally do not start until late April or May anyway; and very few fish in the winter. They are not starving after a 5 month closure. Winter means high expenses and no income. Many full time C/P operators cannot pay their mortgages and expenses by April and also have high start-up expenses. We desperately need income by March. In addition, the condensed season is forcing some c/p boats to sail on rough days causing safety issues to them and their customers.

The major differences in regulations for GOM cod vs. SNE (GB) cod have not been taken into consideration in both Framework 42 and Amendment 16. The Council has pushed aside the party/charter limited entry program for several years now, citing its "low priority." The additional 15-day closure was done quickly and with no prior notification or explanation to the public. No consideration was taken concerning conflicts between commercial and recreational fisherman.

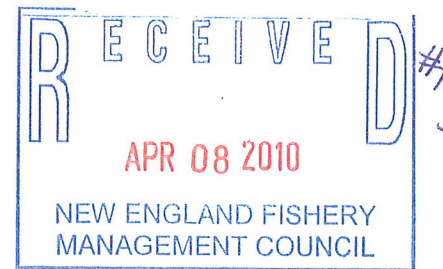
We respectfully request that this matter be addressed immediately because of the severe harm it has caused the GOM c/p industry, other supportive businesses and the private recreational angler.

Once again, please help us in revising the current season closure on GOM by opening up March and April.

Sincerely,

Thomas J. DePersia
President, Stellwagen Bank Charter Boat Assoc.
RAP member NEFMC

Capt. Chuck DiStefano, SBCBA
Capt. Ralph Pratt, SBCBA
Capt. Kevin Twombly, Northeast Charterboat Capts. Assoc.
Capt. Barry Gibson, Regional Director, Recreational Fishing Alliance



April 8, 2010

Mr. Paul Howard, Executive Director
 New England Fishery Management Council
 50 Water St.
 Newbury, MA 01950

Dear Paul:

This is a request for revisions in the regulations that govern when charter/party (c/p) vessels fishing in the GOM may possess GOM cod. The current regulations are governed by actions from Framework 42 and Amendment 16 approved by the NEFMC and adopted by NMFS.

Request: We are asking that GOM charter/party boats be allowed to possess GOM cod during all of March and April.

Conservation Equivalent(s): If necessary, a conservation alternative(s) could be established to replace current measures. Possibilities may include:

- A higher minimum size to a maximum of 25," either for the season or just in the March-April timeframe.
-
- Closing the month of October and opening up March and the first two weeks of April.

Cause of Problem: Framework 42 prevents recreational boats in the GOM from possessing cod from Nov. 1 to March 31. In 2009, amendment 16 prevents possession of cod another 15 days (Nov. 1-Apr.15).

Problem: Over the last 10 years, our businesses are being ruined by these regulations and other factors because:

1. GOM c/p boats have been put to a major disadvantage over (SNE) Southern New England c/p boats which do not have similar regulations and are taking away our customers who historically want to catch cod in Feb., March and the beginning of April. Many of our customers from NY, NJ, PA, DE, CT, RI and MA have "cabin fever" in March and April or have their own boats and will not come after April 15th especially when striped bass arrive in their area. The cod bite in the SNE area has greatly improved in recent years and otherwise idle boats are now filled with customers, many of which were our customers in the past but now cannot fish with us because we are "tied to the dock" by the regulations. SNE c/p boats have gained a tremendous advantage over us because of Framework 42 and Amendment 16. Major cod bites off Block Island, Montauk and NJ have been labeled "Best Cod Bite in a Century". This is in an area where GB cod are referred to as a "collapsed

fishery”. We are not suggesting any negative or punitive measures for SNE p/c boats, we are asking to restore our traditional early Spring cod fishing charter business in the GOM by treating us the same.

2. **Gear conflicts with commercial vessels.** The recreational fishery has historically had two months (60days) of Spring cod fishing before commercial vessels were allowed on Stellwagen Bank. Last year, we began April 1st and commercial boats started June 1st. Years earlier, when we were allowed to fish March 1st, the commercial fleet started May 1st. This year Sector boats start May 1st, giving us only 15 days without conflicts. It is almost impossible for us to drift and jig for cod amongst gill nets that take over entire areas with only 50 ft. between them. Draggers can clean out an entire body of fish overnight once they find us. Commercial boats start May 1st, we want to start March 1st. We are a “clean” fishery and have no bycatch and low mortality on released fish. The council and NMFS needs to take this into consideration.

3. **Choice of Season** Sector commercial boats are allowed to pick their own seasons and have their own catch allocation. C/P boats in the GOM have had this unfair closed season forced on us by the PDT of the NEFMC without choice or public comment. In 2006 the RAP of the NEFMC recommended limited access for C/P vessels and our own allotment and sector. We even established a control date for limited access, but have been ignored by the NEFMC since.

4. **Amendment 16** (Recreational Measures) Many GOM c/p boat operators attended the NEMFC meeting in Portland, ME, this past June 24th. We were told that because the council voted for the 5 year allocation period , that this would result in “Status Quo” for cod for Recreational fisherman and a one inch reduction in haddock size limit. Then, without explanation, new rules surfaced that told us of the new additional 15 day closed season. Tom Nies of NEFMC explained to Tom DePersia that the SSC of the council decided to reformulate the mortality target for GOM cod to 75% of FMSY instead of 100%. The SSC decides scientific uncertainty. Then the PDT made the decision to further punish c/p boats for our “clean fishery” by imposing an additional 15 days to our existing 5-month closure on cod. This is without analysis by the RAP and without the public being aware of what happened. No public comment.

In conversation with Tom Depersia, Tom Nies commented that “he does not feel the recreational sector will reach their GOM cod allotment during 2010”. Then why are we losing 15 more days of our season?

During Framework 42, NMFS asked for a 30% reduction in mortality by recreational fishermen. The 5 month closure and new 24” size limit resulted in a 50% reduction in our c/p bookings and a 66% reduction in mortality. This

information came to us at a RAP meeting, presented by a NMFS statistics person. The measures doubled our punishment. We feel these new measures are again excessive and that we should be left alone, perhaps no new measures and that our season begin March 1st instead of April 1st or April 15th.

5. Only Full-Time Charter/Party boats are taking the full burden of the recreational measures of the cod closure. Totally recreational fishermen with boats and part-time charter boats normally do not start until late April or May anyway; and very few fish in the winter. They are not starving after a 5 month closure. Winter means high expenses and no income. Many full time C/P operators cannot pay their mortgages and expenses by April and also have high start-up expenses. We desperately need income by March. In addition, the condensed season is forcing some c/p boats to sail on rough days causing safety issues to them and their customers.

The major differences in regulations for GOM cod vs. SNE (GB) cod have not been taken into consideration in both Framework 42 and Amendment 16. The Council has pushed aside the party/charter limited entry program for several years now, citing its "low priority." The additional 15-day closure was done quickly and with no prior notification or explanation to the public. No consideration was taken concerning conflicts between commercial and recreational fisherman.

We respectfully request that this matter be addressed immediately because of the severe harm it has caused the GOM c/p industry, other supportive businesses and the private recreational angler.

Once again, please help us in revising the current season closure on GOM by opening up March and April.

Sincerely,

Thomas J. DePersia
President, Stellwagen Bank Charter Boat Assoc.
RAP member NEFMC

Capt. Chuck DiStefano, SBCBA
Capt. Ralph Pratt, SBCBA
Capt. Kevin Twombly, Northeast Charterboat Capts. Assoc.
Capt. Barry Gibson, Regional Director, Recreational Fishing Alliance



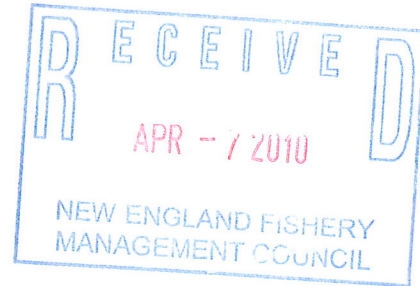
PORTLAND FISH EXCHANGE

#10h

6 Portland Fish Pier | Portland, ME 04101
Toll Free 1-866-633-4741 | Tel 207-773-0017 | www.pfex.org

March 29, 2010

John Pappalardo
C/O New England Fishery Management Council
50 Water Street Mill 2
Newburyport MA 01950



Dear Mr. Pappalardo,

I have been advised by NMFS staff to contact you in response to the Portland Fish Exchange's request for an exemption in Section 4.2.3.5.4; Standards for Sector Monitoring and Reporting Service Providers, from Amendment 16. I am writing to request that the New England Fishery Management Council consider this request at the upcoming April 27-29, 2010 meeting. The specific exemption request is that the Exchange be allowed to apply and provide dockside & roving monitoring services.

The only language written into the standards precluding the Exchange to provide dockside & roving monitoring services is our dealers' license.

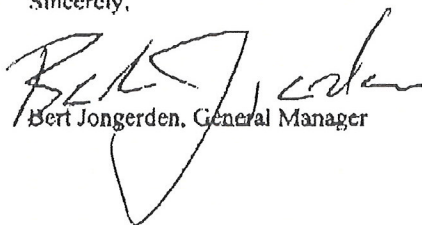
The Exchange has been the cornerstone of Maine commercial fishing industry since April of 1986. The auction has been the benchmark for transparency and integrity in arranging for the sale of seafood between sellers and buyers. I wish to point out that at no time does the Exchange purchase from either sellers or buyers, and are merely the custodian of the product during transfer of ownership.

Given this unique and unbiased business philosophy, and at the urging of our customer base, the Exchange is asking for this exemption. I wish to also urge the Council to examine our computerized bar-coding and off-loading management system; this proprietary software is designed to accurately tally vessels, update the auction program and insure proper final destination shipping is completed. At no time can the data be manipulated once imputed into the auction program.

To note; the Exchange has never been issued any federal fishing regulations violations, and with very specific employee policies addressing these regulations.

In closing; I hope the Council will be able to discuss and vote to support the Portland Fish Exchange's request for this exemption at the April meeting. I plan on being in attendance to answer and respond to any questions or concerns the Council members may have. I feel strongly the Council can feel confident in the Portland Fish Exchange's record of honesty and integrity over the past 24 years, and a stated commitment to provide unbiased and factual dockside & roving monitoring services.

Sincerely,


Bert Jongerden, General Manager

KELLEY DRYE & WARREN LLP
A LIMITED LIABILITY PARTNERSHIP

#10 i

WASHINGTON HARBOUR, SUITE 400
3050 K STREET, NW
WASHINGTON, D.C. 20007-5108

FACSIMILE
(202) 342-8451
www.kelleydrye.com

NEW YORK, NY
CHICAGO, IL
STAMFORD, CT
PARSIPPANY, NJ

BRUSSELS, BELGIUM

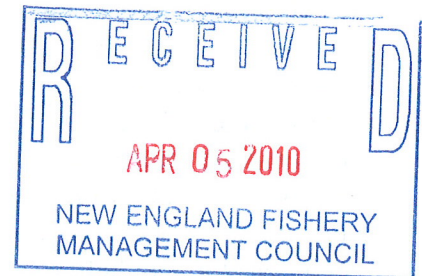
(202) 342-8400

AFFILIATE OFFICES
MUMBAI, INDIA

DAVID E. FRULLA
DIRECT LINE: (202) 342-8648
EMAIL: dfrulla@kelleydrye.com

April 5, 2010

FIRST CLASS MAIL



Mr. Rip Cunningham, Chairman
Joint Groundfish/Scallop Oversight Committee
New England Fishery Management Council
50 Water Street
Newburyport MA 01950

Re: Draft Scoping Materials for Joint Amendment

Dear Chairman Cunningham:

As you know, we represent the Fisheries Survival Fund, whose participants include the bulk of the full-time limited access Atlantic scallop permit holders as well as associated scallop-dependent business. We have reviewed the draft scoping document and strawman goals for Scallop Amendment 16/ Northeast Multispecies Amendment 17. The joint amendment is designed to address yellowtail flounder bycatch considerations in the scallop fishery under the annual catch limit (ACL) and accountability measure (AM) regime mandated by the Magnuson-Stevens Fishery Conservation and Management Reauthorization Act of 2006, as well as to provide a framework for addressing other potential Northeast Multispecies bycatch issues, if needed.

The stated goals for the joint Amendment are as follows:

1. To develop measures that allows the exchange of species allocations between the Northeast Multispecies and Scallop fisheries in order to facilitate the harvest of optimum yield from the two fisheries.
2. To reduce bycatch of groundfish species in the scallop fishery by adopting measures that hold individual scallop vessels, or groups of vessels, accountable for their bycatch and thus allow them to benefit from bycatch reduction.

rec'd 4/5/10 Clk. mtg., fr

Mr. Rip Cunningham, Chairman
April 5, 2010
Page Two

3. To reduce the likelihood that groundfish Annual Catch Limits that are allocated to the scallop fishery prevent the harvest of available scallop yield.

In summary, FSF believes the first goal is too narrowly focused, in that it seeks to address the issues presented through a program to allow for the exchange of species allocations. Such a program could well be indicated, but it should exist as a backstop that can be used if, but only if, reasonable allocations of yellowtail flounder to the scallop fleet based on historical usage patterns are exceeded. As well, FSF fully understands the premium that is and should be placed on bycatch reduction. The second goal focuses on "accountability;" however, FSF has explained for many years that a series of a management steps, as opposed to economic and social engineering, can help to reduce yellowtail and other bycatch. The joint amendment should focus on sound management that can reduce bycatch without sacrificing scallop yield, which fully meets the third goal.

Finally, and more generally, FSF is surprised that the draft document focuses almost exclusively on the development of scallop incidental catch sectors. FSF respectfully submits that the Council will find little support from within full-time scallop fishery participants for the development of bycatch sectors that correspond to the impending groundfish sectors.

Below are suggested issues to be addressed to attain these goals. Many of these proposed measures are designed to reduce bycatch, often through the principal aspect of scallop management, which is to enhance catch per unit of effort through rotational management. In summary, fishing on dense concentrations of mature scallops reduces dredge bottom time, and correspondingly, the potential for bycatch.

- 1. Elimination of the year- round groundfish closures.**

The three groundfish closures are Georges Bank originated as a single haddock spawning closure from February to April during ICNAF years. Over time the concept expanded to three seasonal spawning closures. Ultimately, the closure periods and area covered expanded, but more as an effort control measure. When these areas became year-round closures, the justification mentioned habitat issues as well. It may now be appropriate to have these areas be eliminated as fishing effort is now being controlled by other means. Benefits would include high CPUE (less swept area), lower bycatch, and lower costs by allowing access to fish and scallop concentrations.

