



Mid-Atlantic Fishery Management Council
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MEMORANDUM

Date: July 22, 2019
To: Research Steering Committee
From: Matthew Seeley, Staff
Subject: Addressing the Research Steering Committee Requests

The Mid-Atlantic Fishery Management Council's (Council) Research Steering Committee (RSC) last met via webinar on November 17, 2018 where they discussed the current status of the Council's Collaborative Research Program (CRP). The outcomes of that meeting were presented to the Council at their December 2018 meeting. The RSC and Council tasked staff with identifying the current status of the CRP, next steps for the CRP, and involvement with the Research Set-Aside (RSA) program. Detailed responses to the requests are addressed below:

Committee Requests

1. *Conduct additional public outreach to highlight the Council's collaborative research*

Council staff continues to work with other agencies, industry, and the commercial and recreational sectors on research opportunities that may arise. Public outreach on current research and the development of research priorities is maintained throughout the Council process during advisory panel, monitoring committee, and scientific and statistical committee meetings, as well as through scoping and public hearings.

2. *Compile information regarding the extent of research set-aside related violations*

See: "RSA Criminal Investigation" on page 4 and 5.

3. *Compile information regarding completed RSA projects and utility in management*

RSA projects were funded in the Mid-Atlantic from 2002-2014. Final reports were generated for 39 of 41 projects. The two missing reports are RSA projects that were discontinued and not allocated any funds. *All final reports are available and can be accessed here:* https://www.nefsc.noaa.gov/coopresearch/projects_search_setup.html.

Back in 2014 when RSA was evaluated, final reports were not available for all the completed studies. As of July 2019, final reports are available for all 39 completed studies.

In a thesis titled “Measuring the Performance of the Northeastern United States Research Set Aside Programs” from the University of Massachusetts Dartmouth¹, the author identified that data from Mid-Atlantic RSA was used in management 11 times from 2002 to 2009 across 26 RSA projects, yet it is not clear if each reference in management came from a different study (Adams 2015).

The studies most often used in management decisions were gear conservation projects focusing on black sea bass and scup trap vent sizes and shapes. These studies ultimately aided management actions of escape vents. The principal investigators came from the University of Rhode Island and Rhode Island Sea Grant, the Virginia Institute of Marine Science, and the Cornell Cooperative Extension of Suffolk County Marine Program. Additionally, data from NEAMAP RSA studies have been incorporated into stock assessments and have impacted regulations on scup in New York and summer flounder in New York and Virginia.

From 2009-2014 (RSA was set to 0 in 2014), 16 studies were completed. Of those, 6 were conducted by the Virginia Institute of Marine Science as the NEAMAP Survey. This data continues to be used in stock assessments for Mid-Atlantic species. The remaining 10 studies were conducted by Cockeast Fisheries Inc., Charles Borden, the National Fisheries Institute, and the Cornell Cooperative Extension, and staff are still working to identify their utility in management, if any.

4. *Continue conversations with SCeMFiS and CINAR*

Conversations developed with SCeMFiS and CINAR because the RSC was initially looking for an organization to help administer the CRP and identify candidates to conduct research addressing the research priorities. These two groups do not offer exactly what the RSC was looking for without a substantial cost.

SCeMFiS: The RSC would not have as much of a say as to where funding is allocated. Also, the Council would need to “purchase” a seat to be able to vote.

CINAR: The RSC would not have as much of a say as to where funding is allocated. Also, they would require a high administrative cost in addition to the overhead.

Members of the Council and Scientific and Statistical Committee remain active participants with SCeMFiS and CINAR by maintaining leadership and research roles with the two organizations. Thus, communications are ongoing, and the active participants will continue to update Council staff on future opportunities that may arise with either organization.

¹ Adams, E.K. (2015). *Measuring the Performance of the Northeastern United States Research Set Aside Programs* (Master’s thesis, University of Massachusetts Dartmouth School for Marine Science & Technology).

