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New England Fishery Management Council

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Scoping Hearing Summaries  
for Amendment 18 to the NE Multispecies FMP  
Ellsworth, ME  
Portland, ME  
Fairhaven, MA  
So. Kingstown, RI  
Riverhead, NY  
Manahawkin, NJ  
Hyannis, MA  
Plymouth, MA  
Gloucester, MA  
Portsmouth, NH



**New England Fishery Management Council**  
Amendment 18 to the Northeast Multispecies FMP  
Scoping Hearing Summary  
Ellsworth, ME  
January 17, 2012

A scoping hearing was held to receive input on Amendment 18 to the Northeast Multispecies Fishery Management Plan, which the New England Fishery Management Council is considering for development on the topics of fleet diversity and accumulation limits. The meeting was chaired by Council staff Ms. Anne Hawkins. There were approximately twenty-five people in attendance.

After introductions, Council staff provided an overview of the issues associated with accumulation limits and fleet diversity, including the history of Council action. The public then provided comments on the potential action. The comments (with staff responses where given) were:

Mr. Aaron Dority (Penobscot East Resource Center and Manager of Northeast Coastal Communities Sector): Thank you for being up here in Ellsworth. It's too bad the Council members cannot be here, but hopefully they will listen to this and the comments from scoping hearings throughout the region. Here in eastern Maine, there was a thriving groundfish fishery for a long time. The slide you had showed overall landings from the 1980's through 2008, and they leveled off around 1993 or 1994. The information in the white paper shows landing ports throughout the Northeast; even after groundfish disappeared from eastern Maine, there were still roughly 25 ports landing groundfish from 1996 on. Today, landings are becoming very consolidated in just a few ports – Gloucester, Boston, a few places on Cape Cod, New Bedford, and that's about all. There are a few other outlying ports, but not in all the communities where there used to be landings. I know that with catch limits we will not see as many landed as we used to, but if we do not focus on fleet diversity now it will be permanently lost. A few numbers from the reports stood out. In 2010 the revenue, compared to the last three years on average, was up a lot for boats 75 ft. and larger, it was also up for vessels 50-75 ft., and it was down for vessels 30-50 ft. The number of boats that landed groundfish in Maine in the last three years was down 40%, and it was down 26% in all of New England. Revenues were down in Maine and New Hampshire, but up 5% in Massachusetts. The trend is becoming more and more apparent, and it's coming down to consolidation. I think sectors are accelerating it, though it has been happening for a while. In 2007, roughly seventy people were landing fish in the state, last year there were roughly forty people, and this year there are even less. The Council needs to do several things with this amendment. First, they need to prioritize this going forward. We have to have individual limits on accumulation of quota by stock and set-asides for owner-operator fishermen. If we set aside a certain amount of quota for them now, we would be better off in the future.

Mr. Dana Rice (Seafood Dealer): Fleet diversity is one of the things that have already been mentioned. Depending on the geographic area, boats, and the fishery over a lifetime, you have an idea what fleet diversity should be. Eastern Maine has its own idea. Following up on what Mr. Dority said, after forty years of regulatory history we all know where we are going. My entire life the fishery has had declines of stocks and people tried to do their very best to try to regulate the stock but the accumulation has gone to fewer and fewer people. Now we are in sectors and there is a last-ditch effort to hang on for some people. We are headed down the road of fewer and fewer people owning the fishery. The Council is grappling with a way to make this as good as they can. I want to throw out a suggestion I have mentioned before for boats in either a sector or the common pool – in order to maintain fleet diversity and keep communities like Downeast ME and even MA, I urge the Council to consider that when a permit is sold, a certain percentage of the

quota goes to a permit bank. It could be ten or twenty-five percent, for example. You could sell whatever was left of the permit, and the set-aside would be a mechanism down the road for how to divert allocation back to the states or the smaller sectors. It is not going to be popular, but it will at least keep some of the currency back on the open market and put it into states to lease out to some of the smaller sectors or somebody from Jonesport or Birch Harbor, for example – then they can go fishing in a small way and maintain what I call fleet diversity. It is now a public resource; I don't think any person has any right to own it. Please consider taking some percent of a person's quota when they sell out of the fishery and putting it in a mechanism for a permit bank to get back to the smaller communities to maintain fleet diversity, and to avoid corporate ownership of a public resource.

Mr. Timothy Hunt (Fisherman): With your idea, when permits are for sale, some of those guys only have seven or eight days. How can you take that and give it back to the bank to spread it to someone else? I have a 30-ft. boat. How can you make a living in 7 days?

Mr. Rice: If you have zero, you can't give anything back. Whether you are successful or not, some percent would go back in.

Mr. Hunt: I have been to these meetings where everything was set in stone that something would happen, and on the way back from the meeting they already took another boat and we lost out.

Ms. Robin Alden (Penobscot East Resource Center): Mr. Rice, can you explain the types of people that would use the bank you are describing? My understanding is those rights would be available to people like Mr. Hunt to access, or the person that would be buying his permit.

Mr. Rice: There would be poundage in a permit bank that I would envision you would be able to tap. Your poundage wouldn't get consolidated with 2 or 3 people, but spread out to assist fishermen from small communities and to augment their allocations of poundage or DAS.

Mr. Ira (Tad) Miller (Fisherman, Matinicus ME): My family has fished quite a number of years for groundfish, up and down the coast and on the West Coast too. I think back on a time when diversity was everything in this state. You had to be diverse to make a living. I don't know how to get back there, but one step in the right direction would be a shift toward an owner-operator based fleet. I am not saying we should take away the history of people who worked to get to where they are, but it is a public resource. I own two boats; one is a dragger and has a permit I bought just two years ago. The other boat is based off its original permit and I have zero DAS on that boat and no quota. There is some quota on the other boat. I'm the youngest of my brothers, and we have all fished and done the same thing, and I'm the only one that has any quota because I happened to buy something at the right time. I don't think I have any more right to fish than they do or than any of the other guys in this room. It is nice to have fish and it is helping some people get by in this industry, but I think it's a move to the wrong end; nobody should own the fish just like Mr. Rice said. I don't have any constructive points on how to make this better; maybe Mr. Dority can talk about the meeting on fleet diversity that was held in Massachusetts and what ideas they had. I see a system where we move back to where we were historically. I think Maine and every state deserve their historical share. If it is not economically viable to go fish, you won't go fish. That is what's happening in Downeast Maine; there is a shift to Massachusetts for different reasons. It's economics. We were encouraged to go after underutilized species by the government, and we did that and took a hit on our DAS because of it. I know it's a complex thing, but you have to go backwards and look at our history. Maine should be awarded quota and if we can't catch it, by all means people from Massachusetts should be able to go catch it. If you tie it up now you'll be going backwards. There are not many young people who know anything

about it. When it's gone you will lose a sense of everything that we are. My nephew is here and he would like to learn. I am 51 years old and bought that dragger to go fishing a few years ago. I don't see how he could have done that. Basically it has been a plaything for a few years. The young people have young families and could not do that. People that have the fleets have the ability to represent themselves. You have never had a fair look at what this really is. Find a way to preserve these young peoples' ability to go fish. Lobster has been good to us the last few years, but it's possible and probable that it will change. When it does, if there is nothing for people to turn to on the coast, they will go somewhere else because they have to live. Ownership of the fish should be with the people; how you split it up from there needs to be figured out. There was a comment in Commercial Fisheries News saying how the author did not see how you could go backwards at this point. I understand his comment and don't say it would be easy, but is it ever right not to right a wrong? This wrong was created many years ago and has been very difficult to right. That should be our target: how to make this an equitable situation that people want to be involved in up and down the coast. I have one other thought about my permit with zero DAS. People say they make a lot of sacrifices and they may say I didn't because I went lobstering, but I did sacrifice. If the stocks go off the charts, they'll never reward the permit holders with zero DAS, not across the board. That's not right.

Mr. Jason Joyce (Swans Island, ME): I am one of two permit holders left in my area. One is a cousin in his early 60's, and I will be 42 next month. I am one of the youngest in this room. I want to say a few things about fleet diversity. I am a strong proponent of area management. The place for small boats is inshore and for large boats is offshore. It makes sense with what you learn on the water. I think we have seen tremendous effort on the fish inshore and that is why they were decimated. As we expect and hope the fish come back, we should use area management – whether inside the 100-fathom edge is limited to 50 ft. boats or less or some other measure – and there should be a small boat owner-operated fishery which is traditional in Mid-Coast and Downeast Maine. On accumulation limits, I agree with Mr. Miller and Mr. Rice. It is a public resource; how can someone just buy that up and come take it away when it has sustained our communities for hundreds of years? It is especially important in the inshore area that when the fish come back it should be available to the communities that depend on it to sustain them; otherwise it is just a summer community. I understand what Mr. Rice was talking about so some corporation doesn't get another ten days that cannot be accessed by the public. If that goes back to being in the permit bank, say for state of Maine, it is a good thing. I would support that.

Mr. Jim Wilson (Economist, University of Maine): I have worked with the industry for 35-40 years. Reading the white paper, I was very surprised to come across the statement on the first page that changes in the fishery are not necessarily conditions that should be corrected. What has driven consolidation in New England, Atlantic Canada, the West Coast, Europe, the Gulf of AK, Chile, Mexico, and other places is the poor state of the stocks. As stocks have gotten worse and worse, boats have gotten more mobile and larger, and have moved further from home so small boat fishermen cannot exist. The problem of diversity cannot be divorced from poor management. As stocks disappear, small boats disappear. The Japanese inshore fishery has not lost their small boats, and Iceland and Chile have inshore/offshore rules and they all do well. Where management has addressed the issues of diversity in the ocean, especially with inshore/offshore and area management questions, those are the places where small boats and a diverse fleet have managed to survive. What has killed us in Maine is the lack of stocks. I'll send some written material to the Council expressing surprise that the Council isn't making the connection between poor management and the outcome of losing small boats.

Mr. Ted Ames (Retired Fisherman, Stonington ME): I groundfished for 25 years along with participating in other fisheries. I also do historical fisheries research and am part of the Penobscot

East Resource Center (PERC). I have to say this consolidation process is really destructive. All of the fishermen so far have pointed out the dilemma they face in terms of having allowable quota to service small boat fisheries, and the absence of fish since 2007 makes it very clear that there have been no significant concentrations of fish from the Kennebec River to Canada. Also we have about 1/3 of the spawning habitat for every coastal groundfish fishery we have. We have allowed cod, haddock, pollock, and flounders to become so decimated that there isn't a single full-time groundfisherman left east of Port Clyde. That is a big portion of coastal shelf. What Mr. Wilson pointed out is that the whole process is shifting to larger boats. Mr. Joyce mentioned the need for a small boat boundary. The bottom line is that perhaps big boats need a line so they are not destroying spawning habitat, nursery grounds, and the opportunity for them to have a stable robust fishery. The Council needs to wake up and make an inshore boundary as far off as the 1A line so that the coastal stocks can recover. If fish cannot reproduce and grow to a reasonable size, you cannot expect anybody to have fish. A depletion that started in eastern Maine has progressively worked its way down to somewhere near Casco Bay, and while there are a few fish on the ocean floor, the shelf is not showing any. The Council has to do something that is equitable for people who live here. Between Vinalhaven and Canada there are 3000 fishermen. They are not all full-time now; some are seasonal. There is not a single person who can make a living off groundfish. The Council needs to wake up and start taking care of things, and that means for fish as well as increasing economic activity along the length of the coast and a more stable supply of fish. This is one of those issues that you could talk all night long because there are so many pieces. But this is the essence of it; the Council needs to start functioning as a system that will help make fish more abundant, or it will continue down the track as it is. And it does not have to.

Mr. Steve Brown, (Fisherman, Cherryfield ME): I did the hook fishery for PERC this summer. We are starting to get some fish back. There seems to be more hake and some haddock. I think that we are going to need access to these fish for smaller boats and would really like to see owner-operator rules and size limits on boats inshore. I think it will help out the small communities along the coast here.

Mr. Stanley Sargent (Milbridge, ME): About fleet diversity – from Portland to the east there is none. It has all been ground to death, out of existence, because of all the amendments to the FMP since about 1990. When we went through the first round, we all put our hands up – most of us have small boats from 28-50 ft., most of us averaged a five- or six-month season and fished maybe 125 days. I am the only one left now that has anything left. I have about 18-19 A days, or B days, or C... that crap. It is useless. I was in for hundreds of thousands of pounds, and now you can throw everything I have in the back of a pickup truck. I know guys who have more with the allocation than they have ever caught, and I don't get how that works. I guess they have the money to do the paperwork. I think the Council has been trying to do things but NMFS will not let them. I think there are a lot of contradictions and a lot of things going on with the Council that are not for the fish, but for a handful of people. Look at scallops and how that worked out, because I used to do that too. And now I have nothing. There has to be a really serious and almost independent Council, because I do not trust the existing one, to work on permit caps, fishing caps, etc. I know the road we are going down – anybody who has anything can see it funneling right down to a handful of people. We are barreling down this road no matter what anybody has said or done. We are going to wind up in the end with less than twenty people actually owning the entire groundfish fishery. Look at the scallop fishery. The only reason groundfish took so long to get there is that there were so many people in Gloucester and New Bedford who actually were owner-operators. Look at the lobster fishery in Area 3; we are doing the exact same thing, it's just taking longer. It is condensing and condensing. Whoever had the most money bought the most permits. Then they bought the most DAS. Now they are buying the most fish. This whole thing is still smoke and mirrors. In sectors, everything is thrown into a pie, and the pie is still tiny. The

question is who has the most horsepower to catch it the quickest. On my boat it doesn't make a difference, you are out of luck. I honestly don't see them veering off this course, because it's easier for them to listen to 5 fleet owners than 700 owner-operators. You could straighten out the groundfish crisis in a heartbeat if you had authority. But you would have to flip Massachusetts upside-down and that is not going to happen. I don't like the track we are on; I think it's morally wrong. In the last twenty years, with all of the regulations – we are already on Amendment 18 – this whole thing has all been driven and accomplished, and what has it actually done? It did not do what it was supposed to have done in the beginning. It just keeps getting custom-tailored for a couple people, and at every turn is the same thing, and we just keep going down this road. To me it looks like who has the most money and the survival of the economically fittest. It is not a question of what is better for the fish or the community, but of who has the most money. Until that mindset changes we will have lost whatever we had; it will be completely gone or somebody is going to have to completely flip this around. I don't see the powers that be letting that happen.

Ms. Alden: I think it's important right now for the Council to realize this is a scoping process, and that it is a time when you can think about possibilities and at least state what you would like to see happen. I would like to reiterate what a number of people have said, which is that for all the pain the rules have caused they have not served the fish the way they should have – at least not on this part of the coast. We have been in a zero-sum game for thirty years, and all you can think about when you are in that situation is how to protect what you have. I would like to suggest inshore/offshore lines, accumulation caps, or other ways to get people into the fisheries as a way to be constructive over the long term. It is amazing that people came out tonight; I would love to let you know how many people in this room have permits and how many have any fish left. There is virtually none left. Hancock and Washington are two of the most fishery-dependent counties in Maine. If you do not have a permit, you have no fish and no hope of ever fishing them. There is plenty of local knowledge that the fishery is gone, and people know that having permits and being able to fish contributes to the flow of information into the assessment and into management. It is difficult to speak effectively and have people hear about the depletion that has happened on the eastern shelf and in the eastern GOM because we are remote. The message is that if you give people the incentive to think that they can get back into the fishery over time, you create a constituency to make more fish and people who are observing, reporting, and building a living in their communities off of a restored fishery. I am urging the Council to think not just in terms of the zero-sum game we are in, but also about the possibility of bringing these fish back. There is a tradition all along the coast of Maine of people who have had access to groundfish as part of the diversified fishery. This is something New England has had for centuries, and is not something we should give up lightly.

Mr. Howdy Houghton (Bar Harbor, ME): I want to reiterate what someone previously said. That is what they call “putting the cobwebs to it”. The longer you put something off, the less likely it is to happen. In the handout, there are 76 Maine ports and 39 Massachusetts ports. 33 of the Maine ports are east of Port Clyde. It is probably two hours from Port Clyde to here. Then on page 17 of the white paper it shows Maine's landings from 1994-2008 have gone down to about 40% of what they used to be. I call that a good example of the drain of our local food supply, among other things. I know the Council doesn't look at the consumer end of things, but we are losing access to our food in our local markets. There was just a news article expounding on how the cost of food in Maine is higher than other places because the retail supply is so concentrated. We need some geographic protection for our food supply coming into Maine, or all our food will be coming in on trucks from Boston. It's too bad we have lost almost everything. The large boats coming in here far exceed the rest of the whole shebang.

Mr. Wilson: Relevant to this discussion, there is a Pew study about management methods that concluded that quota systems have done very little or nothing to restore depleted fisheries. How does this information get to the Council? Should I submit as part of the record?

Ms. Hawkins: There are several methods for scientific studies to be included in the management process, including submission with comments, PDT work, through individual Council members or through the SSC.

Mr. Rice: I would like to follow up on what Mr. Wilson said. A lot of times the Council process and Council members get blamed for not implementing things that NMFS does not allow well-meaning council members to do. NMFS plays a big role. There are many things a lot of us would like to see, and that Council members would like to see, and NMFS will make a ruling that they are just not going to happen. I have seen it happen more than once that people are on board with an idea and the RA just says no.

Mr. Sargent: Do the Council and NMFS really think they are going down the right path? They are going along with this. Are they satisfied with the record and the past and what the projections have been? Do they think this is the right thing to do? They need to stop running and look at what we have done. The Council takes a lot of heat because that is a lot of what the public sees, while NMFS has the golden gavel. Does anybody ever turn around and look? This doesn't even pass the straight-face test.

Mr. Houghton: In other catch share programs, aren't accumulation limits usually addressed before the allocation? It's backward to do accumulation limits after the allocation in a lot of ways. There is the mentality of getting people's share before we make the rules. I don't necessarily mean the Council members' own personal acquisition; just the spirit of looking at that way. It is also the regulars in the crowd who want to protect their acquisitions.

Ms. Hawkins: In many other programs accumulation limits have been implemented concurrently with the allocation, but there are other programs that have developed limits after the implementation of catch shares.

Mr. Rice: In New England, we have resisted going to a quota system for a very long time and have had a lot of support for that from people in Washington. To our credit, the Northeast has resisted falling into the pattern of everything else that is happening, and that is what you are hearing here tonight. The point Mr. Houghton makes is that had not it been for this we would have had those questions resolved up front, but we went into this screaming and howling for thirty years, and we still are. Hopefully we can salvage something out of this.

Mr. Ames: One thing about this allocation that bothers me is that it is done on a percentage basis. If you have 10% of a fishery that is producing a few million lbs. of fish per year, it gives you a certain number of pounds. If the stock recovers, you still get that same percentage of the total. What the original permit entitled you to should be the upper limit, and that would change things to a more rational way of doing management. Right now it's the gathering of the hogs.

