



Mid-Atlantic Fishery Management Council

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MEMORANDUM

Date: December 1, 2020
To: Chris Moore, Executive Director
From: Julia Beaty, staff
Subject: Council Staff Recommendation for Black Sea Bass Commercial Allocation Amendment and Draft Addendum XXXIII

During their joint meeting on December 16, 2020 the Mid-Atlantic Fishery Management Council (Council) and the Atlantic States Marine Fisheries Commission's Summer Flounder, Scup, and Black Sea Bass Management Board (Board) will meet to take final action on the Black Sea Bass Commercial State Allocation Amendment/Draft Addendum XXXIII after considering public comments, Advisory Panel input, and the Council staff recommendation.

This memo summarizes the Council staff recommendation for preferred alternatives.

Note that for ease of identification of the alternatives, a prefix of 1, 2, or 3 was added to indicate the alternative group as described in the public hearing document and Draft Addendum XXXIII. A prefix of 1 indicates an alternative associated with the state allocation percentages. A prefix of 2 indicates alternatives related to adding the state allocations to the Council's Fishery Management Plan (FMP). A prefix of 3 indicates alternatives associated with federal in-season closures.

Council Staff Recommendation for State Allocation Percentages

Council staff recommend the following combination of alternatives for modification of the commercial state allocation percentages. These alternatives are described in more detail below.

- **Alternative 1B:** Increase Connecticut's allocation from 1% to 5% (see details below).
- **Alternative 1F:** Percentage of coastwide quota distributed based on initial allocations
 - **Sub-Alternative 1F1-B:** Allocate 75% of the coastwide quota based on the initial allocations (after first accounting for Connecticut's increase to 5%).
 - **Sub-Alternative 1F2-B:** Allocate the remaining 25% based on the most recent regional biomass distribution information from the stock assessment.
 - **Sub-Alternative 1F3-B:** Further divide the regional allocation among states within a region in proportion to the initial allocations to the states, except that Maine and New Hampshire would each receive 1% of the northern region quota. The initial allocations would account for the increase in Connecticut's allocation to 5%.
- **Sub-Alternative 1G1:** Define the regions as: 1) Maine through New York and 2) New Jersey through North Carolina.

If this combination of alternatives is approved, the following steps would be followed to determine the state allocations in a given year. As 25% of the quota would always be distributed based on the most recent stock assessment information, the resulting percentage allocations would vary each time updated stock assessment information is available. These modifications would be made through the specifications process.

Step 1: Increase Connecticut's allocation from 1% to 5% (i.e., alternative 1-B). This would be achieved using the following approach:

- Leave New York and Delaware's allocations unchanged (for this step).
- Move 0.25% from Maine and 0.25% from New Hampshire to Connecticut.
- Move some allocation from Massachusetts (0.53%), Rhode Island (0.45%), New Jersey (0.81%), Maryland (0.45%), Virginia (0.81%), and North Carolina (0.45%) to Connecticut. The amount moved from each state is proportional to that state's current allocation percentages.

This results in the "initial" allocations shown in Table 1.

Step 2: Allocate 75% of the annual coastwide quota according to the initial allocations (i.e., Sub-alternative F1-B).

Step 3: For the remaining 25%, first divide it between the northern region (Maine through New York) and the southern region (New Jersey through North Carolina) based on the most recent regional biomass distribution information from the stock assessment (sub-alternatives F2-B and G1). This division would vary each time updated stock assessment information is available.

For example, the 2019 Operational Stock Assessment estimated that 84% of the spawning stock biomass in 2018 was present in the northern region and 16% in the southern region, after accounting for a retrospective pattern adjustment. This would result in 21% of the total quota (i.e., 84% of 25%) being allocated to the northern states and 4% (i.e., 16% of 25%) to the southern states to account for recent biomass distribution.

Step 4: Within a region, further divide the regional allocation defined in step 3 among states in proportion to the initial allocations, except that Maine and New Hampshire would each receive 1% of the northern region quota (i.e., sub-alternative F3-B). As previously stated, the initial allocations would account for the increase in Connecticut's allocation to 5%.

Final resulting allocations: The 25% of the total quota that is allocated based on regional biomass distribution would change each time updated stock assessment information is available; therefore, the final resulting state allocations would also change on a regular basis. These changes would be made through the specifications process. Table 1 shows an example of the final resulting state allocations under the current biomass distribution (i.e., 84% north and 16% south, after applying a retrospective pattern adjustment, according to the 2019 Operational Stock Assessment).

