

**New England Fishery Management Council  
Groundfish Advisory Panel**

Meeting Summary  
September 16, 2013  
Portsmouth, NH

The Groundfish Advisory Panel (GAP) met in Portsmouth, NH on September 16, 2013. The GAP discussed recent work on Framework 51 (FW51) and Amendment 18 (A18) to the Multispecies Fishery Management Plan. GAP members present were Mr. Bill Gerencer (Chair), Ms. Jackie Odell (Vice-Chair), Mr. Carl Bouchard, Mr. Richard Canastra, Mr. Aaron Dority, Mr. Ben Martens, Mr. Paul Parker, Mr. Michael Russo, and Mr. Hank Soule. They were supported by staff members Dr. Jamie Cournane, Ms. Rachel Feeney, and Ms. Rachel Neild (NEFMC), and Mr. Brett Alger (NMFS NERO). Mr. Stockwell, Chairman of the Groundfish Oversight Committee (OSC) also attended.

Discussions were guided by presentations on FW51, A18, and past priorities and several documents: Plan Development Team (PDT) memo to Groundfish Oversight Committee (GF OSC) re A18 dated September 6, 2013; PDT memo to GF OSC re FW51 dated September 12, 2013; GF OSC meeting summary dated August 14, 2013; GF OSC meeting summary dated June 12, 2013; Joint Habitat/GF OSC meeting summary dated September 5, 2013; GAP meeting summary dated June 10, 2013; PDT memo to GF OSC re A18 dated August 8, 2013; and correspondence received by the NEFMC.

**Summary of Decisions**

**FW51**

- The GAP supported:
  - 10-year rebuilding plans for American plaice and Gulf of Maine cod, but was concerned that these might not be achievable. The GAP suggested approaches to improving the current review process of rebuilding plans.
  - The white hake specifications as set by the SSC.
  - A process for trading US/CA stocks that would be simple and involve the industry. The GAP was concerned about the role of the RA in the trading process.
  - Effective AMs for halibut and wolffish.
  - Increasing TACs for Gulf of Maine haddock.
- The GAP was concerned by the groundfish industry reports of dumping of haddock by the Atlantic herring fishery.

**A18**

- The GAP supported:
  - The concepts of permit splitting and PSC splitting.
  - The NERO proposal regarding vessel upgrade restrictions: removing the gross tonnage and one time vessel upgrade, with the addition of removing the horsepower provisions.
  - Refining the definition proposed by the PDT for non-state permit banks, such as allowing for-profit entities to fall within the definition.
  - Requiring permit bank officers be limited in how much ACE they can lease from their own permit bank, and that permit banks be exempt from enrolling in sectors.
  - Not moving the NEHFA proposal forward for further consideration.

- The GAP will wait to weigh in on any accumulation caps until full analysis from Compass Lexecon and NEFSC on market power and concentration of ownership in the fishery. In the meantime, the GAP reaffirmed its support for permit caps.
- The GAP recommends that the GF OSC expressly prohibits Compass Lexecon analysis of concepts not explicitly requested by the Council.
- The GAP requests that the GF OSC encourage the Agency to strongly consider the NEHFA proposal exemptions as sector exemptions for any sector.
- The GAP recommends that the GF OSC recommend that the Agency carry out annual assessments for all groundfish stocks (e.g., what is done presently for scallops) upon implementation of A18.

### **2014 Groundfish Priorities**

- The GAP made reviewed a summary of recent discussions on priorities.
- The GAP recommended a list of several priorities for groundfish in 2014.

### **Start of Meeting**

After the start of the meeting, some GAP members expressed concern that Framework Adjustment 51 and Amendment 18 are not in line with the groundfish industry's concerns. A GAP member felt that there were more pressing problems facing the industry that needed to be addressed. Another GAP member suggested that those concerns be discussed in more detail under the 2014 groundfish priorities agenda item toward the end of the meeting.

### **Framework Adjustment 51**

#### *Staff presentation*

Staff provided an overview presentation of Framework 51. She reviewed the draft alternatives currently under development. Alternatives under consideration include those with regulatory requirements (revising the Gulf of Maine cod rebuilding plan, revising the American plaice rebuilding plan, specifications for white hake, and setting US/CA TACs for Georges Bank (GB) yellowtail flounder, Eastern Georges Bank (EGB) cod, and EGB haddock) and additional groundfish issues (haddock spillover, Regional Administrator's authority for in-season US/CA stocks adjustment, disapproved reporting/monitoring issues in Framework 48, carryover, small-mesh fishery accountability measures (AMs) for GB yellowtail flounder sub-ACL, halibut and wolffish AMs, and full retention). GAP input was requested on the current alternatives, including draft alternatives not yet fully developed.

