



Mid-Atlantic Fishery Management Council
800 North State Street, Suite 201, Dover, DE 19901
Phone: 302-674-2331 | FAX: 302-674-5399 | www.mafmc.org
Michael P. Luisi, Chairman | P. Weston Townsend, Vice Chairman
Christopher M. Moore, Ph.D., Executive Director

MEMORANDUM

Date: May 19, 2021
To: Dr. Chris Moore, Executive Director
From: Matthew Seeley, Staff
Subject: Bluefish Allocation and Rebuilding Amendment: Staff memo for final action

On Tuesday, June 8th, the Council and Board will review public comments, input from advisors and the Fishery Management Action Team (FMAT) before considering final action on the Bluefish Allocation and Rebuilding Amendment. This memo outlines Council staff recommendations for each alternative set being considered in the amendment (except *de minimis* – Board only action) with respect to the public comments and input provided by the advisors and FMAT.

FMP Goals and Objectives

Council staff fully support the FMAT recommendations on the FMP Goals and Objectives, which include implementing minor revisions to the language that were suggested during the public comment process. The revisions below (in red), reflect the comments that the FMAT and Council staff recommends be considered by the Council and Board when taking final action. Specifically, the recommendation to change “discard” to “release” encompasses the catch-and-release aspect of the fishery while avoiding the negative connotation that accompanies the term “discard”. This potential change carries the same message as using the term “discard” but better suits the desires of the recreational community. The recommendation to change “along the coast” to “within the management unit” allows for the inclusion of inland bluefish consumers that do not live on the coast.

Goal 1: Conserve the bluefish resource through stakeholder engagement to maintain sustainable recreational fishing and commercial harvest.

Objective 1.1: Achieve and maintain a sustainable spawning stock biomass and rate of fishing mortality.

Objective 1.2: Promote practices that reduce ~~discard~~ **release** mortality within the recreational and commercial fishery.

Objective 1.3: Maintain effective coordination between the National Marine Fisheries Service, Council, Commission, and member states by promoting compliance and to support the development and implementation of management measures.

Objective 1.4: Promote compliance and effective enforcement of regulations.

Objective 1.5: Promote science, monitoring, and data collection that support and enhance effective ecosystem-based management of the bluefish resource.

Goal 2: Provide fair and equitable access to the fishery across all user groups throughout the management unit.

Objective 2.1: Ensure the implementation of management measures provides fair and equitable access to the resource across to all user groups ~~along the coast~~ within the management unit.

Objective 2.2: Consider the economic and social needs and priorities of all groups that access the bluefish resource in the development of new management measures.

Objective 2.3: Maintain effective coordination with stakeholder groups to ensure optimization of economic and social benefits.

Commercial/Recreational Sector Allocations

The public continues to discuss the cyclical and environmentally driven aspect of the bluefish stock. Given the stock's fluctuations in abundance and availability, Council staff agrees with the FMAT conclusions that alternatives associated with a shorter time series may not be as appropriate for determining allocation between the two sectors. Ideally, capturing the fluctuations in abundance over time will best represent the trends in the bluefish fishery.

Given the FMP stipulates that the allocation percentage be applied to the Acceptable Biological Catch to determine each sector's Annual Catch Target, Council staff recommends using catch data to inform the allocations. Council staff agrees with the FMAT that using catch data as the basis for the allocations of catch will more effectively encompass the needs of a large subset of the recreational sector that receive economic and social benefits from catching and releasing fish, as opposed to harvesting fish.

As noted by the assessment scientist on the FMAT, the status quo alternative does not represent the reality of the fishery anymore. The status quo alternative was based on uncalibrated MRIP estimates from 1981-1989. These estimates are no longer being used in the stock assessments or in catch accounting and should not be considered as the Council and Board discuss reallocation.

As noted by the economist on the FMAT, alternative 2a-4 offers the highest economic benefit to the commercial sector followed by 2a-3 and 2a-2, amongst the allocations based on catch data.

Council staff recommends alternative 2a-3 (87% recreational, 13% commercial) given: 1) the vast majority of public comments supported this alternative, 2) it offers the second highest economic benefit to the commercial sector, 3) is based on catch data, and 4) the time series encompasses the most recent 20 years of fishery performance, which considers more of the cyclical nature present in this fishery over time, as compared to a shorter time series.

For the phase-in alternatives (alternative set 2b), the FMAT and Council staff recommends alternative 2b-1 (no phase-in). This recommendation is consistent with the overwhelming majority of public comments which identified that the phase-in approach does not offer much benefit when the allocations are changing by such a small amount. Additionally, the phase-in approach would add an unnecessary level of complexity and administrative burden.