Mr. Rip Cunningham, Chairman
 April 5, 2010
 Page Three

2. Converting habitat closures to Scallop Access Areas.

Scallop access areas are one primary tool for controlling fishing effort, bycatch issues, and habitat impacts. We believe a scallop access area can replace the existing habitat closure on the Northern Edge and achieve habitat objectives. The NLSA and CAI Scallop Access Areas may be expanded to encompass scallop grounds within the removed groundfish boundaries. Benefits would include high CPUE (less swept area), lower bycatch, and lower costs by allowing access to fish and scallop concentrations.

3. Establish Access Area time periods.

FSF proposed to the NMFS Northeast Regional Office a joint industry/NMFS/academic bycatch survey with the following goals:

- Identify seasons/areas of lowest bycatch
- Collect data on spawning concentrations/spawning cycle of YT
- Collect data on scallop meat yield/bycatch ratios
- Evaluate the Coonamessett Farm turtle excluder dredge for bycatch reduction

One method of funding would be an experimental fishing permit using NLSA scallops: the impact on fishing mortality rates would be negligible. NERO staff said that they could not authorize the required catches without Council approval. The Council could allocate a special RSA for this project. Some preliminary data below from CAII indicates the potential seasonality of bycatch levels:

	August 09 <i>F/V Celtic</i>	October 09 <i>F/V Celtic</i>	October 09 <i>F/V Tradition</i>	January 10 <i>F/V Celtic</i>
Count of YT/bu scallops	28	4	3	4
Count of YT/Hr towed	361	83	64 (avg 45)	46
Number of tows sampled	32	64	64	31

These preliminary data show an 88% reduction in YT catch rate/bu scallop in Oct-Jan compared to August. Scallop meat yield is about 10-20% less during the Oct-Jan period which will need consideration in any management plan. While these results are preliminary, additional research should be a priority.

A possible management approach using seasonality may be to allow the scallop fleet into a GB Access Area starting March 1st and let it fish until 50% of the YT TAC is caught, close the fishery, then re-open on September 1st and allow the remaining trips to be taken.

Mr. Rip Cunningham, Chairman
April 5, 2010
Page Four

4. YT Rebuilding: expand from 7 to 10 years

We would propose that the target year be moved to 2016 (or even further out) with a 50% possibility of achievement. This would provide the Council with more latitude in setting annual specifications. It also allows a slower build-up of landings to:

- a. Develop domestic processing infrastructure
- b. Develop markets
- c. Maintain and increase landed value
- d. Provide earlier financial support to fleet/processors

5. Gear Options

There are several options available that can be implemented. The Council should analyze a twine top hanging ratio and the implementation of the turtle excluder dredge for certain access areas. Comparison fishing data between standard New Bedford dredge frames and experimental excluder dredge have been analyzed. Overall the excluder dredge design concept (cutting bar forward of depressor plate, 45° cutting bar and strut angle at, reduced number of bale bars) increased the catch of scallops while decreasing the retention of important bycatch species. Of the 1,632 observed tows analyzed relative to the standard New Bedford dredge, the experimental dredges increased scallop catch by 3% ($P_t = 0.0000$, $P_w=0.0000$) while having significant decreases in summer flounder(-11%, $P_t = 0.003$, $P_w=0.0071$), yellowtail flounder (-46%, $P_t=0.0000$, $P_w=0.0000$), winter flounder (-69%, $P_t=0.0000$, $P_w=0.0000$), barndoor skate (-18%, $P_t= 0.0000$, $P_w=0.0005$), winter skate (-20%, $P_t = 0.005$, $P_w= 0.0023$), sand dab (-47%, $P_t=0.0000$, $P_w=0.0000$), and fourspot flounder (-20%, $P_t=0.0000$, $P_w=0.0001$).

6. Catch Trading

As explained above, if, as it appears ready to do, the Council proceeds down this path as a first option, it may find little in the way of support from the scallop industry, especially to the extent the Council decides to import the complication and uncertainty of the immature groundfish sector program onto the scallop fishery. In addition, catch share trading will require 100% observer coverage at all times and will be very costly—quite an investment for a measure that should only serve as a backstop to a reasonable allocation of yellowtail to the scallop fishery and efforts to reduce yellowtail bycatch while enhancing scallop yield. The Council should solicit the industry to determine the best methods to trade/buy/sell catch shares between fleets; if it does, however, it should examine less cumbersome options involving individual permit holders.

Mr. Rip Cunningham, Chairman
April 5, 2010
Page Five

7. Baseline Targets

The Council has allocated percentage shares of landings to the multispecies fleet; they did not allocate historic catches that have been landed or discarded to the scallop fleet; instead they developed annual sub-ACLs to be taken off the top. Even though they will now account for bycatch it will be viewed by many that scallop fleet bycatch will be “taking away” from the groundfish fleet. In fact, the scallop fleet has already reduced its historic bycatch over the past decade-plus, which has resulted in the catch being transferred to the groundfish fleet. The way to keep this clear is to have a baseline for the scallop fleet, which is independent of catch share accounting that would be the metric that all scallop bycatch reductions will be measured against. A similar metric should also exist for swept area by both fleets. We suggest the period from 1999 to 2009 be examined to define the historic multispecies catch levels of the scallop fleet. We understand that these will be at an historic low level due to the use of 10-inch twine tops, 4-inch rings, higher CPUE scallop fishing due to rotation, and other management measures such as the hard access area YT limits. The Council can make upward adjustments to compensate for all the bycatch reduction measures already in place. Separate bycatch target baselines will be needed for the LAGC fleet and possibly separate management measures.

8. Start of Fishing Year

There needs to be continuity between all the FMP's regarding the setting of annual specifications and sub-ACLs for bycatch. This may require all fishing years to begin on the same date. The choice of date requires further analysis but March 1 may be the best choice for both fleets..

9. US/Canada Joint Stock Management

United States and Canadian management of Georges Bank yellowtail flounder should be rationalized, hopefully following passage of legislation that will allow treatment of the U.S.-Canada Resource Sharing Agreement under the Magnuson-Stevens Act as the international agreement that it is.

10. Eliminate the 10% Access Area Cap on YT

There is no longer a need for this cap, as the overall fishery is being converted to a more unitary ACL. Maintenance of these caps will instead provide for the premature closure of these access areas, with the potential for increased bottom time (when fishing effort is moved to the open areas) and reduction in yields (as access area scallops are in general larger than their open area counterparts).

* * * *

KELLEY DRYE & WARREN LLP

Mr. Rip Cunningham, Chairman
April 5, 2010
Page Six

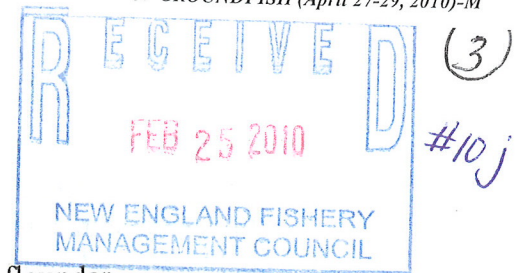
FSF looks forward to working with you and the Council more generally as this important joint amendment is developed. As always, please do not hesitate to contact us if you have any questions or require additional information.

Sincerely,

David E. Frulla
Shaun M. Gehan
Andrew E. Minkiewicz

Counsel to the Fisheries Survival Fund

11 Plymouth Lane
Bourne, MA 02532



February 19, 2010

Members of the NEFMC,

I am writing to ask you to reconsider the ACL on GOM winter flounder.

I called John Pappalardo before the council meeting in January to ask him if he would ask you to revisit this ACL. He was kind enough to get back to me after the council meeting and it seems this is not an issue you are willing to deal with at this time. Please understand that an ACL this low on this stock will have a crippling effect on the inshore fleet.

As I'm sure you all know, the ACL was based on landings from 2005, 2006 and 2007. This data was taken from the NMFS database. With this in mind, please consider these points.

NMFS data is incorrect. There are currently 90 boats (give or take) who are appealing their landings data. I was missing over 500,000 lbs of GOM winter flounder and I'm just one small dayboat out of Sandwich, Ma.

The winter flounder landings data for May 2006 for example, shows 9 mt landed for GOM winter flounder in all ports, 2 mt of that was landed in New Bedford. I landed 10.61 mt for that month in New Bedford. I don't believe I was the only boat landing winter flounder in May 2006.

Recently, NMFS sent out permit holder letters informing us that landings data is available online. In this letter NMFS stated that "it will be possible for you to track your landings information as they are reported to NMFS by seafood dealers, and thus more quickly address **any missing information or inaccuracies in the data submitted by dealers or maintained by NMFS**". As you can see, by their own admission, NMFS is unreliable. It is not the best available scientific data and cannot be used as the basis for this ACL.

A point of concern of the scientific & statistical committee was that the landings for the GOM winter flounder had dropped since the early 2000's. Landings for the GOM winter flounder were a consistent 600 plus mt in the early 2000's. In 2004, when Amendment 13 was passed, A, B and C days were established and GOM boats were cut in their DAS by 40%. Consequently, GOM winter flounder landings dropped by 30%. In 2006 Framework 42 was passed, A days were cut another 5% and 2:1 differential DAS counting was established. GOM winter flounder dropped again by 33%. In the 3 years you used to establish an ACL you didn't consider regulatory impact resulted in a 63% reduction in landings between FY 2003 and FY 2007.

Landings data in no way reflects stock biomass. It may help to show an economic assessment but not biomass. Landings, if accurate, can only tell you what's been caught.

GOM winter flounder is not considered overfished. GARM 1 and 2 considered it not overfished and overfishing was not occurring. In the latest GARM, stock conditions could not be determined.

GOM yellowtail flounder, the poster child for overfishing which, along with GOM cod, has practically regulation in the GOM and has had trip limits of 750 and 250 lbs for years, has an ACL of 1,717,401 lbs. GOM winter flounder on the other hand has, according to GARM, not been overfished and overfishing has not occurred and it has been a healthy stock. It has never needed a trip limit yet it has an ACL of just 348,330

cc: Cornish, TN (3/1)

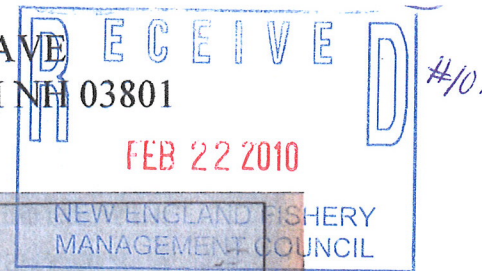
lbs. This will leave between 50,000 and 70,000 lbs for common pool boats, an amount that my boat will catch in 3 months.

I understand that regulation calls for catch limits to be set however this catch limit was not determined in the same manner as the others. It is a mistake and needs to be addressed and corrected by the people who recommended it to NMFS for implementation in the upcoming fishing year. I urge you to increase this ACL to be at least that of GOM yellowtail since it has proven itself to be a healthy stock year after year.

Thank You,
Pam Lynam
Lynam Fisheries

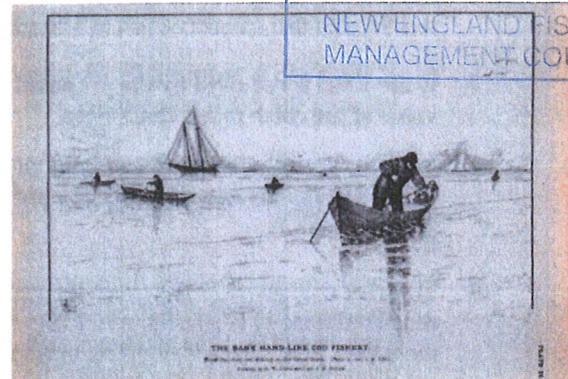
NORTHEAST HOOK
FISHERMAN'S ASSOCIATION

91 FAIRVIEW AVE
PORTSMOUTH NH 03801



February 20, 2010

Patricia A Kurkul
Regional Administrator
NOAA FISHERIES SERVICE
Northeast Regional Office (NERO)
55 Great Republic Drive
Gloucester, MA 01930
PHONE: 978-281-9250
FAX: (978) 281-9333
Email: pat.kurkul@noaa.gov



Dear Patricia A Kurkul:

We represent a group of Commercial Fishermen with the Limited Access Handgear HA Permits, employing the use Rod and Reel or Handlines to catch Cod, Haddock and Pollock along with small quantities of other regulated and non-regulated marine fish. We do not catch large quantities of fish. **Our catch rates are controlled by our physical strength and our ability to catch fish only when they bite a hook just as what is shown in the historical plate above.** This is the original means of catching groundfish. This fishery provides the highest quality fish with the least amount of bycatch mortality and discards.

We remained silent thru the Amendment 16 process since our prospects looked promising due to the potential increase in our cod trip limit from 300 lbs/day to 750 lbs which was justified by the increase in the DAS vessels cod trip limit from 800 lbs to 2000 lbs. The A16 document and (Environmental Impact Statement) EIS all pointed toward better prospects for the oldest and most environmentally friendly commercial fishery in the New England Ground Fishery.