Mr. Dority: I give credit to the Council for doing this accumulation limits work, which is great. Mr. Ames' point cannot be emphasized enough. There is no reason a small cadre of individuals should reap 100% of the benefits of rebuilding. Presumably these sacrifices will increase the biomass of the fish in the future, and the benefit from that that has to accrue to more people. You could say as the stock increases, a portion of that increase would get redistributed out. How would you do that? Look at who are new entrants, who is inshore versus offshore, and where



owner-operators fit in. There is a scary trend right now with people speculating in the fishery. I think it is pretty limited right now, but if you look at the surf clam/ocean quahog fishery within about ten years the majority of the permit holders in that fishery were banks. We need to avoid “slipper skippers” and make sure people keep the quota and not banks.

Mr. Miller: I am thinking about inshore/offshore lines – they would have to be further off than the hundred-fathom curve, behind Cashes, and maybe have only 50-55 ft. or smaller boats inside that. There is too much catching power with the big boats and lots of unanswered questions about environmental things that are going on. I do not blame it all on commercial fishermen – there has not been effort out there for 25 years and it’s not coming back.

Ms. Sara Randall (Student, University of Maine): Other than reallocating the stock increase, what are other ideas for getting inshore fishermen access to the resource?

Ms. Hawkins: Several of the ideas mentioned tonight could be tailored to enhance access for inshore fishermen, including permit banks, owner-operator rules, and inshore/offshore lines.

Mr. Rice: I am hoping for the Council to consider the concept of what permit banks can do and how they would work. I think if you agree to put the concept out, then you can work out a mechanism for dispersing the quota or allocations.



**New England Fishery Management Council**  
Amendment 18 to the Northeast Multispecies FMP  
Scoping Hearing Summary  
Portland, ME  
January 18, 2012

A scoping hearing was held to receive input on Amendment 18 to the Northeast Multispecies Fishery Management Plan, which the New England Fishery Management Council is considering for development on the topics of fleet diversity and accumulation limits. The meeting was chaired by Groundfish Oversight Committee Chair Mr. Terry Stockwell, assisted by Council staff Ms. Anne Hawkins. There were approximately twenty-five people in attendance, including Council member Mr. James Odlin.

After introductions, Council staff provided an overview of the issues associated with accumulation limits and fleet diversity, including the history of Council action. The public then provided comments on the potential action. The comments (with staff responses where given) were:

Mr. James Odlin (Atlantic Trawlers Fishing): We have approximately 25-30 employees, crew members, captains, and their families depending on our operation. We are considered a small company by any standard. What I see here is a solution looking for a problem. I've seen the number of permits that traded hands in 2010 and it is well below the long-term average. There are other national standards that are not being looked at, such as efficiency, safety, and utilization of the resource. The Council should spend its limited time and resources on finding ways to catch fish that aren't being caught. That will preserve fleet diversity and the makeup of the fleet, and will create jobs. Any of these proposals will do nothing to help you create jobs, catch more fish, promote safety, or allow the fleet to right size to the conditions that are available at any given time. I look at this and think that no matter what number you pick or how you look at this, you will fail. Economic conditions will change, and if they can't adjust they will go bankrupt. We do know the cost of fuel and operation went up 75% in two years. We don't know where fish will swim or when we will get an assessment that will collapse everybody and you keep putting everybody in a box. This isn't necessary and I'm totally opposed to it. You don't talk about where the increased revenue came from. It came from catching haddock, pollock, and redfish, which isn't being taken away from anyone. That has to be looked at as a positive. Our company's catch is made up 75% of those stocks. You don't want to be taking somebody apart that's doing that kind of work.

Ms. Allison Jordan (Owner, Two Gloucester/Portland Fishing Vessels): I am asking you to define excessive consolidation and fleet diversity. Also define overfishing. Why in the media is it always "overfishing"? People ask me if we take all the fish out of the sea. Do we really? No, we catch what you tell us to catch. There's a cap on everything. We worked with you on sectors and we were forced into it. We did it and we're making it work. Now work with us and don't dump us in the gutter again. It was Jane Lubchenco's idea. Now you're going to put in the press that we're overfishing cod. We worked with you, now work with us. How many amendments do we have to have? I'm asking the U.S. government to work with us. We support you, you support us. Look at the whole picture. We support local jobs and the local economy and feed people, isn't that what Obama wants?

Mr. Danny Wong (Shoreside Engineer, Atlantic Trawlers): What I see here is aimed at keeping a minimum number of vessels and maintaining the character of today's fleet. Change is one of the greatest rules we have in the world. Everything changes. If we are trying to keep the fleet the

same, in 100 years is it going to look the same? Maybe we need to keep our hands off this for a few years and see how things work out as it is now. Trying to engineer a solution to this problem is the wrong way to go. Maybe we should let the market regulate itself.

Ms. Amanda Odlin (F/V Lydia Maya and F/V Bethany Jean): First, I wholeheartedly agree with Ms. Jordan. She worded it perfectly. From what I understand, Amendment 16 states that one of the benefits of sectors is they provide incentives to self-govern, therefore reducing the need for the Council to make more regulatory measures. We went into sectors to do this, so to layer it with more complications – we already just adjusted from an old system to a new one. Change is funny like that; it's always a great idea for those pointing fingers at the ones they want to be changing. I think we ought to give it a few more years to see how it all fleshes out. It seems to me that all of these things being brought up were raised long before catch shares became the law of the land. We screamed it at the Gloucester rally and here we are trying to put the cart back into the horse. I thought the idea of state permit banks was to take care of some of these issues for the community and the smaller boats. My idea is to not layer it with more complications than it already has. Step on a boat today and see what it's like to operate within these parameters. Simplicity has some place in the world; why make it more complicated than it already is? Ms. Lubchenco did state as soon as she took office that her aim was to consolidate the fleet. This seems counteractive to what the agency wants. We the fishermen are being tweaked between two things that can't exist. We're in a consolidating way of doing business, yet now we're fighting it. We can't do it both ways. I prefer not to see any more layering of thick rules. Wait until we have some information and definition, and see how that would work.

Mr. Angelo Ciocca (Nova Seafood, Portland ME): To me you have two different things lumped together. Fleet diversity and accumulation limits are two drastically different things. Is this hiding behind a fish grab? Diversity could be taken care of separately from accumulation limits. As to the concentration of revenues chart showing more concentration in 2010: one year doesn't make a trend. To jump to conclusions after one year is very foolish in my mind. Is it NMFS' job to say who should and shouldn't catch the fish? They should manage the resource and let market conditions take care of who's going to catch the fish. I believe most of the fish in New England were caught on larger vessels than we have today. The smaller fisheries are a more recent thing. I assume it gravitated to larger boats because of efficiencies. Amendment 18 needs to go to the garbage heap; you should give sectors a little bit of time, and separate fleet diversity and accumulation limits. Also who is behind this amendment? Last but not least, NMFS and the Council have much bigger problems than figuring out who is going to catch the fish right now. Give us the fish to catch and spend time on the issues of the day, not the issues that might be out there in 10 years. Nobody in the world in the fish harvesting business wants to come to New England and get involved in the poor returns you see here.

Mr. Robert Odlin (Scarborough, ME): I bought into the groundfish fishery in 2005 and at the time we were working under DAS – that was the currency we used to trade. We leased days and there were an ample amount to be leased. Each day allowed 800 lbs. of cod, 1000 lbs. of hake, and unlimited pollock. I'm a strong opponent of catch shares. A lot of people like them, but I'd love to see them go. There's an unfair quota distribution. When we went from DAS to catch shares they removed the baseline criteria for leasing. It's not in my nature to come to a room and complain. I don't care about accumulation limits; I don't have enough fish to fish for a year. Now I'm forced to be a sharecropper. I didn't get a boat with a lot of history, and I was catching other types of fish during the magic years, but I've been a fisherman since 1984. Catch shares were unfairly forced down our throats. There was a big rally in Gloucester and a lot of the people in this room opposed catch shares, and now a lot of the same people like them. They were winners. I don't hold it against them. They were lucky, they worked hard. Policy shouldn't be killing jobs. I

looks like in Maine there was a slow ratcheting down of boats until 2010. We lost 25% of our boats right off the bat and now are down to 72% of our boats. That's wrong if you have guys that still want to fish in Maine. If they don't care and are happy to move or whatever that's fine, but even if you operate a boat with one or two people you are still making a living and providing for your family. There were four options for the catch share allocation. Somehow we based everything wholly on history, not vessel size, horsepower, or DAS. That's wrong. I'd like to see us reallocate the fish a little more fairly. There are a lot of guys who magically became near-millionaires overnight and other guys are forced to go work for them. Fleet diversity means a lot of different boats and different size fisheries. For eight months a year I can still work the boat and that's what I want to do. I don't want a handout, I'd like to stay in the business and don't think I'll be able to. If this amendment can somehow distribute the quota more fairly, I support it. I don't care about accumulation limits; they are beyond the scope of what I can think about at this time.

Mr. Brett Tolley (Northwest Atlantic Marine Alliance): I'm from a four-generation fishing family. My father, brother, cousins, and uncles are fishermen in sectors. I'm here to speak in favor of this amendment. This is an issue that we've been really concerned about over the past two years. During that time I've been meeting with family fishermen around New England. One thing that stood out is the disproportionate impact that consolidation has had on small-scale and owner-operator fishermen, and that's really the heart of the problem. It's not that it's consolidating, but who it's affecting the most. In the 2010 NOAA sector report, a statistic stood out that boats in the fleet over 70 ft. had landings increase about 10% while boats under 50 ft. had them decrease by over 50%. Clearly there is a disproportionate impact happening. As to the comments about letting the free market take its course, I think we need to take a look at lessons we've learned from other parts of the economy. On the farm side, for example, when we didn't pay attention to who was farming, we got industrial farming companies that destroyed our land, gave us unhealthy food, and destroyed family farmers. I think it does matter who fishes, and I think that's what this amendment can do. If we do nothing, there will be little access for new entrants, and nothing that resembles a diverse fleet. We oppose the no action alternative. For goals we recommend the Council to consider, they are to foster an affordable fishery through programs and policies that don't disproportionately impact certain people in the fleet, to prevent heavy concentration of fishing effort in inshore areas, and to limit the concentration of quota for any one entity.

Mr. Marty Odlin (Fisherman, S. Portland ME): I just started working as a fourth-generation fisherman in the commercial groundfish fishery. My job is to find flexibility to target the healthiest stocks of cod, pollock, or haddock. I am opposed to any limits. I spent the last seven years in china doing sustainable engineering, where I learned a few things. You ignore the global economic context at your own peril. Factories are in china because they're able to innovate in response to economic conditions. Accumulation limits will calcify the fleet and deteriorate our ability to adapt our responses. I've also learned that sustainability is about taking the widest and longest view possible, and the interaction between environmental and social factors. This amendment is looking only at social factors, and ignoring environmental needs including getting more efficient boats.

Mr. Ciocca: I want to clarify something. I'm a seafood dealer and processor, and am all for fleet diversity. I love owner-operators because they have to mortgage their shoes just like I do to run their business. Everything I own is on the line to operate. I'm all for fleet diversity, but it shouldn't be lumped with accumulation limits. To think it is okay to take something that people have worked hard for, and to think they have the right to get that for nothing is another form of welfare. They're wannabe welfare recipients and that's not the American way.

Mr. Ben Martens (Midcoast Fishermen's Association): A lot of really good things have been said tonight. We have to focus on the comments that made a lot of sense. One is that this should have been done before or during the Amendment 16 process. That is valid, but doesn't mean we should not be doing it now. It does not mean we shouldn't think about what we want our industry to look like and plan for smart growth into the future. We should start looking at it in the way of how we want our fleet to look in the future, what we want to be doing in the future, and how we plan for it now. We are looking at Amendment 18 for some innovative ways to see how the smaller vessels with smaller landing limits can be competitive with larger vessels. We will be submitting more formal comments; this is very complex issue.

Mr. Michael Russo (Groundfisherman, Cape Cod MA): I have been in the fishery since 1984. One thing for certain is that you should never say never. I have been involved in every fishery on a 50-ft. vessel and am also a member of the groundfish AP. I stand by the motions we approved and forwarded to the Council. I think there are more important things we can be working on than this. I have had many boats under 50 ft. and if you look at Cape Cod, the fishery is almost nonexistent, and captains are happy that they can lease their cod out and go fish on skates. I have leased fish from all sizes of vessels and all gear types. That's how you preserve fleet diversity. I've been dedicated to groundfish for the last 20 years, and I need to be able to access fish and lease out to all vessels in the fishery. Fleet diversity is in the eyes of the beholder. I see the fishery going offshore. Do I want to take five-day trips? No. But I need to be involved to get an investment in the fishery and a safe platform to catch groundfish.

**New England Fishery Management Council**  
Amendment 18 to the Northeast Multispecies FMP  
Scoping Hearing Summary  
Fairhaven, MA  
January 20, 2012

A scoping hearing was held to receive input on Amendment 18 to the Northeast Multispecies Fishery Management Plan, which the New England Fishery Management Council is considering for development on the topics of fleet diversity and accumulation limits. The meeting was chaired by Groundfish Oversight Committee Member Mr. David Preble, assisted by Council staff Ms. Anne Hawkins. There were approximately fifteen people in attendance.

After introductions, Council staff provided an overview of the issues associated with accumulation limits and fleet diversity, including the history of Council action. The public then provided comments on the potential action. The comments (with staff responses where given) were:

Mr. Rich Canastra (BASE New England): The Japanese used to call our fisheries “ready, fire, aim”. That meant we came up with an idea and then backfilled it. I feel this is a backfill of what didn’t take place in the amendment for sectors. I’m glad you mentioned the point that sectors are not a LAPP. There is an ongoing lawsuit that the cities of New Bedford and Gloucester have in the appeals court. It amazes me here that a lot of the information is about economics and fleet diversity, such as how much money a vessel should make. A lot of that was not done through the Amendment 16 process, and it is also part of that lawsuit that they never looked at the economics of each port or each individual. After the steep drop in catches on the graph, you mentioned the concerns about when stocks come back. The problem is that stocks are back. We have been fishing at 30% of the TAC, from DAS through catch shares, and nothing has changed. I feel that we need to get OY in this fishery, and that would cure the problem you have in terms of accumulation caps, etc. It would solve the problem of the market itself where imported fish is knocking the crap out of us. We are being purposely, I feel, held back from obtaining OY just through the surveys, the science, and the calculations from the Albatross to the Bigelow. We can see that with what happened with GOM cod in the last assessment. I mentioned at the Groundfish Committee meeting that we will see the same with the next stocks in the upcoming assessment, which is why I asked NOAA General Counsel if we can take emergency action on every species. Sectors will take care of the issue of consolidation and they were formed to do that. If you look at fleet diversity, right now between Gloucester, Boston, and Portland, there are 30 offshore vessels. In New Bedford you have 27 offshore vessels. Consolidation definitely took place through Amendment 13, more than it has in the last year or so. Personally I don’t think we’re going to see much more consolidation. Having more fish allowed on the table will cure a lot of problems. If you are catching 1000 lbs./day and you could be getting 10,000 lbs./day, you could be more profitable, hire more people, and go through the distribution channels.

Mr. James Kendall (New Bedford Seafood Consulting): This is several years late and several million dollars short. The genie is out of the bottle and there’s no way to get him back in. Any innuendo to get back to where we should be would be totally denying the facts and the problem about what this fishery is going to look like. I think what we are doing is more like “fire, ready, aim” – we fire before we are even ready. The problem with all of this is that this isn’t something that was inconceivable. The Council and NMFS knew from day one that these types of actions force these kinds of results. They have had limits in every catch share fishery and we talked about it during the Council process. Several years ago when Ms. Lubchenco came to the Council and put the whip to the horse, the horse voted, and now we are where we are. I have been in this

business a long time from the fishing and consulting end, and we're not going to fix this. We might keep some people whole, but we won't take someone who has been injured by this and make them whole. It is typical of NMFS to put these charts together without explaining the reasons for the precipitous drop in landings. The sectors that are bringing about consolidation have harmed some people and there has been no discussion about whether there will be any remediation for those who have been forced aside by this, and what reparations will be made to make these people a little less harmed. How many control dates have been in this fishery already? Why act like this is something new? Why is it such a big surprise that this is going to occur? Some people were in a position to take advantage of what has happened. That's not a reflection on them or a way of saying they were wrong, but for some people who were not in that position, no consideration was given. Accidents happen, but this was not an accident. More than a few of us knew what to expect out of this, and we have been through this before. Telling fishermen you don't understand what they are trying to tell you is doing a disservice to anyone who has been doing this for a long time. This process is meant to appease politicians and tell them you went through the process, but it's too damn late.

Mr. Carlos Rafael: I am listening and looking at the charts and thinking back when we started these sectors and this baloney. And by the way, I'm one of the first three morons that own all the quota, and NMFS drove me to this position. I didn't go after this, they forced me; otherwise I would have been out of business. When we developed the sectors, everybody had to pick a position, because if you didn't have enough quota you would be out of the game. I only followed what I was told. I went to all the banks I do business with and told them the status of this. I have been told that if I don't get some permits and some quota, I won't exist at the end of the day. I was operating 33 vessels at the time. Now I am down to 15 and the others are costing me money to be tied up at the dock. I had to go to the banks and take a \$¾ million loan to stay in business. Now they have messed up – they try to become the Gestapo and make rules about how much I should own after I cut my fleet to half of its size. I need to have sixty permits to operate fifteen vessels. So what am I supposed to do now? They want to come in and say you have to get rid of some of your permits? That would be a cold day in hell. If it costs me millions of dollars to fight this, we will fight. I never go down without a fight. I did everything I was told – especially when I didn't do anything wrong. This is identical to what happened with Barney Frank and the housing market. He told Fannie Mae and Freddie Mac that everybody should own a home and didn't care if they could not pay for it. Now everybody is losing their homes. We shouldn't make the same mistake that was made in the housing market.

Mr. Alex Friedman (F/V Dazed and Confused and Duke's County Fishermen's Association): I live on Martha's Vineyard and am a small boat fisherman owner-operator. It is always a pleasure to come over to America. I grew up fishing in the small town of Menemsha, where we have historically had thriving fisheries. There was tub trawling in winter, striped bass and tuna fisheries, etc. Now there is a complete dearth of opportunity for younger folks to enter into fisheries in which they have generations of fishing experience. It's a tragedy to see the inability of sons and daughters to enter a fishery their parents and family knew. With all due respect to fleet owners and entrepreneurs, when people come visit New England, they appreciate the archetypes we represent. They don't buy postcards of pair trawlers; they want to experience small-scale fishing. As sad as it is to see a large boat tied up, it's sadder still to see legions of small boats tied up and have that drastically change the character of our region. If the cowboy began to disappear from the American west and were replaced by factory farms, and the cowboys only existed in Wild West shows, you'd see a social impact and an impact to the fabric of the region. I would travel much farther than here today to argue that traditional fishing opportunities should exist. This is an important amendment for all of us, and I'll continue to speak for the small boat fishery.



