RI Marine Fisheries Council Summer Flounder Advisory Panel Meeting Minutes October 15, 2013, 5:00 PM URI Bay Campus, Coastal Institute

| R. Hittinger, Chairman | M Bucko* |
|------------------------|-----------------------|
| C. Brown* | L. Jordan* |
| B. Mattiucci* | K. Booth |
| D. Fox* | E. Cook* |
| J. Carvalho | A. Gewirtz* |
| B. Mackintosh | |
| R. Ballou - RIDEM | J. McNamee, DFW staff |

(*primary advisory panel member; ^A alternate member)

- R. Hittinger began the meeting. He stated that J. McNamee of the RI Division of Fish and Wildlife (DFW or Division) had a presentation which covered the first 3 agenda topics. R. Hittinger stated that after the presentation the panel would discuss any proposals they may have for commercial management for summer flounder in 2014.
- J. McNamee began with a discussion about stock status for summer flounder. The stock was rebuilt and overfishing was not occurring, though the stock has now dropped back below the biomass target. The summer flounder stock went through a benchmark assessment in 2013, and the benchmark passed peer review. He then went over the fishery performance in RI in 2013. The fishery had not closed to date in 2013, but a decrease was needed in each sub period to avoid overages and it appeared that a short closure may be needed prior to the end of the summer sub period. Decreases in quota were expected over the coming couple of years due to a retrospective pattern in the estimated recruitment from the stock assessment. J. McNamee offered 3 different options from the DFW for discussion. The first was simply a modification to the starting possession limits to accommodate the decreasing quota. The next two options were variations on modifications to the summer sub period. One option ended the summer sub period on September 15 but kept the sub period allocation the same as it currently was, and the second one ended the summer sub period on September 15 but prorated the allocation based on average landings for the previous two years during the period of September 16 through October 31 (equating to 7% of the sub period landings). The final option had to do with the summer flounder exemption certificate program. The idea was to quantify the existing exemption certificates which were latent and then allow those certificates to be reissued to RI residents. There was one final discussion topic, but the group decided to discuss the options for 2014 before moving to the final discussion topic.
- R. Hittinger went to the panel for discussion. J. Carvalho began with a discussion on the summer flounder exemption certificates. He stated that the state should do away with the certificates because they created an inequity amongst RI fishermen. He felt this could be done by keeping the current system in place, but to stop the transferring of the certificates, so when someone sold their boat, the certificate would go away. He concluded by noting that the certificates should be issued to

people not vessels, and he noted the whole program was a mistake because DEM did not have the right to create property. C. Brown noted that he was opposed to changing the current program. He felt removing the program would allow effort to increase and the fishery could not currently accommodate any increase in effort. B Mackintosh stated that he felt gillnetters should be allowed in to the aggregate program even without an exemption certificate as it would help with discard issues in that fishery, but he was opposed to changing the current exemption certificate program. B. Mattiucci stated that he also was opposed to changing the current program. He felt the program protects the winter fishery so the system should be kept as is.

- D. Fox wanted more information including the number of how many of the existing permits were believe to be latent and how many were inactive. There was further discussion on the definitions of latency and inactivity. D. Fox concluded that if changes were to be made, there should be rules put in place to make sure the new vessels being offered the permits were not much larger in length or horsepower than the vessel issued the original permit. He would be for this change but needed more info before he could make a final decision.
- C. Brown noted that vessels could be allowed in the aggregate even without an exemption certificate but they simply could not exceed 200 pounds in any one day.

The group moved on from the exemption certificate discussion to the other management options. A. Gewirtz stated that he favored the first option (keeping the allocation the same but shortening the summer sub period). His only hesitation was that this would create a discard problem in winter 2 because the possession limits would have to be decreased. K. Booth stated that he didn't think this would be too big of a problem as it could be managed by possession limit adjustments. B. Mattiucci had previously noted his opposition to option 2 as presented (shortened summer sub period with prorated pounds).

