Surfclam and Ocean Quahog Excessive Shares Amendment

(Amendment 20)

October 4, 2022

Dewey Beach, DE

Objective

- Provide a refresher on the development of this action

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Brief Chronology of this Action

GAO Report – Consolidation is greater than NMFS data indicates	2002
NMFS response to GAO report – Urge Council to develop and amendment to address share accumulation	2004
FMAT meetings; Council updates, etc.	2004 - 2011
Compass Lexicon Report & CIE Review – the implementation of an excessive share definition would require better information on quota ownership and control	2011
Amendment 15 initiated. Amd 15 split: PSP issue, cost recovery, EFH, OQ BRPs; develop an information collection program to assess share accumulation (ownership/control)	2012
Council approved the Data Collection Protocol	2013
Data Collection Protocol implemented by NMFS	2015
Ownership data collection began	2016

Brief Chronology of this Action

Council identified the excessive shares action as a priority	2017
FMAT was reformed to work on the excessive shares action	2017
Range of alternatives developed Refinement of issues/alternatives Public hearings Council presentations	2018 - 2019
Council final action	December 2019
Proposed rule	August 2022

What is in Amendment 20?

- Excessive shares cap

- Process to review excessive shares

- Multi-year specifications

- FMP goals and objectives updated

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Excessive Shares Alternatives

- Six alternatives & 10 sub-alternatives
  - Status Quo - no limit on or definition of an excessive share is included in the FMP
  - Ownership cap only (49%, 95%, 2016-2017)
  - Cap on possession of both owned quota share and cage tags (40%, 49%, 2016-2017)
  - <u>Preferred: Two-part-cap – quota share ownership cap and a second, higher annual allocation cap based on possession of cage tags</u>
  - Ownership cap only with unlimited possession of cage tags (40% + unlimited possession)

Excessive Shares Alternatives

- Preferred alternative

  – Caps on quota share of 35% for surfclam and 40% for ocean quahog

  – Caps on annual cage tags of 65% for surfclam and 70% for ocean quahog over the course of the fishing year

  – Endorsed by Industry

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Excessive Shares Alternatives

- These caps would be monitored based on the total amount of 'potential control' an individual or business has over the course of the fishing year. 'Potential Control' would represent any allocation held directly, or held by all owners (in the case of businesses) or all immediate family members (in the case of individuals)

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Excessive Shares Alternatives

- The proposed caps are higher than the potential control of any current participant in the fishery. They were not designed to cause anyone to divest current holdings, but are intended to limit future consolidation in this fishery

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Excessive Shares Review Alternatives

- Two alternatives
- Status Quo
  - There would not be a requirement for periodic review of implemented excessive share cap measures
- Preferred: Require periodic review of the excessive shares measures at specific intervals. At least every 10 years or as needed
  - Council to review their measures to determine if conditions in the fisheries changed over time and warranted revisions

Multi-year Specifications Alternatives

- Two alternatives
- Status Quo
  - No change to current multi-year specification system (up to 3 years)
- Preferred: Adjust the maximum duration of multi-year specifications actions to match the stock assessment schedule
  - Efficient use of Council and NOAA staff time supporting the management process; thus, reducing staff time and management cost

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FMP Goals and Objectives

- Refresh FMP goals and objectives
  - The Council is undergoing a process to review and possibly revise goals and objectives for all its managed fisheries and FMPs

- Consistent with today's fisheries and management objective

- Included in this action to take advantage of efficiencies in timing and public review

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Proposed Rule / Comment Period

- August 2022

- Comment period for proposed rule ended September 23

- NOA comment period ends October 11

- Two comments on the rule, both in favor of the pending proposed regulations

- FR Notice - Amendment 20 to the Atlantic Surfclam and Ocean Quahog FMP

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Questions/Comments?