Mr. Ellen Skaar (Fisherman's Daughter, Fisherman's Wife, and Fisherman's Mother): My family has been fishing for generations. As was stated here today, I agree that the horse is out of the barn. I made a speech many years ago when they forced limited entry and said the case for that was naked. Does NMFS intend to manage every fishery with sectors? Is this just a publicity thing that came down from Washington?

Mr. Preble: The NEFMC started work on sectors six or seven years ago. It went along slowly and picked up speed as DAS became a problem. From Washington there's a policy on catch shares on the NMFS website, which specifically states that catch shares aren't for every fishery and every community can decide for themselves whether they should be used.

Ms. Skaar: I spoke against catch shares but nobody listened. It started that the fishery was taken from the fishermen, the way the U.S. was taken from the Indian. That is a fact. I want the government of the U.S. to admit to that it is a fact with all the policies they have coming up.

Mr. Bill Chaprales (F/V Ruby): I was one of the first members to get together the Cape Cod hook sector, which was the first sector that started this mess. Since seven or eight years ago I no longer belong to that sector; not only I but 40 other members also left the sector. We could see this was going to be a huge failure. All it has done is pit us fishermen against each other. I listen to Mr. Rafael's testimony and I don't like what is going on. He is going to spend all this money to fix his boats, and like he just said it's broken. He said he's going to fight, it is broken. You never ever took into consideration the socioeconomic impact that this scenario of sectors was going to have on this fishery. I go to Council meetings, and you never see any young guys trying to get into the fishery – it is cost-prohibitive. Fleet diversity and accumulation caps – this is just pitting us all against one another. You need younger generations coming into the fishery with new ideas and better ideas. All the ideas in the past are a broken record and not working. It's just making things worse for us. I have personally witnessed a small-boat fishery out of Chatham just disappear. These small boats are not groundfishing anymore. Anyone that is left as far as the hook sector is concerned – now it's the fixed-gear sector. There are only four or five of those hook fishermen left, and they had to bring in other gear types for the sector to exist. I have been fishing forty years on a small boat and I know dozens and dozens of fishermen friends who had small boat permits that now are not worth anything. They're done. They have gone and leased quota for \$1.50/lb. for cod, and they owe money, and they lost their houses because of it. It is a smaller scale of what Mr. Rafael was saying. NMFS put us in this place and wants us in this place, so they only have four or five boats they have to manage. That's why this country is going down the tubes and the economy tanked. I have more to say, but will leave it at that for now.

Mr. David Martins (Fisheries Biologist, SMAST): I'm looking for more information on the control date.

Ms. Hawkins: The control date is non-binding, but puts the industry on alert and discourages speculation. Any changes in permit ownership or quota accumulation after that day might not be considered.

Mr. Brett Tolley (NAMA): I am from a fourth-generation fishing family in MA. I wanted to comment building off what Mr. Chaprales said about the problems of consolidation and its impact to the fleet as a whole. I hear us talking about protections or thoughts about how the fleet should consolidate at the right time and how we are stuck dealing with the results of sector implementation. Consolidation is not being felt the same throughout the fleet. I saw some numbers from NOAA, and what stood out was that landings are up for boats over 75 ft. and down for boats under 50 ft.. That tells me there is a huge disproportionate impact that the small-scale

fleet is feeling, and that matters. I see this as the Council's attempt to have some vision looking forward. Now we don't have to ready, fire, aim, but now we can focus on aiming. That's what this is about – to take the time to think through this. This amendment has to go through. It will take time; I hope it's not delayed. I know cod is a big issue, but I see it as being connected to fleet diversity. The GOM cod stock is down and people who feel it the most will be the dayboat fishermen, so that really does matter. We have seen a huge concentration of effort in inshore areas, especially around Stellwagen Bank, over the last few years of sector management and we need to do something or lose our fleet diversity.

Mr. Kendall: One of the things that recently surfaced is the question about whether we should do away with the 10/10/20 upgrade rule. At a time where we are going through this, for someone to suggest the Council do away with a plan that addresses diversity is ludicrous, if not criminal. I have to do my homework on this since I have been out of groundfish issues for some time. I thought if we followed due process we would be years away from this. I'm surprised at the speed that fire was able to build. Another thing I have not heard mentioned is protection from outside investment. Nowhere do we talk about protection of the fishing industry itself. It's not something of which we are unaware, because the tilefish fishery was put in the hands of five owners. At least in that plan they built in a timeframe where you would have to hold a permit for some time before you could put it in someone else's hands and take it out of the industry, so to speak. We need to get those in because they are part of this question.

Mr. Rafael: One good thing about America is that you can agree or disagree with somebody. I disagree with you right now. Period. Sometimes we say things that we don't take enough time to think about, and we mess up. When you say we shouldn't lift the 10/10/20 rule – that would be biggest mistake NMFS ever made. The reason being – and I always have a reason when I say something – if you lift the 10/10/20 on these young fellows like the guys who were speaking before and they want to fish inshore, and big boats take fish away from them on the bank, which they do, this kid has a better opportunity to upgrade his boat and move offshore. If you take this out of the way yes, the bigger players will get bigger, but then he would also have opportunity to get into something much better and can compete with the rest of the world. Right now he is limited in what he can do.

Mr. Chaprales: Now that you mention the bigger issue is the GOM cod assessment, it is kind of sad that it is taking away from this. Because we are talking about opening up closed areas and other things, and whenever we talk about this it's going to take years. This has been the problem. It reminds me of the assessment for bluefin tuna. We took our planes up and did aerial surveys with the New England Aquarium and with blue-ribbon scientists. They were saying there were only 30,000 fish in the ocean, and my pilot took a picture of 5000 fish right on top. That turned it around. Three years ago they said there were plenty of cod, and now they're saying it's going to collapse. This is the big problem. They don't know what they're talking about. It comes down to us trying to decipher this and make sense of what is going on so all of us can survive. You can't make a business plan in this industry when you have the government controlling your business to the extent that they do now.

Mr. Canastra: I want to talk about the cod "tsunami". I agree we have problems with closed areas and that should be looked at, and that it would be a shame to put it off. Believe me what I said earlier, that the same thing will happen with those other stocks when we do the assessments and it will hold back on this process. Whether engineered that way or not, this is where we are. We will be fighting to survive on species that the fishermen see are very abundant, and the Bigelow says otherwise.

Mr. Rafael: I had to cut my staff by more than half. The ones still working are doing okay, the other ones went to unemployment and can't come back. I just sold four boats to Africa. After 2015 we won't be able to build another boat under the new rules. It will cost \$¾ million just to meet the minimum standards.



**New England Fishery Management Council**  
Amendment 18 to the Northeast Multispecies FMP  
Scoping Hearing Summary  
South Kingstown, RI  
January 20, 2012

A scoping hearing was held to receive input on Amendment 18 to the Northeast Multispecies Fishery Management Plan, which the New England Fishery Management Council is considering for development on the topics of fleet diversity and accumulation limits. The meeting was chaired by Groundfish Oversight Committee Member Mr. David Preble, assisted by Council staff Ms. Anne Hawkins. There were approximately eight people in attendance, including Council member Mr. Frank Blount.

After introductions, Council staff provided an overview of the issues associated with accumulation limits and fleet diversity, including the history of Council action. The public then provided comments on the potential action. The comments (with staff responses where given) were:

Mr. Jason Jarvis (Commercial Fisherman, RI): What is being done to ensure new entrants can access the fishery?

Mr. Preble: Currently nothing. That is one of the things that could be considered here.

Mr. Jarvis: I hope somewhere in this plan there will be a way to keep younger people interested in getting into commercial fishing. I have a 17-year-old son and I get nervous that he will have to buy his way into fishing rather than just earning his way into it. That is my main concern. Putting a cap on it is okay, but mostly it's important to make sure the smaller inshore fisheries get a fair shake and a fair piece of the pie. With Georges Bank winter flounder, it's pretty scary to see that many people holding a very large chunk of the fishery. I'd hate to see that happening here with fluke or skate or anything, where someone new will come into the business and not be able to succeed as a fisherman.

Mr. Preble: There is a myth that Amendment 16 was rushed into. The only way in which that was true was that we were facing an enormous cutback in TACs for 2010. Whether it was wise or not, only history will tell. Everybody had the sense that we had to move on it or they all would be out of business. Do you have any ideas on what changes or actions we should consider?

Mr. Jarvis: Something that helps with discard mortality. Also, going with aggregate landings keeps gear out of the water and that's something to be considered as well. I'm not so fond of IFQs, ITQs, or the sector program. But if we went with aggregate landings I'd be pretty happy with that. Like happens with dogfish, I would tow once a week and be happy with that.

Mr. Brett Tolley (Northwest Atlantic Marine Alliance): A lot of my family members are active groundfishermen right now. I came to hear fishermen's perspectives as a listening opportunity. I appreciated what Mr. Jarvis had to say about the importance of having opportunities for new entrants. I would put myself and brothers and cousins in that category as well. The opportunities our parents had were to get a boat and gear, and the permit was free. Now for the next generation of fishermen to have the same opportunity, the permits are a million dollars or more. Who will the next generation of fishermen be? Will it be crew that works their way up, or the wealthiest folks in the industry who hire their captains, their crew, and cheap labor? The Atlantic surfclam and ocean quahog fishery has gone that way, and it's the only catch share program that didn't put

in a cap. Now a small handful of multi-national corporations control that industry. Right now there are no opportunities for young people to get into it. It has nothing to do with the integrity of the fishery. With that said, I hope through the scoping process we can identify ways to encourage new entrants to have the opportunity to make this affordable. I know quota set-asides have been discussed, and those have potential to work in the sector program. It could be a very small percentage taken off the top used to incentivize sectors to allow new entrants to come in. If the will is there, there is absolutely a way.

Ms. Boyce Thorne-Miller (NAMA): Because so much has been said about the cod crisis, possibly knocking this down the road a bit, I would like to point out that had some of these Amendment 18 issues been addressed earlier in Amendment 16 we might not have had this cod crisis. The redistribution of fishing effort that has come about, leading to increased pressure on the nearshore areas, could have contributed to the cod crash. I think the two are related and therefore both need to be addressed with urgency. I would also like to mention I had a conversation this morning with some social scientists from MA, NC, and RI that raised a few important issues. There are other critical social forces that are important in shaping the fishery and important to fishermen, and other important biological forces beside ACLs that affect the stock. The scale of fishing, spatial distribution, temporal distribution of fishing effort, and composition of catch throughout the year need to be addressed and could make sectors much more effective in the long-term.

Mr. Richard Allen (Former Fisherman, Consultant, EDF): I'm here basically to listen to people's ideas. One thing that struck me in the presentation that I think the Lorenz curve showing concentration is a little troublesome because the concentration is inherent in a fishery. There are a number of small boats that don't have as much per-boat revenue as the large boats that inherently have larger revenue. If we look at changes and see that the revenue is becoming more concentrated, it's important to understand why. In the case of northeast groundfish, the GB haddock stock represents maybe 1/3 of the total ACL and is also the most underutilized. Any increase in the utilization of GB haddock, which everybody would think would be a desirable thing, will also result in an increase in concentration in the landings. Only the big boats can get out and catch the GB haddock. The same situation exists with redfish. The other side of it is that most of the GOM cod quota is held by smaller boats, while the larger boats have some small percentage of it. If GOM cod is really in trouble and the quota is cut, it will affect small boats and that will shift the concentration without the large boats doing anything differently. It is really necessary to look at what stocks we have and where the potential is for more utilization as we think about these fleet diversity and accumulation limit issues. Revenue concentration is not necessarily an indication of any undesirable thing – it might be that we're making better use of underutilized stocks.

**New England Fishery Management Council**  
Amendment 18 to the Northeast Multispecies FMP  
Scoping Hearing Summary  
Riverhead, NY  
January 23, 2012

A scoping hearing was held to receive input on Amendment 18 to the Northeast Multispecies Fishery Management Plan, which the New England Fishery Management Council is considering for development on the topics of fleet diversity and accumulation limits. The meeting was chaired by Groundfish Oversight Committee Chair Mr. Terry Stockwell, assisted by Council staff Ms. Anne Hawkins. There were approximately three people in attendance.

After introductions, Council staff provided an overview of the issues associated with accumulation limits and fleet diversity, including the history of Council action. The public then provided comments on the potential action. The comments (with staff responses where given) were:

Mr. Charles Etzel (Handgear A Permit Holder, Montauk NY): I have a lot of questions. It seems like everybody who will be in sectors is in sectors, and very few people are in the common pool. How do these questions relate to each other? I don't understand how you'll get anything different out of this type of action. What does that mean for handgear permit holders? We're not in a sector. We'd like to see smaller boats and no catch shares, especially down here. Also how does this relate to monkfish?

Mr. Stockwell: Right now this is not related to monkfish. The Council is looking to consolidate plans into an ecosystem approach. Groundfish, monkfish, and skates may be combined in a single plan but not until several years from now.

Mr. Charles Etzel: From what we have seen of sectors, we don't want them here for monkfish. Down here nobody wants sectors.

Mr. Stockwell: I remember in the monkfish hearings it was pretty clear what people want south of RI in terms of sectors. But the Council supported catch shares in the groundfish industry.

Mr. Charles Etzel: That is because people on the Council have their own boats and interests.

Mr. Chuck Etzel: Upon implementation of sectors, I think they took the baselines off the quota that was originally on the permits. Why did they lift the baseline constraints – just to make it easier? It would have been simpler to leave the baseline attached to the permit and the quota that could be leased back to other vessels, and that would have kept the diversity and this issue would have never come up. People with big boats would keep big boat quotas to themselves, and vice versa. We have no permit banks down here, but from what I have seen of them I'm not in favor of those either.

Mr. Victor Vecchio (NOAA Fisheries Port Enforcement Authority, NY): Vessels here are rather itinerant in nature and will take landings to any port based on reasons like price, etc. NY landings could easily be tiny because NY vessels are taking their landings to New Bedford. If you superimpose the chart of proportion of landings by port on fisheries of the future, you may unnecessarily constrain them. On the revenue graph, it is pretty consistent that 10% of boats have about 50% of the revenue. I would be interested in seeing this analysis of not just groundfish but

other FMPs. Fishermen here have to have their finger in a number of different areas in order to stay alive.

Mr. Stockwell: This is specifically a groundfish amendment, but what you're saying goes hand in hand with the ecosystem approach. We would be collaborating with the MAFMC and ASMFC for jointly-managed species.

Mr. Vecchio: In talking about climate change, superimposing historical landings on where they were historically landed may not work for you given that range is shifting. We'll be getting croakers off Montauk Point soon, and we see mid-Atlantic species moving north. We might want to consider some of those things to see what is happening on a broader scale.

Mr. Stockwell: We have stumbled through single-species management and cannot answer right now how it works with monkfish. We are trying to manage whiting, mackerel, and herring together and those aren't meshing. We have been too busy putting out fires to try to act proactively. We set a goal of implementing ecosystem management over 5 years, and will start with a pilot project to see if that works.

Mr. Charles Etzel: Why not just have DAS and let people stack a few permits? Why make it so complicated? But that's by the wayside now. Basically what we're talking about now is sectors.

Mr. Stockwell: The common pool is going to a hard limit this year. We could, for example, limit the number of permits an individual or corporation has. We could limit or cap the amount of a particular species, and as the stocks start to grow, could allow the growth to be diverted back into others. There are different ways of teasing this apart. We could look at fleet diversity and have an inshore and offshore fleet.

Mr. Charles Etzel: Isn't the cat out of the bag? People have bought the permits they're going to buy.

Mr. Stockwell: Some people think so. Others feel there's time to draw the line in the sand and say no more consolidation.

Mr. Charles Etzel: But the damage has been done. I'm not saying it's a good thing for whatever is left.

Mr. Stockwell: This is an attempt to fill the holes that didn't get filled a couple years ago.

Mr. Charles Etzel: There are a select few people that benefitted from this system.

Mr. Stockwell: And if we stayed at DAS, people would have had differential counting, a draconian discard rate, and a huge cut in days. So this is the Council's effort to make Amendment 16 more user-friendly for the industry and address the issues that weren't addressed when it went out the door. The sector framework was also based on a workshop we had with industry to address those issues. Right on the top is monitoring costs.

Mr. Chuck Etzel: It will be a big problem in the future if we have to pay for monitoring costs. It won't be efficient, and we will need only big boats that can do small distances in a short amount of time in order to pay for the monitor.



Mr. Stockwell: There is a very active handgear group in Gloucester and the North Shore raising issues for your fleet. One idea was to limit monitoring on handgear vessels. We're assuming until proven differently that you're probably throwing over more than you're bringing in. A motion last June was made to limit number of permits one person could own, but the Council rejected that in favor of a holistic approach.

Mr. Chuck Etzel: If you require monitors and the industry has to pay for it, that will consolidate the fleet too. It can't be so micromanaged that they count every fish that comes in or goes over.

Mr. Charles Etzel: My big concern is monkfish. If it's going to come down to it, let us stack permits.

Mr. Stockwell: The monkfish plan very different from this one.

Mr. Chuck Etzel: You are seeing more monkfish activity in this area, because days are coming back.

Mr. Stockwell: They are two very different fisheries, and I think people recognize that. Some of the bigger trawl boats from time to time get into the monkfish and the day program isn't working for them. And what they have isn't working for you guys.

Mr. Chuck Etzel: We just want to see some opportunity for some access in the future, because we have nothing now. We have some cod here in February and March, and I'm trying to figure out how to work it to my advantage. You have to spend money to buy some western GB cod quota and it's not going to work. Even if the fish do come back, and it seems like it's getting better down this way, I don't even see how it's viable.

Mr. Charles Etzel: Does the council take it into consideration what the fish eat? It seems like the left hand doesn't know what the right hand is doing. We were up in Grand Manan and the guy was saying he used to see a ton of mackerel, and he's blaming all the fishing on the decline.

Mr. Stockwell: I live in mid-coast Maine and you can't buy cod. In western Maine they're quite thick.

Mr. Charles Etzel: They're saying they have unbelievable lobster up there, and we think it's because they have no predators. And it's not the water warming up; it's the size of the herd that's tremendous – like seabass and scup. Most fish have an unbelievable range. It's not the water warming alone. You can catch seabass now from Florida all the way up the coast.

Mr. Chuck Etzel: The only thing that makes sense to me is to set a TAC on the biomass that comes out of the ocean and put a stop to it when you reach it. But I don't think that's what NMFS is looking at.

