

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 | G. Warren Elliott, Vice Chairman Christopher M. Moore, Ph.D., Executive Director

M E M O R A N D U M

Date: May 18, 2018

To: Chris Moore, Executive Director

From: Kiley Dancy, Staff

Subject: Summer Flounder Commercial Issues Amendment Timeline and DEIS Approval

On Wednesday, June 6, the Council will consider approval of a Draft Environmental Impact Statement (DEIS) for the Summer Flounder Commercial Issues Amendment. This document serves as the Council's full amendment document, and will be available during the public hearing process in addition to the public hearing document jointly approved on April 30 and the Atlantic States Marine Fisheries Commission's version of the full amendment document.

While public hearings had been tentatively scheduled for July and August, the timing for hearings has been adjusted to reflect 1) a required 3-week period for official NMFS review of the document before it is submitted to the Environmental Protection Agency (EPA) and 2) additional time to ensure that the final DEIS is available during public hearings and that the public has time to review the document prior to commenting. EIS documents require EPA review, and the EPA will publish a Notice of Availability (NOA) seeking comments on the DEIS, initiating the public comment period. A detailed updated timeline is provided below. **Public hearings would take place in September, and the timing of final action (December 2018) would not change.**

The Executive Summary of the DEIS is included in the briefing tab. Due to its length, the full DEIS is not included in the briefing tab but will be posted on the June Council meeting briefing materials page at <u>http://www.mafmc.org/briefing/june-2018</u>.

Planned Timeline for Remainder of Summer Flounder Commercial Issues Amendment

	April	Council and Board approve public hearing document and Commission's amendment document					
	May	Council staff prepares DEIS for Council approval, working with NMFS on pre-submission review					
2018	June	Council approves DEIS; Council staff finalizes and formally submits DEIS to NMFS (mid-June)					
2018	July	DEIS has a three-week review period for NMFS review. NMFS sends comments back to MAFMC, Council staff addresses comments and resubmits the document (targeting end of July for resubmission).					
	August	NMFS submits finalized document to EPA; EPA publishes Notice of Availability, initiating 45-day DEIS public comment period (overlapping with public hearings)					

	Sept	Public hearings start 15 days after DEIS NOA publishes to allow public to review the DEIS prior to hearings (targeting early/mid-September for start of hearings) ¹
	Oct	Staff prepares documents for final action (including hearing summaries and
	Nov	written comments)
	Dec	Final action (December 11-13 joint meeting in Annapolis)
	Jan	FEIS prepared, submitted and reviewed by NMFS (3-week review period)
	Feb	FEIS finalized
	March	NOAs and proposed rule publish (Amendment NOA has 60-day comment
	April	period; Proposed rule has 45-day comment period; FEIS NOA has 30-day
	May	comment period. These comment periods overlap to the extent possible.)
	June	Amendment decision and final rule publishes (Amendment decision occurs
	July	30 days after Amendment NOA comment period closes).
2019	August	Final rule effective (measures are effective 30 days after final rule publishes
	Sept	unless otherwise specified, e.g., adjustments to state allocations would be effective beginning January 1, 2020 and any permit requalification would likely need additional time after final rule to implement)
	Oct	
	Nov	
	Dec	State allocations/quotas adjusted (if applicable) for Jan 1, 2020, in specifications rule ²

¹Council on Environmental Qualify regulations at 1506.6 (c)(2) state that if a DEIS is to be considered at a public hearing, the agency should make the document available to the public at least 15 days in advance.

 $^{^{2}}$ Any revisions to state quota allocations would be implemented at the start of a new fishing year. A delay in effectiveness may also be needed for federal permit requalification options.

SUMMER FLOUNDER COMMERCIAL ISSUES AND GOALS AND OBJECTIVES AMENDMENT TO THE SUMMER FLOUNDER, SCUP, AND BLACK SEA BASS FISHERY MANAGEMENT PLAN

Draft Environmental Impact Statement

DRAFT AS OF 5/25/18 - Executive Summary



Prepared by the Mid-Atlantic Fishery Management Council in cooperation with the Atlantic States Marine Fisheries Commission and the National Marine Fisheries Service (NMFS)

Draft adopted by MAFMC: MM-DD-YYYY Draft submitted to NOAA: MM-DD-YYYY Final adopted by MAFMC: MM-DD-YYYY FEIS submitted to NOAA: MM-DD-YYYY Final approved by NOAA: MM-DD-YYYY

Council Address	NMFS Address
Mid-Atlantic Fishery Management Council	Greater Atlantic Regional Fisheries Office
800 North State Street, Suite 201	55 Great Republic Drive
Dover, DE 19901	Gloucester, MA 01930
	SC IND ATMOSPHERIC





ABSTRACT

The Mid-Atlantic Fishery Management Council and the Atlantic States Marine Fisheries Commission, in consultation with NOAA's National Marine Fisheries Service, proposes to adopt and implement a Commercial Issues Amendment¹ to the Summer Flounder, Scup, and Black Sea Bass Fishery Management Plan (FMP) pursuant to the Magnuson-Stevens Fishery Conservation and Management Act (MSA). This Draft Environmental Impact Statement (DEIS) presents a range of alternatives under consideration in this amendment, which address the amendment purposes outlined in the document. The proposed alternatives are applicable only to the commercial summer flounder fishery, and are focused on measures related to federal commercial moratorium permit qualification criteria for summer flounder, allocation of summer flounder commercial quota, and the list of framework provisions within the FMP. In addition to these alternatives, this document also describes proposed changes to the FMP objectives for summer flounder (applicable to both the recreational and commercial summer flounder fisheries). This document also includes a detailed description of the affected environment and valued ecosystem components, and analyses of the impacts of the measures under consideration on the affected environment. It addresses the requirements of the National Environmental Policy Act (NEPA), the MSA, the Regulatory Flexibility Act (RFA), and other applicable laws.

