

April 22, 2020

Dr. Chris Moore, Executive Director 800 North State Street, Suite 20, Dover, DE 19901

Re: Illex Permits Amendment - By email: cmoore@mafmc.org

Dear Dr. Moore:

Our company, Diversified Insurance Industries, located in Hunt Valley, MD assists Lund's Fisheries with our Insurance and Risk Management Services year-round. Our business has been supported by Lund's Fisheries' success since 1995. During the summer months, Lund's Fisheries has depended upon the Illex squid fishery since the early 1980's. For many years, the Illex fishery has employed Cape May boats, the Lund's plant and other independent fishermen operating in the Port of Cape May throughout the months of May through November. Over the last three years, however, with an increase in the number of boats coming into the fishery from other areas on the coast, the fishery has closed in late summer, which has negatively impacted our ability to continue to serve the company throughout the summer and into early fall and negatively affecting our business.

We are writing to join Lund's Fisheries in supporting the Historical Participants' Illex Tiered Permit System Compromise, using the Council's August 2, 2013 control date, which was reaffirmed by the Council prior to the start of the 2019 fishing year. This compromise, by those vessels and plants that have consistently relied on this fishery would fully qualify 34 'Tier 1' permits even though only 14 vessels harvested more than 500,000 pounds of Illex in 2017, increasing to 19 in 2018 and 26 in 2019. With the early closure in 1998, only 25 boats landed this amount with just 23 active at that level of harvest in the early closure of the 2004 fishery. The compromise Tier 2 proposal puts another 14 boats into the fishery. In the interest of our business' long-term success, we ask the Council to act to limit the number of participants in this fishery, before other Illex permits are also activated, potentially creating a one-month fishery.

Lund's Fisheries was the first company on this coast to invest in a factory and vessels to catch, process and sell large volumes of 'underutilized fisheries', including Illex squid, for U.S. and world markets that depend upon the highest quality products. The company's investments have helped several historical, independent fishermen become successful in this fishery and supported our business success at the same time.

We encourage the Council to consider the Port of Cape May's historical dependence on this fishery, which will help to maintain Cape May County and related New Jersey jobs. In a community where there are few year-round jobs, employment in the Illex fishery throughout the summer and fall months helps to support many other local businesses including ours. We ask the Council to support the Tiered permit system compromise put forward by the historic participants in the Cape May Illex fishery and other dependent ports. Thank you for the opportunity to comment.

Signature / date Cindy Foertschbeck 4/22/2020

STEPHEN M. OUELLETTE

ATTORNEY AT LAW AND PROCTOR IN ADMIRALTY

127 EASTERN AVENUE SUITE 1 GLOUCESTER, MASSACHUSETTS 01930

Stephen M. Ouellette*

Telephone: (978) 281-7788 Facsimile: (978) 281-4411 E-mail: stephen.ouellette@fishlaw.com http://www.fishlaw.com

* Admitted in Massachusetts and Maine

April 28, 2020 via email cmoore@mafmc.org and jdidden@mafmc.org

Dr. Chris Moore, Executive Director Mid-Atlantic Fishery Management Council 800 North State Street, Suite 201 Dover, DE, 19901

Re: Illex Permit Amendments

Dear Dr. Moore:

Since my comments to you of last week, I have received a number of letters and some documentation supporting Mark Phillips' desire to correct the inequitable result of the denial of a squid permit some years ago, because of the loss of a vessel. When this loss occurred, he was deemed ineligible for a permit, and then denied a CPH despite the subsequently created Confirmation of Permit History. I understand that in the past other parties have, for example, been granted special accommodation in connection with transfers of squid permits by the Council. We ask that Mr. Phillips be granted the same consideration.

I thank you for the opportunity to comments on the proposed Amendment and for the Council's and your attention to and courtesy in this regard.

Very truly yours,

/s/ Stephen M. Ouellette Stephen M. Ouellette, Esq.

cc. Mackerel, squid, & butterfish committee Jason Didden: jdidden@mafmc.org

From: Mark Phillips <mark.st.phillips@gmail.com>

Sent: Tuesday, April 28, 2020 12:01 PM

To: Moore, Christopher <cmoore@mafmc.org>; Didden, Jason <jdidden@mafmc.org>

Subject: Fwd:

Please distribute to the committee and the council.

Please see the attached affidavits of me participation in the Illex fishery for consideration by the committee and the council. Regarding Council action taken on the Longfin Squid Amendment 20, a one time permit swap provision was made for an individual to maintain equity in the fishery. I request similar consideration. There are 4 individual, 1 company, my attorney's letter and some landing records attached. In all likelihood people that only went 5 or 6 years after the control date will be allowed in the fishery, while I had my history taken away from me through no fault of my own. I want my permit reinstated. Thank you

----- Forwarded message -----

From: Dan Axelsson < dyrsten@comcast.net >

Date: Sat, Apr 25, 2020 at 6:59 PM

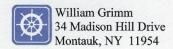
Subject: Letter of support for Mark Phillips

To: <mark.st.phillips@gmail.com>

Cc: < ididden@mafmc.org>

Hello Jason, this is Dan Axelsson. I am sending a letter of my support for Mark Phillips To be able to retain his hard fought for early history in the ILLEX fishery on the "John F. Phillips". That vessel was a vessel that he built literally with his own hands because no bank was seeing him as worth a loan to have a boat built! That was in the days when the feds were throwing money at the "Americanisation" of our fisheries on the east coast. Mark was there just as much as any of them other boats that never amounted to much but are now wanting their licenses back because the Illex is finally with something. Mark worked hard against all the odds and learned fast and made it work, the bigger boats would push him around and cut him off and still Mark persevered. I have known Mark for 39 years now, I have competed with him and worked together with him, and to me he is a top notch gentleman and has never lied to me or steered me wrong, he deserves that license, and on top of that he is one of the very few individual owner/operator fisherman on this coast. I would appreciate it very much if Mark's situation be positively considered in regard to him being included in the issuance of a viable ILLEX permit.

Thanks for your consideration, Dan F/V Dyrsten (from the old days)



To whom this may concern;

In the mid 1980s a group of Montauk fishermen put together the first of many joint ventures on the east coast, particularly in Montauk, NY. This original group of fishermen later formed Montauk Inlet Seafood which today is the largest fish dock in NY today.