- R. Hittinger asked to finish up the final topic of discussion and turned back to J. McNamee. J. McNamee stated that the final item for discussion was to begin talking about a sector program. This program would not be for 2014, but for 2015. J. McNamee gave a little background stating that they had a symposium, a workshop, and had vetted additional ways of creating flexibility for fishermen, but in the end none of the additional options were favored. The Director wanted to provide flexibility and ways for fishermen to manage their businesses more efficiently, while decreasing discards and to this point the sector pilot program that had been run showed the most promise. The presentation had a number of proposed objectives and goals for the proposed program. J. McNamee concluded by stating that this was the beginning of the discussion that would take place over the coming year, but noted that this would be an opportunity to see a specific proposal rather than discussing either the pilot project or the concept of a sector program.
- R. Hittinger turned back to the panel for discussion. B. Mattiucci stated that this type of program was unfair, unconstitutional, there were problems of inconsistency with the previous pilot program, and he was unequivocally opposed to a sector program. He went on to state that he wanted the situation where these discussions were brought forward at the last minute to stop. They should be brought forward ahead of time with ample time to meet and discuss these dramatic changes to fishery management. J. McNamee noted that this was exactly the point of bringing this forward over a year ahead of time.

- K. Booth stated that the DFW should model out some of the different scenarios (i.e. if 50% of the draggers joined sectors what would the allocations look like, etc) and then bring those scenarios forward for review by the panel.
- D. Fox stated that they should consider not only a cap on the number of vessels in a sector, but also a cap on the amount of allocation a single sector could accumulate.
- C. Brown stated that the program should not have a set and static historical period to set allocations. If the allocation was more dynamic, it would allow new entrants to avail themselves of sector opportunities in the future.
- A. Gewirtz stated that he had a good experience in the sector program but he does worry about individuals being forced in to sectors from a fear of being shut out of the fishery. He went on to note that it is very difficult to manage a personal allocation, so there would be a steep learning curve for those who had not worked in a system like this in the past.
- J. Carvalho stated that he was opposed to sector programs due to the inequity that they create. He felt that management should be plain, simple, and fair. He offered a counter proposal for consideration. He felt that there should be no sub periods and a single possession limit should be set for the entire year that would maintain an open fishery. He felt this would be the most equitable program that could be developed. D. Fox stated that this was not a feasible proposal as it was not possible to set a single possession limit that would stay open the whole year and allow some level of economic sense for larger offshore vessels.

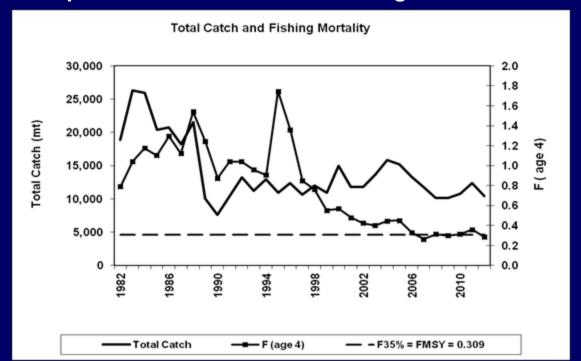
This concluded the discussions and R. Hittinger adjourned the meeting.

Summary of Summer Flounder Stock Status, 2013 Rhode Island Commercial Fishery Performance, and DFW Recommendations for the 2014 Summer Flounder Fishery



Summer Flounder Stock Status

- Stock Status:
 - Benchmark in 2013: SAW/SARC 57 and peer review
 - •The summer flounder stock is not overfished and overfishing is not occurring relative to biological reference points.
 - •Further summer flounder is considered rebuilt.
 - Fishing mortality was estimated to be 0.285 in 2012, below the threshold F reference point = 0.309 but above the F target = 0.255.