1.0 EXECUTIVE SUMMARY

The summer flounder, scup and black sea bass fisheries are managed under the Summer Flounder (*Paralichthys dentatus*), Scup (*Stenotomus chrysops*) and Black Sea Bass (*Centropristis striata*) FMP developed cooperatively by the Mid-Atlantic Fishery Management Council (Council) and the Atlantic States Marine Fisheries Commission (Commission).

This amendment to the Summer Flounder, Scup and Black Sea Bass FMP is applicable only to the summer flounder fisheries and could: 1) implement requalifying criteria for federal commercial moratorium permits, 2) modify the allocation of commercial summer flounder quota, and 3) add framework provisions to the FMP that would allow for commercial landings flexibility policies for summer flounder to be developed through later framework actions.

This document includes the draft amendment as well as its Draft Environmental Impact Statement (DEIS). This document provides the background and context for the amendment (sections 4.0 and 6.0), describes in detail all of the management alternatives under consideration in the amendment (section 5.0), evaluates the potential impacts of the management alternatives under consideration (section 7.0), addresses the alternatives under consideration with respect to the MSA and other applicable laws (sections 8.0 and 9.0), and provides the public and the Council and Commission with adequate information about the measures and their impacts to ultimately inform decision-making following the public comment period.

In this executive summary, the purpose of the action is described in section 1.1, a summary of the alternatives is presented is section 1.2, and a brief overview of the impacts of these alternatives is described in section 1.3.

¹ Amendment number to be added after final action.

1.1 PURPOSE OF THE ACTION

The purpose of this action is to consider modifications to the FMP that would impact the **commercial summer flounder fishery as well as the existing FMP objectives for summer flounder**. The three specific purposes associated with the three alternative sets in this action are described in detail in section 4.1 of this document, and briefly summarized here:

- 1. Consider implementing requalifying criteria for federal commercial moratorium permits: Federal permit qualification criteria have not changed since establishment in 1993. Stakeholders believe lenient original qualifications criteria resulted in more permits than the fishery could profitably support in the long term. Recent lower quotas and concerns about inactive vessels re-entering the fishery led to a perceived need to adjust fleet size to more closely reflect current stock and fishery conditions. The purpose of alternative set 1 is to consider whether a reduction in the number of commercial moratorium permits for summer flounder is appropriate, and if so, how qualifying criteria should be revised.
- 2. Consider modifications to commercial quota allocation: Current commercial allocation was last modified in 1993 and is perceived by many as outdated given its basis in 1980-1989 landings data. Summer flounder distribution, biomass, and fishing effort have changed since then, and some believe initial allocations may not have been equitable or were based on flawed data; therefore, stakeholders requested evaluation of alternative allocation systems. The purpose of alternative set 2 is to consider whether modifications to the commercial quota allocation are appropriate, and if so, how the quota should be re-allocated.
- **3.** *Consider adding commercial landings flexibility as a frameworkable issue in the Council's FMP:* Landings flexibility policies would give commercial vessels greater freedom to land or possess summer flounder in the state(s) of their choice. Although such policies may be more effectively developed by state level agreements, the Council and Board are interested in having the option to pursue these policies via framework action/addenda in the future if necessary. This action **does not** consider implementing landings flexibility policies at this time but **does** consider adding landings flexibility policies as a frameworkable item in the Council's FMP, which would allow a future landings flexibility action to be completed through a framework action instead of a full amendment. The Board likely already has the ability to implement these policies via an addendum to the Commission's FMP, and thus this alternative set is applicable only to the Council's FMP. The purpose of alternative set 3 is to consider adding landings flexibility policies to the list of management measures in the Council's FMP that could be modified via framework action.

In addition, *this action proposes revisions to the FMP objectives for summer flounder*, although these revisions are not proposed as an explicit alternative set in this amendment. These proposed revisions are described in section 4.2.

1.2 SUMMARY OF ALTERNATIVES CONSIDERED

1.2.1 Alternative Set 1: Federal Moratorium Permit Regualification

These alternatives consider revisions to the requalification criteria for federal summer flounder commercial moratorium permits. These alternatives are fully described in section 5.1.

Alternative 1A: No Action/Status Quo

Alternative 1A would make no changes to the current eligibility criteria for commercial moratorium permits for summer flounder. Summer flounder moratorium permits were established via Amendment 2

to the FMP (1993) and issued to the owner or operator of a vessel that landed and sold summer flounder in the management unit between January 26, 1985 and January 26, 1990, OR the vessel was under construction for, or was being re-rigged for, use in the directed fishery for summer flounder on January 26, 1990. Permit holders must renew their permit each year by the last day of the fishing year for which the permit is required, unless a Confirmation of Permit History (CPH) has been issued.² There are currently 941 existing moratorium rights for summer flounder.

Alternative 1B: Requalifying Criteria for Federal Commercial Moratorium Permits

Alternative 1B would impose requalification criteria on current federal summer flounder moratorium permits, including permits in CPH if they qualify. Permits not meeting the requalification criteria would be cancelled and could not be renewed. This alternative would **not** allow new entrants to qualify for a moratorium permit and has no impact on state level permits.

Alternative 1B has seven sub-alternatives with various combinations of qualification time periods and landings thresholds as described in Table 1. Each of the sub-alternatives uses the revised control date for the commercial summer flounder fishery of August 1, 2014, which was published on that date by NMFS at the request of the Council (79 FR 44737).

Table 1: Summary of federal permit requalification alternatives 1A and 1B (one of seven sub-
alternatives must be selected if 1B is preferred). Landings thresholds refer to commercial landings
of summer flounder associated with each individual moratorium right ID number.

