TDD 401-222-4462

To: Mark Gibson

Deputy Chief-Marine Fisheries, DFW

From: W. Michael Sullivan, Ph.D.

Director

Date: November 16, 2006

Re: Decision on October 16, 2006

Marine Fisheries Hearing Items

This is in response to your November 1, 2006 memorandum regarding the regulatory proposals presented at the October 16, 2006 public hearing.

I have reviewed all of the supporting documentation forwarded with your memothe minutes of the three RIMFC Industry Advisory Committee (IAC) meetings, the public hearing summary document, the summary of public hearing comments, and the minutes of the October 18, 2006 meeting of the RIMFC.

Based on my review of the record, including the recommendations set forth in your memorandum, I have reached the following decisions:

Management Plans for the Shellfish, Finfish, and Crustacean Sectors: I adopt your recommendation, and that of the Council, to enact the three plans, as amended. I concur with the rationale, set forth in the proposed plan amendments, for not issuing any new lobster or restricted finfish endorsements, for 2007. I further agree with the rationale for the proposed issuance of (16) new quahog endorsements, pursuant to the 3:1 exit/entrance ratio. Finally, I note that all three plans continue to support open opportunities for new endorsements in the non-lobster crustacean, non-restricted finfish, and non-quahog shellfish categories, thereby affording all Rhode Islanders a range of options for obtaining new commercial fishing licenses.

<u>Commercial Fishing Licensing Regulations</u>: I adopt your recommendation, and that of the Council, to implement the several technical revisions to the regulations, and the provisions governing new license opportunities for 2007, consistent with the sector management plans.

With regard to the proposed amendment that would repeal the provision requiring buyers of businesses to be experienced fishers, I concur with your recommendation to defer any action on that issue for the time being, and re-submit it to the council for further consideration. I note that there was some apprehension expressed at the Council meeting on the matter; also, as you note, the issue was a focus of discussion during the public workshops that led to the development of the license reform statute in 2002. I would like to revisit that discussion, and seek full input from this industry and others through the Council's IAC, before making a decision on whether the provision should be repealed.

Regarding the Council's recommendation to modify the provisions governing restricted endorsements to allow those with quahog endorsements to harvest all shellfish species, to allow those with lobster endorsements to harvest all crustacean species, and to allow those with restricted finfish endorsements to harvest all finfish species, I am not prepared to enact such a change at this time. I note that the governing statute establishes "at a minimum" the six endorsement categories currently in effect pursuant to the licensing regulations (see RIGL § 20-2.1-3(6)). I also note that, for the current (2006) license year, 723 of the 1,079 holder of CFL and PEL licenses have obtained nonrestricted endorsements, in addition to restricted endorsements, indicating that there is substantial compliance with the non-restricted endorsement provisions. I do agree, however, that the license categories and fees warrant further examination, particularly in view of the changing landscape involving the lobster fishery. Such an examination would need to focus on the licensing statute, since that serves as the basis for the regulatory program. Accordingly, I hereby request that you and Bob Ballou, in coordination with the Council and others from industry, undertake an evaluation of the license and endorsement categories and fees, with a view to potentially developing a legislative proposal for the upcoming (2007) session. I caution that such an effort will need to be fast tracked, given the deadlines established by the Governor's office and the General Assembly for introducing legislation. I will look forward to reviewing the results of your work.