Our first 3 joint ventures involved the Japanese. After fishing for Loligo squid in state waters, the Japanese vessel moved off shore to receive Illex squid. The vessels involved in the offshore ilex fishery for 2 years were FV John F Phillips, FV Susan Rose and FV Nightwatch. Thank you

Capt William Grimm

President Montauk Inlet Seafood

A LIMITED LIABILITY PARTNERSHIP

WASHINGTON HARBOUR, SUITE 400 3050 K STREET, NW WASHINGTON, DC 20007

(202) 342-8400

FACSIMILE
(202) 342-8451
www.kellevdrve.com

DAVID E. FRULLA

D F r u l l a @ K e l l e y D r y e . c o m

ANDREW E. MINKIEWICZ

A Minkiewicz @ Kelley Drye.com

BRET A. SPARKS
BSparks@KelleyDrye.com

April 27, 2020

BY EMAIL

NEW YORK, NY

LOS ANGELES, CA

HOUSTON.TX

CHICAGO, IL

STAMFORD, CT

PARSIPPANY, NJ

BRUSSELS, BELGIUM

AFFILIATE OFFICE

Mr. Michael Luisi, Chairman Mid-Atlantic Fishery Management Council 800 North State Street, Suite 201 Dover, DE 19901

Re: GARFO's April 22nd Letter on the MSB FMP Proposed *Illex* Fishery Permitting Amendment

Dear Chairman Luisi:

On behalf of Fishing Vessel Enterprises, Inc. and The Town Dock, we submit this letter in connection with the Atlantic Mackerel, Squid, and Butterfish ("MSB") Committee's deliberations on the proposed amendment to the MSB Fishery Management Plan ("FMP"). The Greater Atlantic Regional Fisheries Office's ("GARFO") letter submitted to the Mid-Atlantic Fishery Management Council ("Council") on April 22, 2020, highlighted a number of important legal requirements for this proposed amendment under the Administrative Procedure Act ("APA") and the Magnuson-Stevens Fishery Conservation and Management Act ("MSA"). We would like to reemphasize several important points raised in that letter.

The APA requires that the record must reasonably support the rationales for the action being taken. Courts will invalidate an agency action as arbitrary and capricious for reaching a conclusion the underlying record contradicts.¹ The MSA requires that any fishery management action must satisfy the applicable National Standards and their accompanying Guidelines. In reviewing an FMP amendment for consistency with the National Standards, courts will determine whether the action's compliance with the standards was rational and supported by the record.² Regarding this amendment, National Standard 4 is especially relevant. The National Standard 4 Guidelines require any allocation of fishing privileges to (i) help to achieve optimum yield ("OY"); (ii) be reasonably calculated to promote conservation; and (iii) be justified in light of the FMP's

Motor Vehicle Mfrs. Ass'n of the U.S., Inc. v. State Farm Mut. Auto. Ins. Co., 463 U.S. 29, 43 (1983).

² Groundfish Forum v. Ross, 375 F. Supp. 3d 72, 81 (D.D.C. 2019).

Mr. Michael Luisi, Chairman April 27, 2020 Page Two

goals and objectives.³ All three factors must be met. Further, the MSA requires that any new limited access program must consider current participation.⁴ Overall, and as the GARFO letter confirms, a management action is neither approvable nor legally defensible unless it satisfies both the APA decision-making standards and the MSA's National Standards and FMP requirements.

For the reasons provided in the GARFO letter, the Council cannot reasonably or realistically justify any alternatives that rely on the 2013 control date (to the significant detriment of our clients, which are current *Illex* fishery participants). In its letter, GARFO encouraged the Council "to clearly define the problem this action would address…and fully justify measures it adopts relative to applicable law and the FMP objectives."

The reason the current amendment record lacks a coherent problem statement is because the underlying facts do not justify any type of action that would rely on the 2013 control date. The most central element lacking in the Council's problem statement may be the inability to demonstrate how using the 2013 control date would promote OY. Until recent participation and investment in the fishery, the *Illex* fishery was an opportunistic fishery prosecuted regularly by a handful of vessels that rarely achieved OY—even in the few years when a strong market for *Illex* (and presumably a weak market for other species) yielded a short-term spike in landings. Indeed, the best the fishery could muster was to capture just 75% of OY three times between 2000 and 2016. As the GARFO letter explained, it was only after new participants began investing in the fishery in 2017 that "the fishery has fully harvested available quotas and achieved optimum yield."

The Council simply cannot, in GARFO's words, show that the "associated benefits to the *Illex* fishery at large [from implementation of the 2013 control date] outweigh potential costs to recent participants whose fishing opportunities would be constrained." There is no rational record basis for the Council to determine that the clock should be turned back to freeze the fishery's footprint from 2013. That was not justified in 2018 when the Council only took action on *Loligo*, and it is not justified now. Moreover, National Standard 5 Guidelines require that fishery management actions "should not redistribute gains without also increasing efficiency." Yet, there is nothing in the record to indicate that an otherwise healthy fishery—with a market that is finally achieving OY—would somehow become more efficient by returning to participation levels that were *never* able to achieve OY.

Nor does the record present any coherent rationale for why a limited access program that focuses on the fishery as it existed in 2013 would promote conservation. Certainly, the Council's Scientific and Statistical Committee has provided no such justification. As GARFO's

³ 50 C.F.R. §600.325.

⁴ 16 U.S.C. §1853(b)(6)(A).

Mr. Michael Luisi, Chairman April 27, 2020 Page Three

letter confirms, the current *Illex* stock is "lightly exploited and not experiencing overfishing." In *Groundfish Forum v. Ross*, the federal court in D.C. invalidated a FMP amendment for failing to promote conservation.⁵ In that case, the conservation argument put forward by NMFS was far stronger than it is here. In *Groundfish Forum*, the Pacific cod fishery was facing declining quotas, and certain historic communities were unable to receive any deliveries of Pacific cod. In contrast, the *Illex* fishery is stable and, if anything, quotas can stand to be increased.

Indeed, the only argument GARFO's letter even acknowledges as a potential basis for requalification is the threat of a race to fish. However, *Groundfish Forum* clearly stated that the need to stop a race for fish does not, by itself, support a new allocation regime under National Standards 4 and 8. Moreover, as explained in our public hearing comments, the typical attributes of a race to fish do not exist in the *Illex* fishery. There are no adverse price effects on the market. There are no notable instances of bycatch. Indeed, there is nothing in the record to suggest that fishing operations would change simply because there are fewer participants. Yet most significantly, stopping a race to fish (even a theoretical one) cannot be considered in isolation under the National Standards as a basis for applying the 2013 control date. GARFO, therefore, expressly and specifically "encourage[d] the Council to consider compromise measures."