Our group recently learned (after the public comment period closed) that the proposed A16 ground fishery plan in section 15 would implement VMS (electronic computer based vessel monitoring system) installation on all vessels that fish for groundfish who are in the common pool (non-sector vessels). This requirement was listed only in the CFR version and was not part of the previous versions of A16 thru the Council process. This one financial burden will result in the end of the handgear cod fishery in New England and if implemented also raises serious legal concerns. VMS will not work for our fishery nor is it necessary for the following reasons:

1. The HA permits groundfish revenues per permit from 2004 – 2007 was only about \$4,000 per year. This figure is from Table 63 of the A16 EIS document.
2. VMS costs are \$5,000 per vessel installation plus an additional estimated \$1,500 per year in monthly fees. Even if the Installation costs were subsidized, as what may be possible, the additional fees would represent anywhere from 25% to 100% of the value of the catch. **No small business can operate under such a heavy financial burden considering the revenue taken in.**
3. Due to the very low PSC (potential sector contribution) of Cod and insignificant PSC from other species such as Haddock and Pollock the majority of the HA fishermen will not be able to fish under sectors nor is it a viable option with per vessel sector costs estimated to be in excess of \$12,000 per year.
4. VMS clearly was never intended nor is practical for small boats that fish a few miles from shore and sometimes trailer their vessels to the water from their land based location. Often our vessels are used for pleasure cruising, sport fishing or lobstering. It is doubtful that the current VMS system can account for all uses of our boats.

cc: cbl, fn, ah, Council (3/3)

5. Small boats often do not have the power (AC/DC) to maintain VMS 24/7.
6. Handgear vessels catch rates of cod are very slow and there would never be an issue with exceeding a ACL with the current paper VTR reporting system currently in place. The HA permits only represent less than 1% of the COD TAC which is insignificant considering the catch rates of Trawls and Gill nets. In one tow a Trawler can land 20,000+ lbs of cod. It is impossible for a person using a rod and reel to catch that amount of fish to warrant the same level of monitoring.
7. **If the VMS is required by the proposed A16 regulation, the cost of the monitoring will exceed the value of the catch many times over.**
8. The A16 EIS states "*Vessels less than 30 feet saw the biggest decrease in revenue each year, with an 88.8% change between FY 2001 and FY 2007.*" Requiring VMS will only exasperate this to most likely 100%.
9. There are only about 23 fishermen left who fished for Cod using their HA permit and the number has decreased from 44 (Table 53, A16 EIS). No other group of fishermen has experience such a decline of more than 50%. The additional regulation of VMS will remove the remaining majority of HA cod fisherman from the New England fishery.
10. It is not fair that VMS is being considered for the 130 fishermen who fish under HA (limited access permits) and not for the 1,137 fishermen with HB (open access) permits where the only difference between the two permits is the ability for HA permits to catch 300lb of cod as compared to 75 lbs of cod for the HB permits.
11. It is our opinion, Handgear fishermen should be managed by a 3 year averaging ACL, similar to the recreational fishermen who use the same gear. VMS is not required of recreational fishermen and it is not fair to ask fishermen using the same gear to use VMS just because they are commercially fishing. The requirements now record every pound of cod for fishery statistics. Every pound of fish we catch and sell is documented by vessel trip daily catch reports (VTRs) and when sold or offered for sale by the fish dealer reports. This is clearly enough record keeping.

Magnuson-Stevens Fishery Conservation and Management Act states in section § 600.340 (a) National Standard 7 "**Conservation and management measures shall, where practicable, minimize costs and avoid unnecessary duplication.**"

I believe if the final rule includes the requirement for VMS installation on Handgear permits, the legality of this requirement may be in question, as stated for the reasons above.

To mitigate this potential issue please reconsider this section of the proposal or have the VMS requirement only apply to vessels larger than 30' (Small vessel exemption for VMS). In all reality how much fish can a boat less than 30' land in a day using a rod and reel to justify this expense? If you truly want our fishery in catch shares, it must not be an economic burden to the extent where we cannot participate and make profit.

We can only hope at this point in the process that you will read this and reconsider VMS for Handgear permits before our fishery is no more. We understand the need for VMS with large vessels that are in sectors, but this requirement will not work for our fishery.

Respectfully,

Marc Stettner

Handline Cod Jig Fisherman & President, NE Hook Fisherman's Association

CC: Senator. Jeanne Shaheen, Senator. Judd Gregg, Senator. Olympia Snowe, Sen. Bruce Tarr, Congressman Barney Frank, NOAA Administrator Dr. Jane Lubchenco, Assistant Administrator for NOAA Fisheries Eric Schwaab, Executive Director NEFMC Paul Howard, NH F&G Chief Marine Div. Doug Grout, MA Director Marine Fisheries Paul Diodati, MA Deputy Director Marine Fisheries David E. Pierce, Maine Department of Marine Resources Commissioner George Lapointe

NEIFA Members:

NY: RON ONORATO, CT: JOHN ZACKS, PAUL KEHLENBACH, JOSEPH CRISCIUOLO, RICHARD J. PLATA, MA: STEPHEN BARUSSO, THOMAS FOLEY, ROBERT CARBONE, WALTER TOLLEY, JAMES GOULART, KERRY DOON, TED LIGENZA, DONALD BERUBE, MARIO TROMBI, LARRY ROGERS, CHUCK BUTLER, KEVIN TWOMBLY, JACK HILTON, EDWARD COGGESHALL, RONALD KRAUSE, KEVIN HARNONIS, GEORGE COSTA, NH: GEORGE DEMARAIS, SCOTT RICE, MARC STETTNER

Amendment 16 proposes that discards would be monitored through the use of a Sector-specific assumed discard rate, unless NMFS deems that there are sufficient observer or at-sea monitor data available to specify a Sector-specific in season discard estimate for each stock/gear combination specified in the FMP. Once sufficient data are available, the Sector-specific in season discard rate would apply to all trips taken by Sector vessels for the remainder of the FY, in lieu of the assumed discard rate. If a trip is observed by either an observer or at-sea monitor, the discards reported by the observer or at-sea monitor would be used to document discards for that particular trip instead of using an assumed discard rate, regardless of whether the Sector has developed an approved at-sea monitoring program for that FY.

The data and methodology used to calculate a Sector-specific assumed or in season discard rate is considered administrative measures necessary to administer the FMP and monitor Sector catch. As a result, the manner in which such rates are calculated may change on a yearly basis. For FY 2010, NMFS proposes to calculate the assumed discard rate based upon observed trips by Sector vessels during the previous FY, by stock and gear type, as specified in Section 4.2.3.5.3 of the Amendment 16 FEIS. If there are insufficient data to develop an assumed discard rate at this level, a fleet-wide stock and gear discard rate would be used instead. When calculating these discard rates, regulatory discards of legal-sized fish caused by trip limits would be excluded to represent anticipated behavior under Sectors. These assumed discard rates would be calculated as often as practicable, and would be used to add a discard estimate to each landing by a Sector vessel so that total catch can be determined for each stock for each trip. Based upon available funding, NMFS intends to increase the NMFS-funded observer coverage to include approximately 38 percent of Sector trips and 30 percent of common pool trips during FY 2010, and possibly future FYs.

Under Amendment 16, Sectors would be required to submit an annual report to NMFS by July 1 of each year that details information necessary to evaluate the biological, economic, and social impacts of Sectors. The report would be required to include harvest levels of all vessels for all federally managed species, enforcement actions, and other information needed to evaluate the performance of the sector. In addition, Sectors would be required

to submit weekly catch reports that detail Sector catch and discard for each stock allocated to that Sector, as instructed by the Regional Administrator. Under this proposed rule, NMFS would require that Sectors provide trip-level catch data, if requested, to facilitate the auditing of Sector catch data to ensure that data used by Sectors are consistent with those submitted to NMFS. This additional requirement is based upon the provision in Amendment 16 that would allow other requirements of Sector monitoring plans to be implemented, as directed by the Regional Administrator.

Authorization of Sectors

Amendment 16 would authorize 17 new Sectors and revise the provisions for 2 existing Sectors. These Sectors are described in Section 4.3.6 of the Amendment 16 FEIS and include the GB Cod Hook Gear Sector, GB Cod Fixed Gear Sector, Sustainable Harvest Sector, Port Clyde Community Groundfish Sector, Northeast Fishery Sectors I through XIII, Tristate Sector, and the Northeast Coastal Communities Sector. All operational aspects of these Sectors would be specified in their annual operations plans, as submitted to NMFS. Details of these operations plans will be published in the Federal Register prior to their approval.

15. VMS Requirement

In Framework Adjustment 42, the Council required all vessels fishing under a NE multispecies DAS to use VMS. This was considered necessary to effectively administer and enforce many of the area-specific measures proposed in that action. Although vessels participating in Sectors would no longer be required to use a NE multispecies DAS under Amendment 16, and vessels issued either a limited access NE multispecies Handgear A or Category C permit were never required to use VMS under Framework Adjustment 42, the FEIS neither explicitly requires Sector vessels to continue to use VMS, nor explicitly exempts Sector vessels and those issued either a Category C or Handgear A permit from using VMS. Because the area-specific measures implemented under Framework Adjustment 42 would continue to apply, and because Amendment 16 relies upon VMS as a medium to submit area declaration, hail reports, and catch information necessary to implement provisions proposed under Amendment 16, NMFS is proposing to revise the existing VMS regulations at § 648.10 to require that all vessels issued a limited access NE multispecies permit and

fishing under either the common pool measures, or under the restrictions and conditions of an approved Sector operations plan, use a VMS for each NE multispecies trip. Consistent with existing VMS regulations, upon taking either a common pool or a Sector trip, a vessel issued a limited access NE multispecies permit must maintain an operational VMS for the remainder of the fishing year.

16. Framework Items

Amendment 16 proposes that the following management measures could be adjusted through a framework action, in addition to those measures currently identified as framework measures in the FMP: Process for specifying and distributing ABCs and ACLs; trimester TAC distribution; Sector provisions, including authorized Sectors; PSC calculations; and any other provision implemented under the FMP.

17. Corrections

This proposed rule would also correct a number of inadvertent errors, omissions, and ambiguities in existing regulations in order to ensure consistency with, and accurately reflect the intent of previous actions under the FMP. The following proposed measures are listed in the order in which they appear in the regulations and indicate the genesis of the regulation and/or the cause of the regulatory error.

NE Multispecies Vessel Replacement Regulations

Most of the regulatory text regarding NE multispecies vessel replacements was implemented in 1996 by Amendment 7 to the FMP (61 FR 27709; May 31, 1996). On January 1, 2008, a final rule that added additional restrictions pertaining to vessel replacements became effective (72 FR 43188; August 3, 2007), but the applicability of requirements to vessels with a Handgear A permit may not have been clear. This action would clarify the pertinent regulatory language to make it clear that although the replacement vessel size restrictions do not apply to Handgear A vessels, the limitation on one vessel replacement per year does apply to these vessels.

The proposed action would also clarify the gillnet tag requirements referred to in the permit application requirements portion of the regulations. Framework Adjustment 40B eliminated the gillnet tag requirement for Trip gillnet vessels, but the pertinent regulatory text in the permit applications requirements was not modified. This rule would correct this oversight.

#102

April 15, 2010

Mr. Paul Howard, Executive Director
New England Fishery Management Council
50 Water St.
Newbury, MA 01950



Re: Charter/Headboat Reg's (groundfish)

Dear Paul:

Recently, the Stellwagen Bank Charter Boat Assoc. sent you a request for changes to charter/headboat regulations in a letter dated April 8, 2010. Captain Thomas DePersia accurately describes the dilemma that is affecting our industry (GOM) in that the current regulations are redirecting potential customers to other fishing areas, or worse, choosing not to go at all.

In addition, the length of our fishing season in the GOM is shortened by two more weeks after previously losing several months due to past regulatory changes. I feel that the financial stability of the small business charter/headboat operator is severely challenged and some relief is necessary for these businesses to succeed in this environment.

Current regulations appear to lump charter/headboats together with the private recreational community, bag and size limits are the same for both. It seems to me that separating these user groups from each other and establishing differential bag limits could provide a mechanism for a regulatory change that is based on neutral mortality to assist the charter industry.

During my charter career (35 years) I have seen both user groups grow to unimaginable size. Thirty five years ago there were only five regular charter boats on Stellwagen and hardly ever did you see a private recreational fishing vessel that far out. Many small businesses have grown from the GOM resources and are completely dependent on the abundance of cod or haddock and reasonable season length to please their customers.

The private recreational angler/boater also shares the same resource. The reason why I think differential bag limits are appropriate is based on fishing opportunity. The private fleet seems to be out there almost every weekend and some weekdays, while the charter/headboat customer may go only once per year.

NEMFC should recognize the value of the charter fishing industry separately from the private recreational fishermen; it is long overdue and needs to be treated more as a small business and not purely recreational fishing.

Please examine the feasibility of differential bag limits to extend the fishing season for charter/ headboat operating in the GOM. I believe that differential bag limits could be used in conjunction with some of the alternatives that Captain Thomas DePersia mentions

cc: fn, ah, cornerz

in the April 8th letter (Closing October or larger minimum size). I do not think a limited access effort control is necessary or would be effective in addressing the overwhelming growth of the private recreational fishing fleet.

I plan to ask the HMS AP to consider a similar approach for the Atlantic Bluefin Tuna to help control the excessive catch levels of small fish while maintaining fishing opportunity for dependent charter fleets. Thank you for the time you took to read my letter.

Ralph Pratt
Charter boat operator (groundfish)
Commercial tuna fisherman
NMFS HMS AP Member

Cc R.Ruais ABTA
Margo Schulze-Haugen NOAA HMS
Captain Thomas DePersia

SUSTAINABLE HARVEST SECTOR

#10 N

PO Box 356, So. Berwick ME 03908 | 207-956-8497 | shsector@gmail.com

April 22 2010

John Pappalardo
New England Fishery Management Council
50 Water Street, Mill 2
Newburyport, MA 01950

Dear John,

Amendment 16 requires prospective groundfish sectors to submit an application for approval to the Council one year in advance of the fishing year the sector proposes to operate in. Enclosed are preliminary operations plans and environmental assessments for two new sectors.

The first sector, currently designated "Sustainable Harvest Sector II" would be a sector comprised of active groundfish fishing vessels, similar to the existing Sustainable Harvest Sector. We are receiving enough inquiries from prospective applicants that we believe an additional sector, or a restructuring of existing membership among different sectors, might ease administrative burden for sector participants.

The second sector, currently designated "Sustainable Harvest Sector III," would likely be comprised of members who choose to lease their groundfish allocation to other sectors. However, we would like to reserve the ability to switch this sector to an active sector as well. Unfortunately, working so far ahead of actual sector implementation, it is difficult to commit to an organizational structure.

Both prospective sectors request an allocation of all stocks managed under the Northeast Multispecies FMP as well as an allocation of all other stocks and species for which their members have catch history, as authorized under other FMPs managed by the NEFMC or jointly managed by the NEFMC and MAFMC.

We request the Council consider approving formation of these two sectors at its April meeting, for activation in fishing year 2011. We will then provide final operations plans and environmental assessments to the NMFS by September 1 2010.

Sincerely,



Hank Soule
Sustainable Harvest Sector

DRAFT OPERATIONS PLAN
FISHING YEAR 2011
SUSTAINABLE HARVEST SECTOR II,
April 22, 2010

HARVESTING RULES

Quota Management

ACE and Annual Distribution

1. Each Member agrees that the ACE of multispecies authorized by Amendment 16 and NMFS to the Sector (the "ACE") shall be harvested in accordance with the Harvesting Rules, which are set forth below.
2. Sector members will be allocated a portion of the Sector's total allocation based on the proportion of each stock that they contribute to the Sector's initial ACE. Those members who have more than one vessel enrolled in the Sector may decide to consolidate their fishing effort to one or more vessels.