#### *GAP questions on the presentation*

Throughout the presentation, GAP members asked technical and clarifying questions about the alternatives. Specifically, GAP members were interested in how the Groundfish PDT developed the rebuilding plan alternatives and the fishing mortality rates associated with the plans. Some GAP members were concerned about the plans for Gulf of Maine cod, in particular, and questioned whether or not rebuilding could occur for that stock in another 10 years. Another GAP member asked about an alternative that was not in the document and whether it should be added.

#### *Gulf of Maine cod and American plaice rebuilding plans*

##### **Motion #1** (Odell, Canastra)

The GAP recommends to the OSC that the OSC consider adopting a policy in any new rebuilding plans, or even to alter all existing plans, to include the following:

- A. To achieve the management objectives of the Northeast multispecies complex and to safely account for uncertainty in longer term projections, a core management objective is to hold fishing to 75%  $F_{MSY}$  as the fishing mortality target throughout the rebuilding

program. If at any time during the rebuilding schedule an updated assessment indicates that F needs to be lowered to below 75% Fmsy, the rebuilding plan will need to be revised and measures implemented to return target F to 75% Fmsy if the following condition is met.

- a. The stock ACL based upon 75% Fmsy has never been exceeded during the rebuilding plan.
- B. The Council should request that NMFS issue notification to the Council that adequate progress is not being made in order to trigger statutory flexibility necessary to allow the rebuilding plan to be revised.
- C. Revisions should utilize the following steps in order to return rebuilding F to 75% Fmsy:
  - a. Extend the rebuilding time frame.
  - b. Revise reference points.
  - c. Other?

*Discussion:* Some members of the GAP questioned whether or not this type of approach was legally defensible under MSA. Others were concerned that current rebuilding timelines do not fully capture the time needed for a stock to recover while its fishery is maintaining relatively low fishing mortality. One member suggested that cod may need 25 years or more to rebuild. One member explained that the Council is required to set up rebuilding plans, but that perhaps the GAP should ask the OSC to consider looking at the larger scope and plan for rebuilding. The member suggested that under the current rebuilding plan options proposed for Gulf of Maine cod and American plaice, rebuilding may not happen and maybe the OSC should establish a better process. Another member was supportive of greater stability in ACLs and questioned how best to get there. The member suggested that it was best to discuss why the current approach to rebuilding is not working, since it has not worked in terms of keeping F static and changing the timeline. Another member was somewhat supportive of the new approach proposed in the motion, but wanted a longer timeframe. The member also wanted new fishing levels every year (not every three) and stated disagreement with the science. Another member suggested that if this motion becomes the management approach, it may necessitate annual assessments.

Motion #1 **carried** (5/1/2).

**Motion #2** (Dority/Martens)

Ask the Committee to request the SSC to restart their multi-phase process to reexamine the impact of both fine and broad-scale stock structure on the stock assessment process.

*Discussion:* A GAP member suggested that there ought to be greater focus on spatial structure of fish stocks, particularly for cod, mentioning that the SSC had a discussion of the spatial scale of cod at a workshop in 2012. The GAP member suggested that the workshop left many open-ended questions on the misalignment of management with what's happening in the ocean. The GAP member suggested asking the Council to ask the SSC to look at this again. Another GAP member wanted further explanation on how fine- and broad-scale stock structure would improve the stock assessment of cod. A GAP member explained that there are implications of a line that is drawn incorrectly. The member provided an example that the Whaleback closure exists to protect a discrete spawning aggregation, but that fine-scale sub-populations information does not inform the assessment. Additionally, the member suggested that on Middle Bank there were more cod in the past, but now they were gone, questioning what has happened in the system.

Motion #2 **carried** (3/1/4).

**Motion #3** (Parker/Soule)

Ask the Committee to consider the use of catch as a method for modifying ACLs on an annual basis to improve stability in the fishery.

*Discussion:* Based on earlier discussion, one GAP member suggested that TAC adjustments be based on catch. The GAP member suggested that catch is indicative of abundance, but also speculated that such an approach might be illegal. Another GAP member suggested tabling this motion until the 2014 priorities discussion later in the afternoon when a similar motion would be made.

Motion #3 was **tabled**.

**Motion #4** (Parker/Martens)

To recommend to the Committee sub-option B of Section 1.1.1.2 Option 2: Revised rebuilding strategy for Gulf of Maine Cod.

*Discussion:* The GAP supported the 10-year rebuilding plan for Gulf of Maine cod. However, many members of the GAP were concerned that, based on previous experience, it is doubtful that Gulf of Maine cod would rebuild in the next ten years.