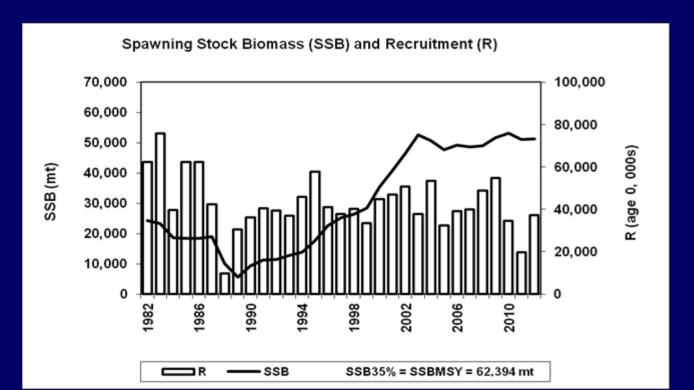
Summer Flounder Stock Status

Stock Status:

SSB estimated to be 113 m lbs in 2012, below the SSB reference point = 137.6 m lbs but above the SSB threshold = 66.2 m lbs.

•The 2011 year class is currently estimated to be about 26 million fish, below the average of 42 million fish

•A retrospective pattern in recruitment is evident, the 2008 and 2009 large year classes have dropped significantly in recent updates





Summer Flounder Management Measure Recommendations 2014

- Multi-year specifications in place for 2013 and 2014
- •2013 ABC derived using: SSB/SSBMSY = 92%; P* = 0.364; lognormal OFL distribution with CV = 100%
- Level 3 stock assessment
- 3 year ABC recommendations
- •ABC calculations:
 - •Applied 60% CV instead of default 100%
 - Based on presentation of the distribution of CV's in published simulation experiments in which assessment model fully reflected the underlying population dynamics
 - •MC did not recommend addition of management uncertainty



Summer Flounder Management Measure Recommendations 2014

| Year | OFL | Total Catch ABC | Landings | Discards | F | SSB |
|------|------|-----------------------|----------|----------|-------|-------|
| 2013 | 29.8 | 22.3 | 18.5 | 3.8 | 0.250 | 124.9 |
| 2014 | 26.8 | 21.9 | 18.1 | 3.9 | 0.248 | 130.0 |
| 2015 | 27.1 | 22.8 | 18.4 | 4.3 | 0.255 | 136.0 |
| 2016 | 28.1 | 24.2 | 19.6 | 4.7 | 0.263 | 140.8 |



•Table in millions of pounds

Summer Flounder Management Measure Recommendations 2014

| | 2014 | 2015 |
|---------------------------|-------------------------|--------------------------|
| ABC | 21.94 mil lb (9,950 mt) | 22.77 mil lb (10,329 mt) |
| Commercial ACL = ACT | 12.94 mil lb (5,869 mt) | 13.42 mil lb (6,085 mt) |
| Recreational ACL = ACT | 9.00 mil lb (4,081 mt) | 9.36 mil lb (4,244 mt) |
| Commercial Quota (adj) | 10.51 mil lb (4,767 mt) | 10.74 mil lb (4,870 mt) |
| Rec. Harvest Limit (adj) | 7.01 mil lb (3,178 mt) | 7.16 mil lb (3,247 mt) |



Summer Flounder Management Measure Recommendations 2014

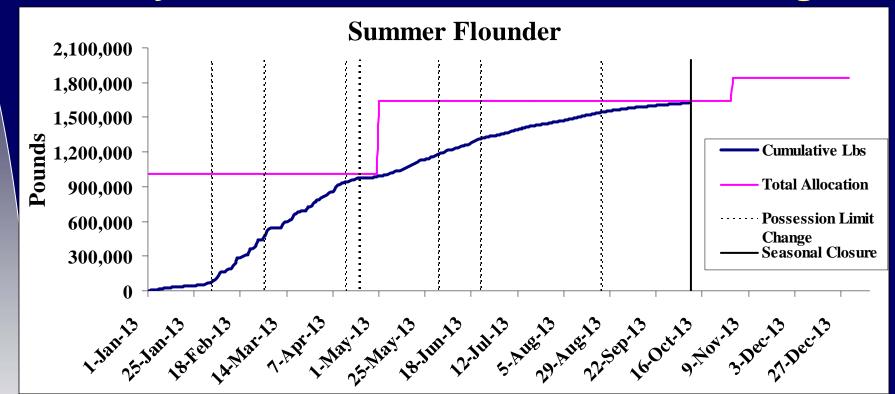
| | 2013 | 2014 (current) | 2014 (staff recom. revised) | % change (2014 staff rec. revised vs. 2014 current) |
|---------------|------|----------------|-----------------------------------|---|
| ABC (mlbs) | 22.3 | 22.2 | 21.9 | -1.4% |