Alternative	Time Period	Landings Threshold	#MRIs eliminated (%)
Alternative 1A (No Action/ Status Quo)	January 26, 1985 - January 26, 1990 (5 yrs)	At least 1 pound in any year over this time period	0 (0%)
Alternative 1B-1	August 1, 2009-July 31, 2014 (5 yrs)	\geq 1,000 pounds cumulative over this time period	516 (55%)
Alternative 1B-2	August 1, 2009-July 31, 2014 (5 yrs)	At least 1 pound in any year over this time period	448 (48%)
Alternative 1B-3	August 1, 2004-July 31, 2014 (10 yrs)	\geq 1,000 pounds cumulative over this time period	389 (41%)
Alternative 1B-4	August 1, 2004-July 31, 2014 (10 yrs)	At least 1 pound in any year over this time period	306 (33%)
Alternative 1B-5	August 1, 1999-July 31, 2014 (15 yrs)	\geq 1,000 pounds cumulative over this time period	295 (31%)
Alternative 1B-6	August 1, 1994-July 31, 2014 (20 yrs)	At least 1 pound in 20% of years in time period (i.e., in at least 4 years over this 20-year period)	271 (29%)
Alternative 1B-7	August 1, 1994-July 31, 2014 (20 yrs)	≥1,000 pounds cumulative over this time period	233 (25%)

 $^{^{2}}$ A CPH may be issued when a vessel that has been issued a limited access permit has sunk, been destroyed, or has been sold to another person without its permit history. Possession of a CPH will allow the permit holder to maintain landings history of the permit without owning a vessel.

1.2.2 Alternative Set 2: Commercial Quota Allocation

Alternative set 2 considers modifications to the allocation of commercial quota (currently allocated on a state-by-state basis). These alternatives are fully described in section 5.2.

Alternative 2A: No Action/Status Quo

This alternative would make no changes to the current state-specific commercial allocations, which were established via Amendment 2 to the FMP on the basis of 1980-1989 landings history (see section 5.2.1).

Alternative 2B: Adjust State Quotas Based on Recent Biomass Distribution

This alternative would modify state-by-state allocations based on a shift in relative exploitable biomass by region between 1980-1989 and 2007-2016, calculated using NEFSC trawl survey data for summer flounder above 14 inches length. The relative exploitable biomass and allocations are evaluated on a regional basis, with a Northern and Southern region split approximately at Hudson Canyon, meaning the states of New York and north and the states of New Jersey and south. The concept behind this alternative is taking the current state quotas, which are not based on biomass distribution but instead based on 1980-1989 landings by state, and adjusting them so that they have some basis in recent biomass distribution by region. There are two sub-options for calculating the change in relative exploitable biomass and applying this change to revised allocations; one of these options must be selected if the Council and Board choose alternative 2B. Both options would shift allocation from the Southern region (states of New Jersey through North Carolina) to the Northern region (states of New York through Maine).

- Alternative 2B-1: calculates the shift in regional exploitable biomass as a percent change relative to the Northern region starting biomass, and applies this as a percentage change to the combined Northern regional allocation. This results in a shift of 6% of the coastwide quota from the Southern region to the Northern region (see section 5.2.2.1).
- Alternative 2B-2: calculates the shift in regional exploitable biomass as an absolute shift relative to the coast and applies this as a 13% shift in regional allocation. This results in a shift of 13% of the coastwide quota from the Southern region to the Northern region (see section 5.2.2.2).

Alternative 2C: Revise State Allocations Above a Commercial Quota Trigger Point

This alternative would create state allocations that vary with overall stock abundance and resulting commercial quotas. For all years when the annual commercial quota is at or below a specified annual commercial quota trigger level, the state allocations would remain *status quo*. In years when the annual coastwide quota exceeded the specified trigger, the trigger amount would be distributed according to *status quo* allocations, and the <u>additional quota beyond that trigger</u> would be distributed by equal shares (with the exception of Maine, New Hampshire, and Delaware, which would split 1% of the additional quota). Alternative 2C has two sub-alternatives for different annual coastwide quota triggers; one of these options must be selected if the Council and Board choose alternative 2C.

- Alternative 2C-1: 8.40-million-pound trigger based on the recent five-year average of commercial quotas (2014-2018; see section 5.2.3.1)
- Alternative 2C-2: 10.71-million-pound trigger based on the recent ten-year average of commercial quotas (2009-2018; see section 5.2.3.2).

Under both sub-alternatives, the final state allocation percentages would vary in each year depending on the annual coastwide quota and how much "additional" quota is available to be distributed. In years where the quota was at or below the trigger, the allocation percentages would be *status quo* (equivalent to alternative 2A). A range of likely example allocations is described in section 5.2.3 and in Table 2 below.

Alternative 2D ("Scup Model" Quota System for Summer Flounder)

This alternative would allocate quota into three unequal seasonal periods, as is done for scup. During the two winter periods, January-April ("Winter I") and November-December ("Winter II"), a coastwide quota system would be implemented in conjunction with a system of coastwide possession limits and other measures. In a "Summer" period, May-October, a state-by-state quota system would be implemented by the Commission, and state-specific measures would be set to constrain landings to the summer state quotas. Alternative 2D has two sub-alternatives for either exempting or not exempting the state of Maryland; one of these options must be selected if the Council and Board choose alternative 2D.

- Alternative 2D-1: Exempt the state of Maryland from this management program due to their Individual Fishing Quota (IFQ) management for summer flounder; Maryland retains their current year-round allocation of 2.03910% of the coastwide quota (see section 5.2.4.1).
- Alternative 2D-2: Do not exempt Maryland; Maryland must participate in coastwide management during the Winter quota periods and state-specific management during the Summer period (see section 5.2.4.2).

A summary of the resulting allocations to each state under each of the alternatives above is provided in Table 2. Additional details on the configuration of each alternative is provided in section 5.0 of this document.

Table 2: Summary of allocation outcomes (percent allocated to each state) under alternative set 2. Alternative 2C provides a range under historic high and low quotas since future allocations would vary annually. Alternative 2D provides Summer period allocations only.