Mr. Stockwell: We are looking at three ecosystems, based on a lot of work by Mike Fogarty. We are going to overlay it with habitat and start to put together TORs this year on how to move ahead. There are a lot of administrative and legal issues we want to think about, and the Council has identified homogenizing groundfish, skate, and monkfish plans as a pilot program to see whether it works or not. If we get through this first year with our TORs, it will probably take two more years for that to happen.

Mr. Chuck Etzel: It seems if you always worry about specific species being up or down, it will never work. What happens if one species is down and you have to stop fishing? I don't see how it will ever work if you always worry about the choke stock, because there will always be something.

Mr. Charles Etzel: I would like to see a small boat fishery where moms and pops can wake up and go to work.

Mr. Stockwell: We'll commit that, as this moves ahead, we'll be back again as there's substance to it.

**New England Fishery Management Council**  
Amendment 18 to the Northeast Multispecies FMP  
Scoping Hearing Summary  
Manahawkin, NJ  
January 24, 2012

A scoping hearing was held to receive input on Amendment 18 to the Northeast Multispecies Fishery Management Plan, which the New England Fishery Management Council is considering for development on the topics of fleet diversity and accumulation limits. The meeting was chaired by Groundfish Oversight Committee Chair Mr. Terry Stockwell, assisted by Council staff Ms. Anne Hawkins. There were approximately four people in attendance.

After introductions, Council staff provided an overview of the issues associated with accumulation limits and fleet diversity, including the history of Council action. The public then provided comments on the potential action. The comments (with staff responses where given) were:

Mr. Eric Lundvall (Little Egg Harbor, NJ): Do you have data on what the distribution of SNE/MA winter flounder quota would be if it were allocated to fishermen and they were able to retain it? Also, what might be coming down the road for the fishery?

Mr. Terry Stockwell: There is federal and state data by permit and by aggregate. The two big crisis issues for the Groundfish Committee now are the GOM cod assessment response and monitoring costs for the fishery, because no fisherman is going to be able to sustain payment for monitoring as of 2013. That is why this amendment was prioritized at the bottom of the list, despite a lot of interest in it. The Council also prioritized development of an ecosystem-based approach, which will have a 5-year implementation period. Part of the pilot for the program will be the consolidation of the groundfish, monkfish, and skate programs. We came here to New Jersey to find out what issues are important to you to advise the Council on. If and when this amendment gets together, we will come back and should have a better turnout once we have a document with some meat in it.

Ms. Anne Hawkins: The stock could be allocated similarly to other groundfish stocks using the same baseline years, but the information on what individual PSCs would be is not currently available.

Mr. Lundvall: I did have some good history for blackback, but now that stock is zero-retention, and I did have good history for skate. There is some yellowtail flounder here, but most of us are in the common pool and with the current trip limit, going out for groundfish is a waste of time.

Mr. Kevin Wark (Barnegat Light, NJ): I surrendered my A days because couldn't make it when I was monkfishing. I consider us in this region to have been collateral damage. I feel I helped keep monkfish out of the groundfish actions 15 years ago, because I knew it would only hurt us to include it. And I knew if we didn't speak up about this stuff we'd see monkfish go the way of groundfish. I'm very concerned about consolidation, and I see a push in monkfish management to do what we did in groundfish, and a lot of bad stuff has happened. It is such a mess all the time, and I'm afraid monkfish will end up just like it if we don't do our best to address these issues. I really like the idea of a referendum. I believe the Advisory Panel process is broken because the members are there because they want to become permit lords or stop permit banks. They have a totally different view than the common fisherman, who can't come to meetings because they go out fishing to make money. If you have two or three vessels you have the ability to attend

meetings and influence the system. It has been amazing to watch the instant consolidation – like with the general category scallop fishery. People are buying permits, driving prices up, and running off. Moving forward, we really have to worry about monkfish. There will be no fleet diversity if we don't smarten up. The bigger companies want more, and that's the way America works, but you will never have fleet diversity if you allow them to control it. The guy that owns Lund's Fisheries knows consolidation will only benefit him, and he doesn't agree with this stuff, but he goes with it anyway because he knows it's best for his company. You can't let people hide behind efficiency too much either. That word is thrown around loosely. The argument for efficiency quickly turns into "more and more, bigger is better". I will submit some written comments when I can really gather my thoughts about this. You will have no fleet diversity if this keeps going. If you don't have really small caps, you'll have maybe 30 guys that own it all. We've already seen that in the scallop fishery – it's almost instant. The quota will vanish into the hands of the people who have the means to do that. I'm not saying that as a disgruntled guy – fishing has been good to me – but if you want to keep the pack-out docks and the entire infrastructure, this worries me a lot. It wasn't hard to see what was going to happen. You could have looked to the clamming industry as a prime example of what was going to happen. There may be people out there smart enough to break all that down statistically, but I know if you don't look at that carefully you'll end up with fisheries that look nothing like they do today.

Mr. Stockwell: Are you saying that diversity for the groundfish plan should include measures that will sustain the Mid-Atlantic monkfish fishery?

Mr. Wark: I hate seeing this used as an example for monkfish – we're not proactive, but just trying to stop some of the stuff the groundfish fishery is wrapped up in. We are a different fishery. Diversity is very important and it never got enough attention with the sectors. You need more referenda – guys don't show up to these hearings. They don't like to speak in public, so they won't come and say what they think until it's too late and then they just take it out on the observers or something. I gave up my monkfish AP seat because I was too frustrated after 15 years, and felt like I wasn't going anywhere. Now I just work with the MAFMC. You really have to watch who is lobbying for what, and a lot of it comes from who is on the AP. The other guys are on the ocean trying to feed their families. I have seen too many times when the vocal guys win out and the hardworking fishermen on the dock get murdered on these things. In a referendum, you could mail everyone something and have them actually vote on it. Maybe not for latent permits, but at least everyone who is active in the fleet. A lot of fishermen have really good ideas if you can tease them out. Groundfish management has become its own monster, but you are learning lessons here. I have a directed shark permit, and they are so far behind that they are trying to learn lessons you have already learned. I'm trying to tell them what may happen with catch shares and the ability of people who have had more opportunity to build history. With monkfish, people are saying it is really one stock. If we start talking about catch shares, New England had a better opportunity to gain catch history than we did. So now they are saying there are two stocks. I worry, looking forward, if we don't watch what we do, this will have direct effect on the fishery no matter what we do. Consolidation is something that happens and when it happens you can't go back and change it.

Mr. Lundvall: It is very hard to follow Mr. Wark, so I'll focus more on the groundfish end of things. I'm as anti-consolidation as possible. I witnessed what recently happened with the dayboat fishery, with quota now selling for \$30/lb, which is completely unattainable for an independent operator. The quota is being accumulated by a few families. I don't see how you can go back. Amendment 16 was passed – how are you going to tell these people who bought up permits and continued to do so, even despite the control date, that they may have to give them back? In their defense, what are they going to do? My other point is on what I would like to see in this area

specifically, I own a small 50-ft. dragger, and blackbacks were the only thing we did make money on. I would like to see the same type of situation when that does open up – I wouldn't like to see our boats here go away if it does come back. Keep the permits here, and don't consolidate those permits by larger corporations and move the quota out of the area. Right now I'm in the common pool and it's not profitable for me to go out for 500 lbs. per 24-hour DAS because of the restrictions on the common pool. I would like to keep options open for us. Now there are no young people that could possibly ever get into groundfishing, and scalloping is out of the question too. I don't know what to come up with, but you need to keep the diversity available. There would be no boats or permits to buy if they ever wanted to get into the fishery.

Mr. Wark: This is a huge issue. You think, when everybody is boxed into a corner – we have always made a living catching a load of different fish, and you have to keep doing that. I start thinking about our dock, and they need all the landings they can get to keep things going today. Everything is so expensive. When they start to consolidate and they leave, that's a big concern. They're really concerned about quota leaving the town, because it's hard to get it back, and it generally doesn't come back. It leaves through consolidation. The manager of the village is very concerned about landings leaving, because they need all the quota to make a go of it. I know the New England ports are worried too, but smaller places can be hurt more quickly. They are not huge operations and do not have a lot of room to absorb losses. There are numerous things I really worry about. The 5% cap was a lot for the general category scallop fishery that had so many people in it, and consolidation happened quickly. We took an open access permit, turned it into a new limited access category, and people just gobbled it up. You see it going to the guys who really didn't need it, but they had the capital to get it. I know it's hard for the Council to figure that all out, but you need some people in there who really see this for what it is. I just hope they can stop some of it, because if it happens with monkfish and a few more species it will pretty much be over.

Mr. Lundvall: I find it hard to speak in public, and agree with Mr. Wark about some type of outreach or referendum to the people who don't come or are afraid to come to hearings in order to somehow get the input from them. If there is a budget for that type of thing, it's a thought. For someone with one boat that's out working, it's hard for them to come.

Mr. Stockwell: I know the MAFMC has money in the budget for community meetings for monkfish. Those are more industry-focused than this type of atmosphere. We are scoping on something that's somewhat different to what's most important to NJ fishermen, and if the monkfish amendment proceeds it's hugely critical to you guys and I know there are opportunities for public input.

Mr. Lundvall: I had to leave good fluking because I've never seen that many blackbacks.

Mr. Wark: I attended an informal MAFMC meeting in Barnegat Light. I think through that process we can get a lot of things done. We're not talking about groundfish guys with monkfish catch, we're talking about monkfishermen.

Mr. Stockwell: The MAFMC does have a monkfish committee now and a few more members on New England's committee, so it is more balanced now.

Mr. Wark: When I first got on the AP in '93 or '94 it was rough. We barely kept our foot in the door in that fishery. Our guys weren't totally against catch shares, but we started to get drowned by the groundfish regulations, and that's what was so distasteful for the Mid-Atlantic people. We are afraid to get involved in a system that will probably chew us up.

Mr. Stockwell: Until you know the currency of an allocation you can't make informed decisions.

Mr. Wark: If they took a referendum, I'd be all for it. If it was fair to everyone, I'd be the first person to try to make it work. But everyone's so freaked out because they don't know what they're looking at. Maybe catch shares aren't good for us, but we need to let the guys who are fishing decide that. I'm on the board of the Garden State Seafood Association, and I think the other guys agree with that. The sector system isn't palatable to us at all. Things are working for us well now. Until we get some of the other issues sorted out with protected resources, I don't know if we're wasting our time or not. I was a sturgeon fisherman, and have mixed feelings on that, but am doing cooperative research now, and am trying to do the right thing to figure it out, not just throwing rocks.

Mr. Stockwell: You know that endangered species will trump the Council process.

Mr. Wark: I know. We tagged a sturgeon and tracked it all the way up to Newfoundland. We are getting tons of information – this is my 4<sup>th</sup> year working on it. We have pretty good success at research on mitigating bycatch so far.

Mr. Lundvall: Party boats in New Jersey are advertising cod for charter trips. That hasn't happened since the 1970's.

**New England Fishery Management Council**  
Amendment 18 to the Northeast Multispecies FMP  
Scoping Hearing Summary  
Hyannis, MA  
January 26, 2012

A scoping hearing was held to receive input on Amendment 18 to the Northeast Multispecies Fishery Management Plan, which the New England Fishery Management Council is considering for development on the topics of fleet diversity and accumulation limits. The meeting was chaired by Groundfish Oversight Committee Vice-Chairman Mr. Tom Dempsey, assisted by Council staff Ms. Anne Hawkins. There were approximately twenty-five people in attendance.

After introductions, Council staff provided an overview of the issues associated with accumulation limits and fleet diversity, including the history of Council action. The public then provided comments on the potential action. The comments (with staff responses where given) were:

Mr. Aaron Dority (Penobscot East Resource Center and Manager, Northeast Coastal Communities Sector): I have heard people say there isn't a problem with excessive accumulation right now. I think that's wrong; there is a problem and you will hear a lot about that today. The GOM cod stock assessment will make the problem more severe because it's a major consolidating pressure. I want to make three main points. First, we need some sort of set-aside for new-entrant fishermen. Think about it as an investment for the future. You invest when times are tough and when times are good. We're getting to the point where boats will need to be retired and replaced; we need to look at the fishermen and think the same thing. The best way to do it would be to take a set-aside off the top. Second, something has to be done to keep individuals from leasing in perpetuity. That would make sure that leasing rights are used for the fishermen and not a tool for speculation unless they are fishing. Third, we need quota categories for different gear types – for example, to disallow transfer between hook and trawl vessels. That is something we have not done in New England. I know there is a question of how to enforce that. The Maine permit bank provides an example of how to do it, because they have an enforcement mechanism through contracts with sector managers in order to prevent people from profiting off of permit bank quota.

Mr. Phillip Michaud: I find all of this very disturbing. I was following the Council for years as a groundfisherman, and catching my share of cod over the years. Using the allocation years of 1996-2006 determined my history when I could only catch 30 lbs. of cod per day and there were rolling closures off of Provincetown and in the GOM. At the same time, dealers that are responsible for doing reports for their boats may have been over-reporting on their numbers. Now I see those boats that got the quota coming through the canal heading up to Stellwagen Bank to fish on the cod. I was strangled on my ability to fish on those, and now they are opening it up. Look who is sitting on the Council – there are lots of good people who are probably doing the right thing, and lots who are there for stacking their pocketbooks. They will take what we do here and do what they want out of it and make it work for them. I do not think you're fixing any problem. As far as caps go, they do not matter; I do not think they have been able to do that anywhere, because people just put permits in the names of family members to get around the cap. I stayed in the common pool because sectors seemed complicated and I really didn't want partners. As far as the common pool goes, I can get about 250 lbs. of cod per day. Before it was 800 lbs./day, and that worked. You could make one tow and make it. I was expecting you guys would go to 2000 lbs. or something, but no, you choked us right out. A lot of guys are forced into sectors; at least I had other things to go chase. Good luck with it. I know there are a lot of

fishermen that used to catch these fish that are stuck on shore now because they went out of business. There needs to be diversification around here, and you need to keep the small boats going. I'm not an investor, I'm in it because this is my job and I would like to see things turned around.

Mr. Nick Chaprales: I am 25 years old and started fishing right out of high school. For the most part it is a pretty good way to make a living, and it has been our family business for a long time. It is tough to see things go down this way. As a young person trying to get into the industry, if my father wasn't a fisherman, there wouldn't have been any way possible. Look at the investment it takes to get into the fishery: you would be hard pressed to get a loan for it. Even if you get a loan, and permit, then you're looking at a 90% reduction in cod quota. You would have to be mentally unbalanced to want to get into it. I'm no old salt, but for the first time in my career, I have seen 100-ft. draggers in a marine sanctuary. I don't really get how that works, and for the first time in my life and I think my father's life we can't make a living doing what we have done, because there are no fish to catch in Stellwagen Bank. They are just not there to catch. Guys are trying with different gears. You can put this on paper and make these plans, but a 100-ft. boat does not belong fifteen miles off the coast in my opinion. I hope you do this fast, but by the time you get it straightened out I don't know if there will be a fishery for people my age to pursue.

Mr. Ron Borgeson (Fisherman, Sandwich MA): I am a second-generation fisherman of 42 years. I have been particularly affected by all the conservation measures implemented from 1996 on, including rolling closures, 35-lb. trip limits, and other measures that were put in place to bring back this depleted stock, which we have witnessed come back in abundance over the past five years. What we have witnessed most recently, since the intervention of sector management, is that we see boats that have traditionally fished offshore – larger boats that never fished there – that due to their allocation and trading abilities have turned up inshore and literally wiped the place out. All the fish I have waited fifteen years for and conserved on are no longer there. And that is not just cod, although they have taken a serious hit, but yellowtail and flounders also. I think in the rush to implement sector management there was no due diligence on the socio-economic implications of the sectors. There was never the foresight to say that big boats will have access there and to look at the repercussions of that. It was obvious. All fish have been taken away, and none are left for the small boat fleet that has traditionally fished there. There are none for boats that were the most highly impacted by rolling closures and trip limits. You guys will be tasked with a way to fix that. Is fixing it a reality? I don't think so. Fifteen years is a long time to put into trying to bring back a fish stock, to have it decimated in one year. You will have to find a way to preserve and keep the small boat fleet intact. You will have to be held accountable for that one way or another before moving forward. What has happened is a crime – against communities and against America. You have taken all these small individual businesses and literally brushed them out the door with no alternative. It was a very well-manipulated, thought-out, and executed plan. Your task is to fix it and make it right, so I won't be an angry guy for the rest of my life.

Mr. Alex Friedman (Duke's County Fishermen's Association, Martha's Vineyard MA): Thanks again for beginning the scoping process and hearing our voices. As we talk about paper fish, we have to realize the implications are vast for our communities, individuals, and economic and social liberties. I don't mean to be highfalutin, but the overconsolidation of our fleet is un-American. We have a problem with access for our young fishermen – I know families who have been on the Vineyard for thirteen generations and they cannot fish today, despite being small owner-operators up to the current time. I would like to see data on how the imbalance that's growing with fleet consolidation is related to civics and community. Almost all of Cape Cod, Martha's Vineyard, and Nantucket are small communities, and that's endangered by fleet consolidation. Small vessels have to unload in larger ports, and we are going to those the iconic



small fishing towns, villages, boats, and small fishing families. It's not just a myth from political commercials, it's real. It's in the room here. There are mistakes in sector management; you have time to fix them. With the Council's creativity, you have so many options and things to work with, even with inshore and offshore. Offshore boats fishing inshore have devastated local communities. One of my mentors, the late Tom Osmer, was also a creative thinker and appreciated your creative thinking for these solutions. He talked about intentional inefficiencies. Looking at the graph from 1983, the technology now blows away what people could catch thirty years ago. We do need intentional inefficiencies. I do not think efficiency of the fleet should be a consideration. We need to look at the broader socio-economic impacts. People do not buy postcards of 100-ft. factory trawlers. Sometimes we are too close to the issue to realize the heart of New England is its small fishing communities. I encourage you to do everything you can to save them

Dennis Chaprales (Charter Boat Owner, Hyannis MA): I also work on a small groundfish boat four or five months a year in the winters. I want to talk about the way it has affected us on the charter boat end. I am 33 years old and have owned my business since I was 18. We used to go down to the Great South Channel and go cod fishing, commercially or with small party trips, and you could catch cod in almost every spot you went to. We have seen that wiped out. You can't find cod at all in the Great South Channel. I did see big boats fishing there, coincidentally now the big boats have disappeared. In the past five or six years I have seen Stellwagen emerge into this great groundfish and cod fishery. On the groundfish boat I work on, when the trip limit was 800 lbs. you couldn't tow fifteen minutes before you had to haul back because your nets would be full. In a charter boat, with a party of six, after two and a half hours of fishing you would have to go home because your limits would be met. Since sectors started and were "supposed to help" everything, I have seen in Stellwagen many boats over 80-90 ft. and 2000 horsepower towing through there, which is the same thing I saw in the Great South Channel where there now isn't a codfish to be seen. Two and a half years ago there was an abundance of cod there right before sectors. Right after sectors, you can see the pressure of big boats fishing there that used to go 100 miles offshore. Now you see them inshore, and you don't see cod anymore. Is that a coincidence? It is pretty much common sense. If you put that much pressure on an area that small, and it's a sanctuary that was not bothered for years... it worked great for our small boat fishermen. Right after sectors started, seven or eight big boats were driving through there and now you can't find a cod there. It affects me, my charter business, my work on the groundfish boat in the winter, and everyone else out there who is trying to make a living.