Commercial Allocations to the States

As described in the sector allocations section, the bluefish fishery often experiences cyclical and environmentally driven levels in abundance. The status quo alternative (3a-1) represents fishery abundance and allocations from 1981-1989, which no longer reflect the current nature of the bluefish fishery. Over time, the bluefish fishery is available in certain regions due to the migratory habits and preferences for offshore waters. Moreover, this change in availability is more well represented over a longer time series, so Council staff does not recommend alternative 3a-2. By design, alternative 3a-4 captures a wide range of years including the historical aspect of the overall time series. However, since half the time series is weighted towards historical abundance, the allocations do not fully represent the current needs of all states and may still warrant state-to-state transfers immediately following reallocation. Finally, public comments were fairly evenly split, however most support was provided for alternative 3a-2, followed by 3a-3, 3a-1, and 3a-4. ***Given the justification provided above, Council staff recommends alternative 3a-3 and notes that while reallocation should reduce the need for state-to-state transfers in years immediately following amendment implementation, transfers may still occur as needed.***

In regard to the option to phase-in, Council staff and the FMAT indicated that the selection of a more recent time series to inform reallocation will more accurately reflect current state-specific needs and may reduce the need to phase-in any changes. Similar to the recommendation for the sector allocations, Council staff and the FMAT noted that the phase-in alternative set was also unpopular (often at public hearings) despite receiving some support from the public. Phasing-in allocations has added levels of complexity and administrative burden, especially given the changes associated with implementation of a rebuilding plan and updated stock assessments. Overall, Council staff believes the perceived benefits of phasing-in potentially small allocation changes for most states does not outweigh the complexity and administrative burden. ***Therefore, Council staff recommends alternative 3b-1, no phase-in.***

After reviewing all public comments related to the trigger alternative set (3c), the FMAT and Council staff recommends alternative 3c-1, no trigger. Council staff and the FMAT noted that the public found the trigger approach to be overly complicated with limited perceived benefit.

Considering the commercial allocations to the states section included 4 sub-alternatives, Council staff and the FMAT believes the complexity tied to sub-alternative sets 3b and 3c may have influenced the public's widespread support on minimum default allocation alternatives. ***Ultimately, the FMAT and Council staff recommend implementation of a 0.10% minimum default allocation (3d-2).*** This alternative will allow states that would otherwise lose their allocation through the reallocation process to retain a minimum default allocation, which will allow small amounts of bluefish caught in these states to be harvested instead of discarded. Council staff agrees with the FMAT that 0.10% strikes a balance between reducing regulatory discards and not overburdening other states' allocations.

Rebuilding Plan

As indicated in the Magnuson-Stevens Fishery Conservation and Management Act (MSA), the preferred rebuilding plan shall be as short as possible, taking into account the status and biology of any overfished stocks of fish, the needs of fishing communities, recommendations by

international organizations in which the United States participates, and the interaction of the overfished stock of fish within the marine ecosystem; and not exceed 10 years, except in cases where the biology of the stock of fish, other environmental conditions, or management measures under an international agreement in which the United States participates dictate otherwise.

Council staff agrees with the FMAT that the rebuilding plan should be as short as possible while considering the needs of the fishing communities that depend on the resource. Additionally, the rebuilding plan should account for the inherent uncertainty associated with the cyclical and environmentally driven nature of the stock. Given the spread in public comments, Council staff and FMAT members noted that alternative 4c may be a fair middle point that considers both the biological and social requirements as required in MSA. Furthermore, alternatives 4c and 4d offer catches that increase steadily over the duration of the rebuilding plan, as compared to the constant harvest approach (4b) which rebuilds as quickly as possible with low harvest limits. According to the economist on the FMAT, alternative 4c and 4d offer higher gross and average revenues to the commercial sector compared to 4b. Furthermore, 4b has the potential to be particularly damaging to the commercial sector. The culmination of rebuilding plan alternative 4b could create an instability in market supply and weaken supply chain linkages in addition to offering the lowest economic returns to the commercial sector. This in turn could compound the commercial sector's economic burden by imposing several years of reduced market share due to low quotas during the rebuilding period. Council staff and FMAT members cautioned that once the stock is rebuilt, regulations could likely be liberalized.

For the reasons provided above, Council staff recommends alternative 4c. Moreover, alternative 4c uses the updated 2019 Council risk policy, which by design, evaluates current stock biomass in relation to its target and threshold and adjusts risk accordingly.

