

MAFMC RSA Program - Revised Timeline

July - The Council's SSC Ranks Research Priorities during development/update of Council's five year research plan. Staff then sends out a request for input based on what the upcoming RSA program year's research priorities should be to all Council members, ASMFC, Northeast Center staff, and Regional Office staff.

Aug - The RSA Committee then identifies the top ten research and management needs based on SSC priorities and others feedback and recommends them to full Council. Full Council then finalizes and votes to adopt them.

NMFS develops a RFP based on research and management needs identified by the Council.

Sept - Oct - NMFS prepares Federal Funding Opportunity (FFO) announcement and incorporates research priorities.

Jan - Federal Funding Opportunity (FFO) for the RSA Program is published in the Federal Register and Grants.gov website. 60-day open period begins.

Mar - Deadline for public submission of RSA proposals. Materials are uploaded to Grants.gov website

Mar-Apr - NMFS Grants Office processes submitted proposals (reviews for completeness, etc) and seeks technical reviewers with experience in the subject area of each proposal. MAFMC SSC members are included in "pool" of technical reviewers.

Apr-May - Technical reviews proceed. (NMFS tries to give reviewers at least 30 days to complete their reviews.)

May - NMFS Grants staff prepare a Proposal Review Package for RSA Committee members. Council staff will reproduce and FedEx to Committee Members.

An attempt is made to give RSA Committee members at least 3 weeks to evaluate the proposals prior to the Proposal Review meeting.

Jun - NMFS staff convenes a closed Proposal Review meeting at which RSA Committee members meet and candidly discuss the submitted proposals. Committee members submit individual, written comments on each proposal that include a bottom-line recommendation to 'fund' or 'not fund' each one. Committee members do not vote as a group on the proposals.

Jul-Aug - NMFS staff process all the technical and Committee review materials and prepare a Selection ('Decision') memo for the Northeast Center Director.

Sep-Oct - The Principal Investigators are notified if their proposal has received a 'favorable review.' Final awards cannot be made until the final rules are published in the Federal Register that officially create the RSA quota funding each research project.

In anticipation of the awards, Experimental Fishing Permits (EFPs) are prepared in advance to facilitate the earliest-possible initiation of research and compensatory fishing activities.

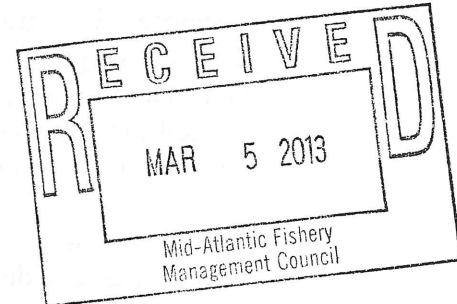
Researchers funded successfully will be required to submit interim and final reports and final reports will be reviewed by the SSC for scientific validity and approval for use by the Council.



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
NORTHEAST REGION
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FEB 28 2013

Christopher M. Moore, Ph.D.
Executive Director
Mid-Atlantic Fishery Management Council
800 North State Street, Ste. 201
Dover, DE 19901



Dear Chris:

In response to your letter of September 25, 2012, we have considered the Mid-Atlantic Fishery Management Council's requests for improving the Mid-Atlantic Research Set-Aside (RSA) Program, and agree that some of the recommendations could improve the science and administration of the program. Following are the Council's recommendations, and our responses.

1. The Council's Scientific and Statistical Committee (SSC) ranks research priorities during the development/update of the Council's 5-year research plan. The RSA Committee then identifies the top 10 research and management needs based on SSC priorities.

Response: RSA research priorities are developed by the Council. We have no objection to the Council adjusting its process for establishing research priorities under this program.

2. Based on the prioritization developed above, NOAA's National Marine Fisheries Service (NMFS) develops a request for proposals based on research and management needs identified by the RSA Committee.

Response: We will continue to base the RSA solicitation on the Council's RSA research priorities.

3. Council SSC members should be included in the pool of technical reviewers.

Response: We will ensure that the Council's SSC members are included in the pool of potential technical reviewers.