Reserve

1. Each Member agrees that a reserve in the amount of 5% of each stock within the initial ACE will be established to ensure that the Sector remains in compliance with its ACE limit. The reserve shall be deducted from the ACE before such ACE is distributed among the Members, their Permits and their Participating Vessels.
2. Distribution of Reserve - If the Board determines that as of April 1, the ACE pursuant to Section 4.2 has not been fully harvested by the Participating Vessels, the Board may release and authorize the harvesting of the reserve by the Members, their Permits and their Participating Vessels provided all vessels report to the sector manager daily.

Full Retention of Legal Sized Fish

1. SHS II vessels will retain all legal sized groundfish of those stocks for which they have an allocation.
2. SHS II vessels will be required to discard SNE Winter flounder, Atlantic Wolfish, and both stocks of Windowpane flounder.
3. SHS II vessels will be allowed to keep one legal sized halibut per trip.

Stock Area Declaration

1. When they send the Hail trip start, and when they report (daily) to the sector manager, SHS II vessel operators will indicate which broad stock area they will be fishing in for the next 24 hours and which they have been fishing in during the previous 24 hours..
2. This will allow the sector manager to attribute catch appropriately and anticipate whether the sector is running low on a particular stock.

Vessels Fishing Multiple Stock Areas

- SHS II participating vessels fishing in multiple stock areas will report daily to the Sector Manager and in so-doing will indicate an estimate of their catch (including discards) from each stock area.

Fishing in US/Canada Areas

1. SHS II participating vessels intend to fish in the both the Eastern and Western US/Canada Areas.
2. When reporting their daily catch to the Sector Manager, the operators of all SHS II member vessels will specify the volume of catch and discard from each area.
3. Members electing to enter the Eastern US/CA area are still obligated to comply with the observer notification requirements. All requirements (observer notification, reporting and VMS) are maintained.

Closed Areas

- SHS II participating vessels will access the Closed Areas as authorized under the Multispecies FMP as revised by Amendment 16.

Catch Reports

1. SHS II member vessels will report via VMS (or other electronic means such as satellite phone, cellular phone, or NMFS approved reporting software) to the Sector Manager at least once in every 24 period that they are away from dock.
2. Daily reports will consist of permit number, vessel name, and operator's estimate of catch and discards of each allocated stocks, by stock and broad fishing area.

Vessel Logbooks

1. Operators of all SHS II participating vessels will turn one copy of their VTRs over to the Dockside Monitor (if one is assigned) at the time of offloading.
2. If there is no Dockside or Roving Monitor assigned to the offload, all participating vessel operators agree to send the Sector Manager one copy of their VTRs and a copy of their offload receipt to the Sector Manger within **24** hours of arriving in port.

Sector Reporting

1. The SHS II will report weekly to NMFS as required using data collected from vessels, VTRs, (and eVTRs when authorized), dealer reports, dockside monitoring reports and observer reports.
2. The reporting due date for the sector manager's weekly report will be increased to daily when either 80% of any of the sector's ACEs is reached, or when, for two consecutive weekly reporting periods 20% or more of the remaining portion any ACE is harvested, whichever occurs first.
3. An alternative threshold for increasing reporting frequency may be implemented during FY 2010 if agreed upon by the sector and NMFS.
4. The SHS II will submit required reports using the format and procedures prescribed by NMFS.

Data Reconciliation

- The Sector manager will reconcile the data from vessels, VTRs, (and eVTRs when authorized), the dealers' report, the observer's report and the Dockside Monitor's report on an ongoing basis to closely track the sector's ACE.

Discard Rate

- The SHS II Sector Manager will apply a sector specific assumed discard rate to all trips as calculated by NMFS based on NMFS' expected observer coverage.

Hot Spot Reporting (areas of high bycatch of allocated species)

1. Each member agrees to report to the Sector Manager any and all areas of high bycatch of any sort, including undersized regulated species, observed spawning areas and/or any stock for which the Sector is approaching their threshold.
2. Upon receiving a hot spot report, the Sector Manager will send an alert to all member vessels to avoid those particular areas.

Additional Measures to Prevent ACE overages

1. See daily catch reports (above)
2. The Board reserves the right to prohibit other fishing activities by Members if it determines that those activities undermine or compromise the Sector Plan and the Sector or otherwise conflict with the standards and ethics described in the bylaws and guiding principles.
3. When the Board imposes additional restrictions, they may also direct the Sector Manager to try to lease/buy or trade additional ACE of any stocks of concern by contacting other sector managers.
4. The Sector Manager will issue (and ask NMFS to enforce) a 'Stop Fishing Order' to any member vessels that are endangering the operations of the sector by ignoring internal reporting requirements and fishing in such a manner to achieve the sector's TAC for any allocated stock.
5. The reporting due date for the sector manager's weekly report will be increased to daily when either 80% of any of the sector's ACEs is reached, or when, for two consecutive weekly reporting periods 20% or more of the remaining portion any ACE is harvested, whichever occurs first.
6. An alternative threshold for increasing reporting frequency may be implemented during FY 2010 if agreed upon by the sector and NMFS.
7. The SHS II will submit required reports using the format and procedures prescribed by NMFS.

ACE Transfers

- The SHS II Sector Manager will track all ACE transfers between sector members and with other sectors.

Gear Restrictions

Seasonal or Area Gear Restrictions

- The SHS II Board may institute spatial or temporal gear restrictions to slow down the catch rate of certain allocated stocks.

Monitoring

- Start Trip Hail and End Trip Hail

Daily Reporting to the Sector Manager

- Each Member agrees that all participating vessels will report to the Sector Manager via VMS (or other electronic means such as satellite phone, cellular phone, or NMFS approved reporting software if approved by NMFS) on a daily basis when at sea. The daily report shall consist of an accounting of the vessel's entire catch of allocated groundfish (including discards) by pounds, by species, by broad groundfish statistical area. This will enable the Sector Manager to determine which stocks are being caught on a daily basis, and more closely monitor sector fishing.

Dockside Monitoring

1. All members agree to hail trip start and trip end via VMS (or satellite phone, cellular phone, or NMFS approved vessel reporting software) to the Sector Manager and their selected Dockside monitoring company.
2. Vessels will hail trip start to the Sector Manager and the dockside monitoring company when they leave port. The Dockside Monitoring Company will forward the Hail Trip Start to NMFS. Hail trip start will include the following: the permit number, trip ID number and estimated trip duration. The trip ID number is defined as the serial number from the first page of the first VTR filled out for the trip. Vessels are required to wait for a confirmation from the Dockside Monitoring Company. The Dockside Monitoring Company is required to send a confirmation within 10 minutes. IF the vessel operator does not receive the confirmation in the required time frame, then they are required to call in by phone to the Dockside Monitoring Company's backup system.
3. Vessels will Hail Trip End at least 6 hours prior to landing to allow a DM to be present in time to witness offloading. Hail trip end will include the following: permit number, trip ID number, specific offloading location(s) for all dealers including state, port/harbor and dock, estimated time of arrival, estimated time of offloading and length of time for offloading, and estimated weight of each species being landed.
4. For trips less than 6 hours in length or occurring within 6 hours of port, the estimated time of arrival to port and estimated time of off load will be provided in the trip start hail. The trip end hail will be sent upon completion of the last tow with required updated information.
5. The vessel will be notified by the dockside monitoring company when the company sends their confirmation whether they will have a RM or DM present for offloading OR they will be issued a DM Waiver for the trip. The dockside monitoring company will also immediately notify the Sector Manager and NMFS Law Enforcement with the complete Hail Trip End information (including a breakdown of species to be landed and estimated weight of each species on board) and whether the vessel will have a DM / RM present at offloading or not.

6. If the Vessel is issued a Waiver, the vessel operator will provide the Sector Manager with their VTR and Dealer receipt within 24 hours of offloading.
7. If the vessel is selected for dockside monitoring, then the vessel will not offload unless a DM or RM is present.
8. If an SHS II vessel decides to offload at more than one facility, and that trip has been selected for having a Dockside Monitor, then they agree to have a DM present during offload at each location.

Upon meeting the vessel at the offloading site, the DM will:

- 1) take copies of all VTRs for the trip;
- 2) record whether the scales are certified;
- 3) observe and record whether ice and box weights are tared before catch is weighed;
and
- 4) ask the captain whether all fish have been offloaded, and whether any are being retained for personal use. The DM will record the captain's estimate of weight of each species being retained for home use or retained on the vessel and record the reason(s).
- 5) The DM or Dealer will record and sign a report of the weight of offloaded fish by species.
- 6) The DM will send the Sector Manager a copy of the VTRs and a copy of the DM report and dealer receipts (if separate from the DM report) electronically and within 24 hours of the end of the offloading event.
- 7) The DM Company will keep an electronic copy of the DM report.

If a vessel is selected for having a DM, and is offloading at a remote port, (meaning their fish will be trucked before it is weighed), the vessel may enter port and tie at safe berth but no offloading can commence until the RM or DM is present. If the truck does not have scales, then members agree to have a RM present when the vessel offloads to the truck and a DM to record weights when the truck is offloaded at the dealer's location. The DM and RM of a trip that is unloaded in a remote location will follow all requirements described for dockside monitoring (above) to ensure all groundfish from the trip are accounted for and accurately reported to the Sector Manager.

If the offload is weighed at the offload site in front of the RM before being loaded into the truck the event must follow the protocol for offload at a dealer. Upon meeting the vessel at the remote offloading site, the RM will:

- 1) take copies of all VTRs;
- 2) record whether or not the scales are certified by the dealer's state; and
- 3) Observe and record whether ice and box weights are tared by the dealer before the catch is added.
- 4) Ask the captain whether all fish have been offloaded, and whether any are being retained for personal use. The RM will record the captain's estimate of weight of each species being retained for home use or retained on the vessel and record the reason(s).

- 5) Either the RM or dealer will record the weight of offloaded fish, by species (and market class, if culled), in a report. This report will be signed by the RM and the RM will keep a copy of the signed report.
- 6) The RM will send copies of the VTR(s), the RM's report, and the dealer receipt(s) (if separate from the RM's report), to the Sector Manager within 24 hours of the end of the offloading event.
- 7) The DM Company will keep an electronic copy of the RM report.

If the offload is not weighed at the offload site in front of the RM before being loaded into the truck, then all fish must be weighed in the presence of a DM at the receiving dealer(s) when the truck offloads following the same procedures as a vessel offloading at a dealer, and the RM will:

- 1) take copies of all VTRs, and
- 2) Record the number of totes of each species and the captain's estimate of the weight of each species in each tote.
- 3) Ask the captain whether all fish have been offloaded, and whether any are being retained for home use. The RM will record the captain's estimate of weight of any species being retained for home use or retained on the vessel and record the reason(s).
- 4) Record all offloaded fish, by species (and market class, if culled), in a report, unless the driver creates such a report that the RM may use. This report shall be signed by the RM, and the RM shall keep a copy of the signed report.
- 5) Ensure that each tote is tagged with appropriate identifying information, including but not limited to: Serial number of first VTR page filled out for that trip, RM name, tote number, and species.
- 6) The RM will send copies of the VTR(s), the RM report and the driver manifest(s) (if separate from the RM's report) to the Sector Manager within 24 hours of the end of the offloading event.
- 7) The DM Company will keep an electronic copy of the RM report.

Sustainable Harvest Sector II

Draft Environmental Assessment

Prepared by:
Sustainable Harvest Sector

Lead Agency:
National Marine Fisheries Service
April 2010

1.0 INTRODUCTION

The Sustainable Harvest Sector II (SHS II) is preparing an Operations Plan and requests an allocation of an Annual Catch Entitlement (ACE) of those stocks of fish managed under the Northeast Multispecies Fishery Management Plan (FMP) for the 2011 fishing year that the Council determines have adequate biomass to be allocated to the fishery. If approved, the fishing year (FY) 2011 would be the first year that the SHS II would operate.

The SHS II would consist of a group of limited access multispecies permit holders who would fish using trawl, sink gillnet and demersal longline gear, primarily trawls and gillnets. They fish in all Northeast regulated mesh areas, the Gulf of Maine, inshore and offshore Georges Bank and Southern New England/Mid Atlantic from shore to the boundaries of the EEZ.

The SHS II would be a group of limited access multispecies permit holders who have voluntarily chosen to cooperate for the purpose of more efficiently harvesting an annual allocation of large-mesh multispecies. If approved, the SHS II would operate under an ACE for their allocation of stocks to avoid overfishing and meet the mandates of the 2007 Reauthorization to the MSFCMA. Specific goals of the SHS II are described in Section 2.0.

Implementation of the SHS II Operations Plan would mitigate potentially adverse economic impacts that have been experienced as a result of Amendment 13, subsequent framework actions, and Amendment 16 to the Northeast Multispecies FMP by conveying environmental, social, and economic benefits directly to the SHS II and the communities in which it operates.

1.1 MULTISPECEIS FISHERY

1.2 SECTORS MANAGEMENT

2.0 PURPOSE AND NEED FOR THE PROPOSED ACTION

The need for the action is to provide an opportunity for flexible fisheries management through local decision-making, self-monitoring, and Sector management. The purpose of the action is to approve an Operations Plan and an allocation of ACE of Northeast multispecies for the SHS II, consistent with Amendment 16. Operation of the SHS II is intended to alleviate social and economic hardships, but would also meet the biological objectives of the Northeast Multispecies FMP through management rules by which the Sector members agree to abide.

The SHS II has established a set of goals that are designed to meet many of the goals and objectives set forth by the NEFMC in Amendment 16. The SHS II's goals and the relevant Amendment 16 goals and objectives are listed below. The SHS II goals support Amendment 16 goals and objectives in a multitude of ways and selected concurrences are outlined in this section.

The Sustainable Harvest Sector II has the following goals:

- **Goal 1:** To fish at sustainable levels.
- **Goal 2:** A fleet capacity that is commensurate with resource status so as to achieve goals of economic efficiency and biological conservation and that encourages diversity within the fishery.
- **Goal 3:** To maintain a directed commercial multispecies fishery in the Northeast region.

- **Goal 4:** To minimize adverse impacts on fishing communities and shore-side infrastructure.
- **Goal 5:** To provide reasonable and regulated access to the groundfish species to all members of the public of the United States for seafood consumption during the stock rebuilding period without compromising the rebuilding targets established in Amendment 13 and 16, their objectives or timetable.
- **Goal 6:** To promote stewardship within the fishery.
- **Goal 7:** To achieve on a continuing basis, optimum yield for the U.S. fishing industry.