Ms. Shannon Eldredge (Family Owner/Operator of Fish Weir and Offloading Facilities, Chatham MA): I am a stakeholder in the small community of Chatham. Every generation of my family has fished out of Chatham. Wives and children mended nets, packed fish, and crewed. Historically we fished year-round in a multitude of settings. We survived a year by working in many fisheries. Diversity sustained a way of life that was economically viable for many families. The fishing culture is quickly disappearing and becoming unrecognizable to families trying to make a living from the ocean. Amendment 18 presents an opportunity to maintain a diverse fleet and preserve industry. The consequences of not adopting it will be to disallow young people from entering the fishery and to lose infrastructure necessary for communities. Also please consider these other things: fish as a stable local food source, biodiversity and ecological sustainability, and the economic value of fishermen in shoreside communities. Please consider my generation in your upcoming decisions.

Mr. Willy Hatch: I understand this is very complicated with all these amendments, but first I wanted to answer your questions. Should we let the market control this? It comes down to efficiency. I think efficiency is a bad thing. I think of a Wal-Mart buying goods from china and

putting all the moms and pops out of business. An ocean equivalent of that would be a 300-ft. factory trawler, processing on board and selling on their own. I have heard the ecological impacts of these big boats mowing down Stellwagen Bank, and the implementation of sector management coinciding with the crash of the GOM cod stock. That is more than a coincidence. We have to talk about socio-economic impacts. There is no trickle-down effect to boat builders, tack shops, etc. when giant boats consolidate permits. I saw that 458 crew jobs have already been lost. This is a time when we need to be creating jobs, and instead we're taking them away which is what everyone was afraid would happen with sectors. I'm 39 years old and a lot of my friends are in their 30's. There is zero access for young people. Nobody has \$30-50k kicking around to get into a crashing fishery. There isn't one person groundfishing on the Vineyard, like Mr. Friedman said. There is no quota – it's unaffordable. Also think about the average age of the permit holders. Instead of giving up permits, they're holding on and becoming mailbox fishermen. They have a nice retirement in place because they can lease out quota, and have absolutely no incentive to sell it back or lease it at a reduced rate. That makes permits nearly impossible to get. Everybody talked about how market prices would go up with sectors. That has not happened. When you factor in what happens when you lease quota and gas prices, this is insanity. I think 2014 will be too late. We have already seen what a few years of having these big boats inshore has done, and if you want the GOM cod to recover, you have to do something. Big boats have to move out of Stellwagen Bank. The last thing I'd like to say is that the science is unpredictable as to where it will be two years from now. I have seen experiments on the Albatross where they are towing the net sideways, and now they're saying cod have crashed. We have had to make extreme sacrifices, and when stocks do get rebuilt we do not get the increase in quota. I hope this will be a step in preserving the small boat communities. This needs to be implemented quicker and faster and you need to think about the next generation.

Mr. Gov Allen (Commercial Fisherman): I have fished since I was nine or ten, and tub trawled when it was really tub trawling. I went to school, then came back and fished and also chartered. I saw what happened in the Great South Channel and fished with some of these gentlemen here. What got me, going to meetings to talk about this, was watching what happened in Iceland. If you want to save an industry, a way of life – we're all dorymen and we can't go more than 50 miles to make a living – you have to do the right thing and close it like they did there. We know better than to put that much pressure on an area. The ecosystem is so beautiful and adept at reinventing itself, but when you drag it up with that much effort with that many boats... that's where sectors come in. It's devastating to see what happened in the Great South Channel. Now that area is dead. The GOM improved, increased, and looked good, and in two years now it's wiped out. You can't put that kind of pressure on an area, and these large boats can go other places. You have to give small-boat fishermen a sanctuary: a way to make a living. They did it in Iceland, and we can do it here. Use your head economically to make it feasible. There is enough here for not just a few boats, but thousands of people. If it's going to go the way of mom and pop stores, I cannot understand why that's how they want to do it. I said one time we were willing to take a 50% cut in order for the stock to rebuild. Why not have somebody else take a cut? But we do it. We bend over for this to keep ourselves alive. If we bend over any further, it will all go away. Amendment 18 a good start, but we need it perfected – it's the only hope we have.

Mr. John Rice (Marstons Mills, MA): I don't hold a federal permit because I gave it up in the 1990's for all this crap. I am here to support these guys. I support a cap on accumulated quota. I also feel we have to get away from people accumulating quota and leasing it out. Return quota to the common pool, so people who have suffered all these years get a chance to fish again.

Mr. Eric Brazer (Fixed Gear Sector Manager): I am here to make three points, and will submit formal comments. The first is logistical. I recommend the Council take into consideration

everything that has been said and really analyze what the issue is. In the past, the Council lost a lot of opportunities by treating symptoms when they should have been fighting the problem. If you can't agree on the problem, how can you come up with solutions? Second, fishermen aren't just fishermen, but also businessmen. Moving forward, what does it take to make these businesses solvent? There is a difference between being anti-big business and being pro-small business. Third, a solution: if you want to maintain fleet diversity, don't force them to cut a \$500 check every time they need to take an observer in 2013. Make payment for monitoring proportional to the profitability of the fishery and businesses. As long as NMFS continues to run observing programs, they are running a bureaucracy, and we need to get away from that.

Mr. Bill Chaprales (F/V Ruby): I am one of the founding members of the Cape Cod Hook Association, and am now a member of the Penobscot East sector in Maine. For Amendment 18, I would like to make a proposal that status quo not be adopted and that the Council makes a decision. I realize we have a great tsunami upon us with GOM cod and as I heard at the Fairhaven meeting, we really have to concentrate on that and this will take a back seat. I was pretty disappointed when I heard that. I was disappointed like a lot of these fishermen, and have been for years. One of my greatest hopes starting the hook sector was that we believed in a way of life. We felt our gear type – hooks – was a way of life because we weren't destroying the habitat, our fishery was size-selective, and we took pride in our gear type. We figured that through the years we could make a difference in that sector. We figured it would be the model of all sectors. Evidently it has come down to this, and that model was never copied. The whole vision was we trust in whoever pays cash. As recently as this fall a group of fishermen with a lot of quota went to Washington and told them everything was fine; that sectors are working and to leave things the way they are. Now we have the silent majority coming up and telling the rest of the story. Things aren't great. Now with the recent assessment suggesting a 90% cut on GOM cod, there is even more reason to realize the fishery is in collapse. I went to a Council meeting and other meetings this past fall and listened to Council members talk about how we should open closed areas. I couldn't believe my ears. Those areas were closed for a reason; for habitat, spawning closures, and to have the fishery rebuilt. Now with this tsunami on us, they still want to push to open closures. They want to decimate the fishery to 200 miles. It doesn't make sense. The big boats know the problem and you have heard it today – there are less and less fish in the ocean – and they are pushing the small boat industry right out of the business. They don't want to hear from us anymore. They figure if you set this aside the Council will keep giving it another year and another scientific review. If that happens, the fishery will go even quicker and the small boats would be out entirely. Like Mr. Michaud said, even with a 2000-lb. trip limit in GB, they were catching it. He was sacrificing for a 30-lb. trip limit on GOM, and now can't fish. He paid the price and is penalized for it. I was in a fishery where we opened Closed Area I just for hooks. We figured it would be a great thing: we would be responsible and not ruin habitat. We had a good first year, the second year was not so good, and by the third half the boats didn't go there. To date there are maybe four or five hook fishermen left from the 30-40 who couldn't do it anymore, and those four or five fishermen can't even make it in a closed area anymore. They went in there and they bombed. They went to Stellwagen Bank. Now everybody is concentrating there, and it's the last stronghold for the GOM cod. I don't want status quo to be an option. The Council has to look at the real problem. Listen to the people that are in this room today that have given testimony that the fish aren't out there. That's the best science you can have.

Mr. John Tuttle (Chatham, MA): I'm not going to put all the blame on the big boats. I'm going to put it on seals, dogfish, and skates. Yeah the big boats have played their part, but so has everybody. If Amendment 18 wants to help the new guys, they should support permit banks. I don't think you should hurt one category of boat to help another.

Mr. Pat Kavanagh (Dragger Owner, Woods Hole MA): I manage my family's small business; my dad and I own two draggers. I agree with accumulation limits. I think it's probably very late in the game but there has got to be some effort made at applying checks and balances to protect the fishery from psychopathic behavior at the expense of the entire industry. As far as designing usage limits, for DAS they had the 10/10/20 upgrade restrictions for the DAS program. That became a trading restriction when they made DAS transferable, and there's a very inequitable scenario where the very smallest boat in the fleet could lease DAS from everyone in the fleet, maybe 600-700 boats at the time, while the very largest boat in the fleet could rent from nobody in the fleet. I'm at the top end of that – our boats are close to 100 ft. You have a scenario where there are a couple dozen boats that fit mine that are looking for DAS, so you were limited to who you could get DAS from or had to think about buying another permit so you could use it for DAS. I have friends with boats in the 40-50 ft. range, and they worked it out, but they had a big choice of boats to get days from, which I did not. One guy could not rent from anybody. I don't want to see that situation again when we design usage limits.

Mr. Brett Tolley (NAMA): I'm from a Cape Cod fishing family. The GOM stock assessment absolutely deserves urgency, but I don't think it should be taking away resources or attention from Amendment 18, in fact it could add resources by moving it forward. There is clearly a connection between what is happening under sector management and the cod stock today. There could be issues of timing as well, looking at when the assessment was made. As for the testimonies of fishermen, they are saying that in the past year and a half they have seen a huge difference in who is fishing. So I think this is one of the roots of these problems. As the Council addresses how to move forward with the GOM cod stock, we have to pay attention to this shift of what has happened. Because of a lack of protections around sector management, offshore boats from far away have been allowed to catch a large volume of fish in a concentrated area. I think it's not the only factor, but regardless it is still a big one. There should be overlap in addressing these issues and the GOM cod crisis should also be included. We need to use this opportunity to make sure we don't make these same mistakes in the future. What is in place to prevent a stock from collapsing again? We don't have much. This is a chance to think long-term and about the future of our fishermen. There has been a lot of good testimony today about the challenges, and Amendment 18 is an opportunity to take on those challenges.

Mr. Michaud: How can guys with groundfish boats on the Council make decisions that affect their position?

Mr. Dempsey: There are rules for recusal if a member's personal interest is too great, and the nature of the Council is to balance different interests.

Mr. Allen: There are haves and have-nots. I used to scallop, and now have no license. I used to monkfish. Now I lost that license because I had to trade mine to get another one and the guy I bought from didn't keep good records. I have to get another license and I don't want to see it devalued because I bought a license with DAS instead of landings.

Mr. Patrick Paquette (Recreational Fishing Advocate, Member of NEFMC Recreational AP): In general I wanted to emphasize a comment that was just made. This should be used as a vehicle and as an opportunity to fit into NEPA some actions that will be needed in response to the current GOM cod issue. The Council will need to think outside the box, and by stretching the terms of this scoping document, we can have this as a vehicle to address some of the issues brought up today and to keep us moving for a year or so. I have been hearing a lot of testimony at GOM cod meetings in the last week, talking about the cod being in great shape in Stellwagen. That is not the experience of my community, and so it is refreshing to hear the truth in this room. I want to make

sure this message makes it to the Council meeting next week. They cannot wipe out all the bait and all the fish and think that the industry will be here two or three years from now.

Mr. Nick Chaprales: Is there any kind of fail-safe to ensure that someone that should be recused from an issue does so?

Ms. Hawkins: It is mandated by the Magnuson Act and overseen by NOAA General Counsel.

Mr. Friedman: The sector system is imperfect. The Council has an opportunity to correct some of those huge imperfections with Amendment 18. It may be inextricably tied to the GOM crisis, so all expediency is due. It is difficult to admit mistakes and takes courage to correct them and move forward. We all need to think about what our legacy will be and what kind of life we want to leave for our coastal communities.

Mr. Bill Chaprales: How can we ensure if we go to the Council meeting that people will have a chance to speak? We want to convey first and foremost to the Council members that they need to hear from us before they make any decisions on anything.

Mr. Dempsey: The Chairman makes the ultimate decision when to accept public comment. In a large group it can be difficult to give everyone chances to speak, but it is important to do so as much as possible.



**New England Fishery Management Council**  
Amendment 18 to the Northeast Multispecies FMP  
Scoping Hearing Summary  
Plymouth, MA  
January 26, 2012

A scoping hearing was held to receive input on Amendment 18 to the Northeast Multispecies Fishery Management Plan, which the New England Fishery Management Council is considering for development on the topics of fleet diversity and accumulation limits. The meeting was chaired by Groundfish Oversight Committee Vice-Chairman Mr. Tom Dempsey, assisted by Council staff Ms. Anne Hawkins. There were approximately twenty-five people in attendance.

After introductions, Council staff provided an overview of the issues associated with accumulation limits and fleet diversity, including the history of Council action. The public then provided comments on the potential action.

General comments on the presentation included: Economic efficiency means different things to different people and lower profits are acceptable to some people; The South Shore should not be grouped with Boston in the data showing landings by port; There is concern that Council members will not read comments from the hearings; The summaries may not actually capture the comments from the hearings; There should be a way of counting how many people are for or against particular measures.

The comments (with staff responses where given) were:

Mr. Ralph Pratt (Green Harbor, MA): Will you poll the audience to get a general feeling of how many people support accumulation limits and fleet diversity?

Mr. Dempsey: We feel it is most helpful to hear individual comments and ideas.

Mr. Kevin McDonough (Dragger, Plymouth MA): I have been fishing since I was 18, and will be 22 this year. I have always worked on small boats with small business owners. They are hard-working guys who built their businesses from nothing. Everything I have learned about life I've learned in the last few years fishing. The difference I have seen in the last year is the little guy is getting squeezed up, and it's hurting the little guy more than anything else. All this talk of fleet diversity and consolidation sounds more and more like the little guy will be put out in the end. That's the guy I have always wanted to be. As a young guy that has been in the fishery only for the past few years, I am losing hope. I will never be one of those guys to own 15 boats, but always hoped I could be one of the start-from-the-ground-up-and-make-yourself kind of guys. Now I don't even know how long I'll have a job. It leaves me wondering where I'm going to be if the small guy I work for gets put out. With the way things are looking there will be nowhere to go. I am definitely asking for something to be done to be sure we don't just have a couple corporate boats out there. I don't want to work at a factory, and these guys weren't looking for more than they needed or to make a big corporation – they just wanted to survive. The way things are going there is really no hope for me in the future to be one of those guys and that's what I am worried about.

Mr. Steve Welch (F/V Holly and Abby): That is exactly why fleet diversity and accumulation caps are important in my eyes. This is a 400-year-old industry built by small businessmen. Most of the consolidation has already taken place with DAS. The problem with sectors and catch shares now is that the allocations weren't done properly. They were based on years that didn't capture

the recent historical participation by the recent participants in the fishery, who made business plans based on DAS. I had a permit with the history taken off it in 2004 and I didn't know anything about it; now it's useless. We have a control date of April 2011. From what I've seen and the people I have talked to, the race to gain history started in 2004 or 2005. That's the problem I have with catch shares; there's an inequity here. We have to address historical participation, inshore and offshore participation, and new directed fisheries in certain areas. These are the things I want to see for accumulation limits. As far as fleet diversity – we had fleet diversity. There was nobody going out of business in the last few years. I understand the Magnuson Act is rigid in its timelines and that's why we're in this imaginary crisis. The accumulation limits are going to be a tough battle but they are necessary. For me to hear that we are one of the only areas that doesn't have limits is deplorable. We have to do something to protect our historic industry. I don't want to see this end up like B.C. or Canada. I did my research and friends of mine in Canada and Alaska said this would happen, and now it's happening. It's not right for the people of the U.S., communities, and shoreside businesses. We have to protect those before they are all gone. Small businesses provide more jobs than large corporate ownership.

Mr. Ed Barrett (F/V Sirius): To start, I think Amendment 16 was not meant to be permanent. It was the result of having an interim plan and court case, and this plan had to be put out. Unfortunately it came out as sectors and as a catch share program. The Council was supposed to then address things that came up short in Amendment 16, and there were quite a few of them. Because of that, I feel the status quo is not acceptable. There are too many loose ends that should have been addressed. As it is, anybody can own anything and fish anywhere and catch as much as they want as long as they have the money to do it. This has become a fishery for those with the most money. Stability is not happening. People talk about this system as being stable; it's not stable. There is no bigger example than the GOM cod crisis that we are about to endure. The science isn't up to the task. We have a high-resolution management system and stock assessments that lag three or four years behind. The two just don't go together. The allocations were wrong from the start. By my calculation, people in Sector X, especially those who fished in areas 124 and 125 lost 37 months out of the ten-year baseline period. That's three years and one month. For 30% of the time that other people were able to fish, we weren't, and we were thus not able to establish history. There is some analysis done that pretty much shows that; it is pounds of GOM cod per active permit in the GOM cod-dependent sectors. For instance, Sector II has 50,000 lbs. of GOM cod per active permit. Sector III has 37,000, Sector XI has 63,000 lbs., and the Sustainable Harvest Sector has 52,000 lbs. We have 22,000 lbs. per active permit. Statistically it's right there – we were obviously handicapped by the rolling closures. The SMAST study that has just come out clearly shows that Sector X is on the verge of an economic disaster. Another problem is that Amendment 16 made a new directed cod fishery possible. That has become specifically happening in Areas 124 and 125, specifically in the sanctuary. There is a huge increase in the mortality of GOM cod there. That was made possible by the trading of quota. Now we no longer have separate species of GOM cod, but just one stock of cod. It gets traded at various differentials, but it is still just one and has made a new directed fishery in Area 124. So what has it meant? It meant that many boats that had DAS access didn't end up with quota under catch shares. And now they are not economically viable. We have ended up with fleet consolidation and infrastructure collapse. We have also ended up with local communities who have lost access to fresh seafood. Last year at this time I got a call from a fisherman on Martha's Vineyard who asked if I was fishing. I said no, and he said at that time on the Vineyard there were no fresh Atlantic cod available in the markets. There was only Pacific previously-frozen cod. Access has become very expensive, for boats in Sector X. I leased one day for \$250, and it allowed 800 lbs. of cod, 250 lbs. of yellowtail, and 250 lbs. of blackback. That same lease now singly would cost \$1200-1300. I don't understand why the federal government should decide



what determines economic efficiency. It should be decided by the people participating. If someone wants to run a business and not make much money he should be allowed to do that. That's the American way and a basic freedom in the U.S. What are solutions? There should be area-specific allocations. If the ACE was qualified in Area 124, it should be caught in Area 124. There should be no trading of GOM cod with Western GB cod. With this cod crisis, all the negative effects sectors have put upon GOM cod can be traced to that. We need trip limits. Allocations need to be increased for those most affected by the rolling closures. All PSC information should be public information. This is a public resource and that amount of confidentiality is ridiculous. We need to revisit the GOM cod split where charter and recreational vessels got a higher percent. They didn't catch the 38% they were given, so the allocation should go back to those who originally caught it. And economic assistance should be offered to those who need it. Changes need to be made fast. Communities are disappearing, stocks are in trouble, and we need action now. The year 2014 will be too late. You should have a survey distributed with the permit renewal paperwork, if we aren't going to see any action on this for two years anyway, they should hand out a survey on this with the permit renewal this year and see what people think should be done. In short, the catch share system just wasn't ready for prime time.