No changes to current minimum size (14 in), gear requirements, or exemption programs

•Up to 3% of TAL be made available to RSA program

RI Fishery Performance - Commercial Landings

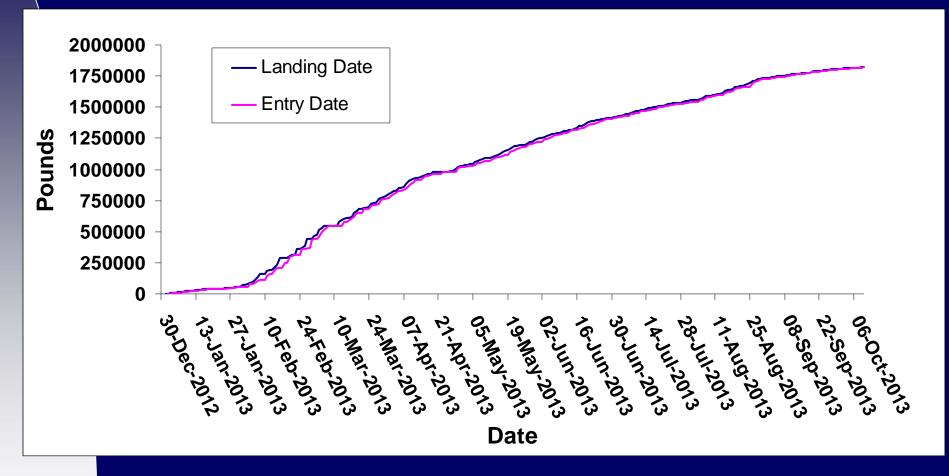


Possession Limit Changes:

- 1/1/13 Began @ 300 lbs/day
- 2/3/13 Winter aggregate began @ 2500 lbs/wk; Daily limit remained @ 300 lbs/day
- 3/3/13 Aggregate dropped to 2000 lbs/wk; Daily limit remained @ 300 lbs/day
- 4/14/13 Dropped to 1000 lbs/wk (aggregate); 200 lbs/day
- 4/21/13 Closed Winter aggregate and dropped to 100 lbs/day
- 6/1/13 Summer Aggregate began @ 700 lbs/wk; Daily limit remained @ 100 lbs/day
- 6/23/13 Dropped to 350 lbs/wk (aggregate); 50 lbs/day
- 8/25/13 Closed Summer Aggregate and remained @ 50 lbs/day
- 10/10/13 CLOSED