The following Amendment 16¹ goals and objectives are consistent with the Sustainable Harvest Sector II goals:

- **Goal 1:** Consistent with the National Standards and other required provisions of the MSFCMA and other applicable law, manage the Northeast multispecies complex at sustainable levels.
- **Goal 2:** Create a management system so that fleet capacity would be commensurate with resource status so as to achieve goals of economic efficiency and biological conservation and that encourages diversity within the fishery.
- **Goal 3:** Maintain a directed commercial and recreational fishery for Northeast multispecies.
- **Goal 4:** Minimize, to the extent practicable, adverse impacts on fishing communities and shore-side infrastructure.
- **Goal 5:** Provide reasonable and regulated access to the groundfish species covered in this plan to all members of the public of the United States for seafood consumption and recreational purposes during the stock rebuilding period without compromising the Amendment 13 objectives or timetable. If necessary, management measures could be modified in the future to ensure that the overall plan objectives are met.
- **Goal 6:** To promote stewardship within the fishery.

-
- **Objective 1:** Achieve, on a continuing basis, optimum yield for the U.S. fishing industry.
 - **Objective 3:** Adopt fishery management measures that constrain fishing mortality to levels that are compliant with the Sustainable Fisheries Act.
 - **Objective 4:** Implement rebuilding schedules for overfished stocks, and prevent overfishing.
 - **Objective 5:** Adopt measures as appropriate to support international transboundary management of resources.
 - **Objective 7:** To the extent possible, maintain a diverse groundfish fishery, including different gear types, vessel sizes, geographic locations, and levels of participation.
 - **Objective 8:** Develop biological, economic, and social measures of success for the groundfish fishery and resource that ensure accountability in achieving fishery management objectives.

¹ Excerpt from the EIS for Amendment 16.

- **Objective 10:** Identify and minimize bycatch, which include regulatory discards, to the extent practicable, and to the extent bycatch cannot be avoided, minimize the mortality of such

The SHS II goal of fishing at a sustainable level (Goal 1) through utilization of an ACE is consistent with Amendment 16 Goal 1 (to manage the fishery at sustainable levels) and Objective 3 (to constrain fishing mortality to levels which comply with the Sustainable Fisheries Act [SFA]). The SHS II Goal (2) of fleet capacity that matches the resource is consistent with Goal 2 of Amendment 16. The SHS II Goal 3 of maintaining a directed commercial groundfish fishery in New England is consistent with Amendment 16 Goal 3 to maintain a directed commercial and recreational fishery. The SHS II Goal 4 of minimizing adverse impacts on fishing communities and shore-side infrastructure is the same as Amendment 16 Goal 4. The SHS II Goal 5 of providing access to the members of the United States public for seafood consumption during the rebuilding period without compromising Amendment 16 goals and objectives is consistent with Amendment 16 Goal 5. The SHS II Goals 6 and 7, to promote stewardship and achieve optimum yield for the U.S. fishing industry, is consistent with Amendment 16 Goal 6 and Objective 1.

3.0 PROPOSED ACTION AND ALTERNATIVES

3.1 ALTERNATIVE 1 - APPROVAL OF THE SUSTAINABLE HARVEST SECTOR II OPERATIONS PLAN FOR FISHING YEAR 2010

A summary of the SHS II Operations Plan (Proposed Action) is presented in Table 3.1-1, and further described, in the subsections below.

TABLE		3.1-1
Summary of the Sustainable Harvest Sector II Operations Plan Fishing Year 2011		
Sector Parameters	Description	
Location	Inshore and offshore waters (all in the EEZ) of the Gulf of Maine, Georges Bank, and southern New England	
Timeframe	May 1, 2011 –April 30, 2012	
Gear	Trawl, gillnet, and hook and line gear, including jigs, handline, and non-automated demersal longlines	
Allocated Target species	Stocks of Northeast multispecies complex	
Non-target species/ Bycatch	Monkfish, Skates, and Dogfish	
Number of participants	Unknown at this time	
Annual Catch Entitlement by Stock	Unknown at this time	
Expected catch (including allocated and other landed species)	Assumed to be equal to the ACE = (PSC x ACL)	

The term "allocated target species" refers to the list of groundfish species for which the Sector would receive an ACE. "Non-allocated Target Species" refers to species which the Sector member would also be targeting, but for which no ACE is allocated. These other fish species ("non-allocated target") may be caught by the same gear while fishing for allocated target species, and brought to shore and sold to dealers (i.e., "landed"), assuming the fisherman has proper authorization or permit(s). These Non-allocated Target Species may also be managed under the Northeast Multispecies FMP (e.g., halibut and whiting) or another Fishery Management Plan (e.g., Monkfish FMP). As defined in the Magnuson Act, "bycatch" refers to "fish which are harvested in a fishery, but which are not sold or kept for personal use, and includes economic discards and regulatory discards." For the purposes of this EA, the discussion of Non-allocated Target Species and Bycatch refers primarily to skates, monkfish, and dogfish. These species predominate bycatch (i.e., dogfish) or are the primary alternate species that are landed by expected SHS II membership (i.e., monkfish and skates).

The SHS II would be a group of limited access Northeast multispecies permit holders who are voluntarily working together as a "Sector" under the terms described in Amendment 16 to the Northeast Multispecies FMP. These permit holders together own xx Northeast multispecies permits. If approved, the FY 2011 would be the second year that the SHS II would operate. The SHS II would be allocated a portion of the ACL for the stocks of Northeast multispecies, based on the catch history of the members for FY 1996-2006. It is expected that the SHS II would catch its allocation of most stocks.

3.1.1 Description of the Sustainable Harvest Sector II and Proposed Operations

The SHS II would consist of an undetermined number of permits, some of which are expected to be actively fishing in FY 2011. The SHS II requests an allocation of each of the stocks of Northeast large-mesh multispecies based on the landings history of the Sector's permits.

In accordance with the Northeast Multispecies FMP, members would be operating under an ACE for allocated stocks and have developed an Operations Plan with harvesting rules that all members would follow to avoid exceeding the SHS II' allocation.

3.1.1.1 Location/Timeframe and Gear of the Sustainable Harvest Sector II

Members of the SHS II currently fish in all areas of the Northeast region, but primarily in the Gulf of Maine and on Georges Bank. All active SHS II vessels fish in the EEZ, and most active vessels fish farther offshore, but there are a few that stay within 50 miles of the shore in the Gulf of Maine. There are two or three vessels that may fish for a portion of their allocated stocks in the southern New England/Mid-Atlantic region.

(Description of months fishing, numbers of permit holders using each gear, number of permits expected to be active, etc will be described in this paragraph.)

3.1.1.2 Dividing the Allocation

The SHS II would be allocated a portion of the ACL for stocks of Northeast multispecies, based on catch history of member vessels from May 1, 1996 through April 30, 2007 as authorized by NMFS in Amendment 16. The allocation would be divided among active SHS II vessels based on the Potential Sector Contribution (PSC) of each stock that owners' vessels contributed to the SHS II allocation. SHS II members would be able to trade or lease ACE with other members of the SHS II. The SHS II Manager would track all ACE trades. ACE is defined for the purpose of this EA as pounds of a particular stock, not to exceed each vessel owner's internal allocation from the SHS II. This internal allocation may vary based on trading/leasing activities among the members or decisions of the SHS II Board of Directors.

3.1.1.3 Operations Plan

SHS II members, showing their commitment to abide by the terms of their Operations Plan by signing the Operations Plan which will be submitted in September 2010, agree to limit their catch (including discards) to the amount of fish allocated to the SHS II for FY 2011. The SHS II members have agreed to report their catch and discards of each allocated target stock to the SHS II Manager in as near a real-time manner as possible and authorize the SHS II Manager to track the Sector's catch and report to NMFS as required under Amendment 16. The members acknowledge and agree that once the SHS II allocation of a stock has been caught, then no Sector member vessel would be allowed to fish in any area where that stock is found. SHS II members further agree to implement all monitoring and reporting requirements as mandated in Amendment 16 and any additional requirements as decreed by their own Board of Directors.

3.2 ALTERNATIVE 2 - NO-ACTION ALTERNATIVE

(To be added)

4.0 AFFECTED ENVIRONMENT

(To be added)

5.0 IMPACTS OF THE PROPOSED ACTION AND ALTERNATIVES

Prior to the advent of sectors, input controls (gear restrictions, area closures, and trip limits) were imposed on fishermen, which affected the amount of fish that could be caught in a day. Those restrictions, along with binding limits on the total number of days each fisherman could fish (DAS), were used to control fishing mortality for each of the groundfish stocks. Under this system, Common Pool members were allocated a portion of the target allowable fishing mortality for each species by (1) establishing a specific number of DAS, and (2) regulating Common Pool fishermen so fishing occurs in a manner that controls catch per day.

The advent of sectors does not change that overall process. Common Pool members would still be assigned DAS based on a total allowable fishing mortality. However, sector members are allocated the remaining portion of the total allowable fishing mortality. But, rather than being assigned DAS, sectors are allotted an ACE in pounds for the majority of the groundfish stocks and allowed more flexibility as to when and how sector members fish for those stocks through an approved operations plan. A sector's ACE for each stock is determined by multiplying the sector's proportional share of a stock based upon catch history, by the established annual catch limit for the stock. The catch history is based upon the permits held by a sector. If sectors were being introduced into a fishery that focused on a single stock, the introduction would almost certainly result in a reduction in the total amount of gear fished per pound of fish harvested. This is because sector fishermen would have increased flexibility with respect to when and how fishing occurs relative to Common Pool members and sector fishermen would likely be motivated to fish in a manner that increases their expected daily catch rate. As a result, the total amount of gear deployed over a year to target a fixed quantity of a single stock would be expected to decrease somewhat relative to the levels that would have existed under the Common Pool.

However, Northeast multispecies fishermen generally do not pursue a single stock. Instead, fishermen simultaneously target and/or catch several species, each of which has its own acceptable level of fishing mortality. As such, the introduction of sectors allows for the possibility that fishermen could be able to coordinate their fishing to ensure that the sector does not reach its ACE for a single stock well before it reaches its ACE for the other allocated stocks. This coordinated effort could result in (1) increased harvest levels for stocks that typically were not fully exploited to their allowable limit under Common Pool operations, (2) an increase or decrease in the total amount of gear fished by sector fishermen over the course of a year, and (3) changes to the way gear is fished in order to increase gear selectivity.

In summary, the increased flexibility granted to sectors through their approved operations plan should increase CPUE, which would tend to decrease the number of days with gear in the water (gear days). However, the ability to target specific stocks could allow sectors to more fully exploit previously under-exploited stocks, which would tend to increase gear days. Because multispecies sectors are relatively recent to the Northeast groundfish fishery, there exists little Northeast specific data to quantitatively determine the net effect of multispecies sector participation on gear days. However, after reviewing theory and available information from Pacific fisheries management (Sanchirico et al. 2006), and discussing the issue with sector representatives and fishermen, it appears likely that the overall change in gear days would conservatively be a slight increase based on going from the DAS approach to the ACE approach of fisheries management.

**DRAFT OPERATIONS PLAN
FISHING YEAR 2011
SUSTAINABLE HARVEST SECTOR III,
April 22, 2010**

HARVESTING RULES

ACE and Annual Distribution

1. Each Member agrees that the ACE of multispecies authorized by Amendment 16 and NMFS to the Sector (the "ACE") shall be harvested in accordance with the Harvesting Rules, which are set forth below.
2. Sector members will be allocated a portion of the Sector's total allocation based on the proportion of each stock that they contribute to the Sector's initial ACE.

Harvesting Rules

1. The Members will not harvest ACE allocated to this sector in FY2011. The Sector ACE will only be used through transfers to other sectors.
2. The Members will not collectively transfer more than the Sector ACE for any allocated stocks.

Sector Reporting

1. The SHS III will report transfers of ACE weekly to NMFS as required.

Data Reconciliation

1. The Sector Manager will verify that ACE transfers are reconciled with other Sectors that have participated in the transfer. If a discrepancy is found, the Sector Manager will notify the other sector(s) and the NMFS of the discrepancy and will resolve it.

Sustainable Harvest Sector III

Draft Environmental Assessment

Prepared by:
Sustainable Harvest Sector

Lead Agency:
National Marine Fisheries Service
April 2010

1.0 INTRODUCTION

The Sustainable Harvest Sector III (SHS III) is preparing an Operations Plan and requests an allocation of an Annual Catch Entitlement (ACE) of those stocks of fish managed under the Northeast Multispecies Fishery Management Plan (FMP) for the 2011 fishing year that the Council determines have adequate biomass to be allocated to the fishery.

The SHS III would be a group of limited access multispecies permit holders who have voluntarily chosen to cooperate for the purpose of more efficiently harvesting an annual allocation of large-mesh multispecies. If approved, the SHS III would operate under an ACE for their allocation of stocks to avoid overfishing and meet the mandates of the 2007 Reauthorization to the MSFCMA. Specific goals of the SHS are described in Section 2.0.

Implementation of the SHS III's Operations Plan would mitigate potentially adverse economic impacts that have been experienced as a result of Amendment 13, subsequent framework actions, and Amendment 16 to the Northeast Multispecies FMP by conveying environmental, social, and economic benefits directly to the SHS, other sectors and the communities in which it operates.

1.1 MULTISPECEIS FISHERY

(Background info to be added)

1.2 SECTOR MANAGEMENT

(Background info to be added)

2.0 PURPOSE AND NEED FOR THE PROPOSED ACTION

The need for the action is to provide an opportunity for flexible fisheries management through local decision-making, self-monitoring, and Sector management. The purpose of the action is to approve an Operations Plan and an allocation of ACE of Northeast multispecies for the SHS III, consistent with Amendment 16. Operation of the SHS III is intended to alleviate social and economic hardships, but would also meet the biological objectives of the Northeast Multispecies FMP through management rules by which the Sector members agree to abide.

The SHS III has established a set of goals that are designed to meet many of the goals and objectives set forth by the NEFMC in Amendment 16. The SHS III's goals and the relevant Amendment 16 goals and objectives are listed below. The SHS III goals support Amendment 16 goals and objectives in a multitude of ways and selected concurrences are outlined in this section.