4. The RSA Committee conducts a management review of the proposals received and makes recommendations for funding of projects under the RSA Program to NMFS.

Response: We will continue to solicit feedback and recommendations from RSA Committee members through the management review as part of the proposal selection process.



5. Researchers funded successfully will be required to submit interim and final reports and final reports will be reviewed by the SSC for scientific validity and approval for use by the Council.

Response: RSA grant recipients have interim and final reporting requirements as a condition of their RSA grant. In an effort to involve the SSC even further, the Center will forward all interim and final reports to the SSC for review. This will allow for further input from the Council to assist in ensuring a useful scientific end product. The final report will be sent to the SSC, subsequent to our review and the response from the Principal Investigator.

6. The Council has received complaints from the public and state marine resource agencies that landings made under the RSA program are not being properly tracked. This is especially important under the Council's new ACL/AM amendment, which requires strict accounting of all sources of fishing mortality and includes accountability measures that require (in most cases) that overages be deducted from an ACL/ACT in the following fishing year.

Response: We make considerable efforts to ensure that RSA quota is properly tracked and accounted for; including monitoring RSA quota landings reported through the Interactive Voice Response (IVR) system, dealer-reported landings, and Vessel Trip Report (VTR) data. However, there is room for improvement, and we feel that taking some of the steps recommended by the Council and outlined herein will further improve RSA quota monitoring.

7. The Council feels that the Mid-Atlantic RSA program has created what amounts to a 1-year property right for fishermen that purchase RSA quota at auction. The Council feels that special consideration must be given to monitoring the RSA quota amounts that may be landed outside the existing quota systems developed by the Council.

Response: NMFS recognizes that the granting of RSA quota to a successful RSA program applicant is accompanied by a conditioned right to harvest a specified amount of fish. NMFS has established additional reporting and oversight protocols to monitor the harvest and landing of RSA quota. It is expected that the adjustments to these protocols will further enhance RSA compensation fishing oversight. However, the RSA grant does not establish the right of an individual fisherman to harvest an amount of RSA quota. The harvest of RSA quota is dictated by the successful applicant and the industry members they choose to partner with to harvest the RSA award.

8. In addition to the current oversight protocols to monitor the harvest and landing of RSA quota, the Council recommends the following:
 - a) Require a pre-landing notification via call-in through the IVR system that the vessel is landing RSA quota, with an estimate of the RSA pounds to be landed, by species, at least 1 hour before returning to the dock.

Response: We agree that a pre-landing notification would reduce the potential for under-reporting RSA quota landings. Consequently, starting in 2014, vessels on Mid-Atlantic

RSA compensation fishing trips will be required to call the IVR system at least 1 hour before landing and identify the amount of RSA quota that will be landed and the port where it will be landed. This requirement will be identified in the 2014 Mid-Atlantic RSA FFO to ensure applicants and industry partners are aware of this requirement prior to applying for a Mid-Atlantic RSA grant.

- b) Require vessels to report their VTR serial number when calling into the IVR system when reporting RSA quota amounts landed.

Response: We agree that requiring the submission of the VTR serial number(s) from federally permitted vessels when submitting RSA quota landings information through IVR will improve RSA quota monitoring and oversight. The principal benefit will be the improved correlation of commercial landings from federally permitted vessels with dealer reported information, which also includes the VTR serial number. In addition to improved correlation with some dealer data, this will facilitate cross referencing VTRs with IVRs, and improve correlating fishing histories with RSA compensation fishing activities.

We will also encourage state marine resource agencies to require state-only permitted fishing vessels to report through the electronic ACCSP VTR program, further enabling the correlation of commercial RSA quota landings with dealer reported data.

- c) NMFS should implement a notification system via email or other real-time communications mechanism that alerts law enforcement personnel about all vessel activities under the RSA program, including trip and landing notifications received from vessels participating in the RSA program.

Response: We agree that a notification system that enables access by enforcement personnel of RSA compensation fishing activities could improve oversight and enforcement of these fishing trips. Therefore, NMFS will develop a system that alerts the enforcement community and other interested parties to RSA activities to help ensure vessels are reporting properly and not abusing the special fishing privileges afforded to vessels participating in the RSA program.