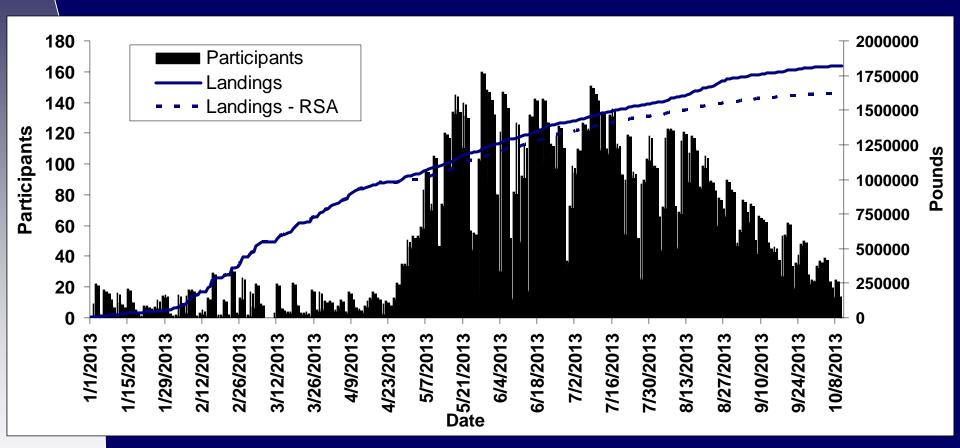


RI Fishery Performance – Dealer Reporting



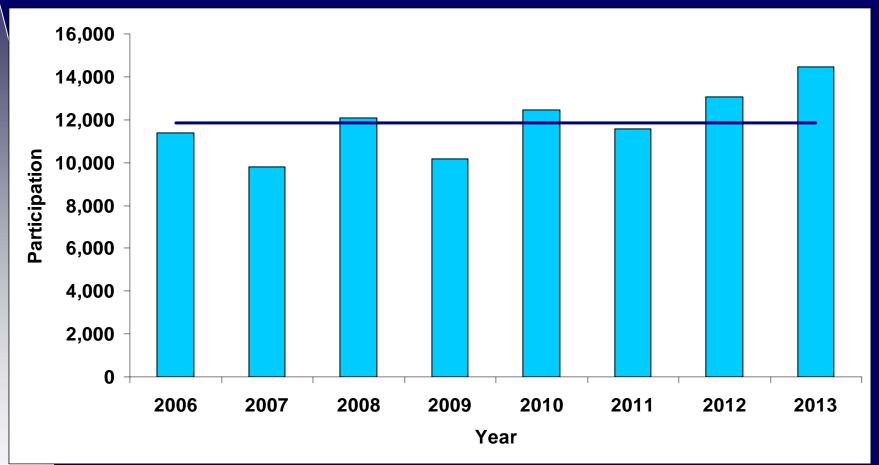


Commercial Landings – Change in Effort Within Season 2013





Commercial Landings – Change in Effort Between Years





Data is only through late September in each year

Commercial Landings – Aggregate Program

- Total participation was 55 in the Winter Aggregate Program and 12 in the Summer Aggregate Program
- Total times participants landed over the weekly aggregate amount were 7
- The total additional pounds landed for entire state period (to date) were 2,238 lbs (less than 1% of Allocation)



RI Commercial Fishery Performance

- There was a 28,042 pound underage in first period (3% of total quota)
- This underage was split between the two remaining sub periods per regulation, therefore each sub period gained 14,021 lbs
- The possession limit dropped below 100 pounds on 6/23/13 in the summer sub period in an effort to avoid an overage or closure
- The summer sub period CLOSED on 10/10/13 despite efforts to avoid this, as of today's meeting there is 6,065 lbs remaining to be rolled into the last sub-period
- Effort to date reached a maximum of 160 participants per day on May 28th