Motion #4 **carried** (6/0/2).

**Motion #5** (Parker/Soule)

To recommend to the Committee sub-option C of Section 1.1.2.2 Option 2: Revised rebuilding strategy for American Plaice.

*Discussion:* The GAP supported the 10-year rebuilding plan for American plaice. Based on similar concerns with Gulf of Maine cod, many members of the GAP felt American plaice would need at least another ten years to rebuild.

Motion #5 **carried** (5/0/3).

**Motion #6** (Odell/Canastra)

Statement: After embarking upon a 10-year rebuilding program for many GF stocks, the GAP has serious reservations and concerns that a larger review and discussion - surrounding the reasons why certain stocks did not rebuild within the parameters established through policy - is not occurring. The GAP recommends a review should take place before the Council adopts new rebuilding programs. Embarking upon the same path, which has proven not to work, is not responsible.

*Discussion:* One member stated that this motion would send a statement from the GAP as to why projections are not working or propose having a larger discussion before being asked for revisions in FW 51 or other action. Another member was concerned that the success stories are mostly on paper, and cannot be seen in the landings. Another member referenced the recent National Academy report on rebuilding and suggested that some stocks were not considered to be in good shape until there was a forced review. Another member suggested that if the stocks were doing well, then we could catch them. Another GAP member suggested that the goal of the motion is not to get more catch, but to investigate why the policy framework is not working and if there are lessons learned by taking a larger perspective. Another GAP member questioned if the biomass that we are trying to recruit to is too high and if that level can ever be met, or if the biomass level might be an unattainable goal. One GAP member thought it would be impossible to put a timeframe in the motion, noting that this has been a long-time conversation, which is going on by a lot of folks. The same member asked for clarification on the motion and if there was a need for greater coordination. A GAP member responded that A18 will handcuff the industry when

they are already struggling. The member suggested that the OSC should discuss the current crisis and why the system is not working, noting that there has not been adequate discussion at the Council level either.

Motion #6 **carried** (4/0/4).

Specifications for white hake

The GAP received clarification on the five ABC options developed by the PDT. The GAP also had a broad discussion on the implications of when catches are low compared with ACLs. Some on the GAP were concerned that often the reasons the fishing industry has been unable to catch its ACLs are not well-understood or taken into consideration by others doing assessments or providing technical advice. Some GAP members suggested that hake catches are constrained by access to cod and gray sole catches.

**Motion #7 (Soule/Russo)**

Recommend that the Committee support the ABCs for white hake as set by the SSC for 2014-2016.

*Discussion:* The GAP briefly discussed that they would support the ABCs that could lead to the highest catches.

Motion #7 **carried** (7/0/0).

US/CA TACs

Terry Stockwell provided an overview of the recent TMGC discussion. He answered questions from the GAP and the audience about the quotas for the trans-boundary stocks (GB yellowtail flounder, EGB cod, and EGB haddock). In particular, the GAP was concerned that the TMGC recommendation of a Georges Bank yellowtail flounder quota of 400 mt is too low, considering the SSC advice that catches should not exceed 500 mt. Another GAP member wanted to know if there would be concerns about the distribution of eastern and western quota of Georges Bank haddock and cod.

*Discussion:* A GAP member wanted to know if the US representatives to the TMGC have discussed how to involve the GAP in the quota trading process. Terry Stockwell suggested that the GAP consider making some recommendation. One GAP member was opposed to trading that would give allocation to the scallop fleet without getting something for the groundfish fleet. The GAP member felt that the people that give the quota should receive the benefit of the trade. The GAP member felt cod was the only real trade for yellowtail flounder. The GAP member also felt that the trade could be done on a sector by sector basis or perhaps the trade could be voluntary.

Regional Administrator authority for US/CA quota trading

**Motion #8 (Parker/Odell)**

Quota trading is working very well with our sector quota trading system. A similar process should be set up with Canada that allows sectors to initiate the trades. The GAP supports:

1. Giving the RA authority to make trans-boundary quota trades either with or only with the entities that will be trading their quota.
2. Whichever entities (e.g., MRI, groundfish sector) provide the quota for trans-boundary trading should benefit from the quota given in trade from Canada.

3. A mechanism needs to be created to allow trading allocation between the groundfish and scallop fisheries.

*Discussion:* One GAP member was concerned that the language in the current FW51 alternatives envisions a process where Americans meet with Canadians to trade cod for yellowtail flounder, but that much of the fleet does not want cod to be given away to benefit the scallop fleet. Another GAP member rejected the RA having the ability to make the trade and said that the process should involve the industry. Another GAP member said the industry should create the program and that the current alternatives in the document are a bad idea. Other GAP members wanted a simpler approach like how it currently works between sectors. Another GAP member wanted to ensure that industry would be able to provide input during the trading process.