Rationale for Council staff recommendation for state quota allocation percentages: The allocation approach described above seeks to better align the allocations with current stock distribution while accounting for the historical dependence of the states on the commercial black sea bass fishery. For example, under the current biomass distribution, no state would lose more than 4.5% and no state except Connecticut would gain more than 3.7% of the total quota. This approach also seeks to address the unique position of Connecticut, which, like many states, has seen a notable increase in availability of black sea bass, but is especially constrained by their

current 1% allocation. This approach also allows the allocations to change in response to future distribution changes, helping to ensure that they continue to ensure fair access to the fishery.

Table 1: Resulting state allocation percentages under Council staff recommendation and 2018 biomass distribution information.

State	Current allocations	"Initial allocations" (CT to 5% first)	Revised allocations under 2018 biomass distribution	Difference between current and revised allocations
ME	0.50%	0.25%	0.40%	-0.10%
NH	0.50%	0.25%	0.40%	-0.10%
MA	13.00%	12.47%	16.68%	+3.68%
RI	11.00%	10.55%	14.11%	+3.11%
CT	1.00%	5.00%	6.69%	+5.69%
NY	7.00%	7.00%	9.36%	+2.36%
NJ	20.00%	19.19%	15.59%	-4.41%
DE	5.00%	5.00%	4.05%	-0.95%
MD	11.00%	10.55%	8.57%	-2.43%
VA	20.00%	19.19%	15.59%	-4.41%
NC	11.00%	10.55%	8.57%	-2.43%
Total	100.00%	100.00%	100.00%	0.00%
Total percentage moved from NJ-NC to ME-NY under 2018 biomass distribution.				14.64%

Council Staff Recommendation for Federal Management of Quota

Council staff recommend the following as preferred alternatives regarding federal management of the commercial black sea bass quota.

- **Alternative 2B:** Add the commercial state allocations to the Council’s FMP.
- **Sub-Alternative 2B1:** States only pay back overages if the coastwide quota is exceeded (current practice for black sea bass under the Commission’s FMP).
- **Alternative 3A:** Coastwide federal in-season closure when landings are projected to meet the coastwide quota (no change from current practice).

Rationale for Council staff recommendation for federal management of quota: Council staff recommend that the state allocations be added to the Council’s FMP to ensure that both the Council and Board jointly decide on any future changes to the state allocations. The state allocations are an important component of management of the commercial black sea bass fishery and should be managed jointly, as is done for summer flounder and bluefish.

A notable amount of commercial black sea bass harvest comes from federal waters. For example, during 2010-2019, an average of 64% of commercial black sea bass landings from Maine through North Carolina came from federal waters and 17% from state waters. The remaining 18% of landings is categorized as “unknown” (source: NEFSC dealer data, i.e., “AA tables,” which include landings from state and federal fisheries).

As noted in the public hearing document and Draft Addendum XXXIII, adding the state allocations to the Council’s FMP would require transfers of quota among states to be managed by the National Marine Fisheries Service (NMFS), rather than the Commission. This would

place some additional restrictions on transfers that occur in the last two weeks of the year. Specifically, transfers after December 16 would be limited to unforeseen circumstances such as bad weather, mechanical failure, or an injury onboard. Transfers to avoid state-level overages and closures could not occur after December 16 if transfers are managed by NMFS. This should not represent a major impact as states should be closely monitoring their landings and taking action throughout the year as necessary to ensure that their quotas are not met before the end of the year, regardless of which agency manages transfers. In addition, the Council staff recommendation for no change to the current requirement for states to pay back overages only if the coastwide quota is exceeded (i.e., sub-alternative 2B1) should help mitigate the need for late in the year transfers to account for minor state-level overages.

Council staff recommend no change to the current regulations requiring a federal in-season closure when the coastwide quota is projected to be fully landed (i.e., alternative 3A). To date, a federal in-season closure of the commercial black sea bass fishery has not been triggered. Therefore, there does not appear to be a need to change these regulations to reduce the likelihood of federal in-season closures. Compared to the other alternatives for federal in-season closures, this alternative is the least likely to result in a coastwide quota overage. Therefore, it is also the least likely to result in states needing to pay back state-level overages. As previously stated, under all alternatives, states should continue to closely monitor their landings and take action as needed to prevent state-level overages, which will in turn reduce the likelihood of a coastwide quota overage, a federal in-season closure, and future paybacks of state-level overages.