



**Mid-Atlantic Fishery Management Council**  
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## MEMORANDUM

**Date:** draft  
**To:** draft  
**From:** draft  
**Subject:** *Illex* and MSB Goals and Objectives Scoping Hearing Summaries

Six scoping hearings were held for the pending amendment that could modify *Illex* permitting and the goals and objectives for the entire Atlantic Mackerel, Squid, and Butterfish (MSB) Fishery Management Plan. Physical scoping hearings took place during February and April 2019 in Rhode Island (1), New York (1), and New Jersey (2). Two webinar scoping hearings were held, and a listening post was available in Virginia for one of the webinars. Summaries are provided below. Written comments are included separately.

Hearing #1: February 4, 2019; Narragansett, RI

### Attendees:

Nathan Harvey	Mike Parascandold	Donald Fox
Dan Francis	Holly Clark	Jean Burn
Matt Meenan	Ryan Clark	Steve Follett
George Egan	Shannon Saunders	Patrick Maness
Doug Christel	David Saunders	Melinda Cassidy
Katie Almeida	Ethan Wright	Noah Clark
Peter Hughes	Melissa Chace	Rich Hittinger
Rich Fuka	Kat Smith	Mike Barney
Brenden Mitchell	Erin DuBois	Felix Flores
Meghan Lapp	Matthew Jackson	Manny Montes
Bill Toegemann	Paige McLaughlin	Michael Hall
Ryan Scelsa	Pat Hannon	Jason Didden

### Comment Summary:

Donald Fox (Town Dock): Versatility has made Pt Judith viable and scallops, groundfish, and tilefish have already been taken away from us. I don't think this is a good idea – we can't have our eggs in one basket and we need our versatility to be able to go offshore and catch *Illex* rather than have everybody be off Nantucket for *Loligo*. Right now I would advocate for no

change/status quo but maybe change the control date to the end of 2019 if anything other than no action is done. 30 other individuals in the room supported this position.

Regarding the objectives, wouldn't it be better to keep the fish domestic rather than use them for export?

Ryan Clark (Town Dock): *Illex* requalification may negatively go against the current FMP goals of growing the US fishery and providing the greatest degree of freedom possible. The fishery is already limited. Any further limitation will have negative impacts on our initiatives to grow the *Illex* market, on related investments, and on our 100-person shores-side staff and 50 captains and crew. My position is no action/status quo on *Illex*.

Noah Clark (Town Dock sales): I'm all for no action at all due to negative impacts on our business and customers.

Katie Almeida (Town Dock): I agree with Donald, Ryan, and Noah. The Town Dock is for no action. *Illex* is an important part of our business and we've invested money on permits and people/jobs. We are nearing MSC certification for *Illex* and are committed to this species and losing access will negatively impact our business. Avoiding getting limited to one or two species is important for a stable and successful business.

Meghan Lapp (Seafreeze Ltd): The Council requalified *Loligo* permits under the current goals and objectives so I don't see a problem with moving forward with this amendment. *Illex* represents a large portion of our annual revenue and we have participated for 30 years. Early closures the last two years have tied our vessels to the dock for large portions of the year. We support moving forward with requalification consistent with their directed activity prior to the control date, 1997-2013. The 2013 control date preserves the characteristics of the fishery prior to speculative entry by previously inactive vessels. We request exploration of a Tiered system similar to herring and mackerel being mindful that the incidental permit allows a trip limit of 10,000 pounds. We request analysis of landings qualifiers of 1,2, and 3 million pounds sum total over the qualification period as well as an ITQ.

Dan Francis (Town Dock): I support status quo and am concerned that eliminating permits will eliminate through-put for the dock, possibly causing layoffs.

Michael Hall (Town Dock): If 30 boats can catch 30,000 MT maybe the quota is way too low and if the quota was substantially higher we wouldn't be sitting here arguing over who is entitled to what. Do more research on the quota before changing the participation.

Spencer (crew): The quota should be more – 75 million pounds (34,000 MT) at least in high abundance years. That would solve the problem. 31 other individuals in the room supported this position. What caused the quota to come down from 30,000 MT? The big boats should be able to catch unlimited *Loligo* and *Illex* year round. I agree with Mr. Goodwin.

Matthew Jackson (FV Cassy Lynn): I agree with Mike (Hall) – before we get rid of permits we need to get an idea of what the real biomass is and what the quota should really be. I support no

action – I don't see how we can kick people out of the fishery when we don't have a handle on the science.

Shannon Saunders (Town Dock): We've added jobs to support our *Illex* strategy in the plant and with marketing so I'd be for no changes.