Mr. Mike Pratt (Hook Fisherman, Green Harbor MA): I have a few concerns relating to how catch shares have already caused fleet consolidation. New entrants like me are being faced with 100+ ft. boats working day and night in areas that once had only dayboat draggers. Another problem is that another fleet that has already exploited their local resource is able to lease their way into the GOM and continue to pursue unsustainable fishing practices. The area I fish is experiencing twice the pressure it can stand. Without immediate intervention from NMFS, it may be too late. An uncontrolled fishery is taking place on a resource that local fishermen have worked over a decade to restore. The new fleet of large offshore boats is able to harvest so much of the local resource that small fisherman haven't been able to catch their quota and have had to lease it out. They lease it mostly to bigger boats. This is quickly paving the way to a big-boat only fishery. The South Shore of MA and Sector X, due to their low allocations, can't survive the effects much longer. We should divide the GOM cod population into eastern and western areas. That would put the big boats back where they belong while allowing a small boat fishery. To complement that, we should implement a baseline restriction on leasing for GOM cod only. That would prevent large vessels from buying small vessels' quota and vice versa. It would also solve the problem of new boats leasing their way into the fishery. That could lighten the impact of the GOM cod assessment. It would also help new entrants by allowing more affordable quota. Currently, small boats relying on cod only cannot afford to purchase quota because big vessels will pay a premium to be able to access other species. This community has suffered and any further consolidation could be the end.

Mr. Peter Krzyzewski (Kingston, MA): Since they started all this fifteen years ago, they kept on cutting. Amendment 5 had a 50% reduction over 5 years, and they have just been cutting again and again. Every time they did this the boats kept getting knocked down and now there are maybe 10% of the boats that used to be in these harbors. One option here is for no action or no additional measures should be adopted. It can't be that way. They should take the catch shares and throw it out the window. For a bunch of years I had little kids and I would fish for anything to make a buck. The CCCHFA got different control dates. I know if I could use those, I'd probably have three times as many fish. Every fisherman should say listen, if they were considering formulas that included horsepower and whatever else, they should go back with that and every individual should be able to use whatever formula works best for them. We have already been through hell and back. People at the NEFMC are as corrupt as NMFS. They took all these formulas, and first of all took buybacks; they put money in other boats and made it so you can just get an offer and started to get smart to get back the most permits for the least amount of money. With the quotas

and everything, they sat there and thought about what they could possibly do to get the most boats out of the fishery and to hurt everyone the most. It couldn't have been any other way; it was the worst scenario in every single case for the small-boat guys. They don't have to fish – let them do what they want to do, but the small boats need to work in a different way. We're not corporations. You couldn't put 100-ft. boat in Plymouth, because if it went fishing one day a week there would be nothing left. The big green boats here are just wiping the bank out of fish. I have nothing against the people – they are good businessmen – but they're doing big damage out there. We suffered a lot of years with no fish, just waiting for them to come back. Then all of a sudden we can't catch them. Nobody is happy with this. They have so much money in sectors and quotas and everything, but the problem is that I couldn't possibly think of anything more screwed up. Nothing about it makes any sense. They put the sectors in, gave everybody a little quota, and the first thing that happened is the curator of the aquarium in San Diego says it's a sustainable fishery now. Environmental groups are forcing this crap and the NEFMC are just scapegoats so NMFS cannot be sued. Ms. Lubchenco is an environmentalist and NMFS is a federally-funded environmental group. I feel like they are terrorists. I have been drinking more these days; I can't sleep at night. It's a terrible, terrible thing. They don't know anything; it's just another generation of people at NMFS that will be collecting retirement. This is all it is: a big scam. The only thing they care about is their donut or coffee break – we're nothing to them. I hope they take 50-80% of the budget from the Department of Commerce and send these bums back.

Mr. Bill Chaprales (Hook Fisherman, F/V Ruby): This has been my third hearing. From what I can see, it's pretty unanimous that people want Amendment 18 to go forward. Not only that, but with all the testimony that I've heard they're pretty disgusted with the way that these sectors have tailored this whole fishery to death and destruction. One thing I'm thinking about right now is that we have to get this word out beyond these four walls. We all know we don't trust the NEFMC. I have been to meetings when we went back and forth and saw how most of the Council members were against Amendment 18 and wanted to shove it to the bottom of the pile. If it wasn't for a few good people there, we wouldn't have this on the screen right now. Keep it on the agenda – don't just think that because we write our letters it will be so – we have to get it beyond that. This is one of the biggest problems New England fisheries face and we have to get it to people who will listen to us. We know from what is being done at the Council level that it doesn't work. It falls on deaf ears. This should be on the top of the list when we go to the next Council meeting. It's not that we have a "great tsunami" and can't address this for another two or three years. We won't be around in two or three years. There are people who want to see the Council hold off on this. This is why we got it right here; everybody has been telling you the problem. That's why we have this problem, and nobody wants to fix it. The guys with the most quota will smooth this whole thing over, and they way it goes, they will cut the quota down and wait for another scientific study. When that happens a few owners' boats will have the most quota and Stellwagen Bank will be a desert. That's the way I've seen it off of Chatham. It has to go to the Council, but also start writing letters to your Congressmen and Senators and Representatives.

Mr. Frank Mirarchi (F/V Barbara Peters, Scituate MA): Most of my issues were raised by previous speakers, but I will develop a slightly different angle. The South Shore is generally represented by Sector X, and there is a historic under-serving of quota in this region from the rolling closures and trip limits. An additional problem is that fishermen affected by these low allocations have a difficult time leasing-in fish. The fact that the allocations under the sector system are not a bona fide LAPP means they are not eligible for collateralization. The bank looks at you funny if you ask for a loan on it, and that needs to be addressed. Issue two is the shift of effort into the Western GOM. I pretty much agree with the points that have been raised, but an additional point is that I disagree with the characterization that there is a unitary GOM cod stock and that a fish caught in one part is equivalent to another. I have done work on tagging and DNA

studies that show site-faithful spawning populations and migrations of GOM fish into southern New England that defy characterizations being used by the NEFSC. I honestly don't think we are calculating fishing mortality in the correct way by looking at the GOM as a unit. As to the issue raised by Mr. McDonough, and to the guys in this room, who will be filling our shoes or our boots in twenty years? One characteristic that seems to be present in catch share fisheries is that there is no mechanism for inter-generational trading of fish. Amendment 16 presents that very problem. Will we all become deckhands on absentee owners' boats in twenty years? It bears consideration to allocate quota to someone other than current PSC holders. Whether or not Amendment 18 is the vehicle for that, I don't know. We should consider something like the community quotas in Alaska that would enable the quota in some form to be allocated to start-up fishermen at affordable prices, in order to enable them to get a toe-hold in the business. I would really hate to be the last generation of small-scale fishermen on the South Shore of MA and right now I see the possibility of that happening.

Mr. Tim Barrett (Commercial F/V Odessa, Plymouth MA): I was born and raised in Marshfield. Pre-catch shares I used to catch 40,000 lbs. of fish. I have a single vessel and a single permit and typically fish on my own though I have employed people in the past. After catch share I was allocated 500 lbs. of cod. I have a total of about 3000 lbs. of fish, which is not nearly enough even to get started in this business. I spent last year in the common pool, and that is one of the biggest mistakes and jokes to ever come down the pike. There is no ability to make money in the common pool so that's not an option. This year I'm in Sector X and haven't been able to come up with any capital to be able to go fishing. I studied marine technology at URI to learn how to fish, and am now forced out of the groundfish fishery. Catch shares do not work. There needs to be a basic allocation to maintain those who fished pre-catch shares to be able to fish now. There needs to be an allocation for vessels that were unduly given low allocations due to the fact that we did not concentrate on cod or groundfish, as these fish were supposed to be at low levels, and we on the South Shore have taken it on the chin and diversified and done other things. I went squid and fluke fishing, and previous owners took my vessels scalloping. The cost of doing business in sectors is unduly high. Leasing-in fish is nearly impossible. This year I very much wanted to continue being a groundfisherman. After taking consideration of various factors like low market prices and leasing prices, I would have had to spend \$50,000 and that was barely a break-even point. If you factor in work I'd have to do to maintain my vessel after the fact, I would barely break even. I would have had to spend \$50,000 to take home \$10,000. I have a house, a wife, and a 13-year-old child who will be approaching college, and I have no money from groundfishing. At this point in time, I have no money at all – not to put into the vessel, to get safety gear inspected, or to haul it out and put a paint job on it. That's the fate of us in Sector X and on the South Shore. Safety is a grave factor. Many people go out with vessels that need much more maintenance than they are able to do and this will be a consideration in the future and has been in the past here in Plymouth. The status quo is not an option. In two more years we'll be gone. To delay this action any further will mean most of these people here in the room will be out of business. I was at the Council meeting when they voted to do Amendment 18, and I watched all the large boat owners and EDF people on the Council try to bat this down the road as hard as they could. If it were not for a few small vessel owners on the Council we wouldn't be having this conversation. We from the South Shore haven't been represented on the Council at all. Another thing I should address is that we have people here wiping out our area that have never fished here before. We have 80-90 ft. boats mopping up all the cod in our area and cutting our fish off from accessing the coastal areas to supply the coastal communities. It has happened in the past. When we had pair trawls those fish never showed up here. Now we have had fifteen years of rebuilding and that has been destroyed in two years under catch shares. Amendment 18 needs to go forward and there needs to be accumulation limits. The fleet owners are not operators. Nobody should own 40% of any of this. We don't have the resources to continue our operations in a safe manner

or in a business-like manner. And we have no ability to afford to lease in our fish in order to keep our program going. We need a basic amount of fish just to be able to play the first hand in this. We need an equitable amount of fish, and here on the South Shore we don't have that. Through Council actions we have always taken it on the chin. We had low trip limits, and we survived through all that because we were promised flexibility and that this was going to be good. And all of a sudden, at the last minute, we were handed nothing. And the statistics do prove it. There needs to be caps on accumulation and regionalization of who can fish where under certain circumstances. I don't want to tell people they can't come here and fish, but I don't think they should take all of our fish. We have seen what hook guys, backed by environmental organizations, have done down there and now they're coming up here and wiping us out. That is wrong and that is un-American. The president a few days ago talking about how we need jobs, jobs, jobs... well he and his appointees are the ones who are doing this to us. We have not been heard by the Council and we get nothing. Also, the April control date is pretty irrelevant. That was only a few months ago. This was already in the works. That date has to be pushed back further in the past. People on the inside already knew what would happen by then. Those of us that struggled and stayed single operators didn't have the capital to invest in this type of thing. There needs to be a serious look at who bought what and when. A lot of people have been hurt by buying DAS, only to have the currency change at the last minute, only to be left out in the cold. This has taken an enormous toll on our South Shore communities that have been suffering under this regime for fifteen years.

Mr. James Keding (Former Owner, F/V Zachary Nicholas, Plymouth MA): This is a little late, but something should be done to save the fleet. I have been a fisherman since I was 17 years old. I lost my business last year due to catch shares and swore I wouldn't come to any more meetings, but I definitely don't want to see what happened to me happen to other people on the South Shore. Accumulation limits are needed. It is not fair for one person to own more of the fish and fleet than they deserve. I decided I didn't want to be an offshore fisherman and stayed inshore. Now I'm running a dragger for someone else out of Plymouth, which is heart-wrenching after building your own business, but I have to do it because I have two young boys and a wife at home. I had hoped to pass my business to my boys but I couldn't. It is hard to see the stock rebound and we still take a pounding. I was told to rebuild the resource and then go fishing. For fifteen years we all stood by and rebuilt the resource. Somehow we did it. And now I go out fishing on Stellwagen and I have to put on my glasses and check the GPS to make sure I'm still on GB. When I have to see 90-footers towing, it's sick. It's sick to see another group of individuals that have never been there in their lives totally wipe out our resource with hooks. They are basically saying to everybody that has fished out there, "Too bad for you, hooray for me." That's wrong. It's wrong when we suffered under the 30 lb./day trip limit, and still have a 2000 lbs./day limit south of 42°. I wonder some days, do we just not count on the South Shore? The NEFMC and NMFS have made us feel that way. I thought we were just hard-working individuals. I have never taken a paycheck except what came out of the water; just to see guys with ten boats in their fleet wipe it out. Now it's a joke; you are lucky if you go out there and get 500 lbs. of cod. Mr. Chaprales said it will be too late: it IS too late. We're screwed. On the traditional areas that I fish, you get a week out of it and it's gone. As soon as they see that South Shore boats are catch fish, a huge fleet is on top of us. All you see are lights; it looks like Boston out there. It's sickening. Now I have nothing that I had built up since I was 17. I really feel good about being a fisherman. When I got into this, I loved it because fishermen are individuals. Now you have to pay sector fees, and you have to lease fish. Don't forget to take off the lease price and fuel. If something does not change soon, the South Shore's toilet is getting flushed and we're going down. Everyone writes everything down, but nothing gets changed. I have been beaten so hard with a baseball bat; I have nothing else to lose. I don't believe anything is going to change, although I really hope it will.

Mr. Henry McCarthy (F/V Last Chance): Or should I say, "Floating geranium pot Last Chance"? Let's go back to the beginning. What happened to the "last spawning biomass" of cod in the GOM? I had to listen to that crap from the Council and NMFS for 12 years. We had the "last spawning biomass" in the ocean at one point, that's why we had to take all these actions. We had trip limits, rolling closures, and you couldn't run your clock because fishermen would supposedly steal your fish. How laughable. NMFS should be ashamed of themselves. I vomit thinking about them. What you have done out front here is an abomination. It's a sin. You told me I should not target cod because it was the last spawning biomass. As a hook fisherman, that presents a bit of a problem. But I didn't; I fished for other things. Then we got our allocations. With DAS I could fish a million lbs. of haddock, but with sectors I got six lbs. of haddock and 12,000 lbs. of cod. You can run a business on that, right? Thankfully enough I knew this was coming and I made some maneuvers so my family wouldn't starve. Now I sit back and watch fifteen years of conservation go down the drain. And the Council knew it was going to happen the whole time. The guys on the Council wanted to get the only cod, so they made a trip that started in one area and ended in another. They start in GOM, then go out and call it GB? There is only one stock now. I like the swapping of quota, so you can swap GB cod, which nobody has been able to catch for a long time, for GOM cod. And it comes off of the GOM TAC, and people on the Council sit back and say they didn't know what was going to happen. And you guys are responsible for it. And one of the biggest abusers of it is backed by environmental groups. Do they not know what they're doing? Obviously I'm for fleet diversity and accumulation limits, and you guys should do some soul-searching on the Council because you're going to hell in a hand bag.

Mr. Dan Shannon (F/V Sorry Charlie, North River MA): I would like to see the Council take Amendment 18 a little more seriously and make it a top priority. As far as fleet diversity, I would like to see it a little more fair and equitable; it seems like National Standard 4 was never considered. With the allocations occurring during years with rolling closures, etc., fleet diversity should have been thought about before this sector stuff was done. If you don't have fish you don't have a fleet. I noticed in your presentation that there is a lot of talk about geographic distribution. What we have seen out here the last few years is that everybody in this room suffered for fifteen years with the closures and got low allocations because of that, and then they go out there now and are just shaking their heads because they see boats on both sides that haven't been here fifteen years. Everybody is wondering why we took a quota cut of 50-60% if they got an increase? They weren't here before catch shares. Once the new stock assessment came out three years ago, there were actually some fish from that. I don't know what the hell is going to happen with the new one now. Well, I do: they won't let us go fishing for another fifteen years. We sat there for all those years, and will bear the brunt of it again. As far as addressing the problem, I think the Council needs to look at going back to the baselines of horsepower or size limit as far as leasing quota, because what we had was four months of rolling closures and 800 lbs./day trip limits. Once we went to catch shares, we had no more daily limit, which was enacted in the first place to save this biomass. With sectors they just got rid of all that, and said to go nuts. The GOM quota that used to be caught offshore can now be caught right off the beach. We need to separate an offshore and inshore quota for cod, or a baseline restriction, or no transferring GB cod with GOM cod; those will all help with geographic fleet diversity. Right now everybody can catch GOM cod quota in one tiny area. Boats from Rhode Island, Cape Cod, and Maine are all on it. I know if NMFS got the data, you would see a ton of GOM cod quota being concentrated in one small area, and that's totally unsustainable. I see 80- to 90-ft. draggers being able to tow back and forth out of sight in either direction. A few years ago you couldn't do that, because you would have had your year's quota in an hour. I'm hoping it's not too late, but from what I have seen in the last year, October and November were rolling closures, and are now like a free-for-all. It is completely unsustainable. I heard talk in the Seafood Coalition saying there is a gentlemen's

agreement. Please. It's every day I go out there – seeing six of those boats is a light day. Stocks in the small area can't take that beating and something has to be done quickly to remedy this.

Mr. Bill Hulbig (F/V Kate, New Bedford MA): I have been fishing since August 1982. When I don't scallop, I work on a codfish rod and reel vessel. I am speaking because I have seen consolidation firsthand. Although we don't have complete consolidation in scalloping yet, it's going to turn into that. It is obvious to me that the Council's job is to protect the fish or the scallops, not to protect the fishermen. The fish have more rights than the people. But if you truly want to protect the fish you will not allow this to happen anymore. Consolidation is going to promote intense fishing in one area. You will have one person running a group of boats, and he will never set foot on them, never care about the boats, or see what comes up in the nets. He will care about only one thing and that's a dollar. And he will send the boats to whatever place people are catching the most. If you want to see how that works, look at the scallop closed areas. It takes years to rebuild those because of forced concentrated fishing. The ocean isn't meant to have ten to twenty boats in one small area fishing it that hard. Certain areas can sustain more than others. The bigger the company, the more they will be told when to fish and where – and even if the captain cares, he will be working for somebody who doesn't care. If you really cared about the codfish, you'll think about that. You will find a huge difference if you don't allow that to happen.