Motion #8 **carried** (7/0/0).

Small-mesh fisheries accountability measures for yellowtail flounder

The GAP passed on discussion.

Halibut and wolffish accountability measures

The GAP discussed how Maine's halibut fishery compares with the federal fishery. Some on the GAP expressed concern that catches by state waters fisheries could trigger AMs in federal waters. Terry Stockwell explained that Maine does not set a TAC, instead it limits the number of hooks and catch per harvester, and in the spring, it is an open access fishery. Some on the GAP were concerned that within the next few months, there could be significant closures if FY12 overages occur. The member offered that the industry is seeing more halibut and was concerned that an open access fishery could impact the federal fishery. Another member suggested that if the abundance of this stock is on the rise, it is more on the rise near Canada, where eastern Maine fishermen fish.

**Motion #9** (Parker/Martens)

The GAP recommends that:

1. There be a state sub-ACL for halibut,
2. To assess halibut discard mortality by gear type in the stock assessment, and
3. If closed areas are triggered, then sectors allocations should follow.

*Discussion:* The GAP reviewed the location of the current AM closure areas for halibut and wolffish. Some members felt that they could support bullets 1 and 2 under Motion 9, but not necessary 3. A member suggested that the motion be split.

Motion #9 was **split**.

**Motion #10** (Parker/Martens)

The GAP recommends that:

1. There be a state sub-ACL for halibut with accountability measures, and
2. To assess halibut discard mortality by gear type in the stock assessment.

*Discussion:* Many on the GAP were concerned about how state waters fisheries are managed. One member of the GAP mentioned that in the past that the GAP has made many motions on creating state allocations and absence of accountability standards.

Motion #10 **carried** (7/0/1).

**Motion #11** (Parker/Martens)

The GAP recommends that if closed areas are triggered, then sectors allocations should be considered.

*Discussion:* A GAP member felt that if the current AMs for halibut in wolfish are triggered in FY2012 then the OSC should consider allocating these stocks to sectors. Another GAP member was concerned about creating an automatic trigger for allocating stocks. Another member wanted to review the current AMs.

Motion #11 **carried** (4/0/4).

### Full Retention

The GAP reaffirmed its support of the concept. No motions were made.

### Georges Bank yellowtail flounder discard strata

One GAP member explained that the proposed discard stratification would enable different rates, and that sectors could prevent their boats going into different areas. The member explained that is was not about closures, but rather different rates in different areas. Some members wanted to know why the revised discard stratification for Georges Bank yellowtail flounder was disapproved in FW 48. Another member suggested that the revised discard strata could provide sectors with a possible tool to lower discards, which the member suggests would be a good thing.

**Motion #12** (Canastra/Soule)

The GAP recommends to revisit the stratification of assumed discards for GB yellowtail flounder.

*Discussion:* No further discussion.

Motion #12 **carried** (4/0/4).

### Carryover

One GAP member stated that there are important fleet implications of carryover and that sectors put some catch into a set-aside. The member suggested that changes to carryover during the fishing year are disruptive to business planning. Staff explained that NMFS is working on clarification of carryover. No motions were made.

### Haddock spillover

After discussing findings of the PDT and SSC on haddock spillover, the GAP continued to be concerned about the low TAC for GOM haddock. Many members of the GAP felt that the Georges Bank haddock stock immigrates to the Gulf of Maine stock area, which the assessments do not take into account. Other members mentioned that industry is seeing plenty of haddock in the Gulf of Maine, which does not match information coming out of the recent assessment. Some GAP members identified this issue as part of the current crisis facing the fishing industry.

**Motion #13** (Canastra/Soule)

**Friendly amended:** The GAP recommends, in light of the marked disparity between the GOM haddock versus all surrounding stock areas, that the GOM haddock TAC be increased.

*Discussion:* No further discussion.

Motion #13 **carried** (7/0/1).

Haddock catch in the Atlantic herring fishery

Many GAP members were concerned about reports they had heard over the summer of the Atlantic herring fishery dumping haddock on Georges Bank. One member wanted to see 100% monitoring of the herring industry, but that NMFS disapproved this in Amendment 5 to the Atlantic herring FMP. Another member commented that dumping at sea, even on trips that are being monitored, is a serious problem. The member noted that Georges Bank groundfish fishermen have been reporting this. The member suggested that the groundfish fishery is held to a high standard, and that it should not tolerate other fisheries with poor AMs. The member was concerned the herring fishery's AM is ineffective.