Finally, there is no record basis to suggest an allocation that relies on the 2013 control date would be "based on goals and objectives of the FMP." Notably, the proposed amendment seeks to update the goals and objectives for the MSB FMP to "increase freedom and flexibility" in the fishery and "minimize restrictions." Given these new goals and objectives to be adopted in the amendment, any allocation based on the 2013 control date simply cannot be justified. As the GARFO letter acknowledges, doing so would make it "difficult to demonstrate compliance with applicable law and FMP objectives."

If the Council elects to proceed with the proposed amendment, it must create a reasonable range of alternatives that balance all the relevant competing considerations. As the GARFO letter states, if the Council wishes to "mitigate the race to fish," it must also "minimize impacts to active permits and preserve the ability of the fishery to achieve OY during years in which *Illex* is less available."

* * *

³⁷⁵ F. Supp. 3d at 89-92.

Mr. Michael Luisi, Chairman April 27, 2020 Page Four

Thank you for your consideration of these crucial issues. Please do not hesitate to contact us at any time if you require additional information.

Respectfully submitted,

David E. Frulla

Andrew E. Minkiewicz

Bret A. Sparks

Counsel for Fishing Vessel Enterprises, Inc. and

The Town Dock

cc: Christopher Moore, Executive Director of MAFMC
Michael Pentony, Regional Administrator of GARFO

NOAA FORM 88-29 (1-73) U. S. DEPARTMENT OF COMMERCE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION FORM APPROVED: O.M.B. NO. R41-2596 PURCHASES FROM FISHING VESSELS CHESAPEAKE STATES DEALER NAME OF VESSEL VESSEL NUMBER PORT CODE DATE SAILED GEAR GROUNDS DAYS ABSENT DAYS FISHED TRIPS LOG/INTERVIEW DEPTH PRORATE FISHING ZONE Α В D NUMBER OF SUBTOTAL PRICE SPECIES AND GRADE CODE POUNDS PURCHASED PER POUND DOLLARS CENTS Round 0231 BLUEFISH Gutted 0232 Large 0510 BUTTERFISH Medium 0515 Small 0516 BLACKBACKS 1200 Jumbo 1218 Large 1210 FLUKE Medium 1212 Small 1214 KING WHITING (King fish) 1970 LING (Red hake) 1520 (Boston) MACKEREL 2120 Large 3290 PORGY Medium 3292 Small 3293 Large 3351 SEA BASS Medium 3353 Small 3355 Large 4180 STRIPED BASS Small 4180 WEAKFISH 3446 WHITING (Round) 5090 CONCHS 7750 Large 7274 LOBSTERS Select 7273 Small 7272 SEA SCALLOPS 8009 SQUID 8030 T. MARU 65863 12 -18 9590,2 12 8-19 11 5621.8 12 8-19 01 316.9 30 11188.5 LI 8-20 134 12 23534,4 12 48.3 30

NOTE: Individual reports are confidential and only summary data are released.

TOTAL

U. S. DEPARTMENT OF COMMERCE NOAA FORM 88-29 (1-73)NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION FORM APPROVED: O.M.B. NO. R41-2596 PURCHASES FROM FISHING VESSELS CHESAPEAKE STATES DEALER DATE NAME OF VESSEL VESSEL NUMBER PORT CODE COUNTY DATE SAILED GEAR GROUNDS DAYS ABSENT DAYS FISHED TRIPS LOG/INTERVIEW DEPTH PRORATE FISHING ZONE B D NUMBER OF SUBTOTAL PRICE SPECIES AND GRADE CODE POUNDS PER POUND DOLLARS CENTS Round 0231 BLUEFISH Gutted 0232 Large 0510 BUTTERFISH Medium 0515 Small 0516 BLACKBACKS 1200 Jumbo 1218 Large 1210 FLUKE Medium 1212 Small 1214 KING WHITING (King fish) 1970 LING (Red hake) 1520 MACKEREL (Boston) 2120 Large 3290 PORGY Medium 3292 Small 3293 Large 3351 SEA BASS Medium 3353 Small 3355 Large 4180 STRIPED BASS Small 4180 WEAKFISH 3446 WHITING (Round) 5090 CONCHS 7750 Large 7274 LOBSTERS Select 7273 Small 7272 SEA SCALLOPS 8009 SQUID 8030 T. M ARU 12 30 TOTAL NOTE: Individual reports are confidential and only summary data are released.

Date: AUGUST 29,1983

Weekly Purchase of Squid /LLEX

Week Ending: August 25,1983

Vessel: JOHN PHILLIPS

* of To	ws Date	Day	Lbs.	0 \$.	12 =	
		FRIDAY			п	
		SATURDAY			= .	
		SUNDAY			=	
		MONDAY			=	
3	8-23	TUESDAY	15245		=	1829.40
3	24	WEDNESDAY			=	1456.44
3	25	THURSDAY	11060	1	_ =	1327.20
		TOTALS	38442		126 =	4613.04

Date: SEPTEMBER 6, 1983

Weekly Purchase of Squid /LLEX

Week Ending: SEPTEMBER 1,1983

Vessel:

# of Tows	Date	Day	Lbs.	0 \$. 12	=
	8.26	FRIDAY]	=
	8-27	SATURDAY			
	8-28	SUNDAY			=
	8-29	MONDAY			=
2	8:30	TUESDAY	1571		= 188.52
3	8-31	WEDNESDAY	19345		= 2321.40
3	9-1	THURSDAY	8019		= 962.28
		TOTALS	28935	121	= 3472.20



Date & Time: ...

Representative fishingvsis. Représentant du navire de peche

Joint Trawlers [North America] Limited

P. O. Box 1209, 63 Main Street, Gloucester, Mass. 01930 Telephone (617) 281-2320 Telex 951043 or 200243

DELIVERY NOTE

Bulletin d'envoi

SPECIES/SORTES	No of brails a kg No de paniers a kg	Total Total
Mackerel/Maqueraux / / W	*/- YGS	199
Sardines/Sardines		in 1
Horsemackerel/Chinchard -		3
Herring/Hareng		
River Herring/Gaspareau		
Pollack/Pollock		
Flounder/Flet		i
Turbot/Turbot		
Squid/Calmars / F Y		- 1
Fish for fishmeal/ Poisson pour farine de poisson		A SUR
	Grand Total	199