Mr. Ron Borgeson (Second-Generation Fisherman): I have been a fisherman for 42 years; there will be no third generation. I would like to see Amendment 18 go forward with a few things in mind. Namely all fees associated with the observer program should be absorbed by somebody other than the individual boat. All fees associated with being in the sector should be absorbed by someone working for NMFS individually. I think that those concerns should be addressed. If it goes forward like presented we cannot afford to stay in business. All these added expenses are overwhelming.

Mr. Jim Reardon (Sector X Manager): With the issue of fleet diversity, we can't avoid taking variables like permit banks into consideration. The state-run permit banks are a danger to the existing permit holders because consolidation is already happening. The State of Maine is causing the cost of permits to escalate. This is going to concentrate the fleet even faster and damage the diversity we are trying to withhold. Second, I would like say that we must not avoid talking about the chaos that Amendment 16 has caused. We must hold people accountable to it and the havoc it has brought. The derelict science runs up my spine every time I do a weekly report. The allocations for GOM cod in 2010 allotted 38% to the recreational fishery and 62% to the commercial fishery. There is no data on that. We are seeing all different types of data presentations. Mr. Cadrin and Mr. Rago made presentations a few weeks ago which are pertinent. It has been stated that 50% of GOM cod landed in 2010 was landed in the recreational sector. If it was 50%, then they exceeded their ACE by 35-45%. I know there will be another presentation at the Council meeting. If you are only managing 60% of the resource, you get a D grade. The fact that the recreational fishery exceeded their limit: that's an F grade. Somebody has to be held accountable for this. The science is derelict, and we are talking about territorial aspects – the influx from Maine boats, and the concentration of permits in Maine. A lot of boats that landed in Boston are from Maine, which is a redirection we didn't know we would have.

Mr. Brett Tolley (NAMA): After taking notes today, do you have any idea when the presentation on this will be laid out to the Council?

Ms. Hawkins: The Council will most likely receive a summary of comments from these public hearings at their April 2012 meeting.

**New England Fishery Management Council**  
Amendment 18 to the Northeast Multispecies FMP  
Scoping Hearing Summary  
Gloucester, MA  
January 30, 2012

A scoping hearing was held to receive input on Amendment 18 to the Northeast Multispecies Fishery Management Plan, which the New England Fishery Management Council is considering for development on the topics of fleet diversity and accumulation limits. The meeting was chaired by Groundfish Oversight Committee Chairman Mr. Terry Stockwell, assisted by Council staff Ms. Anne Hawkins. There were approximately forty people in attendance, including Council member Dr. David Pierce.

After introductions, Council staff provided an overview of the issues associated with accumulation limits and fleet diversity, including the history of Council action. The public then provided comments on the potential action. The comments (with staff responses where given) were:

Mr. Vito Giacalone (Northeast Seafood Coalition): Did the ownership information show what happened after the implementation of Amendment 16?

Ms. Jackie Odell (Northeast Seafood Coalition): Has the Council defined “consolidation”? There seems to be a negative connotation that any consolidation is bad. Looking at how the fleet has operated pre- and post-Amendment 16, people may have decided to consolidate within their businesses to be able to deal with the allocations they have received. Does it mean people selling their permits and leaving the fishery completely, or individual businesses that had multiple permits that have decided to consolidate within their own businesses?

Ms. Hawkins: Currently, the ownership information that is available shows only a snapshot of permit ownership in 2010. More information may be gathered as the analytical work for Amendment 18 is completed. The Council has not defined consolidation and it is within the range of topics for which scoping is intended.

An audience member commented that the term “corporation” must be defined carefully, since many family businesses are incorporated that have only two or three people fishing.

Ms. Odell: I want to touch on the background information that discusses excessive shares and the LAPP provisions in the Magnuson Act. I know people glaze over when they hear LAPP and get confused about what is and what is not a LAPP. NMFS came out with a position that sector allocations were not permanent and therefore did not need to follow the provisions of a LAPP as defined within Magnuson. The NSC supports this. Now the Council is using that – if we don’t have a LAPP, why are we looking at the LAPP language and using that as a reason to evaluate certain protections that we need in this fishery? We are very concerned that Amendment 18 overall is being used as a process to backfill Amendment 16 into an LAPP-compliant program. If we are going to implement a LAPP, it should be developed from the ground up; from the industry. That would require an industry petition and an open discussion of allocation, which should have been used in Amendment 16. That fact that we are cherry-picking LAPP provisions when we want to and don’t want to has made NSC very concerned about this amendment and what it is trying to achieve. We need to be transparent if this is a backfill to make this LAPP-compliant. The industry feels like they got the shaft on being able to weigh in with the allocation, and now to feel like that again is leaving people very anxious in this process.

Mr. Joe Orlando: What was the difficulty with consolidation? Under DAS I acquired three additional permits, which I bought for the DAS only. When catch shares came into effect, not knowing that catch history would come into play, guys like me lost out. When we talk about consolidation, does that mean a guy like me with four permits has consolidated? Under catch shares, I got less than some guys with only one permit.

Dr. Pierce: It depends on what the Council defines as an excessive share. There could be desirable consolidation that is not excessive. There will be a lot of discussion about what this means, and that's why we are having these hearings: to get feedback from all of you on what you think. You see the tables on ownership interest; we ask you whether it is good or bad. Is it excessive? Does it upset you? These are data that have been looked at for 2010 and have stimulated some conversation and some concerns.

Mr. Giacalone: It seems as though the entire presentation was considering the fishery to be a LAPP. Once people say we have done all the things associated with a LAPP, it will be permanent. A lot of people are favoring this amendment because they think a reallocation is on the table. I also think it is unfair that we don't have an analysis for the stakeholders that shows what shares existed prior to Amendment 16. Unless they bought them after the control date, the discussion is all for naught because everybody that owns what they own; they owned it before the control date. I feel like the basis for this whole amendment is not sound and we do not know what to tell our members.

Ms. Odell: Individuals have a harvest share, but it's the sectors that control and manage the quota. The usage of the language during Amendment 16 and in the analysis now is concerning. As Mr. Giacalone mentioned, a lot of this should have been analyzed in the original allocation options with what it meant to the fishery in the long term. If there was an analysis, you would have found that this would be the case. When you compare us to West Coast, how would fishermen divest if they have multispecies permits? They could find that they own three permits, and because of a cap on cod they have to divest one permit and may lose out on other stocks. Species caps are confusing, because we do not have individual allocations.

An audience member asked if there were any measures on the table that might come into play sooner than 2014 to address diversity issues, and felt that it was not possible to wait two years.

Mr. Stockwell: We are dealing with the overarching cod issue and the sector framework, which will deal with monitoring. These could affect fleet diversity.

Mr. Orlando (Fisherman and NSC Member, Gloucester MA): What concerns me about fleet diversity is trading among permits. Like I told you earlier I acquired three additional permits and have fish from all over the place. If fleet diversity stops me from trading with smaller or bigger boats, it might be a real crisis. Especially with the cod crisis that may make it so you have to get other stocks to make a go of it. Again, consolidation happened under the DAS system. Maybe nobody was paying attention, but all I hear about is consolidation under catch shares. I don't know anybody who can buy a permit for \$1 million plus. Who is to say what permits are really worth – it should be my business and the business of the guy on the other end. If the small guy wants to sell his permit to the big guy, why would you tell him he cannot?

Dr. Pierce: That is an important point. Are you saying that relative to consolidation, it's important for the Council to continue to allow leasing between different size boats?



Mr. Orlando: I wouldn't be here right now if I could not do that. I didn't get enough fish in the initial allocation to make a go of it and had to lease. The fish I have had the last two years came from both bigger boats and smaller boats.

Mr. Hilary Dombrowski (Handgear A Permit Holder, Northeast Hook Fishermen's Association): We are a small group and very concerned about the fleet diversity question. We are in the common pool no thanks to our allotment and share of the fish. We have been restricted for years on how much we can land and could never accumulate enough quota to get into a sector situation. We want not to be left out of this situation. We will be looking hopefully in the future as this thing unwinds to accumulate our own cod quota. I think this is something we will be presenting to the Council in the future. I think we have put together a very good plan and it is something we can work with. The situation is that we have 120 permits out there and only about a dozen people actively using these permits. We could develop a fishery that is conservation and environmentally friendly and a way for individual fishermen to enter the fishery as young people and build a way into it. It is the only way, I think, for young people to get in. Hopefully we can persuade the Council to open Areas 132 and 133 so we can go haddock fishing in the spring. I know the cod quota is going to go to hell, and this may help us get over the hump before it falls apart. We are the oldest fishery in the U.S.; the hook fishery helped support the building of the U.S. It should be supported by the Council and NMFS, and it would be a shame to see this thing go away because of a lack of interest.

Mr. Doug Maxfield (F/V Erin and Alexa and F/V Ashley and Anthony): I have twelve years of experience and am a first-generation fisherman. I have now done everything I can do to put myself in a position to be the next generation. I have a good savings account and perfect credit score. The amount of a loan that is required to be in the industry is laughable; they'd laugh me out the door. Right now this building doesn't start on the ground; it starts on the second or third floor. The average age of captains is over fifty – there is only one young guy in town. Whether or not accumulation caps will accomplish that goal, I don't know, but something has to be done. I have resigned myself to the fact that to buy into this fishery right now is out of reach. I will probably buy into the lobster industry, but there are repercussions to that as well. People will consolidate into other fisheries, like the native shrimp which is a good example of that right now.

Ms. Odell: We were trying to give other people an opportunity to speak. I want to relay a few things on behalf of NSC and we will submit full written comments. First I think it's important to note what our organization has done to date to protect fleet diversity. Our work and mission have a long-standing support for family-owned businesses and a diverse fishery. We designed our sectors to be inclusive of the full diversity of the fleet. In the early days we were very against sectors and then we realized the Council would only allow sectors to move forward to comply with the 2006 revisions to the Magnuson Act. The very last possible day we put in sector placeholders. When we first submitted proposals we broke out our membership into all the various communities and gear types and commonalities we thought sectors would help to protect and promote. At the time, sectors had names by region and gear types. The enrollment continued to reflect that diversity. When we were developing the sector program through the years, we also developed each of these sectors as its own 501(c)(5) corporation that has all fishermen and small business owners on its board. That was so sectors could operate independent and sovereign control and be the individual entities that we worked to create. We also developed an organization which we refer to as NESSN. We knew sectors would have a lot of administrative requirements and operations plans, and that services would be needed for sectors to join together under an economy of scale, from working with dockside monitoring companies to working with lawyers and accountants and all the services a corporation would need. One element I wanted to bring up was that the sectors worked very hard on this concept of the right of first refusal, which is an

element in the operations plans that allows each of the sectors to retain permits and gives them the protection they need, before the permits would leave, to preserve the diversity within their sectors. That concept is in cooperatives on the West Coast; it's not just our concept. It took years and years to discuss and to develop these levels of protection in the operations plans. What is NSC's position on Amendment 18? Our first and foremost concern is about not following the LAPP process in the appropriate manner. There was a motion approved by our board that a LAPP should not be developed until and unless the industry proposes and develops a LAPP the way it is described in the Magnuson Act, and that all elements of Amendment 16 are on the table for reconsideration. One of the good things about sectors is that we want to get away from the Council and allow sectors to be able to work together through cooperatives; to design operations plans, to report to NMFS and the Council on what they are doing, and to allow the industry to work through structures to resolve whatever issues they may have. Right now what concerns many of our fishermen, who really like the fleet diversity concept on face value, is that this could place additional layers of input controls and regulations that could actually work contrary to protecting fleet diversity. We are sensitive to unintended consequences right now. We do not think the system is perfect, but we don't need to make it worse or put in more regulations that may impede fishermen's ability to survive right now. A lot of fishermen here own permits from southern New England or have quota they won't use, and they need the ability to trade. Nobody got the allocation they needed in Amendment 16, so they need to be able to allow the sectors to use the actual benefit allowed by sectors in that context.

Dr. Pierce: During the presentation we noted the objective to maintain inshore and offshore fleets. Your coalition is unique in that you have small and large vessels and a diversity of interests. Can you give us a feel on whether your membership has taken a position on whether a lack of controls on consolidation might be putting the inshore fleet in jeopardy?

Ms. Odell: I think what is important to note right now is a lot of the concern from the industry standpoint that over the years with DAS restrictions they have become so much more dependent on cod than they were in the past. The allocation years that went through and the recreational years being different from the commercial years led to a lot more fish going to recreational sectors. That was significant to many of our small boats in this area. When the Council divided the allocations, they were shocked that they were left with the amount of cod they actually got when at that time we had a rebuilt fishery. In terms of excessive shares, our membership includes fishermen with big boats that have one permit and fish on a large boat because during the DAS period they did not have money to buy an additional permit. Many have one permit and one boat and they do not have a good allocation. There is a lot that took place because of the allocation that has impacted the way the fishery operates right now. It's not small boats doing poorly and big boats doing well. They have been hurting across the board.

Dr. Pierce: Are you saying that there is some concern from the coalition about the future of the inshore fleet, but they do not believe that any action by the Council to address consolidation or these issues will do anything meaningful to protect the inshore fleet?

Ms. Odell: The position the coalition has made is where we stand today: how can we resolve the issues internally? If there is an issue of redirection of fishing effort within the inshore GOM, for example, or concerns from one of our sectors, we are trying to resolve them within and through the process structured in our operations plans, which can be done much more quickly than the Council can react. The position of the coalition so far is that we resolve issues internally and solutions that work through the Council regime, which the Council approved and in which we are forced to operate. We are not asking the Council to impose more regulations on the industry now.

Dr. Pierce: when the Council discusses Amendment 18, do you feel you will be in a position to address how the coalition has taken steps to address this so the Council need not?

Ms. Odell: Yes, we are working on it.

Dr. Pierce: The cod crisis is one reason why I and others bought so much into this amendment. If we get a worst-case scenario where in a few years we have GOM cod being bycatch-only, what does that mean for consolidation of the fleet and what can the Council do now to deal with that horrible outcome?

Ms. Odell: Without cod you don't have a fishery. If you want the industry to pay for monitoring, there will be no fishery.

Mr. Stockwell: We were candid when we talked about cod and monitoring being our cornerstone issues.

Mr. Giacalone: I want to talk about the Community Preservation Fund and the perspective in Gloucester. We strongly supported the idea of NESSN because it allows the larger-volume sectors to contribute to it and allows smaller vessels to continue to operate because their costs are spread out. The larger ones sort of float the whole thing. We are not seeing a breakdown in the network and not seeing the small sectors go away. Certainly there is an issue, but it will be overpowered by the cod issue. In Framework 42 differential counting trapped everyone in one area. People were saying if that measure went in, half could not buy the other half and the other half could not afford to sell. We acted on urgency and on a need, and had to offer as many days as possible in order not to get the Gloucester fleet wiped out. We got smaller but had more vessels than there otherwise would have been. Now we are witnessing inconsistencies. Amendment 17 was just implemented. The greatest consolidators you can possibly have would be an unfettered, un-designed, and un-thought out permit bank network. I will be the first to say that our board can talk about these things, but Amendment 18 is really appropriate vehicle to stop and look and see what we have already implemented. Excessive shares were already in existence in Amendment 16 and were overlooked. These are conflicting goals. We are not concerned about where the permits come from or restricting permits to certain communities under the permit banks. Our permit bank would lead the effort keep permits in the communities in which they currently are. There were 42 active vessels in the Gloucester trawl sector in 2009, and 38 vessels so far this year that had a landing event. That does not mean they are all successful, but the Gloucester gillnet sector had a similar number. Everybody is in trouble if this cod thing goes through. If Amendment 18 is truly worrying about fleet diversity, you cannot have a blind effort to accumulate everything in permit banks. If you want fleet diversity, you have to keep permit values at a level where they look like a stupid investment to guys on the outside and make it only worthwhile if you really want to be in the fishery. If you solidify it, outside investors will come. It is almost a self-fulfilling prophecy.

Ms. Kathi Maino Turner (Turner Fisheries): I am speaking for another set of stakeholders. I am part of the Turner seafood family, and my husband and I both have economics degrees from Harvard and have spent years doing a lot of market analysis. I am here because I support the Gloucester and New England fishing industries regardless of the size of their boats. The real issue here is that we are afraid of losing the right to access a natural resource that is off our shores. The real risk here is who is ever going to have the right to have that fish? We are an onshore business in processing and distribution, and we have a restaurant in Melrose and a retail and online store. Our whole business centers on the New England seafood industry. It's the small businesses that get so worried about consolidation and whether it will go someplace outside of our walls. I think when you are looking at this whole consolidation and diversity issue, the ownership and who

truly believes in the resources and protecting the resources is one of the most important things. In commodities markets there are always relationships with shareholders, and it is very different if they are the local people. I sit here as a citizen of Gloucester and as a Board of Directors member of the Massachusetts Restaurant Association. We are all concerned about fleet diversity because if it is not addressed properly we're going to lose the right to have our own fish on our own shores. China will have more money to buy our fish than we do. As small business owners, we cannot invest in Gloucester at this time. The uncertainty that catch shares has created does not allow us to invest in our community that we love. It is an important issue and you will lose your onshore infrastructure if people feel their right to access their natural resources is in jeopardy.

Mr. Orlando: There is some talk about trip limits again. I hope the Council does not even consider that. The simple fact is we cannot throw our fish overboard, it's illegal anyway now. Under DAS with trip limits, if we hit our limit for two days with the first tow in the morning, it could blow and we would have to sit on the boat until we could bring it back to the dock. I would hate to see something like that happen again.

Mr. Joe DiMaio (Vessel Owner, Gloucester MA): I have been fishing over thirty years. I want to point out I think it is not just the fishermen who are making a lot of mistakes; the Council is too. When there was a trip limit for 800 lbs. and we told you guys don't do that – have 10,000 lbs. and come back home – we lost all those fish. We have been telling the Council this for many years – it is not our fault. I lost four men in 1994 because of the haddock trip limits. I am usually nervous when I come to a meeting so I have not come in a long time. They had to stay out there 50-70 miles trying to put a trip together and they did not come home. I do not want it to happen again that they lose their lives and you endanger our life. On the cod, be careful. We have a lot of people right now and their families – they lost everybody, and it was not our issue. It was a Council issue. I suffer all the time. Where are those fish you were giving to us? They all went away in one year? The NOAA survey boat did not know how to set up the door or the net. Do they have any experience out there like us professionals? Everything has to work perfectly to catch fish. They had such a big boat up there and they keep coming up with zero. That net does not even touch the bottom sometimes and they do not know how to operate it. It is not really our fault. And I think the community has been working so hard, small boats and big boats, to survive. If this thing comes up for next year, there won't be any Gloucester anymore. It will only be a hotel if you take the cod away from all of us.