**Motion #14** (Soule/Odell)

The GAP is concerned about reported high levels of haddock bycatch in the herring fishery. This issue needs to be immediately addressed.

*Discussion:* No further discussion.

Motion #14 **carried** (8/0/0).

**Logistical note**

The GAP Chair left the meeting after the FW51 discussion, and the Vice-Chair led the remainder of the meeting. The GAP allowed the Vice-Chair to make motions and vote.

**Amendment 18**

Staff presentation

Staff provided an update on the development of A18, including: the revised goals, action timeline, OSC discussion to date of potential measures, PDT feedback on OSC requests, and PDT questions regarding permit splitting, vessel upgrade restrictions, defining non-profit permit banks, accumulation limits, and the proposal submitted by the Northeast Hook Fishermen's Association (NEHFA). To stay on track for implementation in May 2015, the Council would need to approve in January 2014 the range of alternatives to be considered in the DEIS. There is additional data analysis coming from the NEFSC and from the contractor Compass Lexecon on concentration of ownership and market power in the fishery, respectively. The PDT feedback and questions are summarized in their September 10 memo to the OSC.

The GAP was asked to give input on the discussion questions in the September 10 memo to inform the OSC discussion on the following day. This included examining the draft measures developed by the PDT to identify ideas to develop further, revise, remove from further consideration, or include in addition. Staff reviewed the draft Section 4 document. These include draft measures to address: splitting of permits/PSC, revising vessel upgrade restrictions, defining permit banks (non-state), permit accumulation cap for permit banks, 5% permit accumulation cap for other entities, and other accumulation cap ideas



(without specific cap percentages). Staff noted which draft measures stemmed from specific OSC motions and which were developed by the PDT to provide a range of alternatives for OSC discussion.

GAP questions on the presentation

A GAP member asked if there are trip limits for fishing with HA permits, currently or as proposed. Staff replied that the HA permits fished in the common pool have trip limits, and the proposal includes maintaining those limits. Mr. Brett Alger (NERO) clarified that the current HA and HB trip limits are 100 and 25 lbs., respectively. There is a 100 lb. trip limit for cod and haddock for all gears fishing in the common pool. In July, the trimester and annual catch limit for GOM haddock was exceeded almost simultaneously, so the trip limit was then set to zero.

Permit splitting

A GAP member expressed that the objective for permit splitting is to make it easier to acquire quota (at lower cost) and divest of quota that one is not interested in. Support was expressed for the general concept, though some uncertainty was expressed regarding splitting at the PSC level. The Vice-Chair reminded the GAP of the motion they made in June in support of permit splitting, and asked if PSC splitting may trigger turning the fishery into a LAPP. Staff explained that the PDT has not discussed LAPP implications, and it may depend on how this idea gets developed. The threshold for triggering a LAPP would be if allocations were made to individuals rather than to sectors. PSC splitting would substantially increase tracking complexity for NMFS. Another GAP member stated that permit and PSC splitting are essential for business growth and fluidity in the permit market.

**Motion #15** (Parker/Dority):

That the GAP endorse permit splitting and PSC splitting. The PSC splitting should be at a 1/10 of 1% minimum increment.

*Discussion:* The GAP discussed what may happen to the catch history upon permit sale, which currently can be specified in the bill of sale. The GAP clarified that the 1/10<sup>th</sup> of 1% would be of the fishery-wide allocation for each stock, not of an individual permit holder's PSC. The GAP clarified that the buyer of a split permit or PSC should have a qualifying permit already, same as leasing. Having a discrete quantity specified may help the smaller operators.

**Perfect Motion #15** (Parker/Dority):

That the GAP endorse permit splitting and PSC splitting with a minimum increment (e.g., 1/10 for 1%) of the aggregate stock.

*Discussion:* A few GAP members were interested in splitting the motion. A GAP member suggested that perhaps a maximum should be specified, rather than a minimum, to be sure that there are increments available to trade that are small enough to be affordable.

Motion #15 was **split**.

**Motion #16** (Parker/Dority):

That the GAP endorse permit splitting.

*Discussion:* No further discussion.

Motion #16 **carried** (7/0/1).

**Motion #17** (Parker/Dority):

That the GAP endorses PSC splitting.

*Discussion:* The GAP discussed whether to specify a maximum or minimum increment, but decided to not specify at this point. A few GAP members wished to abstain, because they were uncertain about whether this may create a LAPP and wanted to consider the issues further.

Motion #17 **carried** (3/0/5).

Vessel upgrade restrictions

**Motion #18** (Bouchard/Russo):

To support the NERO proposal regarding vessel upgrade restrictions: removing the gross tonnage and one time vessel upgrade restrictions.