Representative receiver

Représentant du destination

ON THE POLLOWING A	COUNTS.	
DATE	AMOUNT	LUND'S FISHERIES, INC.
		PRODUCERS AND SHIPPERS 997 OCEAN DRIVE CAPE MAY, N. J. 08204 TEL: 609-729-9050- TXW: \$10-688-8908
		PAY TO THE ORDER OF FV John J. Phillips \$
TOTAL OF INVOICES	344, 1	THE SUM 2 STO BOLS 8 3 CTS
LESS % DISCOUNT		IRST ERSEY
TOTAL DEDUCTIONS		NATIONAL BANK SOUTH 105 N. Moin St. Cape May Court House, N. J. 08710

	VIST CORPORATION	DATE	INVOICE	AMOUNT		304
DATE	TO THE ORDER OF	GROSS	INCOME	SOC STAT	E NJ.	DOLLARS NET AMOUNT
8.20.83	4/V John E. Phillips	38442	112			4613 04
	BON 488 Greenport NY 11944 MARINE NATIONAL BANK 0304 103 12045321		Lan		fal	

30, 1/8 y 8084

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()	153, 46	6 3		

Date: SEPTEMBER 6, 1983

Weekly Purchase of Squid /LLL X

Week Ending: SEPTEMBER 1,1983

Vessel:

of Tows	Date	Day	Lbs.	e \$. /.	2 =
	8.26	FRIDAY			
and an examination	8-27	SATURDAY			= ,
	8.28	SUNDAY		1	
ļi.	8-29	MONDAY			.
2	8:30	TUESDAY	1571		= 18852
3	8.31	WEDNESDAY	19345	- 1	= 2321.40
3	9-1	THURSDAY	8019	1	= 962.18
		TOTALS	28935	129	= 5470 30

Boat Name: JOHN PHILLIPS

Week Ending: 9-22-83

	1							
	Fri 9-16 1162×121 36×27f	Sat 9-17 438 x 12d 1197 x 27d 508 x 37d 145 x 49d	Sun 9-18 1669.8 x . 124 943.8 x 274 544.5 x 374 217.8 x 494	2032.8×124 1052.7×274 471.9×394	Tue 9-20 1561×121 472×27+ 399×49¢	Wed 9-21 1504=124 598.4=276 598.4=376 14.8=496	Thurs 9-22	
otal forday	149.16	1078.76	763.40	756./3	570.27	1320.13		

25441 Mbs = 4577.85

quaranter of \$1,500.00 per day x 6 day = \$9,000.00

Sent from my iPhone

Begin forwarded message:

From: robertptcapt@aol.com

Date: April 26, 2020 at 1:06:35 PM EDT

To: "fvdaranar@aol.com" <fvdaranar@aol.com>

Subject: Mark Phillips

Reply-To: robertptcapt@aol.com

I am writing this letter in reference to the F/V John H Phillips participation in the Illex fishery. During the early 1980's, the domestic market for illex had not yet been established and the few vessels that participated in the Illex fishery did so via Joint Venture. I personally began fishing for Illex on my vessel Darana R in 1983 and participated it these JV's along side Mark Phillips on the John H Phillips. We would work in a rotation to supply the processing vessel with product and had to coordinate with other vessels that supplied the same ship. I can verify his participation throughout the 80's for the duration of my involvement with the JV's. During this time we as well as others supplied Illex for the Japanese, Spanish, Portuguese, Italian, and the Faeroe Islands.

Thank you for taking this into consideration

Sincerly,

Capt.James A. Ruhle

Jeff Wise-jnw067@gmail.com

April 20, 2019

Re: Illex Requalification/Classification

To Whom It May Concern,

This letter is in response to requalification/classification of vessels that currently hold active Illex permits.

As a former boat owner and long-standing Captain in the industry, it pains me to watch the systematic dissection of one of the most viable fisheries currently available to permit holders (Illex). The use of control dates going back as far as 1997 to determine who has the right to harvest the 'Lion's Share' of Illex as dictated by the current available TAC is outdated and unfair.

Commercial Fishing is an ever changing and fluid industry. The ability of vessels to diversify and thrive currently has all but been taken away due to excessive regulations, mismanagement, and bad science. As shown with the ground fish, control dates and landing history basically destroyed the ground fishing in New England. It created monopolies where few prospered and most suffered. AND, here we go again. Although I appreciate and recognize that certain vessels made sacrifices early on to establish and build the Illex Fishery, it does not mean that they should have the ability to harvest the majority of the TAC. There needs to be a level playing field across the board. If the boat possesses an Illex permit, it should be able to fish Illex.

History is exactly that. History.

We finally have a viable fishery in which we are harvesting a minuet percentage of the total bio-mass available. Instead of pitting the industry against each other, it is my wish that we come together to develop a plan to exploit and profit from this extremely strong fishery. If we don't, someone else will.

In twenty years, we have watched the systematic downward spiral of commercial fishing on the East Coast. Fleet reductions due to excessive regulations have led to massive job losses among fisherman and the infra-structure that supports them. The Illex Fishery finally offers a chance for boats and industry to prosper in an otherwise declining environment. We need to take advantage. Dividing the Fleet into the 'Haves' and 'Have Nots' coupled with derby style fishing is not the answer. It's unproductive, irresponsible, and downright dangerous. Moving forward I would like to see a combined effort through proper management and <u>accurate</u> science to give everyone vested in the Illex Fishery a chance to prosper by increasing the TAC across the board.

With this in mind, I currently support NO ACTION to be taken until we can find a way to increase the TAC so everyone can benefit equally. However; if action is to be taken, it should be minimal. Requalification of landings with 50,000 pounds or greater during the control dates 1997 – 2019 will at least give the boats currently engaged in the fishery equal opportunity.

Thank you for your consideration on this matter,

Jeff Wise Captain F/V Lightning Bay Deter Est A 24 2000 i Total Total

Date: Fri, Apr 24, 2020 at 5:22 PM

Subject: From Lars Axelsson Re: Letter in support of Mark Phillps retaining his Illex Permit History from his vessel the

"John H Phillips"

To: < ididden@mafmc.org>

Cc: Mark Phillips < mark.st.phillips@gmail.com>

April 24, 2020

From: Lars Axelsson

F/v Flicka & F/v Dyrsten

Back in the early 1980s when we had the

F/v Tina & the F/v Dyrsten

To: Jason Didden

Mid-Atlantic Fishery Management Council 800 N. State St. Suite 201 Dover, DE 19901

Reason: I support Mark Phillips retaining his Illex Permit History

from his vessel the "John H Phillips"

Dear Jason:

As you know, our Axelsson family has been in the illex fishery from the first landing of illex on shore, as well as the first Joint Venture with the Japanese, Portuguese, Spanish, Italian, British & Faroe Island vessels.