The Sustainable Harvest Sector III has the following unique goals:

The mission of this Sector is to hold a sufficient amount of ACE for all Allocated Target Species that can be leased out to fishermen in the SHS or other sectors, in order to maintain the economic stability of these sectors and their members. The SHS III would be a group of limited access Northeast multispecies (groundfish) permit holders who are voluntarily working together

as a Sector under the terms described in the Draft Amendment 16 to the Northeast Multispecies FMP, as defined in Section 1.0 (NEFMC 2009a). These permit holders collectively own Northeast multispecies permits; however, there are no active vessels in this Sector because it is a lease only sector.

The SHS III requests approval from NMFS of their Operations Plan and allocation of ACE of fish managed under the Northeast Multispecies FMP for FY 2011. If approved, the FY 2011 would be the first year the sector would operate.

1.3.1 Intent and Goals of the Sustainable Harvest Sector III

The primary goal of the Sector is that of the leasing quota to fishermen, primarily in the SHS. Implementation of the SHS III Operations Plan would mitigate potentially adverse economic impacts that have been experienced because of Amendment 13 and subsequent framework actions to the Northeast Multispecies FMP by conveying environmental, social, and economic benefits directly to the Sector and the communities in which it operates.

The SHS III has the following unique goals:

- **Goal 1:** Sustain a viable commercial groundfish fishery.
- **Goal 2:** To minimize the adverse impacts on fishing communities and shore-side infrastructure.
- **Goal 3:** Maintaining a fleet capacity that is commensurate with resource status so as to achieve goals of both economic efficiency and biological conservation that encourages diversity within the fishery.
- **Goal 4:** Implement community based fisheries management in New England.
- **Goal 5:** Promote stewardship within the fishery.
- **Goal 6:** Achieve on a continuing basis, optimum yield for the U.S. Fishing industry.
- **Goal 7:** Create new opportunities for Sector participants and recipients of leased quota, such as opportunities to pursue healthy or rebuilding groundfish stocks; and strengthen the ability of participants to develop long term business models.

The following Amendment 16 goals and objectives are consistent with the goals of the SHS III:

- **Goal 1:** Consistent with the National Standards and other required provisions of the Magnuson-Stevens Fishery Conservation and Management Act and other applicable law, manage the Northeast multispecies complex at sustainable levels.

- **Goal 2:** Create a management system so that fleet capacity will be commensurate with resource status so as to achieve goals of economic efficiency and biological conservation and that encourages diversity within the fishery.
- **Goal 3:** Maintain a directed commercial and recreational fishery for Northeast multispecies.
- **Goal 4:** Minimize, to the extent practicable, adverse impacts on fishing communities and shore-side infrastructure.
- **Goal 5:** Provide reasonable and regulated access to the groundfish species covered in this plan to all members of the public of the United States for seafood consumption and recreational purposes during the stock rebuilding period without compromising the Amendment 13 objectives or timetable. If necessary, management measures could be modified in the future to ensure that the overall plan objectives are met.
- **Goal 6:** To promote stewardship within the fishery.
- **Objective 1:** Achieve, on a continuing basis, optimum yield for the U.S. fishing industry.
- **Objective 3:** Adopt fishery management measures that constrain fishing mortality to levels that are compliant with the Sustainable Fisheries Act.
- **Objective 4:** Implement rebuilding schedules for overfished stocks, and prevent overfishing.
- **Objective 5:** Adopt measures as appropriate to support international transboundary management of resources.
- **Objective 7:** To the extent possible, maintain a diverse groundfish fishery, including different gear types, vessel sizes, geographic locations, and levels of participation.
- **Objective 8:** Develop biological, economic, and social measures of success for the groundfish fishery and resource that ensure accountability in achieving fishery management objectives.
- **Objective 10:** Identify and minimize bycatch, which include regulatory discards, to the extent practicable, and to the extent bycatch cannot be avoided, minimize the mortality of such bycatch.

3.0 PROPOSED ACTION AND ALTERNATIVES

This section of the EA describes the fishing alternatives, including existing fishing conditions under the No-Action Alternative and the Proposed Action (Alternative 1), which is approval of SHS III Operations Plan.

3.1 ALTERNATIVE 1 - APPROVAL OF THE Sustainable Harvest Sector III OPERATIONS PLAN FOR FISHING YEAR 2010

A summary of the SHS III Operations Plan (Proposed Action) is presented in Table 3.1-1, and further described, in the subsections below.

Sector Parameters	Description
Location	Not applicable because there will be no active vessels
Timeframe	May 1, 2011 – April 30, 2012
Gear	Not applicable because there will be no active vessels
Allocated Target species	Stocks of Northeast multispecies complex
Non-target species/ Bycatch	Monkfish, Skates, and Dogfish
Number of participants	Unknown at this time
Annual Catch Entitlement by Stock	Unknown at this time
Expected catch (including allocated and other landed species)	Assumed to be equal to the ACE = (PSC x ACL)

3.1.1 Description of the Sustainable Harvest Sector III and Proposed Operations

The SHS III would consist of permits which would not be actively fished by this Sector as it is lease only. The SHS III requests an allocation of Northeast large mesh multispecies (also referred to as “Allocated Target Species”) based on the landings history of the Sector permits.

The term "allocated target species" refers to the list of groundfish species for which the Sector would receive an ACE. "Non-allocated Target Species" refers to species which the Sector member would also be targeting, but for which no ACE is allocated. These other fish species ("non-allocated target") may be caught by the same gear while fishing for allocated target species, and brought to shore and sold to dealers (i.e., “landed”), assuming the fisherman has proper authorization or permit(s). These Non-allocated Target Species may also be managed under the Northeast Multispecies FMP (e.g., halibut and whiting) or another Fishery Management Plan (e.g., Monkfish FMP). As defined in the Magnuson Act, “bycatch” refers to “fish which are harvested in a fishery, but which are not sold or kept for personal use, and includes economic discards and regulatory discards.” For the purposes of this EA, the discussion of Non-allocated Target Species and Bycatch refers primarily to skates, monkfish, and dogfish. These species predominate bycatch (i.e., dogfish) or are the primary alternate species that are landed by expected SHS membership (i.e., monkfish and skates).

SHS III would be a lease only sector in FY 2011. Representative harvesting rules for SHS III are summarized below. The harvesting rules associated with vessel operations, monitoring, and gear restrictions would be based on the NMFS-approved harvesting rules in the sector agreements for those sectors that would lease the ACE from SHS III.

TABLE 3.1-2 Summary of Harvest Rules	
Quota Management	Brief Description of Measures
	There will be no Harvest rules because there will be no active vessels.

AGGREGATE ALLOCATION: The members agree that they would not collectively lease/transfer more than the Sector ACE, as adjusted by transfers, for any allocated groundfish stocks. Furthermore, the members agree that once an annual ACE is reached no member would attempt to transfer allocated groundfish stocks or other species managed under plan. The Sector members may resume leasing/transferring activities if additional ACE is secured through intersector ACE transfer.

QUOTA MANAGEMENT: Sector members would use computer based software for collecting data and reporting transfers.

DATA RECONCILIATION: The Sector Manager would verify that ACE transfers are reconciled with the sectors that have participated with the Sector for consistency. The Sector would receive the data electronically to expedite and automate data reconciliation. If a discrepancy is detected, the Sector Manager would notify the other sector/s and NMFS of the discrepancy and would note discrepancies on the weekly report until resolved.

DAYS AT SEA: Each participating permit would be allocated DAS by the Regional Administrator based on Amendment 16 management measures for sector permits. Members would be allowed to lease DAS to other sectors/members.

WEEKLY REPORTS: The Sector Manager would submit Weekly Sector Reports of all transfers of ACE by the Sector.

ANNUAL REPORT: Within sixty (60) days of the end of the fishing year the Sector Manager would submit an annual report to NMFS and the Council that summarizes: relevant information required to evaluate the performance of the Sector.

The SHS III would be a group of limited access Northeast multispecies permit holders who are voluntarily working together as a "Sector" under the terms described in Amendment 16 to the Northeast Multispecies FMP. These permit holders together own a number of Northeast multispecies permits. If approved, the FY 2011 would be the first year that the SHS III would operate. The SHS III would be allocated a portion of the ACL for the stocks of Northeast multispecies, based on the catch history of the members for FY 1996-2006. It is expected that the SHS III would lease out its ACE for each allocated stock to other sectors.

3.1.2 Location/Timeframe and Gear of the Sustainable Harvest Sector III

Members of the SHS III currently fish in all areas of the Northeast and Mid-Atlantic regions in other managed fisheries. There will be no active vessels in the SHS III fishing for multispecies.

(Further description of SHS III members expected fishing activities (including FMP, months fishing, etc will be described in this paragraph.)

3.1.3 Dividing the Allocation

The SHS III would be allocated a portion of the ACL for stocks of Northeast multispecies, based on catch history of member vessels from May 1, 1996 through April 30, 2007 as authorized by NMFS in Amendment 16. The individual members of the SHS III would not be allocated a portion of the Sector's overall ACE. The allocation would be leased out to active SHS vessels and other sectors. The SHS III Sector Manager would track all ACE trades. ACE is defined for the purpose of this EA as pounds of a particular stock, not to exceed the allocation for each stock allocated to the SHS III.

3.1.4 Operations Plan

SHS III members agree to not fish in the NE Multispecies fishery in 2011. Instead of fishing for multispecies, the SHS III will lease (transfer out of the sector) ACE of its allocated stocks to the SHS and other sectors. The Sector Manager will track all sector leases. SHS III members further agree to implement all monitoring and reporting requirements as mandated in Amendment 16 and any additional requirements as decreed by their own Board of Directors.

3.2 ALTERNATIVE 2 - NO-ACTION ALTERNATIVE

Under the No-Action Alternative, all SHS III vessels would operate under the regulations applicable to the Common Pool. Under this alternative, all SHS III vessels would return to the Common Pool under the rules implemented in Amendment 16, and prior framework adjustments to the Northeast Multispecies FMP. The SHS III would not have an allocation of Northeast multispecies. Common pool measures are described in the Final Amendment 16 to the Northeast Multispecies FMP (NEFMC 2009a). The No-Action Alternative would subject all SHS III vessels to the input control measures, implemented by Amendment 13, subsequent FW adjustments, and Amendment 16 to rebuild overfished stocks and end overfishing on those stocks where it is occurring.

Under measures proposed by Amendment 16, Common Pool vessels would be subject to a 50 percent cut in DAS from their FW 42 allocation and having all DAS counted at a rate of 24-hours. Additionally, trip limits for overfished stocks are being adjusted, ACLs and AMs are being implemented, and it is possible that many vessels currently in the fishery would not be economically viable.

4.0 AFFECTED ENVIRONMENT

(To be added)

5.0 IMPACTS of the PROPOSED ACTION AND ALTERNATIVES

Prior to the advent of sectors, input controls (gear restrictions, area closures, and trip limits) were imposed on fishermen, which affected the amount of fish that could be caught in a day. Those restrictions, along with binding limits on the total number of days each fisherman could fish (DAS), were used to control fishing mortality for each of the groundfish stocks. Under this system, Common Pool members were allocated a portion of the target allowable fishing mortality for each species by (1) establishing a specific number of DAS, and (2) regulating Common Pool fishermen so fishing occurs in a manner that controls catch per day.

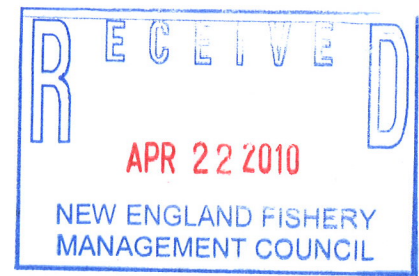
The advent of sectors does not change that overall process. Common Pool members would still be assigned DAS based on a total allowable fishing mortality. However, sector members are allocated the remaining portion of the total allowable fishing mortality. But, rather than being assigned DAS, sectors are allotted an ACE in pounds for the majority of the groundfish stocks and allowed more flexibility as to when and how sector members fish for those stocks through an approved operations plan. A sector's ACE for each stock is determined by multiplying the sector's proportional share of a stock based upon catch history, by the established annual catch limit for the stock. The catch history is based upon the permits held by a sector. If sectors were being introduced into a fishery that focused on a single stock, the introduction would almost certainly result in a reduction in the total amount of gear fished per pound of fish harvested. This is because sector fishermen would have increased flexibility with respect to when and how fishing occurs relative to Common Pool members and sector fishermen would likely be motivated to

fish in a manner that increases their expected daily catch rate. As a result, the total amount of gear deployed over a year to target a fixed quantity of a single stock would be expected to decrease somewhat relative to the levels that would have existed under the Common Pool.

However, Northeast multispecies fishermen generally do not pursue a single stock. Instead, fishermen simultaneously target and/or catch several species, each of which has its own acceptable level of fishing mortality. As such, the introduction of sectors allows for the possibility that fishermen could be able to coordinate their fishing to ensure that the sector does not reach its ACE for a single stock well before it reaches its ACE for the other allocated stocks. This coordinated effort could result in (1) increased harvest levels for stocks that typically were not fully exploited to their allowable limit under Common Pool operations, (2) an increase or decrease in the total amount of gear fished by sector fishermen over the course of a year, and (3) changes to the way gear is fished in order to increase gear selectivity.

In summary, the increased flexibility granted to sectors through their approved operations plan should increase CPUE, which would tend to decrease the number of days with gear in the water (gear days). However, the ability to target specific stocks could allow sectors to more fully exploit previously under-exploited stocks, which would tend to increase gear days. Because multispecies sectors are relatively recent to the Northeast groundfish fishery, there exists little Northeast specific data to quantitatively determine the net effect of multispecies sector participation on gear days. However, after reviewing theory and available information from Pacific fisheries management (Sanchirico et al. 2006), and discussing the issue with sector representatives and fishermen, it appears likely that the overall change in gear days would conservatively be a slight increase based on going from the DAS approach to the ACE approach of fisheries management.

Mr. Paul Howard, Executive Director
 Mr. John Pappalardo, Chairman
 New England Fishery Management Council
 Water Street
 Newburyport, MA



#10 P

April 22, 2010

Dear Mr. Chairman,

I am writing to request that the New England Fishery Management Council (NEFMC or Council) initiate a framework action at the nearest possible opportunity for the consideration of a sector proposal in the Northeast multispecies fishery to be implemented by May 1, 2011 for the 2011-2012 fishing year.