- d) Require commercial dealers who purchase RSA quota to report RSA amounts purchased from vessels separately from other commercial landing purchases. This will improve verification and accounting by NMFS of the RSA amounts landed.

Response: At this time we are not going to adopt this recommendation as it would only capture a portion of the RSA quota that is landed and would be a challenge to implement effectively. It would not capture fish landed by charter/party vessels or fish sold to non-federally permitted dealers. In addition, dealers likely have no knowledge of whether the fish they are purchasing is RSA quota or not. Mid-Atlantic RSA quota is often only a sub-component of the overall catch being landed, and often only a portion of the catch of a given species may be RSA quota. Consequently, we feel this recommendation would place undue burden on federally permitted dealers to verify if the fish they are purchasing

is RSA quota. We feel that implementing the VTR serial number reporting requirement as outlined above will greatly improve the correlation between commercial landings by federally permitted commercial fishing vessels and dealer reported purchases.

- e) Vessels participating in the RSA Program should be required to possess a Federal permit to harvest RSA quota. In cases where RSA quota is to be harvested in state waters only, a state permit would be considered as meeting this requirement.

Response: NMFS does not have the authority to prevent an RSA grant recipient from partnering with a non-state or federally permitted vessel to harvest RSA quota. However, those vessels would need to adhere to all applicable fishing regulations.

9. Advise the Council as to whether or not there is a legal basis under the Magnuson-Stevens Fishery Conservation and Management Act (or other applicable law) for NMFS to enter into a contractual agreement to conduct auctions of RSA designated quota.

Response: NMFS has the authority to procure services through contracts, as established under Federal procurement law. Consequently, it is possible that a contract could be developed for the purpose of establishing terms by which an RSA auction would be conducted. However, the application of this general contracting authority in the context of the Council's request must be considered further. Considerations need to be made with respect to procurement law, how such a contract could be crafted to meet the Council's objectives, and whether the benefits of such a contract would warrant the resources needed to develop and implement such a contract. NMFS will continue to evaluate this request, and will update the RSA Committee once a more thorough response is available.

10. Request NMFS enter into a contractual agreement with a third party to conduct an auction of RSA quota. The contractual arrangement should include stipulations about how the auction is to be conducted including, but not limited to, rules concerning eligibility to participate in the auction, specification of administrative fees, and distribution of funds to researchers. The goal is to provide for an RSA quota auction system that generates revenue to fund scientific research through a competitive and transparent process.

Response: See response to item 9.

11. Conduct annual financial audits of the RSA program, including the auction process, which would be made available to the public.

Response: As a condition of all Mid-Atlantic RSA grants, and as outlined in all Federal Funding Opportunities, grant recipients are currently required to provide a detailed final accounting of all fish caught and landed during compensation fishing and research (including catch by vessels operating under a Letter of Acknowledgment), fish sold, and if applicable, the disbursement of any additional funds generated through the sale of set-aside landings above the cost of the research activities. This information, in conjunction with vessel and dealer reported data, is used to evaluate project performance, as well as gauge the scientific and economic benefits derived from the RSA program. However, financial data included in

these reports are frequently confidential and, therefore, may not be released to the general public. This includes financial arrangements between the grant recipient and industry partner harvesting the RSA quota, as well as some information regarding the sale of RSA quota once caught. RSA quota landings in aggregate are made available to the public through the Northeast Regional Office fishery monitoring web pages. That said, we will consider developing and consolidating additional sources of information that will illustrate program performance, including information relative to scientific endeavors as well as compensation fishing (e.g., a Mid-Atlantic RSA annual report). We would like to work with the RSA Committee to further refine this idea.

I appreciate the Council's continued interest in enhancing the science and administration of the Mid-Atlantic RSA Program. If you have any questions or concerns, please let me know.

Sincerely,



for John K. Bullard
Regional Administrator

cc: William A. Karp, NEFSC
Denise Desautels, GCNE
Logan Gregory, OLE-Northeast