Mark and I caught illex with our vessels, and we delivered our catch to the foreign vessels. We worked our vessels together, from when the first of the foreign vessels arrived in the early '80's. (I think 1983). There were many boats that participated in this fishery, besides just us.

There were a lot of "growing pains" figuring out the logistics of getting the fish from our net to their decks... Language barriers, radio communications, hand signals from American crew to the foreign crews, were just some of the hurdles, to overcome. Eventually, the process smoothed out.

Each of the foreign vessels had different freezing capacities per day. Some could handle 15 tons of product per day, and others up to 40 plus tons per day.

Many times, Mark on the "John H. Phillips," and I, on the "Dyrsten" shared the same foreign vessel. Our goal was to maximize the freezing capacity of that particular vessel.

So we "landed" anywhere from 10 to 20 tons of illex per day.

If we, each had a "Mother Ship" to ourselves, and the catching was good, we could deliver the whole freezing capacity for the day, 40 tons.

We did this for multiple years, as the fishery evolved, and shore side capacity grew.

I write this as proof that Mark, on the "John H Phillips," was one of the "Pioneers" of this Fishery. He should receive a "Historical Illex Permit."

Thank you for your consideration in this matter.

Sincerely: Lars Axelsson mobile 609 224 8447



April 25, 2020

To Whom It May Concern:

This letter is to certify that in 1983 Lund's Fisheries participated in a Joint Venture fishing operation to harvest Illex off the Mid Atlantic coast. The F/V John F Phillips was a participating vessel in this Joint Venture per the attached landing documents.

I would be happy to answer any questions pertaining to his participation.

Sincerely,

Wayne Reichle

President

Lund's Fisheries, Inc.

997 Ocean Drive

Cape May, New Jersey 08204

Dear MSB Committee Members,

We write to the Committee regarding specific points raised by GARFO in their April 22, 2020 letter regarding the Illex Permit Amendment. Due to the fact it was distributed to the MSB Advisory Panel approximately 15 minutes prior to our meeting, we as Advisory Panel members were not prepared to offer substantial input at that meeting. However, after careful consideration of the letter, we offer the following constructive comments to the Committee:

 GARFO letter: "The public hearing document lays out a number of possible reasons for taking action, most notably to reduce the implications of a race to fish. A clear and accepted problem statement will help the Council identify and justify appropriate measures focused on the most important issues raised during the scoping process for this action and discussed during recent public hearings."

<u>Comment</u>: The Council scoping comments contain many consistent themes as to the problems to be addressed in the Illex fishery, including an influx of new vessels into the fishery in recent years, ¹ changes in the fleet, ² restrictions in other fisheries leading to activation of latent Illex permits, ³ significant numbers of latent permits, ⁴ reliance of historic participant vessels on this fishery in the face of activation of latent permits, ⁵ and consecutive early closures. ⁶

Themes are also consistent with the Council's rationale used in the requalification of longfin squid permits in Amendment 20 where the Final Rule reads, "The Mid-Atlantic Fishery Management Council is concerned that unused longfin squid/ butterfish moratorium permits could be activated. This could lead to excessive fishing effort, which could lead to premature fishery closures and reduced access to available longfin squid quota by vessels with a history of

https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5cc326861905f4b5190e6acd/1556293263134/aa Illex+Scoping.pdf, p. 4 of 91; p. 27 of 91; 33 of 91.

https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5cc326861905f4b5190e6acd/15562932631 34/aa Illex+Scoping.pdf p. 5 of 91; p. 27 of 91;

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¹ See scoping comments at

² Ibid.

³ See scoping comments at

⁴ See scoping comments at

⁵ See scoping comments at

⁶ See scoping comments at

higher landings in recent years."⁷ The only real difference being that all of the concerns addressed by Amendment 20 were potential future concerns while in the Illex fishery they are actual and current concerns.

Public hearing comments repeat these issues and raise additional legitimate concerns, including equity with previous Council action, increased gear conflicts with the offshore lobster fleet in recent years due to increased participation, hegative community impacts due to early closures, potential conflicts with offshore recreational anglers due to an influx of latent effort, hew fisheries conflicts arising due to historic Illex vessels being pushed out of the Illex fishery and into inshore fisheries, spatial conflict among Illex vessels themselves leading to conflicts with closed areas, suser conflicts with the offshore tournament community and forage availability. All of these would seem to present a cohesive problem statement to be addressed by Council management action.

2. <u>GARFO Letter</u>: "As you know, measures adopted under this action must be consistent with applicable law and the objectives of the FMP. The public hearing document notes that section 303(b)(6) and National Standards 4, 5, and 8 of the Magnuson-Stevens Fishery Conservation and Management Act are central to this action." ¹⁵

https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff80613141374b8a5ecee/1587542048086/CommentsAWeb.pdf, p. 1; p. 84.

https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff80613141374b8a5ecee/1587542048086/CommentsAWeb.pdf, p. 7 of 135. And Written Public Comments Part B at

https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff8622082c8447ebc97e5/1587542123018/CommentsBWeb.pdf p. 24 of 153.

https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff80613141374b8a5ecee/1587542048086/CommentsAWeb.pdf, p. 14-66; Written Public Comments Part B at

https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff8622082c8447ebc97e5/1587542123018/CommentsBWeb.pdf, p. 1 of 153; p. 7 of 153; p. 22 of 153; p. 44 of 153, etc.

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https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff8622082c8447ebc97e5/1587542123018/CommentsBWeb.pdf, p. 1 of 153; p. 109 of 153; p. 111 of 153;

https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff80613141374b8a5ecee/1587542048086/CommentsAWeb.pdf, p. 86 of 135.

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⁷ See Final Rule, Atlantic Mackerel, Squid Butterfish Amendment 20, December 14, 2018 at https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5c18195db8a045d8d656e3b0/1545083230238/Squid-MSB-Am-20.pdf.

⁸ See Written Public Comments Part A at

⁹ See Written Public Comments Part A at

¹⁰ See Written Public Comments Part A at

¹¹ Written Public Comments Part B at

¹² Written Public Comments Part B at

¹³ See Written Public Comments Part A at

¹⁴ See Written Public Comments Part A at

¹⁵ National Standard 4 states, "Conservation and management measures shall not discriminate between residents of different States. If it becomes necessary to allocate or assign fishing privileges among various United States

<u>Comment</u>: Regarding National Standard 5, the Illex Permit Amendment is not solely comprised of the Illex permitting option. The full title of the action is the "Mackerel, Squid, Butterfish FMP Goals/Objectives and Illex Permit Amendment" and includes measures to revise the FMP objectives as well as address Illex permitting concerns. This is consistent with a previously approved Council action in the Summer Flounder Commercial Issues Amendment in which the Council purpose was "to modify the commercial quota allocation for summer flounder, as well as revise the FMP objectives for summer flounder." ¹⁶ Also regarding National Standard 5, the conflict issues due to activated latent effort mentioned in public comments supported the added rationale for action.