Sector Transfers

The reallocation process in this amendment will most likely reflect more recent fishery performance and reduce the need for sector transfers in the immediate future post rebuilding plan. The staff recommendation on sector allocations reduces the commercial allocation, which will likely result in limited quota to transfer from the commercial to recreational sector, should bi-directional transfers be preferred. Furthermore, sector transfers will not be allowed while the spawning stock biomass (SSB) is below the SSB threshold and if overfishing is occurring.

As with the FMAT, Council staff also notes the almost even split in support for bi-directional transfers (5a-2), but when accounting for the form letter, the vast majority of comments do support bidirectionality. Many of the public comments describe that alternative 5a-2 is more fair and equitable since transfers can be sent in both directions. For these reasons, ***Council staff recommends alternative 5a-2 and notes that the Council and Board will have the ability to make an informed decision on how to set transfers during the annual specifications process given the needs of both the commercial and recreational fishery at the time.***

For alternative set 5b, the FMAT and Council staff recommend alternative 5b-2, a transfer cap up to 10% of the ABC. A transfer cap that scales with biomass is a sound approach from a biological and process-oriented perspective. During times of lower biomass, it makes sense to be precautionary by limiting the amount of transferred quota to reduce the risk of a transfer

contributing to overfishing. Conversely, during times when biomass is much higher, the transfer cap would increase, allowing for more flexibility to address each sector’s needs. The status quo option, which caps transfers from summing to a commercial quota greater than 10.5 million pounds, does not offer as much flexibility as alternative 5b-2. The 10.5-million-pound value is now outdated, considering biomass is projected to increase significantly throughout the rebuilding plan.

Management Uncertainty

Council staff and the FMAT noted that the majority of public comments supported the status quo alternative. However, individuals supported the post-sector split alternative, while organizations (and form letters) support the status quo alternative.

The FMAT and Council staff recommend alternative 6b. From a process perspective, this alternative allows the Monitoring Committee to be as precise as possible with applying a management uncertainty buffer to one sector without negatively affecting the other. The application of management uncertainty is more fair and equitable under alternative 6b and has received strong support from many user groups.

Summary of Recommendations

Recommendations are provided for each alternative set. At times, the FMAT did not make a consensus recommendation for a specific alternative set and only a Council staff recommendation is present.

Alternative	Management Issue	Recommendation
1: FMP Goals and Objectives		
Current	Status quo	
Proposed	Proposed	FMAT and Council Staff
2: Sector Allocations		
2a-1	83% Rec, 17% Comm (Status quo) 1981-1989: Landings-Based	
2a-2	89% Rec, 11% Comm 2014-2018, 2009-2018: Catch-Based	
2a-3	87% Rec, 13% Comm 1999-2018: Catch-Based	Council Staff
2a-4	86% Rec, 14% Comm 1981-2018: Catch-Based, 2014-2018 and 2009-2018: Landings-Based	
2a-5	84% Rec, 16% Comm 1999-2018, 1981-2018: Landings-Based	
2b-1	No Phase-in	FMAT and Council Staff
2b-2	Phase-in over preferred rebuilding plan duration	

Alternative	Management Issue	Recommendation
3: Commercial Allocations to the States		
3a-1	Status quo Old MRIP 1981-1989 (Amend 1)	
3a-2	5 year 2014-2018: Landings-Based	
3a-3	10 year 2009-2018: Landings-Based	Council Staff
3a-4	1981-1989 (50%) and 2009-2018 (50%) Landings-Based	
3b-1	No Phase-in	Council Staff
3b-2	Phase-in over preferred rebuilding plan duration	
3c-1	No Trigger	FMAT and Council Staff
3c-2	Pre-Transfer Trigger	
3c-3	Post Transfer Trigger	
3d-1	No Minimum Default Allocation	
3d-2	0.10% - Minimum Default Allocation	FMAT and Council Staff
3d-3	0.25% - Minimum Default Allocation	
4: Rebuilding Plan		
4a	No action/Status quo	
4b	Constant harvest: 4 years	
4c	P* approach: 5 years	Council Staff
4d	Constant F: 7 years	
5: Sector Transfers		
5a-1	No Action/Status quo	
5a-2	Bidirectional transfers	Council Staff
5b-1	No Action/Status quo	
5b-2	Sector transfer cap: up to 10% of ABC	FMAT and Council Staff
6: Management Uncertainty		
6a	No Action/Status quo	
6b	Post Sector-Split	FMAT and Council Staff