*Discussion:* A GAP member wondered if this motion would help fishermen move offshore. Another GAP member felt that having a horsepower restriction for fixed gear vessels is irrelevant, and that boats can be modified to work around gross tonnage restrictions. When asked, staff clarified that NERO wanted to keep its proposal simple, and if the measures are to be more controversial, it would be inappropriate for NERO to take the lead on developing this action. A GAP member felt that people should be able to choose their gear type and vessel sizes. Another GAP member said that it is harder now to replace engines and stay within horsepower limitations, and that there are enough qualifying permits available now for just about any size vessel.

**Perfect Motion #18** (Bouchard/Russo):

To support the NERO proposal regarding vessel upgrade restrictions: removing the gross tonnage and one time vessel upgrade, with the addition of removing the horsepower provisions.

*Discussion:* No further discussion.

Motion #18 **carried** (7/0/1).

Defining non-profit permit banks

A GAP member asked why “non-profit” is in the definition as drafted, and stated that for-profit entities could be designed to provide a public good (e.g., there is a for-profit permit bank in British Columbia). Staff clarified that the OSC discussion so far as focused on defining the non-state permit banks as they currently exist in the Northeast, which are all associated with non-profit organizations. A GAP member felt that the permit bank discussion at the June GAP and OSC meetings was positive, but that there isn’t a clear-cut corporate structure that best meets the goals. This may be unnecessarily prescriptive. Charitable non-profits have conflict of interest issues when fishermen give advice on allocations. That’s not an issue for for-profits. Another GAP member felt that it is still important to define some basic standards.

**Motion #19** (Dority/Soule):

Permit banks should have a demonstrated charitable purpose, possibly including allocating fishing rights to a defined community, building individual fishermen’s equity stake in the fishery, and supporting new entry into the fishery.

*Discussion:* A GAP member stated that this would have some flexibility for application, but that permit banks would perform a broader purpose. Another GAP member stated that the current state-operated permit banks would not qualify under this definition, and would want to know how “community” is defined. Staff clarified that Amendment 17 defined state-operated permit banks. The definition in Amendment 18 would apply to non-state permit banks, unless there were specific measures to redefine state permit banks. Another GAP member suggested that Motion

#19 could be merged with some other revisions. Sometimes permit banks lease at market rates. There was discussion of whether or not permit banks should have a higher accumulation limit than other entities. They may support small businesses, but they take permits away from commercial entities.

Motion #19 **failed** (2/4/2).

**Motion #20** (Parker/Dority):

Regardless of accumulation limits, the GAP recommends revising Section 4.3.1.2:

- Must have an affirmative purpose (e.g., geographic focus, new entrant plan, and small business development);
- Remove “non-profit” in line 1 and #1;
- #2, #3, and #4 as is; and
- #5 strike and replace with annual reporting on progress toward stated purpose to be submitted at same time as the annual sector reports.

*Discussion:* These recommendations are not predicated on a differential accumulation cap. A GAP member asked what would happen if the annual report shows that the permit bank is not meeting the stated purpose. Another GAP member suggested that the permit bank may not be eligible to have the exemption to the accumulation limit. There should be a standard held.

Motion #20 **carried** (3/1/4).

**Motion #21** (Soule/Canastra):

The GAP recommends that permit bank officers should be limited in how much ACE they can lease from their own permit bank, and permit banks should be exempt from enrolling in sectors.

*Discussion:* A few GAP members expressed support for having permit bank officers be limited in how much ACE they can lease from their own permit bank, and that they should be exempt from enrolling in sectors for logistical reasons.

Motion #21 **carried** (8/0/0).

### Accumulation limits

Staff stepped through the draft potential measures (Sept. 10 PDT memo). A GAP member asked if the GAP would be developing recommendations today on specific cap percentages and wanted more information on ownership. Staff reminded the GAP that additional analyses are forthcoming from the NEFSC and Compass Lexecon. A GAP member asked about the origins of Section 4.3.2 in the draft measures (alternatives for limiting the holdings of fishing access privileges). Staff explained that there has been an OSC motion in support of a 5% permit cap, but the OSC expressed interest in not wanting to reduce the list of accumulation limit options at this point, yet hesitation to develop specific percentages on caps until further analysis is provided. As is common practice, the PDT drafted a range of potential measures, which would meet the Council-approved goals of the action, for the OSC to consider and modify as it wishes. Another GAP member recalled a rich discussion in June at the GAP, OSC and Council meetings for accumulation caps on permits and quota, and that interest in quota caps has been expressed repeatedly. Another GAP member stated that accumulation limits should have been done in Amendment 13, but that since accumulation has happened and sectors have right-of-first refusal rules, caps should not be included in Amendment 18. The Vice-Chair reminded the GAP of their related motion in June.