	Alt 2A	Alt 2B-1	Alt 2B-2	Alt 2	C-1 ^a	Alt 2C-2 ^a		Alt 2D-1	Alt 2D-2
				Under low	Under high	Under low	Under high	Summer quotas	Summer quotas
State				quota (5.66	quota (17.9	quota (5.66	quota (17.9	only (May-Oct),	only (May-Oct),
				m. lb)	m. lb)	m. lb)	m. lb)	except Maryland	all states
ME	0.04756	0.05660	0.06661	0.04756	0.19923	0.04756	0.16235	0.015	0.015
NH	0.00046	0.00055	0.00064	0.00046	0.17712	0.00046	0.13417	0.000	0.000
MA	6.82046	8.11635	9.55238	6.82046	9.76840	6.82046	9.05159	19.332	18.525
RI	15.68298	18.66275	21.96477	15.68298	13.92735	15.68298	14.35424	22.476	21.538
СТ	2.25708	2.68593	3.16115	2.25708	7.62693	2.25708	6.32121	3.566	3.417
NY	7.64699	9.09992	10.70998	7.64699	10.15627	7.64699	9.54612	18.553	17.779
NJ	16.72499	15.19806	13.50600	16.72499	14.41634	16.72499	14.97770	29.667	28.429
DE	0.01779	0.01617	0.01437	0.01779	0.18526	0.01779	0.14453	0.045	0.043
MD	2.03910	1.85294	1.64664	2.0391	7.52463	2.0391	6.19078	^b	4.171
VA	21.31676	19.37062	17.21401	21.31676	16.57113	21.31676	17.72507	5.648	5.412
NC	27.44584	24.94014	22.16345	27.44584	19.44735	27.44584	21.39225	0.699	0.670

^a Allocation varies with annual quota; range provided covers historic commercial quotas, 1993-2018. Allocations may vary from this range if future coastwide quotas exceed historic high quota of 17.9 million lb. Annual quotas below the historic low would result in *status quo* allocations.

^b Under Alternative 2D-1, Maryland would be exempt from the scup model system and would have an annual allocation of 2.03910% of the coastwide quota (and thus no specific seasonal allocation for the summer period quota).

1.2.3 Alternative Set 3: Landings Flexibility Framework Provisions

This alternative set considers whether to add "landings flexibility" policies to the list of issues in the Council's FMP that can be modified through a framework action. Framework actions are modifications to the Council's FMP that are typically (though not always) more efficient than a full amendment. Framework actions can only modify existing measures and/or those that have been previously considered in an FMP amendment. Landings flexibility policies, depending on their configuration, may allow for commercial summer flounder vessels to land and/or possess summer flounder in states where they are not permitted at the state level.

Alternative 3A: No Action /Status Quo

This alternative would make no changes to the list of framework provisions in the Council's FMP, meaning that any future action to implement landings flexibility policies would likely have to be done through an amendment to the FMP. States would remain free to develop landings flexibility agreements through state-level agreements, provided that such agreements are consistent with other Council and Commission FMP requirements and would not require modification to the federal management measures.

Alternative 3B: Alternative 3B: Add Landings Flexibility as a Frameworkable Issue in the Council's FMP

This action would not implement any landings flexibility policies at this time, but instead would simply allow these policies to be implemented via a future framework action (for the Council; with corresponding addendum from the Commission) rather than through an amendment process. The impacts of any future framework action related to landings flexibility would be analyzed through a separate action, which would include public comment opportunities and documentation of compliance with all applicable laws. Depending on the proposed configuration of landings flexibility in a future action, the level of analysis required may vary and an Environmental Impact Statement (EIS) may be required if impacts are expected to be significant.

1.3 SUMMARY OF ENVIRONMENTAL IMPACTS

The environmental impacts of each alternative are described in section 7.0 of this DEIS. Environmental impacts are analyzed with respect to five valued ecosystem components (VECs):

- 1. The **managed resources**, including the managed species potentially affected by the measures under consideration (sections 7.1.1, 7.2.1, and 7.3.1);
- 2. Non-target species, including the primary species or species groups that interact with summer flounder, summer flounder habitat, and/or commercial summer flounder fishing gear (sections 7.1.2, 7.2.2, and 7.3.2);
- 3. The **physical environment and habitat**, including Essential Fish Habitat (EFH; sections 7.1.3, 7.2.3, and 7.3.3);
- 4. **Protected resources**, including Endangered Species Act (ESA)-listed and Marine Mammal Protection Act (MMPA)-protected large and small cetaceans, pinnipeds, sea turtles, fish, and critical habitat occurring in the affected area (sections 7.1.4, 7.2.4, and 7.3.4);

5. The **human environment**, including socioeconomic aspects of the fisheries (especially commercial fisheries) targeting summer flounder and the communities associated with those fisheries (sections 7.1.5, 7.2.5, and 7.3.5).

Impacts are described both in terms of their direction (negative, positive, or no impact) and their magnitude (slight, moderate, or high). In section 7.0, the alternatives are compared to the current condition of the VEC and also compared to each other. The recent conditions of the VECs include the biological conditions of the target stock, non-target stocks, and protected species over the most recent five years, as well as the characteristics of the commercial fishery and associated human communities over the same time frame. The guidelines used to determine impacts to each VEC is described in section 7.0 (see especially Table 48), and a summary is provided here:

- For target and non-target species, in general, alternatives which may result in overfishing or an overfished status may have negative biological impacts for those species, compared to the current condition of the VEC. Conversely, alternatives which may result in a decrease in fishing effort, resulting in ending overfishing or rebuilding to the biomass target, may result in positive impacts for those species by resulting in a decrease in fishing mortality.
- For the **physical environment and habitat**, alternatives that improve the quality or quantity of habitat or allow for recovery are expected to have positive impacts. Alternatives that degrade the quality or quantity, increase disturbance of habitat, or prevent the recovery of degraded habitats are expected to have negative impacts.
- For protected species, consideration is given to both ESA-listed species and MMPAprotected species. ESA-listed species include those at risk of extinction (endangered) or endangerment (threatened). Any action that results in interactions with or take of ESAlisted resources is expected to have negative impacts, including actions that reduce interactions. Actions expected to result in positive impacts on ESA-listed species include only those that contain specific measures to ensure no interactions with protected species (i.e., no take). By definition, all species listed under the ESA are in poor condition and any take has the potential to negatively impact that species' recovery. Under the MMPA, the stock condition of each protected species varies, but all are in need of protection. For marine mammal stocks/species that have their potential biological removal (PBR) level reached or exceeded, negative impacts would be expected from any alternative that has the potential to interact with these species or stocks. For species that are at more sustainable levels (i.e., PBR levels have not been exceeded), actions not expected to change fishing behavior or effort such that interaction risks increase relative to what has been in the fishery previously, may have positive impacts by maintaining takes below the PBR level and approaching the Zero Mortality Rate Goal.
- Impacts to **human communities** are considered primarily in relation to potential changes in landings and prices, and by extension, revenues, compared to the current fishery conditions. Alternatives which could lead to increased availability of target species and/or an increase in catch per unit effort (CPUE) could lead to increased landings for particular communities or for the fishery as a whole. Alternatives which could result in an increase in landings are generally considered to have positive socioeconomic impacts because they