Patrick Mannes (Town Dock): Like other commenters it's not just about jobs on the dock but also in the office. We've worked extremely hard to generate demand for *Illex* and my job relies on having this product to market. I'm definitely in favor of no action and want to stress we have customers that rely on us for this product and *Loligo*. If we don't have a supply of *Illex* our customers will go elsewhere and take their other business away also.

Brendan Mitchell (NORPEL): We are a processor and for the last 8 years we have relied on *Illex* to keep the plant open for the whole year given lower herring/mackerel landings. It's not just Town Dock – other operations depend on this. Requalification could have a negative impact on the geographic diversity of the fleet which would negatively impact us – we rely on local vessels.

Mike Barney: A drastic change of *Illex* would hurt the industry and I support the town dock.

Glen Goodwin (Seafreeze Ltd): The first trip I made in 1986 we were rubbing rails with the foreign fishery. We've participated for over 30 years and I could have brought more people here but our boats are out fishing because we were tied to the dock for so long because of this quota closing prematurely. If 10-12 boats can catch the quota we certainly don't need 30 or 50 or 80. We've relied on this fishery for our entire careers every single year so it's extremely important to us. The public outcry of us fishing off Nantucket won't be good for the *Loligo* fishery when a closure happens early. High and low abundance/price years look totally different in terms of effort. For a long time nobody cared about *Illex* but our company can't live without them or afford to be tied to the dock on high abundance years because the price is high and a bunch of new effort comes in. We offered to NMFS to do a post-season survey but no one took us up on it. The NEFSC trawl survey can completely miss the *Illex* biomass and availability turns on and off like a light-switch. Our position is that we don't believe that we need 2-3 times as many boats participating compared to 2013. We've landed the quota with relatively few participants. 3 other individuals in the room supported this position.

Hearing #2: February 5, 2019; Montauk, NY

Attendees:

Arthur Kretschmer  
Malcolm McClintock  
Daniel Farnham

Mike Decker  
Dan Farnham Jr  
Bonnie Brady

Laurie Nolan  
Jason Didden

Comment Summary:

Dan Farnham (vessel owner): The big picture and lack of continuity is what bothers me. NMFS was happy with status quo open access for whiting. We bought a boat 4 years ago with good history but in the end a low level of *Loligo* landings would have qualified us and we didn't need any whiting history. I'm going to say status quo, no requalifying, because if NMFS says leave whiting open access with an overfished component then I don't see any reason to do anything with this fishery. People have already qualified for limited access. This fishery is a cyclic fishery with periods of higher and lower activity. Even recent production and activity, 2017, was similar to many other past years – I see cycles of good fishing and good prices. If the price and fishing drops off the numbers of vessels will too.

Dan Farnham, Jr. (involved in purchasing *Illex* and other squids and part-owner of a vessel with an *Illex* permit): The number of vessels in this fishery is already small and you can't get gross changes. I can understand the thought processes of the freezer vessels because they fish completely differently, but as far as ITQs or re-qualifying I don't think that's necessary at this time. We've had two good *Illex* years but if this year is terrible the freezer processors will be great and have a long season. There's no reason to shut out people from this fishery at this time and force them into other sectors when we have a healthy vibrant fishery. Yes we caught quota the last two years, but not for years before.

Could the Council consider rolling over unused longfin quota from Trimester 3 to Trimester 1 of the following year? The new year seems like an arbitrary date to pick for ending rollovers. It would be good to be able to add quota quickly during boom periods of productivity.

Bonny Brady (Long Island Commercial Fishing Association): We oppose catch shares.

Hearing #3: February 6, 2019; Cape May, NJ

Attendees:

Brian Neilan	David Wiscott	Jack Burke
Greg DiDomenico	Jimmy Elliott	Dan Axelson
Eleanor Bochenek	Jeff Reichle	Peter Hughes
Sam Martin	Wayne Reichle	Jason Didden
Josh O'Connor	Jack Burke	
Brady Lybarger	Rick Hoff	

Comment Summary:

Several attendees indicated that going forward it would be useful to have the number of vessels that have not participated at all or at a very low level during a given time period (the scoping document had information on the annual participants but not the total participants over a given time period). There were several questions about how far back activity could be considered for requalification, including joint venture activity. Staff noted that recent MSB qualification actions have focused on activity since 3/1/1994 or 1/1/1997 due to data quality issues.

Greg DiDomenico: Using the chub mackerel plan goals and objectives for the MSB plan overall is not something industry will support and I would not have supported the chub mackerel amendment if that meant using those for MSB generally – chub mackerel is different from the established and substantial MSB fisheries. If we're going to start accounting for other user groups and conflicts and things of that nature in regards to the *Illex* fishery GSSA will oppose the amendment. We are also in opposition to Tiering permits (e.g. mackerel example).