Regarding National Standard 4, the options of permit tiers being proposed could preserve fair and equitable privileges in accordance with historic fishery participation; would help to limit overcapitalization of the fishery and thereby promote stock conservation; and as ITQs are no longer an option, excessive shares of fishing privileges would not be a concern. However, even should excessive fishing privileges be a concern the Council's Surfclam and Ocean Quahog Excessive Shares Amendment approved measures for quota share ownership and allocation caps of cage tags that would grant far more fishing privileges to a single entity than would a tiered Illex permit system.¹⁷

Regarding National Standard 8, providing for the sustained participation of fishing communities and minimizing the adverse impacts on those communities, avoiding negative impacts to fishing communities with a high degree of reliance on the Illex fishery due to premature closures is one

fishermen, such allocation shall be (A) fair and equitable to all such fishermen; (B) reasonably calculated to promote conservation; and (C) carried out in such manner that no particular individual, corporation, or other entity acquires an excessive share of such privileges." National Standard 5 states, "Conservation and management measures shall, where practicable, consider efficiency in the utilization of fishery resources; except that no such measure shall have economic allocation as its sole purpose." National Standard 8 states, "(8) Conservation and management measures shall, consistent with the conservation requirements of this Act (including the prevention of overfishing and rebuilding of overfished stocks), take into account the importance of fishery resources to fishing communities by utilizing economic and social data that meet the requirements of paragraph (2), in order to (A) provide for the sustained participation of such communities, and (B) to the extent practicable, minimize adverse economic impacts on such communities.." Section 303(b)(6) states, "(6) establish a limited access system for the fishery in order to achieve optimum yield if, in developing such system, the Council and the Secretary take into account—

- (A) present participation in the fishery;
- (B) historical fishing practices in, and dependence on, the fishery;
- (C) the economics of the fishery;
- (D) the capability of fishing vessels used in the fishery to engage in other fisheries;
- (E) the cultural and social framework relevant to the fishery and any affected fishing communities;
- (F) the fair and equitable distribution of access privileges in the fishery; and
- (G) any other relevant considerations;
- ¹⁶ See https://www.mafmc.org/actions/summer-flounder-amendment.

¹⁷ See https://www.mafmc.org/actions/scoq-excessive-shares-amendment. The Council's preferred alternative would implement a two-part cap, with quota share ownership cap at 35% for surfclams and 40% for quahogs, and annual allocation cap based on the possession of cage tags at 65% for surfclams and 70% for ocean quahogs. The Council selected the family affiliate level and the cumulative 100% model for tracking of ownership.

of the significant issues raised in public comments by historic participants from several ports who have little or no other alternative fisheries at that time of year. ¹⁸ This is captured in clearly the Council's Public Information Document which states, "The Council is also concerned about impacts to communities if re-activated permits rapidly change the distribution of landings at relevant ports in communities that have dependence on Illex. Based on Table 4, only in North Kingston, RI and Cape May, NJ are Illex revenues a sustained and substantial portion of port revenues, with North Kingston substantially more dependent on Illex than any other port... Based on these findings, both North Kingston, RI and Cape May, NJ seem potentially disproportionately impacted by disruption or rapid change in the Illex fishery." ¹⁹ See also public comments from Hampton, VA. ²⁰

Regarding MSA Section 303(b)(6), all of the above mentioned impacts to and comments from historical participants who rely on this fishery; the above mentioned impacts to fishing communities; the capability of new entrant vessels with only one or two years of landings to engage in other fisheries compared to the inability of historically dependent vessels to do the same once illex is closed;²¹ the significant economic investments made over decades by historic

https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff80613141374b8a5ecee/15875420480 86/CommentsAWeb.pdf, p. 70-81 of 135 "the fishery has closed in late summer during the last three years as many new vessels have entered the fishery which has negatively impacted our ability to fish and keep employees working in the plant throughout the summer and into early fall"; Written Public Comments Part B at https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff8622082c8447ebc97e5/15875421230 18/CommentsBWeb.pdf, p. 1 of 153, "From 2017-2019, the illex fishery has been subject to unprecedented early closures three years in a row. As a result, our freezer vessels have been tied to the dock for months at a time. For months at a time, zero fish crosses the Seafreeze Ltd. dock in North Kingstown, RI. We do not have viable alternative fisheries at this time of year"; p. 7 of 153 "Translated into real impacts on our lives, this means: the boats get tied up and we have no fishing income for months"; p. 22 of 153 "Our company has been packing ilex squid each summer for over 30 years and it is a vital part the economy for this community. From June through September we stay busy packing llex until the other fishing seasons start up again in the Fall. The public hearing document briefly touches on community impact of potential redistribution. Kingston RI and Cape May NJ have the largest percent of landings, but Hampton Virginia has a just as much a dependence on Ilex. We might have smaller amount, but that amount is directly responsible for 50 + people that rely solely on the Ilex from June through September. We have lost a 30 -45 days of work over the last couple years because the quota has been reached. " 19 See

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https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff8622082c8447ebc97e5/15875421230 18/CommentsBWeb.pdf,. 22 of 153 "Our company has been packing ilex squid each summer for over 30 years and it is a vital part the economy for this community. From June through September we stay busy packing Ilex until the other fishing seasons start up again in the Fall. The public hearing document briefly touches on community impact of potential redistribution. Kingston RI and Cape May NJ have the largest percent of landings, but Hampton Virginia has a just as much a dependence on Ilex. We might have smaller amount, but that amount is directly responsible for 50 + people that rely solely on the Ilex from June through September. We have lost a 30 -45 days of work over the last couple years because the quota has been reached. "

¹⁸ See Written Public Comments Part A at

²⁰ p Written Public Comments Part B at

²¹ See comments note 18, See also Public Comments Part A at https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff80613141374b8a5ecee/15875420480

participants to build the illex fishery in all market conditions;²² equity of protecting historic vessel access;²³ and the consideration of present participation using a tiered system²⁴ and other considerations of realized and potential conflicts arising from overcapitalization of the fishery would all address these requirements.