Senator Bruce Tarr: I have been listening intently. I do appreciate you listening to us and I think this scoping process is more important than any other we have faced as a fishing community. We are getting to a point with the cod situation and other things that have occurred because of catch shares, where we are making decisions that can have devastating effects if not done correctly. I hope we will continue this discussion as time goes by. I have a few preliminary thoughts. Before the Council acts, it is important to think about what the right question is before you can find the right answer. It is important to take measures into account that will address the volatility in the stock assessments we have seen, either by requiring additional analysis or looking at the science and ensuring it is peer-reviewed before you move forward. It seems we have sufficient experience now to do a valuable retrospective analysis. Part of what we are addressing is that what we have in the essence of the catch share program would be known as an LAPP. We have that without the anti-consolidation measures that would be in an LAPP. Now we are here it is important not to overreact and not try to impart legitimacy into the plan by making it look like an LAPP. However, if it were to be one, the Magnuson Act instructs us to look at traditional communities and stakeholder interest. At the outset, you have the opportunity to do a retrospective analysis to see if you have already affected those interests in an adverse way. With all of that being said, you have to frame the question better. One of the decisions by the Council was what would be the

basis of the allocation. Now would be a good opportunity to see how that has impacted the current stakeholders and whether their position has changed as a result of catch shares. We should consider whether that needs to be reallocated in the interest of fairness. When those questions have been answered and the decision for allocation on history versus capacity is resolved, then the Council will be in the position to act. I wonder whether it might not make sense to take some sort of interim action other than this amendment to get that study done but also to mitigate the impacts of a very dangerous stock assessment – an action that may reduce some of the catch on an interim basis but not wipe out the fleet. I think the intensity of the comments tonight reflect how important this is.

Mr. Stockwell: The Council will be addressing an action for cod this Wednesday.

Senator Tarr: There are serious implications to this. I wonder if there are things we can do to reconcile the very big difference in what we were told and what we are being told now.

Mr. Brett Tolley (NAMA): I am from a fourth-generation fishing family. I wanted to reflect on something the last commenter mentioned about the importance of looking at the right questions. One question that stood out for me was if we should let the market dictate how the fleet consolidates. I think that is a really important one. If we look at other examples in our economy, like insurance or food, and see what happened when we let the free market determine what goes, the consequences can be a disaster. We saw what happened with a large-scale consolidation in the farming industry. If we do not learn from these mistakes, we can repeat them. The impacts right now are disproportionate on different parts of the fleet. There is clear data that shows that boats under 50 ft., just this year, had a major decrease in their landings while boats over 70 ft. had a major increase in their landings. The Council is often criticized for acting before they are ready, and this is an opportunity to see what the future of the fleet could look like. The opportunity for new entrants is invaluable. Permits used to be free, and now with this generation the permits are unattainable because of the price. Do we want the kind of fishery with potential for new entrants, or are we going to let the market determine who stays and who goes?

Mr. Al Cottone (Fisherman, Gloucester MA): This is the fleet diversity amendment. What is fleet diversity? You could ask around this room and you would get eight or ten different answers. So anything that comes out of this is going to hurt somebody who is a full-time groundfisherman; it's inevitable. Let's just step back and take a real good look at what we are trying to do here.

Mr. Dombrowski: State permit banks are only for sectors and left common pool vessels out in the rain. That is not right.

Dr. Pierce: That is one of the reasons Massachusetts had a permit bank initially but converted it into a revolving loan fund. More details will be forthcoming on that.

Mr. Orlando: Why is fleet diversity coming up now under catch shares and it did not under DAS? It was a concern then too.

Dr. Pierce: Because then we had higher quotas. And now we have hard quotas.

Mr. Giacalone: We have looked at data inside sectors. We are going to have a serious problem with the inshore fleet and people who will be geographically trapped with the cod issue. We are working internally to help with that. In 1981 we had 128 full- to mid-range trawlers. We now have six with full range, and maybe another ten with mid-range. When you have an inshore crisis like the one that is coming up, it makes the fleet a lot less adaptive because we cannot just run

offshore anyway. There are a total of thirty offshore trawlers in Portland, Gloucester, Boston, and three in New Bedford captained by Maine guys. These are things that are not talked about. Sectors VII and VIII lived off DAS leasing. There were twenty active boats in each of those two sectors in 2007, and there are nine in each now. Never is a word breathed about that. So when we talk about loss and fleet diversity, we have become an inshore fleet because of DAS and everything that has happened; we have lost our offshore fleet, and we are talking about fleet diversity. It is kind of obvious that what we are looking at is allowing the inshore fleet to be strong, and promoting the offshore fleet to be profitable offshore by allowing access to Closed Area I, for example. I would be very careful of one-way check valves. We are not seeing a big movement of quota from small boats to big boats. There are powerful people in both fleets that do a great job of leasing all the quota. Do not make this an offshore/inshore fight. We do not want to have an industry divided.

**New England Fishery Management Council**  
Amendment 18 to the Northeast Multispecies FMP  
Scoping Hearing Summary  
Portsmouth, NH  
January 31, 2012

A scoping hearing was held to receive input on Amendment 18 to the Northeast Multispecies Fishery Management Plan, which the New England Fishery Management Council is considering for development on the topics of fleet diversity and accumulation limits. The meeting was chaired by Groundfish Oversight Committee Chairman Mr. Terry Stockwell, assisted by Council staff Ms. Anne Hawkins. There were approximately thirty people in attendance, including Council members Mr. Mark Alexander, Mr. Rodney Avila, Mr. Doug Grout, Mr. Peter Kendall, and Ms. Mary Beth Tooley.

After introductions, Council staff provided an overview of the issues associated with accumulation limits and fleet diversity, including the history of Council action. The public then provided comments on the potential action. The comments (with staff responses where given) were:

Mr. David Goethel (F/V Ellen Diane, Hampton NH): I am speaking as an individual business owner. I think this amendment should develop the mechanisms to put into place accumulation limits and preserve fleet diversity. I am not sure we have to implement them at this time but I want them developed and ready to go at a moment's notice should we need them in the future. Several issues have cropped up that are troubling to me. The first is the return of large vessels to the western GOM that haven't fished there in years. The second is the issue that GOM cod is the elephant in the room. If there is a very low quota set for cod, there are people in a position now to effectively control the fishery. One person told me that whatever happens with GOM cod does not bother him because he would buy all of it, and nobody could compete, and he has plenty of quota from other stocks. We are right on the cusp of people having excessive control of the market shares and using that to create a monopoly. I am not sure it can be done now, but after the decision on GOM cod tomorrow it might be able to be done. There are a lot of people who want to fish, and they can't necessarily compete with one person who can pay any price for one choke stoke over whatever other volume he owns. We need mechanisms to control leasing and to make sure no individual can control excessive market share, whether for leased fish or an individual market stock. We are dangerously close to that already and maybe already past it. The other issue I want to bring up is exactly how we are going to deal with accumulation limits. We tell people repeatedly that they do not own the fish, but people treat them like they own them. If we tell them they do not own the fish, and then say they cannot accumulate too much, then we are backing them into an ITQ. If that is the case, we should do an ITQ amendment and reexamine the allocation. I have been very concerned about everybody trying to claim that PSC is not a quota when in effect it is. I would like to see how we will do this without turning it into de facto ITQs. That should be enough to get the discussion started.

Mr. Carl Bouchard (Exeter, NH): My thoughts are based around a lot of the comments I have been hearing from around the area. I was at that meeting on June 9<sup>th</sup> with the advisors. One thing I want to emphasize is that I do not think this amendment should be a welfare program for new entries. There has been an awful lot of talk about set-asides for new entries. There is already a provision for that and has been for twenty years, which is that if you want to go fishing you buy a boat and you buy a permit. We do not need a program of welfare. The idea that it is simply too expensive now to get into the fishery because of the cost of permits is ridiculous and doesn't hold water. Twelve years ago I built a new boat. Ten days after I signed a contract to build the boat it

was announced that the GOM cod trip limit was going to 30 lbs./day. I suffered through that and all the increases up to the current allocated system. I don't want to hear from anybody that it is too expensive to get into the fishery now. For the last fifteen years we have had reductions in catches, from unlimited fishing to 30 lbs./day, with the promise that when stocks were rebuilt we would be rewarded for our sacrifices with increased landings and quota – not that we would be making welfare donations to new entries. Particularly since a lot of these new entries are coming from fisheries that are already doing exceptionally well, such as is happening in the shrimp fishery, which the lobster fishery is trying to take over. A lot of these lobstermen already sold their groundfish permits and now that they are worth something they want them back again. You cannot always control fleet diversity because you cannot control the infrastructure – It's based a lot on landings. A prime example is the Portland auction – this is a huge blow to the groundfish fishery. The infrastructure there is shaky. Most of the consolidation that has happened so far came under Amendment 13. Anybody that was serious about staying in the fishery had to buy additional permits or lease the days. This is not a fact of Amendment 16. One of the suggestions I have heard around is that leasing of quota should be restricted by vessel size. This is ludicrous. We bought permits that were various sizes from various regions. To think you would be limited in your free market ability – I just cannot go along with that. As far as I'm concerned if there is a cap on what large vessels in the western GOM can lease, I don't have a problem with them being there. A lot of vessels in Gloucester have GOM cod quota. I want them to catch their quota or lease it and have someone else catch it. What I don't want is misreporting and GOM cod being reported as GB cod.

Mr. Jim Kendall (New Bedford Seafood Consulting): I already testified in New Bedford, where I used a couple of old sayings about closing the door after the horse is gone. The case now is that the barn is burnt. I think this amendment is a sham; it's basically a process we will go through just so the Council can say that we did it, when we should have done it several years ago way before the consolidation happened through sectors. It was apparent that it would happen, because it has happened in other fisheries that have gone to LAPPs. We already discussed this in groundfish back when I was on the Council twelve years ago. The biggest part of the problem is that we have gotten away from management and begun social engineering. There were very few, if any, issues here about fish; it's all about who is going to own it and how much it will cost the others to even look at it. I do not see any way of reforming this that will bring back any of the people who have been harmed. How do you intend to make them whole again? How do you repair this damage? And if you don't have a way of fixing it, why are we attempting to do it? The tools were there early on and the Council and NMFS neglected to pick them up and use them. It is one thing to fail, but another not to even try. As a further stamp on what I said earlier, they are in the process of changing the 10/10/20 rule so we can strike it. That was put in for the fear of overcapitalization, and apparently we are not afraid of that any longer. Let me state categorically that I am not opposed to removing it, but it goes hand in hand with this process that we are going through.

Mr. Josh Wiersma (Manager, Sectors XI and XII): I just want to address the scoping period and try to portray what is in the interest of the sectors in this process. First, it's important to start with some of the issues we have seen as a sector over the past couple years and how changes in fleet dynamics have impacted our ability to fish. The most dramatic, other than low allocations, were externalities associated with our traditional boats accessing their traditional grounds in the way they did before sectors. One consequence of sectors is that large vessels are moving inshore to access areas that they weren't able to access under DAS. Before they could not just come in and top off their trip with cod in the GOM because of the trip limit. What that did was help organize the fishery, so you had some small-scale areas that could be relied upon. What we have seen now through sectors is that because you are not limited with the trip limit inshore and they can



purchase whatever ACE they want, it is causing a lot of gear conflicts. This makes fewer prospects for long-term sustainability. One thing I would like to see come out of this is to figure out how to better organize the fishery. As far as I'm concerned, it's not just your access to ACE that controls the fishery, but your access to the ocean. The fleet will only be as diverse as diversity is allowed for them in the areas they like to fish. The cost for the small vessels that cannot compete with the larger boats will be too high, so you will see excessive permits for sale and as a result those that are more capitalized will be in a better position. One thing we propose is to look at different ways that you would declare into the fishery. So for example, instead of having two broad stock areas, you could only can declare into one at a time. That would solve some of the issues that Mr. Bouchard mentioned such as misreporting and boats that start in the GOM and end in GB. Also along with the GOM cod assessment we have the impending increasing cost to the small boats for payment of at-sea monitoring. We currently have to pay for it in 2013, so any reduction in the GOM cod TAC will be exasperated by the potential prospects of that payment. Those two facts alone are the driving factors of consolidation.

Mr. Eric Anderson (Portsmouth, NH): I thought that was a great presentation. I do believe something should be done. It has been mentioned that the Council can do nothing, and I think there should be something done at least with the mention of particular tools available to the Council to use. I think you need a definition of what inequitable concentration is before you go out to try to solicit public comment to some extent. Being part of the process for many years, I know that you can solicit a variety of comments and the Council can debate them in an agonizing way, but the limitations come down to the fact that NMFS will dictate what is legally available for the Council to do. With this process starting, there should have been some establishment of what legally can be done in this particular manner. This will be a true test of what the sector system is about. Will it be to go back to that control date and address some of the issues that have already taken place? That will be the test of whether sectors are sectors or really ITQs or whatever, because it will create a legal background of what is and is not a taking. There will be a lot of questions and definitions going forward but I do believe something should be done. It started to take place the day the Council voted for Amendment 16. Those accumulation issues and concentration issues started to happen instantly. Even with respect to the argument that you cannot change to it prior to the April 7<sup>th</sup> control date, you still have the ability to go back. As over-engineered as Amendment 16 was, the fact that this particular issue was unattended to and that you are trying to take care of it at this particular time is going to be extremely difficult and will create some legal battles that nobody has even thought of yet. There should be the transparency within the Council and NMFS of what can legally be done here and that will define what sectors really are – what can be done to correct some of the unintended consequences that are starting to be identified.

Ms. Ellen Goethel (Hampton, NH): I am on the Board of Directors of NEFS Sectors XI and XII, and am not speaking for them but have gained insight in that capacity into what is going on for sectors and their families. We definitely need to pursue this. I am hopeful the Council will make some tough decisions to limit consolidation. I think we need to define consolidation. It has occurred and it is continuing to occur; it started in June 2009 when the Council first voted to go to sectors. The consolidation was the limitation of the small boat fleet and the increase of the large boat fleet capacities. So I guess one thing we haven't discussed is what the consolidation has done biologically to the inshore GOM. It has had some very nasty consequences with some very large vessels fishing in areas in which they have never fished before. There are and there will be major biological consequences if that is allowed to continue. There should be limits on leasing and the percentage of the allocation you can control similar to what was in place when we were operating under DAS. There definitely needs to be something done to protect the small boat fleet

and communities throughout New England because they are disappearing at an alarming rate. I see that as a travesty.

Mr. Brett Tolley (NAMA, Fishing Family): I agree with what a lot of the speakers have said today. We are thinking about defining consolidation, what it is, how to explore and how to talk about it. I want to bring up one interesting statistic in the NOAA report. A chart showed what the top 20% actually gets, which was 75% of the total revenue in 2007 and jumped to 86% in 2010. I thought it was interesting that the concentration of landings was about the same from 2007 through 2009 and had a pretty big jump in 2010. It is a big indication that there clearly is a concentration of revenue happening at an accelerated rate than before.

Mr. Bouchard: I want to go back to what I said about misreporting, and Mr. Wiersma touched on it when he talked about fishing in one broad stock area. Our baseline for catch history was 1996-2006. We fished side by side with these large vessels during the '90s. So they did accumulate a certain amount of quota during those years, and if they have quota I want them to catch it or lease it. It is not reasonable to expect you can take more GOM cod and claim it as GB cod. Mr. Wiersma said it would be better to declare into one broad stock area and claim that for the entire trip. That is the way the rule is set up right now if you have an observer on board. If you don't have an observer, you can do whatever you want with your VTR because that's the only record of where the fish come from. I am a member of Sector II in Gloucester and we discussed this at length, and I wasn't very popular there. Their contention is to ask why they should have to follow the line and cannot fish both sides of it. As a boat that fishes in the rolling closures and near closures, I have been doing that my whole career. We tow up to the line and turn around; that's the way it is. You do not cross the line. With VMS we have the means of knowing if a vessel crosses the line or if he is breaking the law. I know if I was on the other side of the line I would have been written up. There is a huge amount of ocean east of the western GOM closure. These folks need that fish in order to fish there. They need the GOM cod and to be able to access it, but they need to declare properly where the fish is coming from.

Mr. Goethel: I want to comment on what Mr. Bouchard said about new entrants. I think there is a way to deal with that, through community development quotas or whatever. State permits banks can deal with that, and so can small-scale artisanal fisheries. That should come off the bale right up front. What Mr. Bouchard said about having one broad stock area is a good idea. We have to do something because the current system is not working. There is some inconsistency between the management line from GB and the broad stock areas which needs to be addressed. The line was moved, and NEFSC is counting fish in one area as GB while sectors are calling it GOM. The fishermen may be following the rule but then it is being apportioned as GB fish based on the old rule. We need to fix that. On top of that, you do have to create some rules that work because if there is a big disparity between the stock areas the cheating will be beyond belief. Having 100% observer coverage is not really an option; we cannot afford it and they cannot even figure out now where they are towing. Where the tow ends is where they record it. So the only solution is to fish in one broad stock area at a time. We have to do something unless someone is going to pay for 100% observer coverage and even then you would have to require hauling back when you cross the area. I think Mr. Wiersma did an excellent job speaking; he has described the situation for the small boat fishermen in the western GOM very accurately. How could you establish any history when this area was closed and had differential counting? And add that to the fact that now they are competing with boats they have not seen in fifteen years, they cannot handle that kind of pressure. We had established territories when we shared the area fifteen years ago. The problem is boats come from away and have no idea about these established boundaries. Even the big boats go home at night. Even when the gear is marked correctly it disappears at night, not during the day when there are people out there. We are in to sectors now and whether you like them or not

some changes need to be made. Some problems were foreseeable. There are two clear paths – one is to do nothing and you will not have fishing communities, and the other is to put in some input controls such as one broad stock area and possibly preserve those communities. I am not sure the communities can survive, to be honest, but it would at least give them a fighting chance to survive to retirement. The average age of a groundfisherman is well over 50 years old. Nobody else wants us. No company will invest in us. For most of us now we can either fish or starve away. What I am asking for as a representative of the small boat community is to be allowed to fish until I can retire.

Mr. Anderson: I think the structure of the Council changed dramatically with the implementation of Amendment 16 because it came to the juncture of dividing the fish. I think that was apparent when you looked at the dimension of discussion that went around the room. Granted, there were other influences. I would be remiss to state that this discussion still has the same type of relative importance of what it is supposed to do, to protect fleet diversity and prevent accumulation of ACE. If it is in the process two years from now in 2014, there should be some look at the Council process and of whether the Council is capable of voting on this. Without a doubt, remembering how Amendment 16 transpired and how voting went, they were voting in an unethical manner and identified that they were voting for their wealth and had the ability to do so. With the timeframe the Council has, and the ability to do this, there should be an examination of some of the ethical issues with the Council. What obligations and restrictions they have in recusing themselves and something along that line. The Council changed dramatically with the implementation of Amendment 16. I don't think it should be ignored.