could result in increased revenues (for fishing businesses as well as shoreside businesses); however, if an increase in landings leads to a decrease in price or a decrease in stock biomass for any of the landed species, then negative socioeconomic impacts could occur. In addition, socioeconomic impacts can be considered in terms of other economic metrics and effects on the social well-being of fishery participants and communities, including factors like effect on community resilience, jobs, and employee income.

A brief summary of the expected impacts of each alternative set is described below. Additional detail can be found in section 7.0 of this DEIS.

1.3.1 Impacts Summary for Alternative Set 1: Federal Moratorium Permit Regualification

Under alternative 1A and all sub-alternatives under 1B, overall annual summer flounder catch and landings will still be constrained by the annual catch limits and commercial quotas, which should remain the primary driving factor for overall fishery effort in a given year. While requalification of moratorium permits theoretically could result in a redistribution of effort among a different pool of vessels, the MRIs that would be eliminated under each sub-alternative of 1B are associated with little to no activity for summer flounder in recent years; therefore, the impacts of reducing permit capacity under alternative 1B may be minimal, as described in section 7.1. From August 2009 through July 2014, the summer flounder landings associated with all eliminated permits under alternative 1B range over the various sub-alternatives from 0 pounds to 181,302 pounds (for all eliminated permits combined over the entire time period). Relative to coastwide summer flounder landings, this represents a range of 0%-0.32% of the coastwide landings and 0%-0.28% of the coastwide revenue. Thus, the practical changes in the fishery resulting from any of the permit requalification alternatives are likely to be negligible, and the impacts of these alternatives would generally be to maintain the current condition of each VEC, as detailed in section 7.0 and summarized below.

Summer Flounder and Non-Target Species

Because overall fishery effort is not expected to be heavily influenced by these alternatives, and catch and landings will remain driven by annual limits, permit requalification alternatives in general are expected to contribute to an overall management strategy designed to prevent the stock from becoming overfished, leading to moderate positive overall impacts on the target resource for all federal permit requalification alternatives. Similarly, for non-target species, the permit requalification alternatives are not expected to result in changes in effort that would meaningfully impact the stock status of these species. All federal permit requalification alternatives under alternative set 1 would thus result similar moderate positive impacts to summer flounder and non-target species by maintaining their overall positive stock status.

Habitat

Overall fishery effort, and spatial patterns of fishing effort impacting habitat, are not expected to be altered by the alternatives related to federal permits. Fishing effort for summer flounder will continue in areas that have been fished by many gear types over many years. This continued effort impedes recovery of any degraded habitats within this footprint, leading to slight negative indirect impacts on habitat. All alternatives under alternative set 1 will have a similar magnitude of slight negative impacts to habitat.

Protected Resources

As described above, protected resources are evaluated with respect to both ESA-listed species and MMPA-protected species. None of the alternatives for permit regualification are expected to have substantial impacts on effort or interaction rates with protected resources, thus, they are expected to maintain the current status of each protected species. Because any action that results in interactions with or take of ESA-listed resources is expected to have negative impacts, the federal permit qualification alternatives described in this action would result in slight to moderative negative impacts to ESA-listed species by maintaining access to the fishery and resulting in continued interactions. For MMPA-protected species, the impacts of a proposed action vary by stock condition of each species. For marine mammal stocks/species that have their PBR level reached or exceeded, slight negative impacts would be expected from all permit requalification alternatives. For species that are at more sustainable levels (i.e., PBR levels have not been exceeded), actions not expected to change fishing behavior or effort such that interaction risks increase relative to what has been in the fishery previously, may have positive impacts by maintaining takes below the PBR level and approaching the Zero Mortality Rate Goal. Overall considering all protected resources, federal permit requalification alternatives are expected to result in slight negative to slight positive impacts to protected resources under all alternatives.

Human Communities

Socioeconomic impacts are possible resulting from modified access to the fishery at the vessel level, as described in section 7.1.5. Alternative 1A is likely to result in no changes no current socioeconomic conditions unless incentives change that cause latent effort to re-enter the fishery. In this case, alternative 1A may have slight negative impacts to some vessels if effort is spread between more participants, but will have slight positive impacts to low activity vessels that would otherwise be eliminated from the fishery. Alternative 1B, which would eliminate low or no activity permits to varying degrees under different sub-alternatives, would have impacts to remaining fishery participants ranging from no impacts to slight positive impacts, due to the prevention of latent effort from re-entering the fishery. On permit holders that are eliminated from the fishery, impacts would range from no impacts to slight negative, depending on their current and planned activity for summer flounder.

Given the very small magnitude of recent summer flounder landings and revenues from eliminated permits under requalification alternatives, any of the socioeconomic impacts described above are likely to be small or negligible. However, there is some uncertainty associated with the socioeconomic impacts depending on the realistic potential for latent effort to re-enter the fishery, as described in section 7.1.

A summary of impacts to each VEC is provided in Table 3.

Table 3: Summary of impacts of Alternative Set 1: requalification of existing commercial moratorium permits. + = positive, - = negative.