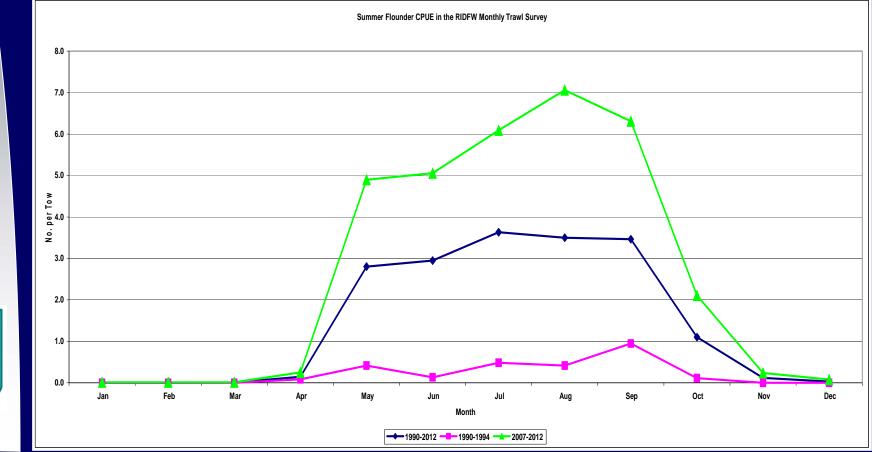
Preliminary 2013 Commercial Allocations

- RI 2014 Projected Commercial Quota (-RSA) = 1,758,218 lbs
- •RI 2013 Commercial Quota = 1,794,100 lbs
- 2014 has a decrease of 35,882 lbs (2% decrease)
- •2014 Allocations based on estimated RI Quota:
 - •Winter 1 54% = 949,438 lbs
 - •Summer 35% = 615,376 lbs
 - •Winter 2 11% = 193,404 lbs
- •For reference, 2013 adjusted allocations:
 - •Winter 1 54% = 968,814 lbs
 - •Summer 35% = 627,935 lbs
 - •Winter 2 11% = 197,351 lbs



DEM/Marine Fisheries Proposed Changes

- The Division feels that the current long summer sub period is not accommodating to the different user groups participating in the beginning and the end of the period
- As well the Division feels the current long summer sub period does not reflect the biological characteristics, e.g. the migratory patterns, of the current stock when in local waters





DEM/Marine Fisheries Proposed Changes

- The Division recommends the following starting possession limits for 2014:
 - Winter 1 = 200/day; Aggregate Period 2,000/week or 200/day
 - Summer = 100/day; Aggregate Period 700/week or 100/day
 - Winter 2 = 200/day
- Further the Division proposes 2 options for altering the sub periods as follows:
 - Option 1:
 - Winter 1 (1/1 4/30; 54%) = 200/day; Aggr Period 2,000/week or 200/day
 - Summer (5/1 − 9/15; 35%) = 100/day; Aggr Period 700/week or 100/day
 - Winter 2 (9/16 12/31; 11%) = 200/day
 - Option 2:
 - Winter 1 (1/1 − 4/30; 54%) = 200/day; Aggr Period 2,000/week or 200/day
 - Summer (5/1 − 9/15; 28%) = 100/day; Aggr Period 700/week or 100/day
 - Winter 2 (9/16 12/31; 18%) = 200/day
- As well, in an effort to look towards providing fishermen with more flexibility, the Division offers the following for consideration:
 - Review existing exempt certificates
 - If not active for 5 years, add to latent permit list
 - Allow application for these latent exempt certificates and distribute via lottery



DEM/Marine Fisheries Additional Proposal

- During 2014, DEM will begin to formulate a hybrid sector proposal to be brought forward during the 2015 specification setting process
 - Based on results of symposium and workshop, most agreed that the program met 3 main goals: safety, resource benefits, economic benefits
 - There was still much hesitancy and comment stating that these benefits could be achieved through other means
 - Other approaches to flexibility were offered, none were embraced



DEM/Marine Fisheries Additional Proposal

- A hybrid program will be developed with the following general characteristics:
 - 1. 35% of the states quota will remain in a common pool fishery and can not be allocated in to a sector.
 - Quota remaining after calculation of the vessels applying to be in a sector will be added to the common pool fisheries allocation.
 - Vessel allocations determined by SAFIS landings for 2011 -2013 to determine recent historical landings rates for each vessel.
 - 4. An additional amount will be added that considers vessel size.
 - Each sector must consist of a min of two independently owned vessels, with a max being ten vessels. Must have a sector manager.



DEM/Marine Fisheries Additional Proposal

- Characteristics cont.:
 - Require an annual application for inclusion in the sector program.
 - 7. Require a legally binding contract for each individual sector.
 - Application deadline December 1 annually for January 1 implementation.
 - The contract must include language allowing the state to re-acquire the allocation of a vessel that was removed from the sector.
- Many hurdles remain:
 - Develop a fee structure for sectors to fund the admin costs
 - Determine how to fund observer coverage
 - Further development of anti-consolidation measures