In our opinion as Advisors, having been involved in multiple Council actions and processes, the phrase "present participation" regarding this action should be comprised of vessels active through 2018, when this amendment began development. In August 2018 the Council reaffirmed the 2013 control date with clear and significant discussion of putting vessels with landings after the control date on notice that they may not qualify for certain access, as well as discussion about new entrants still entering the fishery being put on notice that they may not be able to continue in the fishery. ²⁵ New entrants which chose to continue entering the fishery in 2019 were present at that meeting and advocated for participation through 2018 to be considered. ²⁶ In October 2018, after the fishing season was closed for that year, the Council

86/CommentsAWeb.pdf, p. 102 of 135 "In closing, Historical participants have generally worked until mid October..Each of the last 3 years we have been tied up in mid August and joined the ranks of the unemployed. The new speculative entrants have gone back to scallops or some other fishery." See also Public Comments B at https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff8622082c8447ebc97e5/15875421230
18/CommentsBWeb.pdf p. 2 of 153 "Other "new entrant" vessels have fisheries to fall back on after a closure-i.e., the fisheries they have traditionally relied on prior to 20172019. We do not. Instead of continuing on illex fishing from summer into fall, as we have traditionally done, we are now forced to tie up and hope that we can keep a crew until the seasons change and other species become available to our offshore vessels. To emphasize this impact, consider these dates: Following the illex fishery closed on September 15, 2017, our freezer boats were unable to leave on their first trips until November 1, and October 31, respectively. One vessel took a quick reconnaissance trip on October 12, but due to unavailability of other species we target, and the abundance of illex which they would be forced to discard, returned to the dock. Following the illex fishery closure on August 15, 2018, our vessels were tied to the dock until October 21 and October 22, respectively. Following the illex fishery closure on August 21, 2019, our vessels were tied up until October 18 and October 12, respectively. We cannot sustain continued closures and loss of access."

https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff8622082c8447ebc97e5/15875421230 18/CommentsBWeb.pdf p. 1 of 153; p. 11 of 153; p. 22 of 153; p. 36 of 153; p. 74 of 153; See also Public Comments Part A at

https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff80613141374b8a5ecee/1587542048086/CommentsAWeb.pdf, p. 82 of 135, p. 83 of 135, p. 103 of 135.

https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff80613141374b8a5ecee/1587542048086/CommentsAWeb.pdf p. 2 of 135; p. 10 of 135; p. 10 of 135; p. 101 of 135; See Public Comments B at https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff8622082c8447ebc97e5/1587542123082c8447ebc97e5/1587542082c8447ebc97e5/1587542082c8447ebc97e5/1587542082c8447ebc97e5/1587542082c8447ebc97e5/1587542082c8447ebc97e5/1587542082c8447ebc97e5/1587542082c8447ebc97e5/1587542082c8447ebc97e5/1587542082c8447ebc97e5/1587542082c8447ebc97e5/1587542082c8447ebc97e5/1587642082c8447ebc97e5/1587642082c8447ebc97e5/1587642082c8447ebc97e5/1587642082c8447ebc97e5/1587642082c8447ebc97e5/1587642082c8447ebc97e5/1587642082c8447ebc97e5/1587642082c8447ebc97e5/1587642082c8447ebc97e5/1587642082c8447ebc97e5/1587642082c8447ebc97e5/1587642082c8447ebc97e5/1587642082c8447ebc97e5/1587642082c8447ebc97e5/1587642082c8447ebc97e5/1587642082c8447ebc97e5/158764208262082c8447ebc97e5/1587642082620826826082608260826082608

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https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5b7c5333575d1fba00d0e418/1534874419 733/August+2018+Council+Motions.pdf and recording from approximately minute marks 1 to 12 at https://www.mafmc.org/briefing/august-2018.

²² See Public Comments B at

²³ See Public Comments Part A at

²⁴ See, for example,

²⁵ See

²⁶ See recording at https://www.mafmc.org/briefing/august-2018, minute mark 6:00.

approved and moved forward the Scoping Document without objection.²⁷ In December of 2018, after the fishing season was closed for that year, the Council discussed the Illex Permit Amendment as a 2019 deliverable.²⁸ Scoping hearings for this amendment began in February of 2019 and ended in April of 2019, well in advance of the 2019 fishing season, which began in summer of 2019.²⁹

Therefore, the public was put on notice multiple times prior to the 2019 illex fishery began that effort in 2019 was occurring after Council action began to limit access in this fishery. Effort in 2018 was the only "present participation" when this action began and was developed. New entrants who increased their effort in the summer of 2019 had already provided comments to the Council earlier in 2019 during the scoping process, and at that time supported using data through 2018, some kind of requalification, or no action at all, ³⁰ which would indicate purely speculative activity in the 2019 season following scoping, contrary to the Council's notice to industry in 2018.

3. GARFO Letter: "The Council should consider the current state of the fishery to provide context for this action and assess what this action may accomplish in addressing the articulated problem statement. Based on available information, both the stock and the fishery are healthy and robust at this time. The Council's Scientific and Statistical Committee (SSC) continues to maintain that the stock is lightly exploited and not subject to overfishing....Since 2017, the fishery has fully harvested available quotas and achieved optimum yield (OY). Market prices are high, participants are profiting from the fishery, and there are few bycatch concerns. Given the current condition and future outlook for the fishery, I would encourage the Council to consider compromise measures that would help mitigate the race to fish, minimize impacts to active permits, and preserve the ability of the fishery to achieve OY during years in which Illex is less available."

<u>Comment</u>: The current state of the fishery is one of overcapitalization, with the fishery closing 3 years in a row in unprecedentedly short seasons from 2017-2019. The direct and negative impact of the activation of latent permits was acknowledged by the Council and Agency in both 2013 (when the control date was established to prevent speculative entry and prevent a derby fishery resulting from activation of latent permits) and again in 2018, when the Council

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https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5c0169970e2e72a884c31ff9/15435964394 29/Tab15 2019-Implementation-Plan 2018-12.pdf.