		Expected Impacts						
Alt.	Description	Summer flounder	Non- target species	Habitat	Protected Resources	Human communities ^a		
1A	No action/status quo	Moderate +	Moderate +	Indirect slight -	Slight - to slight +	No impact if conditions remain similar; slight - if incentives to re-enter fishery change; slight + to latent permit holders due to flexibility		
1B-1	Requalify at ≥1,000 pounds cumulatively over 8/1/09-7/31/14 (5 yrs)	Moderate +	Moderate +	Indirect slight -	Slight - to slight +	No impact to slight - (for eliminated permit holders), no impact to slight + (for remaining permit holders)		
1B-2	Requalify at ≥1 pound in any year from 8/1/09-7/31/14 (5 yrs)	Moderate +	Moderate +	Indirect slight -	Slight - to slight +	No impact to slight - (for eliminated permit holders), no impact to slight + (for remaining permit holders)		
1B-3	Requalify at ≥1,000 pounds cumulatively over 8/1/04-7/31/14 (10 yrs)	Moderate +	Moderate +	Indirect slight -	Slight - to slight +	No impact to slight - (for eliminated permit holders), no impact to slight + (for remaining permit holders)		
1 B -4	Requalify at ≥ 1 pound of summer flounder in any one year from 8/1/04-7/31/14 (10 yrs).	Moderate +	Moderate +	Indirect slight -	Slight - to slight +	No impact to slight - (for eliminated permit holders), no impact to slight + (for remaining permit holders)		
1B-5	Requalify at ≥1,000 pounds cumulatively over 8/1/99-7/31/14 (15 yrs)	Moderate +	Moderate +	Indirect slight -	Slight - to slight +	No impact to slight - (for eliminated permit holders), no impact to slight + (for remaining permit holders)		
1B-6	Requalify at ≥ 1 lb in 20% of years 8/1/94- 7/31/14 (20 yrs; i.e., at least 1 lb of landings is required in any 4 years over this time period).	Moderate +	Moderate +	Indirect slight -	Slight - to slight +	No impact to slight - (for eliminated permit holders), no impact to slight + (for remaining permit holders)		
1B-7	Requalify at ≥1,000 pounds cumulatively over 8/1/94-7/31/14 (20 yrs).	Moderate +	Moderate +	Indirect slight -	Slight - to slight +	No impact to slight - (for eliminated permit holders), no impact to slight + (for remaining permit holders)		

^a All impacts to human communities are uncertain and likely mixed depending on the stakeholder/community affected, as described in section 7.1.5.

1.3.2 Impacts Summary for Alternative Set 2: Commercial Quota Allocation

The quota reallocation alternatives under alternative set 2 are not expected to impact overall fishing effort in terms of annual catch and landings (i.e., total removals of summer flounder from the commercial fishery), which will remain driven by annual catch and landings limits. The allocation alternatives will primarily affect access to the resource at the state/and or individual fishing vessel level within the management unit, depending on the allocation option selected. This could result in a somewhat modified distribution of fishing effort in space and time, although the extent to which this would occur is difficult to predict. In general, the commercial fishery for summer flounder is typically prosecuted by larger trawl vessels fishing offshore in federal waters in the winter months (approximately late October through April), while summer effort (approximately May through early October) takes place primarily in state waters from a mix of gear types and vessels sizes. These patterns correspond with the seasonal inshore-offshore migrations of summer flounder (see section 6.1.3.1.)

Under reallocation alternatives, offshore winter fishing effort is not expected to change substantially in terms of location, as the larger vessels that typically participate in this season have historically been more mobile vessels that target prime summer flounder fishing locations offshore even when long travel distances are required to do so. For this fleet, footprints of fishing effort do not necessarily closely correlate with distance from state of landing. However, it is also possible that there could be a shift in the balance of offshore winter vs. inshore summer effort under some reallocation alternatives, due to changes in the allocation for states that are dominant in the winter fishery.

Nearshore effort observed mainly in the summer months (prosecuted by a variety of vessel types with more representation from smaller day boats) may see a small to moderate shift in location under some reallocation alternatives, as discussed below; however, the extent to which this may occur is difficult to predict and would depend on other factors such as management response to increased or decreased quotas.

The reallocation alternatives are expected to modify the distribution of landings (and thus revenues) by state and port, resulting in impacts to vessels, shoreside businesses, and communities/states. Changes in access could also possibly impact effort changes related to the total number and duration of trips and hauls for summer flounder, if modified allocations resulted in modified participation in terms of vessel types, vessel sizes, or gear types; however, in general these changes are not expected to be substantial.

Summer Flounder

Because the overall catch will remain driven by annual catch limits, reallocation alternatives in general are expected to contribute to an overall management strategy designed to prevent the stock from becoming overfished, leading to positive overall impacts on the target resource. Changes in effort resulting from reallocation are not expected to result in biological consequences to the summer flounder stock that would lead to a negative stock condition. Similar to the impacts described for permit requalification alternatives, all commercial allocation alternatives are expected to result in moderate positive impacts to the summer flounder stock.

Non-Target Species

For non-target species, under alternative 2A, no allocation changes would be made and thus this alternative would be expected to have moderate positive impacts on non-target species by maintaining their current overall positive stock status. Any changes in distribution of fishing effort (as discussed above) resulting from reallocation alternatives 2B-2D could possibly lead to changes in interaction rates that may influence non-target stock status, although these effects are highly uncertain. The distributions of most relevant non-target species overlap heavily with that of summer flounder (e.g., scup, black sea bass, and spiny dogfish). For Northeast skate complex, it is possible that a northward shift in effort, in particular under alternatives 2B-1 and 2B-2, could result in a change in interaction rates with these species, but it is unclear whether this would realistically influence stock status if it did occur. For all species, any shifts in effort toward areas where non-target species are more heavily concentrated in terms of biomass could influence nontarget stock status, although the likelihood of this happening is unknown. If little or no changes in effort are observed, or if interaction rates do not substantially change, alternatives 2B-2D would have moderate positive impacts on non-target species similar to alternative 2A. If reallocation resulted in increased interaction rates with non-target species, it is possible that slight negative impacts could result. Overall, alternatives 2A-2D are likely to result in a range of impacts from slight negative to moderate positive.

Habitat

Similar to the impacts described above for permit requalification, overall fishery effort, and spatial and temporal patterns of fishing effort impacting habitat, are not expected to be altered by the allocation alternatives. Fishing effort for summer flounder will continue in areas that have been fished by many gear types over many years. This continued effort impedes recovery of any degraded habitats within this footprint, leading to slight negative indirect impacts on habitat. All alternatives under alternative set 2 will have a similar magnitude of slight negative impacts to habitat.