The Tri State Sector (hereafter the "Sector") is a group of limited access multispecies permit holders who voluntarily entered into an agreement with each other and the National Marine Fisheries Service (NMFS) in 2009 to operate under certain fishing restrictions for the 2010 fishing year and which has been allocated a portion of the TACs of the species managed under the NE Multispecies Fishery Management Plan (FMP) to achieve objectives consistent with the objectives of the FMP as a 'sector' for the 2010 fishing year as defined in Amendment 13 and redefined in Amendment 16 to the Northeast Multispecies Fishery Management Plan (authorized in the Final Rules published in the Federal Register on April 9, 2010). 2010 is the first year that the Sector will be operating and herein they are announcing their intention to continue operating in the 2011 fishing year.

The Sector requests an allocation of all 20 stocks managed under the Northeast Multispecies FMP as well as an allocation of all other stocks and species for which their members have catch history, as authorized under other FMPs managed by the NEFMC or jointly managed by the NEFMC and the Mid Atlantic Fishery Management Council (MAFMC).

Members of the Tri State Sector will fish the waters of the Gulf of Maine, Georges Bank, Southern New England and the Mid Atlantic. As intended in Amendment 16, all sector members may not actively fish for multispecies in 2011 but may agree to allow other sector members to harvest the sector's allocations.

Preliminary Objectives

This Sector will operate in order to achieve specific conservation and economic objectives, including but not limited to:

- 1) Ending overfishing and enabling fish stocks to rebuild
- 2) Increasing the potential to realize optimum yield of the groundfish resource
- 3) Reducing discards of catch
- 4) Promoting safer fishing practices.
- 5) Generating economic stability for fishing vessels and fishing communities.
- 6) Refining stakeholder co-management in New England that can tailor management to local needs and strengthen stewardship

- 7) Refining the working model of sector management in the New England groundfish fishery

The Need

Sector management was first implemented in 2004 under Amendment 13 at the request of the Cape Cod Hook Fishermen's Association who worked with their constituents to establish the Hook Sector in 2004 and the Fixed Gear Sector in 2006. Under Amendment 16, in the spring of 2010, 98% of the active vessels in the New England groundfish fleet were enrolled in sectors, and the 2010 fishing year will be a true test of the effectiveness of this new management structure for the vast majority of the fleet. It will take more than one fishing year for sector management to be proven as a means of conservation and management in this complicated fishery. Therefore we request the Council initiate a Framework Adjustment to consider this sector continue operating for the 2011 fishing year.

Draft Operations Plans

The proposed sectors expects to operate in 2011 under the guidance of a sector manager who will oversee all aspects of sector operations and compliance. As required in Amendment 16, a complete draft operations plan containing all required measures as described in section 50 CFR 648.87 (b) (2) will be submitted to the Council and NMFS no later than September 1, 2010. A very brief overview follows:

1. List and Number of Participants: It is anticipated that the Tri State Sector will continue to have at least 20 permit holders who qualify for membership as stated in regulations at 648.____.
2. Consolidation and Redistribution of Effort, including Possible Redirection of Effort: Is likely to be similar to those terms authorized for the Sector and as required in Amendment 16.
3. ACE Thresholds and Harvesting Rules: Are likely to be similar to those terms authorized for the Sector and as required in Amendment 16.
4. Enforcement Procedures including Investigation Procedures, Penalties (including those for overages) and terms for Expulsion: Are likely to be similar to those terms authorized for the Tri State Sector and as required in Amendment 16.
5. Fishing Activity/Allocation within the Sector: Some Sector members will fish a portion of their sector's allocation as determined by the amount of allocation that their own catch history contributes to the sector and their own willingness to contribute to leasing additional allocation for the Sector. It is expected that other permit holders may choose not to fish in the multispecies fishery at all.
6. Monitoring and Reporting Landings and Discards: Is likely to be similar to those terms authorized for the Sector and as required in Amendment 16.
7. Bycatch Avoidance of regulated species and pout in other fisheries: Is likely to be similar to those terms authorized for the SHS in Amendment 16.

Additionally, the Draft Operations Plan will include the list of state and other federal permits, assigned to the members as well as what can be known of their intended fishing status for 2011. It will include the required contract signed by all members pledging their commitment to the sector and its operations plan for the 2011 fishing year. It will further include the list of existing regulations for which the sector is requesting exemptions. Finally, it will include the name and contact information of the agent for service of process.

It is further expected that all provisions will be similar to those in the Tri State 2010 Operations Plan as approved, but may be revised as determined by the Tri State Board of Directors based on lessons learned in the first part of the 2010 fishing year. A Draft Operations Plan for the 2011 fishing year will be submitted to the Council and NMFS no later than September 1, 2010.

A Draft Operations Plan and Environmental Assessment are submitted with this letter.

This concludes our proposal for two sectors for the 2011 fishing year, please feel free to contact me if you have any questions about this letter. I look forward to working with you in the months ahead.

Sincerely,

Cindy Smith,
Manager, Tri State Sector
and
President, New England Sector Solutions

TRI STATE SECTOR

A Draft Environmental Assessment

Prepared by

New England Sector Solutions, LLC

April 2010

Lead Agency:

National Marine Fisheries Service

TABLE OF CONTENTS

Acronyms

I.0

INTRODUCTION

The Tri-State Sector is preparing their Operations Plan and requests an allocation of an Annual Catch Entitlement (ACE) of those stocks of fish managed under the Northeast Multispecies Fishery Management Plan (FMP) for the 2011 fishing year that the Council determines have adequate biomass to be allocated to the fishery, and any other species that may be allocated under a different FMP. If approved, the fishing year (FY) 2011 would be the second year that this Sector would operate.

Members of the Tri-State Sector would operate out of ports located in the Northeast Region including but not limited to Chatham, Scituate, and New Bedford, Massachusetts. The Tri-State Sector would consist of up to **x** permits, and it is anticipated that there would be approximately **y** active vessels fishing these permits. Active vessels would fish with otter trawls, sink gillnets and or demersal longlines. Of the active vessels, all are trawlers. (info on months active and other fisheries participated in by members will be added here.) Tri-State Sector vessels fish throughout the U.S. Exclusive Economic Zone (EEZ), in the Gulf of Maine, inshore and offshore Georges Bank, and inshore and offshore of the southern New England/Mid-Atlantic when fishing for groundfish.

The Tri State Sector would be a group of limited access multispecies permit holders who have voluntarily chosen to cooperate for the purpose of more efficiently harvesting an annual allocation of large-mesh multispecies. If approved, the Tri State Sector would operate under an ACE for their allocation of stocks to avoid overfishing and meet the mandates of the 2007 Reauthorization to the MSFCMA. Specific goals of the sector are described in Section 2.0.

Implementation of the Tri State Operations Plan would mitigate potentially adverse economic impacts that have been experienced as a result of Amendment 13, subsequent framework actions, and Amendment 16 to the Northeast Multispecies FMP by conveying environmental, social, and economic benefits directly to the Tri State Sector and the communities in which it operates.

1.1 MULTISPECIES FISHERY

(background info to be added)

1.2 SECTORS AS A MANAGEMENT TOOL

(background info to be added)

2.0 PURPOSE AND NEED FOR THE PROPOSED ACTION

The need for the action is to provide an opportunity for flexible fisheries management through local decision-making, self-monitoring, and Sector management. The purpose of the action is to approve an Operations Plan and an allocation of ACE of Northeast multispecies for

the Tri-State Sector, consistent with Amendment 16. Operation of the Tri-State Sector is intended to alleviate social and economic hardships, but would also meet the biological objectives of the Northeast Multispecies FMP through management rules by which the Sector members agree to abide.

The Tri-State Sector has established a set of goals that are designed to meet many of the goals and objectives set forth by the NEFMC in Amendment 16. The Tri-State Sector's goals and the relevant Amendment 16 goals and objectives are listed below.

The Tri-State Sector has the following unique goals:

- **Goal 1:** To fish at sustainable levels.
- **Goal 2:** A fleet capacity that is commensurate with resource status so as to achieve goals of economic efficiency and biological conservation, and that encourages diversity within the fishery.
- **Goal 3:** To maintain a directed commercial multispecies fishery in the Northeast region.
- **Goal 4:** To minimize adverse impacts on fishing communities and shore-side infrastructure.
- **Goal 5:** To provide reasonable and regulated access to the groundfish species to all members of the public of the United States for seafood consumption during the stock rebuilding period without compromising the Amendment 13 objectives or timetable.
- **Goal 6:** To promote stewardship within the fishery.
- **Goal 7:** To achieve on a continuing basis, optimum yield for the U.S. fishing industry.

The following Amendment 16¹ goals and objectives are consistent with the Tri-State Sector goals:

- **Goal 1:** Consistent with the National Standards and other required provisions of the Magnuson-Stevens Fishery Conservation and Management Act and other applicable law, manage the Northeast multispecies complex at sustainable levels.
- **Goal 2:** Create a management system so that fleet capacity will be commensurate with resource status so as to achieve goals of economic efficiency and biological conservation and that encourages diversity within the fishery.
- **Goal 3:** Maintain a directed commercial and recreational fishery for Northeast multispecies.

¹ Excerpt from April 15, 2009 Draft EIS for Amendment 16 (Goal and Objective numbers correspond to the numbers listed in Amendment 16).

- **Goal 4:** Minimize, to the extent practicable, adverse impacts on fishing communities and shore-side infrastructure.
 - **Goal 5:** Provide reasonable and regulated access to the groundfish species covered in this plan to all members of the public of the United States for seafood consumption and recreational purposes during the stock rebuilding period without compromising the Amendment 13 objectives or timetable. If necessary, management measures could be modified in the future to ensure that the overall plan objectives are met.
 - **Goal 6:** To promote stewardship within the fishery.
-

- **Objective 1:** Achieve, on a continuing basis, optimum yield for the U.S. fishing industry.
- **Objective 3:** Adopt fishery management measures that constrain fishing mortality to levels that are compliant with the Sustainable Fisheries Act.
- **Objective 4:** Implement rebuilding schedules for overfished stocks, and prevent overfishing.
- **Objective 5:** Adopt measures as appropriate to support international transboundary management of resources.
- **Objective 7:** To the extent possible, maintain a diverse groundfish fishery, including different gear types, vessel sizes, geographic locations, and levels of participation.
- **Objective 8:** Develop biological, economic, and social measures of success for the groundfish fishery and resource that ensure accountability in achieving fishery management objectives.
- **Objective 10:** Identify and minimize bycatch, which include regulatory discards, to the extent practicable, and to the extent bycatch cannot be avoided, minimize the mortality of such bycatch.

The Tri-State Sector goals support Amendment 16 goals and objectives in a multitude of ways and selected concurrences. The Tri-State Sector's goal of fishing at a sustainable level (Goal 1) through utilization of an ACE is consistent with Amendment 16 Goal 1 (to manage the fishery at sustainable levels) and Objective 3 (to constrain fishing mortality to levels that comply with the Sustainable Fisheries Act). The Tri-State Sector's Goal 2 of fleet capacity that matches the resource is consistent with Goal 2 of Amendment 16. The Tri-State Sector's Goal 3 of maintaining a directed commercial groundfish fishery in New England is consistent with Amendment 16 Goal 3 to maintain a directed commercial and recreational fishery. The Tri-State Sector's Goal 4 of minimizing adverse impacts on fishing communities and shore-side infrastructure is the same as Amendment 16 Goal 4. The Tri-State Sector's Goal 5 of providing access to the members of the United States public for seafood consumption during the rebuilding period without compromising Amendment 16 goals and objectives is consistent with Amendment 16 Goal 5. The Tri-State Sector Goals 6 and 7, to promote stewardship and achieve

optimum yield for the U.S. fishing industry, are consistent with Amendment 16 Goal 6 and Objective 1.

3.0 PROPOSED ACTION AND ALTERNATIVES

This section of the EA describes the possible fishing alternatives, including details of the Proposed Action (Alternative 1) and a No-Action Alternative.

3.1 ALTERNATIVE 1 - APPROVAL OF THE TRI-STATE SECTOR OPERATIONS PLAN FOR FISHING YEAR 2010

A summary of the Tri-State Sector Operations Plan (Proposed Action) is presented in Table 3.1-1, and further described, in the subsections below

TABLE 3.1-1 Summary of the Tri-State Sector Operations Plan Fishing Year 2010	
Sector Parameters	Description
Location	Inshore and offshore waters of the Gulf of Maine, inshore and offshore Georges Bank, and inshore and offshore waters of southern New England (SNE)
Timeframe	May 1, 2011 – April 30, 2012
Gear	Trawl, Gillnet, Demersal Longline
Allocated target species	Stocks of Northeast multispecies complex
Non-allocated Target Species/ Bycatch	Monkfish, skates, and dogfish
Number of participants	Unknown at this time
Annual Catch Entitlement (ACE)	Unknown at this time
Expected catch (including allocated and other landed species)	Assumed to be equal to the ACE = (ACL x PSC)

The term "allocated target species" refers to the list of groundfish species for which the Sector would receive an ACE (Section 3.1). "Non-allocated Target Species" refers to species which the Sector member would also be targeting, but for which no ACE is allocated. These other fish species ("non-allocated target") may be caught by the same gear while fishing for

allocated target species, and brought to shore and sold to dealers (i.e., “landed”), assuming the fisherman has proper authorization or permit(s). These Non-allocated Target Species may also be managed under the Multispecies FMP (e.g., halibut and whiting) or another Fishery Management Plan (e.g., Monkfish FMP). As defined in the Magnuson Act, “bycatch” refers to “fish which are harvested in a fishery, but which are not sold or kept for personal use, and includes economic discards and regulatory discards.” For the purposes of this EA, the discussion of Non-allocated Target Species and Bycatch refers primarily to skates, monkfish, and dogfish. These species dominate bycatch (i.e., dogfish) or are the primary alternate species that are landed by groundfishermen (i.e., monkfish and skates).

The Tri-State Sector will identify the following harvest rules to address requirements of any sector Operations Plan in accordance with Amendment 16 as described in Table 3.1-2.

TABLE 3.1-2 Summary of Harvest Rules	
Quota Management	Brief Description of Measures

The Tri-State Sector would be a group of **x** limited access Northeast multispecies permit holders who are voluntarily working together as a “Sector” under the terms described in Amendment 16 to the Northeast Multispecies FMP. These permit holders together own up to **y** Northeast multispecies permits. If approved, FY 2011 would be the second year that this Sector would operate. The Tri-State Sector would be allocated a portion of the ACL for stocks of Northeast multispecies, depending on which allocation formula is recommended by the Council and approved by NMFS in Amendment 16. It is expected that the Tri-State Sector would catch its allocation of most stocks.