5. Summarize how other Council's fund collaborative research

Council	Collaborative Research and/or Funding
Mid-Atlantic	<p>Research set-aside was used from 2002-2014 for select species (but could be used for squid, mackerel, butterfish, summer flounder, scup, black sea bass, bluefish, and tilefish).</p> <p>The MAFMC has funded collaborative research with funds remaining at the end of the grant cycle, often in conjunction with ASMFC/NEFSC.</p>
New England	<p>Research set-aside is actively used to generate funds for research on Atlantic sea scallops, monkfish, and Atlantic herring.</p> <p>The NEFMC has only once funded collaborative research once (2014) with funds remaining at the end of a grant cycle. The NEFMC contracted with the Northeast Consortium to administer a request for proposals and grant process.</p>
South Atlantic	<p>No means of generating funds for research. Work collaboratively with the Atlantic Coastal Cooperative Statistics Program and the Fisheries Information System Program. Current understanding is that the Council can only get funds through NMFS. The SAFMC also utilizes a citizen science program to help prioritize research needs.</p>
Gulf of Mexico	<p>Relies heavily on the cooperative research program (CRP; https://sero.nmfs.noaa.gov/operations_management_information_services/state_federal_liaison_branch/crp/index.html) that integrates commercial and recreational fishermen into the research process to improve the state of knowledge and working relationships between stakeholders and fishery managers. The research priorities for the CRP funded projects are based on the Council research priorities and the NMFS strategic plan for fisheries research.</p>
Caribbean	<p>N/A → Most likely make recommendations to NMFS on research priorities.</p>
Pacific	<p>The Council does not fund any collaborative research but does make recommendations on exempted fishing permits in which others might be collaborating.</p>
North Pacific	<p>The Council does not fund any collaborative research but will often leverage feedback and advice on priorities. The Council also has several foundations that are industry funded and either fund research projects or conduct collaborative research with NOAA.</p> <p>The Bering Sea Fisheries Research Foundation (BSFRF) collects research revenue as a voluntary tax of 0.33% of gross landings from the harvesters and processors. BSFRF consults with the Council's plan team and often maintains similar priorities with assessment needs, but BSFRF ultimately selects their own research priorities. This is a voluntary program with proceeds taken out from the harvester and then matched by the processor. BSFRF has about 95% of the crab industry participating.</p>
West Pacific	<p>The scientific and statistical committee and research plan team set regional cooperative research priorities to offer recommendations to NMFS in order to guide (NMFS') request for proposals.</p>

RSA Criminal Investigation (as of July 10, 2019)

- Total dollar amount of fines/penalties (ordered, not necessarily paid):

Criminal Fines - \$511,000
Restitution- \$1,428,600
Community Service Payments- \$70,000
Court Special Assessments- \$4,200

- Sentences

1 year and 1 day incarceration (Wertz Jr.)
4 months incarceration (Dresner)
7 months incarceration (Joseph)
1 year probation (Mihale)
3 years' probation (Larson Jr.)
5 years' probation (Kaminsky)
5 years' probation (C&C Ocean Fishery, Ltd.)
5 years' probation (Jones Inlet Seafood Co., Inc.)
4 years' probation (Cindi Seafood Corp.)

- Pounds of fish (total unreported/misidentified)

591,500 lbs. fluke- \$1,244,827 (wholesale value)
50,670 lbs. scup- \$28,498 (wholesale value)
12,258 lbs. black sea bass- \$32,355 (wholesale value)

- Charges

27 felony counts to include:

Falsification of Federal Records (18 U.S.C. 1519)

- C&C Ocean Fishery, Ltd. – 3 Counts
- Charles Wertz, Jr. – 2 Counts
- Anthony Joseph – 1 Count
- Michael Mihale – 1 Count
- Bruce Larson, Jr. – 1 Count
- Jones Inlet Seafood Co., Inc. – 1 Count
- Lou's Fish Market, Inc. – 1 Count
- Mark Parente – 1 Count
- Cindi Seafood Corporation – 1 Count

Wire Fraud (18 U.S.C. 1343)

- C&C Ocean Fishery, Ltd. – 1 Count
- Charles Wertz, Jr. – 1 Count
- Alan Dresner – 1 Count
- Anthony Joseph – 2 Counts
- Michael Mihale – 1 Count

- Bruce Larson, Jr. – 1 Count
- Mark Parente – 2 Counts
- Mail Fraud (18 U.S.C. 1341)
 - Anthony Joseph – 1 Count
 - Mark Parente – 1 Count
- Lacey Act (16 U.S.C. 3372, 3373)
 - Jones Inlet Seafood Co., Inc. – 1 Count
 - Lou’s Fish Market, Inc. – 1 Count
- Aiding and Abetting False Writings (18 U.S.C. 1001)
 - James Kaminsky – 1 Count
- False Statements to Investigators (18 U.S.C. 1001)
 - James Kaminsky – 1 Count

- Number of defendants (individuals and companies)

4 companies

- C&C Ocean Fishery, Ltd.
- Jones Inlet Seafood Co., Inc.
- Cindi Seafood Corporation
- Lou’s Fish Market, Inc.

7 individuals

- Charles Wertz Jr.
- Alan Dresner
- Anthony Joseph
- Michael Mihale
- Bruce Larson Jr.
- James Kaminsky
- Mark Parente

-Research Set-Aside Projects Involved

2009

- NEAMAP (large percentage)
- Cornell Fluke Discard Study (small percentage)

2010

- NEAMAP

2011

- NEAMAP