Protected Resources

For alternative 2A, no changes in the prosecution of the fishery or distribution of effort are expected, and thus this alternative is expected to result in impacts similar to those described above for alternative 1A: slight negative to moderate positive overall. For alternatives 2B-2D, impacts are similar to those described above for federal permit requalification, except that reallocation alternatives are more likely to influence the actual distribution of commercial effort, resulting in a wider range of possible impacts. Interactions with protected resources are difficult to predict and can vary based on many environmental and behavioral factors (behavior of both fishermen and protected resources), making conclusions regarding impacts uncertain. In addition, it is unclear how and to what extent effort is expected to shift under these reallocation alternatives, making any changes in interaction rates very difficult to predict.

Alternatives under alternative set 2 are thus could result in slight to moderative negative impacts to ESA-listed species by resulting in continued interactions. Interactions with ESA-listed species could increase or decrease under **alternatives 2B-2D**, depending on resulting behavior and effort changes, however, for ESA-listed species, any action that results in any interactions with or take of ESA-listed resources is expected to have negative impacts. For MMPA-protected species, the

impacts will vary by the stock condition of each species and the actual changes in the prosecution of the fishery resulting from reallocation. For marine mammal stocks/species that have their PBR level reached or exceeded, slight to moderate negative impacts would be expected from all reallocation alternatives 2B-2D. For species that are at more sustainable levels (i.e., PBR levels have not been exceeded), reallocation actions may have impacts ranging from moderate negative to moderate positive, depending on how interaction risks increase relative to what has been in the fishery previously and whether takes are maintained below the PBR level and approaching the Zero Mortality Rate Goal. Overall considering all protected resources, reallocation alternatives are highly uncertain but could range from moderate negative to moderate positive impacts to protected resources under across all alternatives.

Human Communities

The impacts of reallocation alternatives are primarily socioeconomic impacts on states and their fishing communities, including revenues and jobs for vessel owners and crew, shoreside operations, and other associated businesses. Alternatives 2A, 2B, and 2C can be generally described in terms of impacts to states, since they either maintain the *status quo* (2A) or propose modified state-by-state quotas (2B and 2C). The socioeconomic impacts from all reallocation alternatives are somewhat uncertain and would vary depending on which sub-alternative is selected. Generally, the magnitude of impacts will vary with the change in allocation relative to a state's existing quota.

Alternative 2A would result in no changes in the current allocation, and therefore would maintain the current condition of the human communities involved in the commercial summer flounder fishery. This condition varies by state and community, with states experiencing varying impacts generally ranging from moderate negative to moderate positive. Generally, sates with more allocation currently experience more positive socioeconomic benefits; however, socioeconomic benefits also vary depending on the management approaches used to achieve each allocation, and with external economic and community factors. Overall, the *status quo* socioeconomic condition relative to commercial allocations is mixed.

Alternative 2B is expected to result in mixed socioeconomic impacts that vary by state, with increased revenues in states New York and north and decreased revenues in states New Jersey and south. However, the distribution of positive or negative economic impacts among individual participants and businesses could be highly variable by state depending on restrictions on the overall number of participants and other measures used to manage the fishery in each state. Distribution of economic benefits or costs is also likely to depend on price variations by state and port and other market conditions.

Alternative 2B-2 would be expected to have greater positive socioeconomic benefits to the Northern states compared to alternative 2B-1, as this sub-alternative presents a more substantial shift in allocation from the southern states to the northern states. Likewise, alternative 2B-2 would have more negative socioeconomic impacts on southern states. Under alternative 2B-1, the total amount of allocation shifted from the South to the North would be 6% (with Northern states increasing their relative allocations by 19% and southern states decreasing their relative allocations by 9%), while under alternative 2B-2, allocation shifted to the North from the South would 13% of the coastwide allocation (with the Northern states increasing their allocations by 40% and the

Southern states decreasing theirs by 19%). In both cases, allocation shifts of this magnitude could have substantial impacts on some states. Thus, overall, alternative 2B is likely to result in a range of impacts from high negative to high positive depending on the state, with alternative 2B-2 having impacts on the more extreme ends of that range.

Under **alternative 2C**, final state percentage allocations would vary in each year depending on the overall coastwide quota, because the overall allocation percentages vary depending on how much additional quota there is to be distributed. For quotas up to the trigger point, allocations remain *status quo*. In years when the allocation is below the trigger, allocations would be *status quo* and would result in the same socioeconomic impacts as described under alternative 2A.

As the annual commercial quota level grows beyond the quota trigger, the state quota allocation percentages get closer together, i.e., with increasing quotas above the trigger, quota is distributed more evenly among the states. Under both sub-alternatives, states with current allocations above 12.375% of the coastwide quota (NC, VA, RI, and NJ) will lose allocation percentage as the quota grows beyond the trigger point, likely leading to negative economic impacts for these states. In years when the annual quota was above the trigger, the impacts to each state would vary depending on the final quota and thus the final allocation, with more extreme changes to allocation occurring in years where the quota is well above average. Under annual quotas close to the trigger amount, slight negative impacts (to NC, VA, RI, and NJ) and slight positive impacts (to all other states) are possible; in years where the annual quota is well above the trigger, the impacts have the potential to be high in magnitude due to substantial modifications to the coastwide allocation.

States that currently have allocations between 2% and 12.5% (MD, CT, NY, and MA) are likely to strongly benefit from these alternatives in years where the annual quota is moderately to substantially above the trigger, whereas the states of North Carolina and Virginia may lose a substantial portion of their quota in years where the annual quota is relatively high. The potential negative economic impacts associated with states that lose share of the overall quota could be somewhat mitigated by the fact that this loss would only happen in relatively higher quota years, meaning revenues for these states may be more stable than what would be expected under a permanent reallocation. For all states, the annual variability in allocation under this alternative may lead to reduced predictability in revenues and a reduced ability to plan for business and infrastructure needs.