3.1.1 Description of the Tri-State Sector and Proposed Operations

The Tri-State Sector would consist of up to **x** permits, of which **y** are expected to be actively fishing in FY 2010. The Tri-State Sector requests an allocation of Northeast large-mesh multispecies based on the landings history of the Sector permits and any other species which may be authorized to be allocated to a multispecies sector under the terms of another FMP.

In accordance with the Northeast Multispecies FMP, Tri-State Sector members would be operating under an ACE for allocated species and will developed an Operations Plan with harvesting rules that all Tri-State Sector members would follow to avoid exceeding the Sector’s allocation.

3.1.1.1 Location/Timeframe and Gear of the Tri-State Sector

Members of the Tri-State Sector currently fish in the inshore and offshore waters of the Gulf of Maine, Georges Bank and southern New England. Generally speaking, those vessels that fish in southern New England also fish in Georges Bank, a handful of vessels exclusively fish in the Gulf of Maine, and a few fish in both the Gulf of Maine and Georges Bank.

(Description of months fishing, numbers of permit holders using each gear, number of permits expected to be active, etc will be described in this paragraph.)

3.1.1.2 Fishing Year 2010 (May 1, 2010-April 30, 2011) Tri-State Sector Operations Plan Harvesting Rules:

Tri-State Sector members, showing their commitment to abide by the terms of their Operations Plan by signing the Operations Plan Contract submitted in September 2010, agree to limit their catch (including discards) to the amount of fish allocated to the Tri-State Sector for FY 2011. They have agreed to report their catch and discards of each allocated target species to the Tri-State Sector Manager in as near a real-time manner as possible and authorize the Tri-State Sector Manager to track the Sector's catch and report to NMFS as required under Amendment 16. They acknowledge and agree that once the Sector's allocation of a stock has been caught, then no Tri-State Sector member vessel would be allowed to fish in any area where that stock is found. Tri-State Sector members further agree to implement all monitoring and reporting requirements as mandated in Amendment 16 and any additional requirements as decreed by their own Board of Directors.

Dividing the Allocation

The Tri-State Sector would be allocated a portion of the ACL for stocks of Northeast multispecies based on catch history of member vessels from May 1, 1996 through April 30, 2007. The allocation would be divided among active Tri-State Sector vessels based on the Potential Sector Contribution (PSC) of each stock that owners' vessels contributed to the Sector allocation. Tri-State Sector members would be able to trade or lease ACE with other members of the Tri-State Sector. The Tri-State Sector Manager would track all ACE trades. ACE is defined for the purpose of this EA as pounds of a particular stock, not to exceed each vessel owner's internal allocation from the Sector. This internal allocation could vary based on trading/leasing activities among the members or decisions of the Tri-State Sector Board of Directors.

3.2 ALTERNATIVE 2 - NO-ACTION ALTERNATIVE

Under the No-Action Alternative, all Tri-State Sector vessels would operate under the regulations applicable to the Common Pool. Under this alternative, all Tri-State Sector vessels would remain in the Common Pool under the rules implemented in Amendments 13 and 16, and FW adjustments to the FMP. The Tri-State Sector would not have an allocation of Northeast multispecies or any other species. Common pool measures are described in the Final Amendment 16 to the Northeast Multispecies FMP (NEFMC 2009a). The No-Action Alternative would subject all Tri-State Sector vessels to the input control measures, implemented by Amendment 13, subsequent FW adjustments, and Amendment 16 to rebuild overfished stocks and end overfishing on those stocks where it is occurring.

Under measures proposed by Amendment 16, Common Pool vessels would be subject to a 50 percent cut in DAS from their FW 42 allocation and having all DAS counted at a rate of 24-

hours. Additionally, trip limits for overfished stocks are being adjusted, ACLs and AMs are being implemented, and it is possible that many vessels currently in the fishery would not be economically viable.

4.0 AFFECTED ENVIRONMENT

(To be added)

5.0 IMPACTS OF THE PROPOSED ACTION AND ALTERNATIVES

Prior to the advent of sectors, input controls (gear restrictions, area closures, and trip limits) were imposed on fishermen, which affected the amount of fish that could be caught in a day. Those restrictions, along with binding limits on the total number of days each fisherman could fish (DAS), were used to control fishing mortality for each of the groundfish stocks. Under this system, Common Pool members were allocated a portion of the target allowable fishing mortality for each species by (1) establishing a specific number of DAS, and (2) regulating Common Pool fishermen so fishing occurs in a manner that controls catch per day.

The advent of sectors does not change that overall process. Common Pool members would still be assigned DAS based on a total allowable fishing mortality. However, sector members are allocated the remaining portion of the total allowable fishing mortality. But, rather than being assigned DAS, sectors are allotted an ACE in pounds for the majority of the groundfish stocks and allowed more flexibility as to when and how sector members fish for those stocks through an approved operations plan. A sector's ACE for each stock is determined by multiplying the sector's proportional share of a stock based upon catch history, by the established annual catch limit for the stock. The catch history is based upon the permits held by a sector. If sectors were being introduced into a fishery that focused on a single stock, the introduction would almost certainly result in a reduction in the total amount of gear fished per pound of fish harvested. This is because sector fishermen would have increased flexibility with respect to when and how fishing occurs relative to Common Pool members and sector fishermen would likely be motivated to fish in a manner that increases their expected daily catch rate. As a result, the total amount of gear deployed over a year to target a fixed quantity of a single stock would be expected to decrease somewhat relative to the levels that would have existed under the Common Pool.

However, Northeast multispecies fishermen generally do not pursue a single stock. Instead, fishermen simultaneously target and/or catch several species, each of which has its own acceptable level of fishing mortality. As such, the introduction of sectors allows for the possibility that fishermen could be able to coordinate their fishing to ensure that the sector does not reach its ACE for a single stock well before it reaches its ACE for the other allocated stocks. This coordinated effort could result in (1) increased harvest levels for stocks that typically were not fully exploited to their allowable limit under Common Pool operations, (2) an increase or

decrease in the total amount of gear fished by sector fishermen over the course of a year, and (3) changes to the way gear is fished in order to increase gear selectivity.

In summary, the increased flexibility granted to sectors through their approved operations plan should increase CPUE, which would tend to decrease the number of days with gear in the water (gear days). However, the ability to target specific stocks could allow sectors to more fully exploit previously under-exploited stocks, which would tend to increase gear days. Because multispecies sectors are relatively recent to the Northeast groundfish fishery, there exists little Northeast specific data to quantitatively determine the net effect of multispecies sector participation on gear days. However, after reviewing theory and available information from Pacific fisheries management (Sanchirico et al. 2006), and discussing the issue with sector representatives and fishermen, it appears likely that the overall change in gear days would conservatively be a slight increase based on going from the DAS approach to the ACE approach of fisheries management.

Further evaluation of potential impacts to physical resources, allocated target species, Non-allocated Target Species and Bycatch, protected resources, and human communities will be discussed further in Section 5.1. Cumulative impacts of the Proposed Action in combination with other past, present, and reasonably foreseeable actions are discussed in Section 5.2.

6.0 LIST OF PREPARERS

7.0 PERSONS AND AGENCIES CONSULTED

8.0 COMPLIANCE WITH APPLICABLE LAWS AND EXECUTIVE ORDERS

9.0 REFERENCES

**Proposal and Draft Operations Plan
Tri State Sector
April 2010**

Summary

A group of Northeast Multispecies permit holders requests that the New England Fishery Management Council (NEFMC) initiate a framework adjustment through the process established in Amendment 13 and revised in Amendment 16 to the Northeast Multispecies Fishery Management Plan (FMP) for establishment of the *Tri State Sector* for the 2011-2012 fishing year. The proposed *Tri State Sector* (herein referred to as the *Sector*) will achieve the following objectives with a sector approach to fisheries management:

1. Contribute to ending overfishing and rebuilding New England groundfish resources.
2. Increase potential to realize optimum yield of groundfish resource.
3. Reduce regulatory discard of catch.
4. Promote safer fishing practices.
5. Generate economic stability for fishing vessels and fishing communities.
6. Implement Stakeholder co-management in New England that can tailor management to local needs and strengthen stewardship.
7. Meet, for this group of permit holders, the requirements of the 2007 Magnuson-Stevens Act reauthorization calling for “accountability measures”
8. Create a working model for future development, submission and implementation of sectors in the New England groundfish fishery

Need

Prior to the 2010 fishing year, the New England groundfish fishery was managed through a complex system of regulations that included limitations on the number of days fished (days-at-sea; DAS), differential DAS counting areas, year-round and seasonal area closures, trip limits, minimum fish sizes, and gear restrictions. Amendment 16 was implemented on May 1, 2010 and authorized seventeen new sectors as an alternative management structure to the existing DAS system.

Many regulations under the DAS system, while intended to focus on specific species were “broad brush” in implementation. For example, reduced DAS allocations and closure of vast productive fishing areas to in order to reduce fishing mortality on one or two species led to substantial sacrifice of yield of species that do not require reductions in fishing mortality. Trip limits corrupted the original intent of the DAS system and resulted in thousands of pounds of unintended waste. Near shore closures and differential DAS areas were unnecessarily large in size, and posed safety risks for fishermen who often traveled beyond their vessel capacity to avoid these areas.

Experienced and capable fishermen were challenged by the complexity of existing groundfish regulations, and their commitment to compliance raises anxiety about unintentional and costly errors. In addition, there is a limit to just how adept responsible fishermen can be at avoiding high concentrations of fish and avoiding discard of catch that exceeds trip limits. Reductions in fishing opportunities (DAS) were driving the economics of fishing operations and income/debt structure of all vessel sizes below the break-even point. Fishing by nature is a dangerous profession, but NE groundfish families and communities were experiencing unprecedented levels of apprehension induced by certain fishing restrictions.

The Solution: Sector Management

Fishermen may be able to reduce complexity, discards, and safety risks by forming a self-management group, or sector, and agreeing to live within specific catch levels. Seventeen new sectors were authorized in 2010 as part of Amendment 16 to the FMP, including the *Tri State Sector*. The *Sector* began operations in 2010 with 19 permits owned by 14 permit holders and an allocation for 14 of the 20 stocks managed under the Northeast Multispecies FMP. In 2010, over 98% of the active vessels were committed to one of the nineteen authorized sectors, but it will take more than one fishing year to prove this new management structure.

A group of fishing permit holders from ports all along the East Coast, including but not limited to Massachusetts, North Carolina and Virginia have agreed to join together, to be known as the *Tri State Sector* to pool catch histories and to self-manage so as to achieve specific conservation and economic objectives:

- 1) Contribute to ending overfishing and rebuilding NE groundfish resources
- 2) Increase potential to realize optimum yield of groundfish resource
- 3) Reduce regulatory discard of catch that can exceed trip limits.
- 4) Promote safer fishing practices.
- 5) Generate economic stability for fishing vessels and fishing communities.
- 6) Implement Stakeholder co-management in New England that can tailor management to local needs and strengthen stewardship
- 7) Create a working model for future development, submission and implementation of sectors in the New England groundfish fishery

Ending overfishing and rebuilding the NE groundfish resources

The *Sector* will contribute to ending overfishing and rebuilding NE groundfish by staying within their allocation (Annual Catch Entitlement (ACE)) of species and stocks in the management areas governed by the NEFMC and the Northeast Region of the National Marine Fisheries Service (NMFS) including the Gulf of Maine, Georges Bank and Southern New England/Mid Atlantic.

Initially, the sector's allocation will be distributed to the members based on the portion of the allocation that each permit holder contributes to the sector, but as in fishing year 2010, allowing ACE to be transferred from one member to another and from one sector to another will be an essential component of the *Sector*'s survival. Redistributing the *Sector*'s allocation among

the members through temporary leases allowed some members who otherwise would not have been able to stay in business due to lack of economic viability.

Increase potential to realize optimum yield of groundfish resource

Past regulations, and in particular trip limits, seasonal and rolling closures, and differential DAS areas which were designed to focus on fishing mortality reductions for specific species, had the unintended consequence of reducing the fleet's ability to achieve optimum yield on species where reductions in fishing mortality are not necessary. In recent fishing years, landings lagged significantly behind TACs for a number of species. Operating within their allocation will allow members of the *Sector* to manage their fishing effort in a manner that increases the opportunity to achieve optimum yield on species where fishing mortality does not need to be reduced.

Reduce regulatory discards

By not having to adhere to trip limits, the *Sector's* regulatory discards will be significantly reduced, as we expect will be shown by the observer coverage in fishing year 2010. Amendment 16 required sector members to retain 100% of legal sized catch of allocated stocks much of which (under the old DAS system) would otherwise have been discarded when a trip limit was exceeded. The opportunity for members to share allocations by redistributing the sector's allocation among the members as needed, will continue to be a critical component of the Sector's success.

Promote safer fishing practices

Sector members will have the opportunity to maximize their fishing effort by not being restricted by DAS and trip limits. In the past, if a vessel operator needed to return to port to avoid bad weather, he had to balance the safety risk with the trip limit compliance need, and the economic need to maximize his limited time at sea. Exemption from trip limit restrictions will eliminate the need to make such decisions. Under the sector management system, members are able to fish (and return to port) when they want to, subject only to their allocation of fish.

Generate economic stability for fishing vessels and fishing communities

The *Sector* will generate economic stability and increased efficiency for individuals and for fishing communities. *Sector* members will be able to fish at times and in places that are most appropriate to the vessel capacity, and will be able to manage the sector's allocation in a way that avoid the previous waste of the resource that occurred before Amendment 16. The *Sector* will continue to maintain local ties to their fishing communities and generate economic activity in the ports they now support while using a common entity to tally and report landings.

Summary of operations plan for 2011-2012 fishing year

The *Sector* requests an allocation all groundfish stocks and any other species for which the Council and NMFS have authorized allocating to multispecies sectors. The *Sector* expects to

fish under terms in the Operations Plan that will be similar or nearly identical to those authorized for the 2010 fishing year as amended, and based on the requirements of the FMP as amended by Amendment 16 (see section 648.87(b)(2) as abbreviated below). The *Sector* vessels will fish the waters throughout the EEZ including the three management areas; Gulf of Maine, Georges Bank and Southern New England / Mid Atlantic. While agreeing to live within the constraints of the allocation, the *Sector* may seek exemption from additional requirements that may be unnecessary in a management system based on an annual allocation of pounds of fish. The *Sector* will land, and tally against the allocation all legal sized fish. The *Sector* will continue to operate under the days-at-sea system imposed by the skate and dogfish fishery management plans. The Sector will fill in the details of this operations plan in the coming months.