Dan Axelson: The charts indicate there are only a handful of boats that depend on this fishery. And shoreside facilities need production to satisfy and maintain markets. I depend too much on this fishery to leave it open for a bunch of other people to come in. The original control date should be considered. There is some room but not much. I don't support a separate allocation for freezer trawlers – that's the equivalent of an ITQ.

Sam Martin (Atlantic Capes): We have more been in the scallop fishery and see the need to reduce capacity but don't want to lose value of the permits we hold and use from time to time. But we would like it looked at going back to 1982-2013 to analyze landings with a 1 pound and 100,000 pound minimum break just to see where people stand. It's a hard fishery to capitalize and get into, but there is a reliance by every company on the flexibility of their permit suite. We don't want to see separate RSW/freezer quotas or a tiered system. We think effort should be put into real time management so when we see boom years we can increase the quota by a certain percentage versus eliminating opportunities of vessels that may need to rely on *Illex* in the future. It would also be good to look at hold measurements in terms of vessel efficiency and a baseline.

Jeff Reichle: Hold capacity is something that needs to be addressed no matter what else is done. Not addressing hold capacity can allow substantial increases in vessels' productive capabilities even within other baseline parameters. Agree with looking at 1982-2018 to see how many zeroes

there are in terms of activity. We need to know the real universe of boats and activity to move forward to think about potential qualification criteria. We don't want too few boats in the fishery but need more information to know what makes sense. I would hope that the Council looks at the community issue in terms of dependence including processors and their employees. We don't support tiers other than some bycatch allowance for vessels that have not been active (and don't requalify). We don't agree with making changes for RSW or freezer trawlers because in years of abundance the RSW have the advantage but in the majority of years the freezer trawlers have the advantage.

Jack Burke (FV Susan Marie 2): You need to take into consideration the people who have participated over the years and participate in mixed fisheries. The people who are involved shouldn't be shut out and you need to consider how smaller boats operate. I don't think a separate system for RSW and freezer boats is a good idea. RSW versus freezer was a business decision boats made and right now the RSW boats just happen to be benefiting.

Hearing #4: February 7, 2019; Webinar, with a listening post in Ft. Monroe, VA (new Virginia Marine Resources Commission Main Office)

Attendees:

James Fletcher  
Jimmy Rhule  
Peter Anderson

Doug Christel  
Pam Lyons Gromen  
Meade Amory

David Jones  
Rob O'Reilly  
Jason Didden

Comment Summary:

Meade Amory typed a comment into the webinar chat, which is included in the written comments.

James Fletcher: NAFO has a whole other set of *Illex* numbers/quotas that can be harvested. The foreign fleet was further offshore. Is there another body of squid offshore that we might be cutting potential participants off from if the squid move inshore. NMFS is the driving force that has cut back from the number that NAFO proposes. Before we start limiting participants we need to know how many squid are off the shelf beyond the Bigelow survey. We should also increase egg survivability by addressing chemicals in the water in this action.

Jimmy Rhule: I've been involved in the fishery since 1981. The current quota is a SWAG – Scientific Wild-Ass Guess with little data to support it. We can't fully assess *Illex* due to the range but we've never seen two productivity years like 2017-2018, likely tied to the destabilization of the Gulf Stream. The market opportunities have also at least quadrupled. I don't wish to disenfranchise permit holders, but I think we should Tier the existing permits so that regular and only recent participants are considered at a different level to be fair to regular participants who have given up other permits. Newer participants should be given some level of access, but not the same as those who established this fishery. I'd encourage the Council to consider the needs of the freezer-trawler fleet who have been long-time participants. They have built up a market but their daily freezing limitations put them at a disadvantage during a short season. I am totally opposed to any kind of catch share (LAPP, ITQ, IFQ, sector, etc.) system that will be detrimental to this fishery like it was for groundfish and lead to concentrated/foreign ownership. We also need to push forward with ways to take advantage of boom *Illex* years and need some new blood for thinking about squid assessments.

Hearing #5: March 13, 2019; Webinar

Attendees:

Jason Didden, James Fletcher

Comment Summary:

James Fletcher

We are stopping the production of squid that could have been landed because of a rule that makes no sense on a 1-year crop. How many tons of *Illex* and flatfish were imported? Why with the largest EEZ do we import so much seafood – it's just because of management. We need to not stop production of fish through our regulations. We should allow our fishermen to access the NAFO *Illex* quota.

There should be fresh *Illex* on the market 12 months of the year. We haven't done one thing to encourage a jig fishery despite interest in a jig fishery. The Departments of Commerce and State are the reason we're not producing more fish – they don't want us to produce. How did the squid fisheries support the foreign and domestic fisheries until 1976/Magnuson, especially since they admitted on the record they were only telling us 5-10% of what they were actually catching. We should spawn and release squid to increase landings using floating containers in the ocean. If solar and tidal cycles are not considered you can't understand abundance.