 $\frac{\text{https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5cc08d58e5e5f05c3a150476/15561229692}{69/\text{Hearings.pdf}}.$

 $\frac{\text{https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5cc326861905f4b5190e6acd/15562932631}{34/aa} \ \frac{34}{a} \ \frac{111}{2} \frac{11}{2} \frac{11}{2$

²⁷ See

²⁸ See

²⁹ See

³⁰ See

reaffirmed this 2013 control date as it commenced this action.³¹ The Council motion to reaffirm the control date in 2018 passed without opposition.³²

Prior to the 2013 control date, the fishery closed twice before, with historic participants only, demonstrating that the vessels active at that time possessed the capacity to achieve OY/full utilization of the quota at that time, without the activation of previously latent permits. While both the stock and fishery may be healthy the past 3 years, this is not always the case, and traditional stock assessments do not work with this stock. High fluctuations in stock availability arise naturally and unpredictably.³³

Should overcapitalization of the fishery continue to occur, the high number of currently active vessels has never been the number of active vessels in a poor availability year, and stock conservation impacts could occur. The more active vessels, the more quickly the quota is caught, which has biological impacts in itself, raised by several public comments which point out that a higher number of animals are required to fill the boat earlier in the season as opposed to later in the season.³⁴

Regarding high market prices, these prices are not always high and will not always remain high. The U.S. Illex price is determined by world production of both the Argentinian Illex fishery, combined with the Northwest Pacific todarodes fishery and has nothing to do with U.S. production. From 1997-2016, the Argentinian Illex fishery harvested on average between 400-

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https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff80613141374b8a5ecee/1587542048086/CommentsAWeb.pdf p. 86 of 135 "On years of high availability, generally the squid get larger over the course of the season, usually starting at around 90-100g in early June to 300g or more by mid to late August. If excess pressure is put on the fishery by increasing the number of vessels, the chances of the quota being caught mid-July is exceedingly high. In doing so, the actual number of animals required to reach the quota is significantly higher than it would be if the season were to stretch out over the later part of the summer. Simply put, it takes 2 150g squid to equal 1 300g squid weight wise. I am aware of the ongoing Illex working groups involvement in trying to improve the science on Illex, but as to date, we still do not have any more information as to what possible harm this may do to a cohort or to the stock as a whole." See also Public Comments B at

https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5e9ff8622082c8447ebc97e5/15875421230 18/CommentsBWeb.pdf, p. 81 of 153 "Over allocated Tier II permits will also negatively impact reaching biological maximum sustainable yield. Latent-effort permits will accelerate landings causing the fishery to harvest smaller early-season squid. More animals per ton will be landed than if historic participants paced their landing to capitalize on the larger late-season squid. Larger squid yields better."

³¹ See Federal Register Notice August 2, 2013, Control Date for Qualifying Landings History and to Limit Speculative Entry into the Illex Squid Fishery; Atlantic Mackerel, Squid and Butterfish Fishery Management Plan, "In the case of the *Illex* squid fishery, the Council is currently concerned with excess and/or latent capacity. Since 2003, approximately 7 to 21 of the 76 *Illex* squid moratorium-permitted vessels have accounted for 95 percent of *Illex* squid landings. Activation of latent capacity, in conjunction with restrictions in other fisheries, may create a derby fishery during the period of *Illex* availability during the summer and early fall of each year. Therefore, the Council has expressed a need to examine excess capacity and/or latent capacity in the limited entry section of this fishery." See also August 2018 Council meeting motions at

³² Ibid.

³³ See Illex Working Group discussions, SSC discussions, Illex Summit discussions.

³⁴ See Public Comments Part A at

600,000 metric tons a year, and the Northwest Pacific todarodes fishery harvested on average between 200-300,000 metric tons per year.³⁵ However in 2016-2018, these fisheries significantly dropped average production to approximately 150,000 metric tons and 65,000 metric tons, respectively.³⁶ This void in the world market has caused U.S. Illex prices to be high the past 3 years. However, as these fisheries cycle upwards again the U.S. price will drop correspondingly, and this will magnify the negative economic impacts to vessels reliant on the U.S. Illex fishery from early closures and lack of flexibility to move into other fisheries. Additionally, on years when Illex is less available, additional conflicts may arise due to contracted fishery range, as previously noted.

4. GARFO Letter: "Updated FMP objectives proposed for this action emphasize minimizing additional restrictions and providing the greatest degree of freedom and flexibility (Objective 2.1), and allowing operational flexibility (Objective 2.2). In adopting final measures, the Council should clearly describe how revisions to *Illex* permits would achieve these objectives and balance the social and economic needs of various sectors of the fishery (Objective 2.3)."

<u>Comment</u>: Many of the historic vessels traditionally reliant on the Illex fishery do not have the flexibility to move into other fisheries, as mentioned earlier. Thus to remain viable, these vessels must preserve their historic access. Moving forward with a tiered system of permitting, which allows some reasonable access for new entrants that can demonstrate a threshold of participation, will provide flexibility for those vessels to access the Illex fishery in addition to their traditional fisheries. Maintaining operational flexibility in the Illex fishery also requires avoiding gear/fishery conflicts which has been raised in public comments as both real and potential issues in this fishery.

Maintaining flexibility in the Illex fishery was also a significant concern when developing the Chub Mackerel FMP which is now a part of the MSB Fishery and had the potential to result in time/area closures for the Illex fleet (e.g. as the Illex fleet is also the fleet which targets chub mackerel).³⁷ The FMAT developing the Chub Mackerel Amendment deliberated substantially on these provisions due to the overlap of the Illex and chub mackerel fisheries/fleet.³⁸ As the Goals and Objectives being proposed in the Mackerel, Squid, Butterfish FMP Goals/Objectives and Illex Permit Amendment would apply to the entire FMP, it is important to keep this contextual information in mind.

https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/59020a4a197aeae14bef6108/14933059324 45/Chub mackerel scoping document FINAL.pdf and

https://static1.squarespace.com/static/511cdc7fe4b00307a2628ac6/t/5af59de56d2a733614c80fe8/15260461816 57/Chub FMAT mtg2 summary.pdf.

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³⁵ See attached Excel file. Source: FAO.

³⁶ Ibid.

³⁷ See https://www.mafmc.org/actions/chub-mackerel-amendment; see also

³⁸ See

Therefore, we request that the Committee look to the public record on this amendment, including the scoping and public comments cited, and address each issue raised in this letter by the below Advisory Panel members.

Sincerely,

Meghan Lapp

Seafreeze Ltd.

Advisory Panel Member, Mackerel Squid Butterfish Advisory Panel

Greg DiDomenico

Lund's Fisheries

Advisory Panel Member, Mackerel Squid Butterfish Advisory Panel

Jeff Kaelin

Lund's Fisheries

Advisory Panel Member, Mackerel Squid Butterfish Advisory Panel

Bobby Ruhle

F/V Darana R

Advisory Panel Member, Mackerel Squid Butterfish Advisory Panel

Leif Axelsson

F/V Dyrsten

Advisory Panel Member, Mackerel Squid Butterfish Advisory Panel

Hank Lackner

F/V Jason and Danielle

Advisory Panel Member, Mackerel Squid Butterfish Advisory Panel