

November 9, 2016

Dr. John Quinn, Chairman New England Fishery Management Council 50 Water Street Mill 2 Newburyport, MA 01950

Dear John,

We are writing to request that the New England Fishery Management Council <u>not</u> take action to modify state waters and other subcomponents of the Groundfish ABC / ACLs based upon the most recent subcomponent analysis prepared by the Groundfish PDT that is contained in the Draft Memorandum dated October 28, 2016. NSC strongly urges the Council to maintain the existing percentages approved under Framework 55 until a more thorough analysis, accompanied by a careful review of MSA and Amendment 16 requirements, can occur.

Since ACLs for commercially allocated stocks were not exceeded in FY 2015, and AMs will be implemented for non-allocated stocks in fishing year 2017, NSC views the changes as recommended to state and other subcomponents for the FY 2017 as being not only unnecessary but highly problematic.

NSC views a profound inconsistency appearing between ABC / ACLs implemented or proposed based upon biomass estimates that have been accepted and the expected catch analysis generated by the subcomponent analysis. The analysis appears to accept the notion that catches in the unaccountable components (those that have not been allocated a sub-ACL) will either remain the same or continue to increase on several stocks where updated assessments have drastically reduced the ABC for those same stocks to account for a smaller stock size. Without providing further explanation (e.g. increased effort or spatial/temporal shifts) for how catches from unaccountable subcomponents can remain static or increase while a biomass is allegedly much smaller than previously assessed, the NSC cannot accept proportional shifts in ACL distributions that directly impact our members. This is as true for unallocated stocks as it is for allocated stocks.

The subcomponent analysis recommends an increase to state and other subcomponents for Georges Bank cod, SNE / MA windowpane flounder and Atlantic halibut. These recommended changes not only present inequitable near term re-allocation of limited ACL resources but it may result in future allocation implications for the commercial groundfish fishery for stocks that have not yet been allocated. This issue is not receiving adequate consideration given the profound long term implications. NSC points to the current situation with GOM / GB (northern) windowpane flounder and the treatment of FY2014 (see separate NSC letter also submitted 11/9/16).

Additionally, changes to state and other subcomponents are being recommended without adequate economic consideration for the commercial groundfish component. This is the case for SNE / MA windowpane flounder whereby the only consideration of economic impacts was to the Mid-Atlantic fisheries. This is also the case for Atlantic halibut. The federal commercial groundfish fishery is operating under a status quo ACL that has only allowed for indirect harvesting of Atlantic halibut. Although the ACL is remaining constant based on adopted biomass estimates, the subcomponent analysis recommends an increase to the state component.

For the Georges Bank cod "other subcomponent", which mainly represents catch from the federal recreational fishery, it is clear that the incremental shift from 4% (Amendment 16) to 13% (Framework 55) and now a recommendation for an additional increase to 19% (under Framework 56) is the mathematical product of a reduction in the overall ABC. Basically, the commercial fishery is being held accountable for the entire ABC/ACL reduction while the federal party charter and recreational components continue to operate without meaningful restrictions. Although NSC views this subcomponent increase as being a product of an ABC reduction that is based upon an inaccurate assessment of the Georges Bank cod resource, a shift in the ACL distribution to the other component as recommended by the subcomponent analysis would have very serious allocation implications for the commercial groundfish fishery.

The Council needs to be mindful that the subcomponent analysis (ACL distribution process) has the potential to disproportionally alter catch baselines that will likely impact future allocation decisions. Such is the case for Georges Bank cod that contains two fishery components under NOAA / Council authority. Unfortunately, the commercial groundfish fishery is being held accountable to the ACL while other subcomponents are not. Not only would the 2017-2019 commercial sub-ACL be reduced to account for the inequitable treatment but the historical baseline of fishery performance could be altered as well. By knowingly removing fishing opportunity from the fully accountable component and shifting it to the unaccountable component we are distorting future evaluations of historical baselines to the detriment of one group of stakeholders.

To conclude, NSC strongly advises the Council to maintain the FW 55 ACL distribution until a more thorough discussion and subsequent analysis to investigate whether increases, as recommended by the subcomponent analysis, are the product of increased fishing effort in state and other subcomponents or a signal in a change in stock abundance. Specifically an investigation that examines what is causing the need to increase proportional shares to unaccountable components when those shares are significant (>5%).

Thank you in advance for your close attention to this matter.

Sincerely,

Jackie Odell Executive Director

Jackie Odell

Cc: John Bullard, Regional Director, GARFO