Hearing #6: April 10, 2019; Avalon, NJ (during April Council Meeting)

Attendees: Council meeting attendee list available upon request.

Comment Summary:

Jeff Kaelin, Lund's Fisheries: We think it's a good idea to move ahead with this action. We think there is a need for eliminating unused permits to reduce the potential of over-capitalization in the fishery. It would be a bold step to move forward with CDQs or ITQs...maybe look at effort first and consider additional steps later. We don't want to take opportunities away from boats that have used *Illlex* permits in recent years – it's a balancing act between making sure fish crosses the dock and avoiding overcapitalization. The options evaluated back in 2016 (considered in the longfin squid amendment) are reasonable to start, but the 200,000 option begins to take away permits that have been utilized in the past. 1997-2013 and 1997-2018 are reasonable time period options to consider who fished, including in 2018. We don't think that the chub mackerel goals and objectives should be relevant to this amendment. The objectives in Amendment 20 about eliminating latent effort are better.

Katie Almeida, Town Dock: We support status quo, no action. We have been active in this fishery in the last few years, purchased permits and vessels, and hired crew and staff. We have developed markets and a customer base. We fear that moving forward with this amendment is going to cause us to lose markets and negatively affect our business. Our port and company depend on having access to multiple species and this action could eliminate access to a fishery we have become dependent upon. People in our port fear that eliminating vessels now will hand the fishery over to a few vessels and we don't want to see that happen.

Meghan Lapp, Seafreeze Ltd.: We believe the permit type that people have should be consistent with their history in the fishery. Multiple SSC documents have shown that there are 10-15 boats that accounted for the majority of landings in approximately the last 20 years versus 79 permits. Our boats have fished *Illlex* every year for the last 30 years. For the last two years we've sat at the dock for 3-4 months because there is nothing else for us to do. We and Lund's built the markets, fishing every single year. I think we are the only boats that have participated in this fishery every year for the last 30 years and we are losing access to this fishery because in the last few years the price and availability have been good and now everyone believes they should be an *Illlex* boat and I do not believe that. Last year our boats were tied to the dock from the August closure until November. This year the fishery is going to close in July given what we're hearing about other people gearing up to go fishing for *Illlex* - then we'll be tied up from July to November.

I can't keep a business going and can't keep a crew if my boat is tied to the dock for half a year. Our boats fish for squid, mackerel, butterfish, and herring. Herring in our area is closed. Mackerel is closed for the rest of the year. In the summer butterfish are up in the bays and estuaries – we can only catch them in the winter when they are out on the edge and the Marine Monument impedes our ability to harvest butterfish. After a July *Illlex* closure until November, our only option will be *Loligo*. My boats are 150 feet long and designed to fish offshore, not off the beach. Even if there is a bloom of *Loligo* on the beach this year I'm pretty sure nobody wants 150-foot boats off Nantucket because this Council knows what that will create. That would be our only option and we don't want to do that. If this amendment does not go forward and appropriate action is not

taken to protect the fishery – open access for the boats that built the fishery – we will either be forced to enter other fisheries (that will close those fisheries) or we won't have a business. That is literally the situation we are facing. I urge you to move forward with this amendment and take appropriate action to ensure that the participants that built the fishery and maintained effort in the fishery over decades retain access to the fishery and the markets they built. Not everybody who has fished in the last few years is an *Illex* boat.

I suggested at the Narragansett hearing to analyze an ITQ to see where the effort has been and who has landed what and then potentially look at a Tiered system like what we have for Atlantic herring and mackerel. In the original squid amendment document it said out of 79 there were 42 that didn't even have an incidental landing so if this Council doesn't take action quickly this will become a couple-week fishery and my company will go out of business.

Bill Bright, F/V Retriever: I have the same sentiments as Meghan exactly. I've been in the fishery for 20 some years and now it's more critical than ever because we built our business on herring, mackerel, and squid, and we all know what's happening with herring. This year we were shut down with just about no mackerel landings and no matter how thick they are in the fall we won't be able to touch them. Every year is different with *Illex* – in a perfect year we'd have more quota and when they are spread up and down the shelf we could all fish them. There's a lot of years when it's just Cape May and to the south and then it will be too many people in one area. I definitely suggest moving forward and like the idea of a tiered permit system. Unfortunately everybody can't leave happy. This is one of the last fisheries we have and we've been waiting for these markets for a long time. I made my boat bigger to ensure safety, and it's really important now – we only fished two months last year and three months the year before and with the price higher even more people will jump in so I definitely support the amendment moving forward.