**Motion #22** (Russo/Soule):

In lieu of Section 4.3.2, the GAP reaffirms its motion from the June 10<sup>th</sup> meeting:  
“Conduct an analysis of an ownership cap on multispecies permits. Any ownership cap should not disenfranchise current owners.” (pp. 3; Doc #8)

*Discussion:* The GAP wanted to stick with the earlier recommendation until further analysis becomes available. A GAP member expressed support for the motion, but also that not having caps at the PSC level would be inconsistent with the earlier discussion on PSC splitting. Another GAP member agreed that it would need to be addressed in the future.

**Motion to friendly amend Motion #22** (Dority):

The GAP reaffirms its motion from the June 10<sup>th</sup> meeting: “Conduct an analysis of an ownership cap on multispecies permits. Any ownership cap should not disenfranchise current owners.” (pp. 3; Doc #8)

*Discussion:* A GAP member stated that the motion as is would limit options and remove caps on PSC and permit banks. The ongoing NEFSC and Compass Lexecon analyses are looking at a broader range of issues.

The motion was not seconded and was considered **unfriendly**.

*Discussion:* GAP noted that: the motion states support for an analysis, not for any particular cap; with the quota reductions, the right cap number may change; permits vary in their value, so just a permit cap may not really control access to the fishery; more and more permits are needed today to remain viable.

**Motion #23 – to substitute Motion #22** (Dority/Martens):

The GAP will wait to weigh in on any accumulation caps until full analysis from Compass Lexecon and the NEFSC is received. In the meantime, the GAP reaffirms its support for permit caps.

**Motion #24 - to amend Motion #23** (Soule/Odell):

The GAP will wait to weigh in on any accumulation caps until full analysis from Compass Lexecon and the NEFSC is received. In the meantime, the GAP reaffirms its support for permit caps. Expressly prohibit Compass Lexecon analysis of concepts not explicitly requested by the Council.

*Discussion:* A GAP member proposed that the Compass Lexecon analysis be focused on specific tasks as outlined by the Council. Another GAP member supported receiving factual-based analysis.

**Motion #24 carried.** (5/2/1)

*Discussion:* There was confusion among GAP members about whether Motions #23 and 24 were intended to be motions to substitute or motions to amend and the appropriate parliamentary procedures. One GAP member noted that some motions today have passed with as little as three votes, because of the number of unsure people.

The Vice-Chair called the vote on **Motion #24 to be out of order**, because of confusion on parliamentary procedure. Motion #23 was then reconsidered.

**Motion #23 – to substitute Motion #22** (Dority/Martens):

The GAP will wait to weigh in on any accumulation caps until full analysis from Compass Lexecon and NEFSC. In the meantime, the GAP reaffirms its support for permit caps.

*Discussion:* None.

Motion to substitute **carried** (5/2/1).

As substituted, main motion **carried** (4/2/2).

**Motion #25** (Soule/Odell)

The GAP recommends that the GF OSC expressly prohibits Compass Lexecon analysis of concepts not explicitly requested by the Council.

*Discussion:* None.

Motion #25 **carried** (5/1/2).

NEHFA Proposal

One GAP member noted that there are HA permits with a history of Georges Bank cod, but that stock is not included in the proposal. Another GAP member was concerned about the lack of VMS use by HA permits in the common pool and their use of closed areas. NERO staff clarified that the HA permits in the common pool need VMS if they fish in more than one broad-stock area. They can get a LOA to fish in the closed areas as a charter vessel. Private anglers do not need an LOA. The commercial HA fishery could be given allocations for certain stocks and be limited by trip limits for other stocks.

**Motion #26** (Soule/Bouchard)

The GAP recommends not moving the NEHFA proposal forward for further consideration.

*Discussion:* A GAP member expressed that the proposal is requesting many of the benefits of having an allocation but it seems unwilling to bear the costs, and that many of the NEHFA goals could be accomplished through the sector system (acknowledging that the NEHFA members do not want to be in sectors). There was some concern that the NEHFA membership represented a low number of HA permit holders and questions about how representative their views are. A GAP member noted that many fishermen have very low allocations, not just the HA permit holders.

Motion #26 **carried** (7/0/1).

**Motion #27** (Dority/Parker)

The GAP requests that the GF OSC encourage the Agency to strongly consider the NEHFA proposal exemptions as sector exemptions for any sector.

*Discussion:* A few GAP members expressed that there are ways to address the key concerns outlined in the proposal through the use of the existing sector exemption framework.