The difference between alternative 2C-1 and 2C-2 is the annual quota trigger, which would impact in how many future years the allocation is modified. Alternative 2C-1 is likely to have a higher magnitude of impacts (positive or negative depending on the state) in the long-term compared to alternative 2C-2 given that the trigger is lower and thus allocations would be modified in more years under this alternative compared to 2C-2.

Overall, alternatives 2C-1 and 2C-2 are expected to result in a range of socioeconomic impacts from high negative to high positive, depending on the state and the annual quota in each year.

Alternative 2D (the "scup model" allocation) is the most extreme departure from current management given that it opens the winter fishery to any permitted vessel. Because this quota system eliminates the historical year-round state-by-state quota system, the expected impacts of this alternative are highly uncertain, more so than the impacts of the other allocation options.

It is impossible to predict what the socioeconomic impacts of this alternative may be on any given state due to the uncertainty regarding how many vessels would participate in the winter fishery, and what specific management measures would be implemented under each quota period. In addition, alternative 2D could lead to high fishing effort toward the beginning of each winter period, which could lead to increased competition for fishing grounds and market share, and market effects such as price fluctuations and discontinuous supply.

Some vessels would likely be unsuccessful in maintaining stable revenues under this management system, if they are unable to remain competitive during coastwide fishing periods, particularly if an influx of effort increased competition. However, some vessels are highly likely to benefit from a scup model management system. In particular, large vessels that are capable of remaining competitive in the offshore winter fishery, as well as smaller vessels that participate primarily in the summer in states with moderate to high summer allocations are likely to benefit.

Shoreside communities would also be impacted by alternative 2D. Many states have invested heavily in shoreside infrastructure to support their state's vessels. Under alternative 2D, the distribution of landings in the winter would be driven more by vessel preference and market factors, which would positively impact some shoreside businesses and negatively impact others.

Overall, alternative 2D is likely to have impacts to human communities ranging from high negative to high positive, and would vary by individual vessel and shoreside community.

The difference between alternative 2D-1 and 2D-2 is whether or not the state of Maryland is exempt from the three-period quota system. Under alternative 2D-1, Maryland will maintain their existing state allocation and continue managing under their IFQ system. In this case, for Maryland, the socioeconomic impacts are likely to be moderate positive. Under alternative 2D-2, the state of Maryland has indicated that high negative socioeconomic impacts are possible given that the "scup model" system is incompatible with their IFQ management. For all other states, there would likely be a negligible difference between these two sub-alternatives.

A summary of impacts to each VEC is provided in Table 4.

Table 4: Summary of impacts of Alternative Set 2: requalification of existing commercial moratorium permits. + = positive, - = negative.

		Expected Impacts					
Alt.	Description	Summer flounder	Non-target species	Habitat	Protected Resources	Human communities ^a	
2A	No action/status quo	Moderate +	Moderate +	Indirect slight negative	Slight - to Slight +	Mixed; Moderate + to Moderate - depending on state	
2B-1	Adjust State Quotas Based on Recent Biomass Distribution; as a percent change relative to Northern region	Moderate +	Uncertain; Slight - to Moderate +	Indirect slight negative	Uncertain; Moderate - to Moderate +	Mixed; High - to High+ depending on state	
2B-2	Adjust State Quotas Based on Recent Biomass Distribution; as an absolute shift relative to coast	Moderate +	Uncertain; Slight - to Moderate +	Indirect slight negative	Uncertain; Moderate - to Moderate +	Mixed; High - to High+ depending on state	
2C-1	Revise state allocations above annual quota trigger point of 8.40 mil lb	Moderate +	Uncertain; Slight - to Moderate +	Indirect slight negative	Uncertain; Moderate - to Moderate +	High - to High + depending on state, variable with annual quota	
2C-2	Revise state allocations above annual quota trigger point of 10.71 mil lb	Moderate +	Uncertain; Slight - to Moderate +	Indirect slight negative	Uncertain; Moderate - to Moderate +	High - to High + depending on state, variable with annual quota	
2D-1	"Scup model" with coastwide winter periods and state-by- state summer period, Maryland exempt	Moderate +	Uncertain; Slight - to Moderate +	Indirect slight negative	Uncertain; Moderate - to Moderate +	Uncertain; High - to High +; variable by state and vessel	
2D-2	"Scup model" with coastwide winter periods and state-by- state summer period, Maryland NOT exempt	Moderate +	Uncertain; Slight - to Moderate +	Indirect slight negative	Uncertain; Moderate - to Moderate +	Uncertain; High - to High+; variable by state and vessel	

^a All impacts to human communities are uncertain and likely mixed depending on the stakeholder/community affected, as described in section 7.2.5.

1.3.3 Impacts Summary for Alternative Set 3: Landings Flexibility Framework Provisions

The framework provision alternatives proposed in this action are administrative and intended to simplify and improve the efficiency of future landings flexibility actions to the extent possible. Under this alternative set, the Council and Board would either take no action, or modify the list of framework provisions in the FMP, which would have no effect on summer flounder management until a future framework action was developed and implemented through a separate process.

Because these alternatives are administrative, they are expected to have no impacts on any of the VECs. The impacts of any future framework action relevant to landings flexibility would be analyzed through a separate process, including additional opportunities for public comment. It is not possible to predict the magnitude and direction of impacts of any future landings flexibility framework actions, because impacts will depend on the configuration of landings flexibility. Future actions would need to define how landings flexibility would work, including resolving questions related to who would be allowed to or required to participate in landings flexibility programs, how such policies should be enforced, and how quota would need to be transferred to maintain the underlying state-by-state quota system (if quota remains allocated by state). Given these issues, depending on how landings flexibility is configured, the social and economic impacts associated with a future framework action may be significant and require substantial analysis. Although the timeline for Magnuson Stevens Act requirements could be shortened by completing a framework instead of an amendment, an EIS <u>may</u> still be required for NEPA analysis depending on the expected impacts of future management options, extending the timeline of a typical framework and possibly eliminating time savings entirely.