Motion #27 **carried** (3/2/2).

Additional measures for A18

A GAP member expressed that there should be an annual stock assessment for every stock in the complex. Another GAP member stated that simply having more assessments may not be better. The assessments that are done already need to improve.

**Motion #28** (Parker/Bouchard)

The GAP recommends that the GF OSC recommend that the Agency carry out annual assessments for all groundfish stocks (e.g., what is done presently for scallops) upon implementation of Amendment 18.

*Discussion:* A GAP member suggested that assessments could be done at a fraction of the costs, and that we cannot afford not to have annual assessments. Examples include British Columbia, Alaska, bluefin

tuna, and striped bass. Staff noted that the TMGC stocks already have yearly assessments. A GAP member suggested that large (e.g., 70%) swings in TACs should be disallowed, because market opportunities get lost. Another GAP member said that assessing scallops is very different than for finfish and doubts that there will be funds available.

Motion #28 **carried** (5/3/0).

### **Groundfish management priorities for 2014**

Staff gave an overview of potential groundfish priorities for 2014. The presentation summarized past priorities and discussions from the PDT, GAP, RAP, GF OCS, and Council.

#### **Motion # 29 (Odell/Canastra)**

##### **Council Priority Motion:**

##### ***GAP Management Priority = STABILITY IN ACL'S***

The GAP supports and encourages the GF OSC to pursue, under council priorities, alternative methods for setting catch advice to achieve the following management objectives:

- 1) Protect fish stocks and commercial / recreational fishermen by stabilizing catch advice within historical catch ranges known to be safe both biologically and economically.
- 2) Use historical data from past assessments to determine the catch at which point the stock biomass that followed was stable and increasing.
- 3) Account for volatility in successive assessment results by developing management strategies that are risk averse to either optimistic or pessimistic assessments that indicate ACL increases or decreases that are outside these historical "safe" catch levels by slowing the increases or decreases to pre-set, incremental steps upward or downward.
- 4) Pursue scientifically based methods that can meet these objectives within NS1 / MSA

*Discussion:* One GAP member explained that some assessments are working fine, but others have been plagued with problems (e.g., performance and retrospective issues) for years. The GAP member felt that there is a need for alternative approaches to setting catch advice. The GAP member clarified that the intent of the motion was not to define strategies for catch setting now, but rather set-up a process to develop management strategies that seeks stability in ACLs (i.e., that would avoid chasing the highs and lows and look at long-term trends in catches). Another GAP member offered that the current highs might not necessarily be as high, while a different GAP member questioned what would be done if catches fell. As an example, the first GAP member explained that the 2005 YC strength of GOM cod would have not been allowed to be as high, rather resulting catches would have been incremental increases/decreases as appropriate. Another GAP member stated that a key point is what information we start with matters and explained that research studies show that there are many Georges Bank yellowtail flounder in Closed Area 2 and suggest that 1,000 mt catches would not collapse the stock or industry. The member also stated that stability in ACLs impacts the price and allows for better business planning, which the member argued the current state does not allow and directly impacts the ability of consumers to get fresh fish. One member said the industry does not typically ask for less fish. Another GAP member gave the example that the Nantucket Lightship Closed Area closed due to yellowtail flounder high grading, but that it took nine months to close it and there are only scallops in that area now. There is not a mechanism in place for the industry to say they do not want additional catch, but the member mentioned that the scallop industry has asked for less. The first GAP member reiterated that by including this as a GAP recommended priority, it can be left as a concept to be further developed by the Council.

Motion #29 **carried** (7/0/1).

**Motion #30** (Soule/Parker)

The GAP recommends the addition of these priorities from 2012.

- 1) Develop a cost effective sector monitoring plan, that includes options for electronic monitoring of discards (including a full retention policy for allocated stocks), phasing in industry cost-share over a 5-10 year timeframe
- 2) Develop options to move unused ACE between scallops/groundfish fleets and between groundfish commercial and recreation fleets

*Discussion:* After reviewing the information in the Staff presentation on priorities discussions, the GAP discussed adding in priorities that fell off the final list in the past, but are still relevant for CY 2014. The above two priorities were discussed. For #1, the GAP continued to express its interest in monitoring plans that are cost effective and that have the option of including electronic monitoring. For #2, some of the GAP members felt that trading ACE between groundfish and scallops industries might be more likely in light of low ACLs for some stocks (i.e., Georges Bank yellowtail flounder). The GAP also discussed that these priorities in Motion 29 and 30 would be in addition to those that are ongoing/forthcoming (i.e., FW51, A18, Habitat OA2, and regulatory requirements).

Motion #30 **carried** (7/0/0).

The meeting adjourned.