

**Squid and Butterfish 2019 and 2020 Specifications  
Supplemental Information Report (SIR)  
and  
Regulatory Flexibility Analysis (RFA)**

**July 2019**

**Mid-Atlantic Fishery Management Council  
in cooperation with the  
National Marine Fisheries Service**

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## 1.0 EXECUTIVE SUMMARY

This Supplemental Information Report (SIR) was prepared by the Mid-Atlantic Fishery Management Council (Council) in consultation with the National Marine Fisheries Service (NMFS). The purpose of this SIR is to determine if the continuation of the existing longfin squid and butterfish specifications and proposed modifications to the *Illex* squid (simply *Illex* hereafter) specifications for 2019 and 2020 would require a supplement to the environmental assessment (EA) prepared for the 2018-2020 specifications (MAFMC 2017) to maintain adherence with the National Environmental Policy Act (NEPA). After considering the proposed action and new information in section 5.0, and supporting analyses in section 6.0, the Council and NMFS have determined, as documented herein, that a supplement to the 2018-2020 Specifications EA is unnecessary.

## 2.0 LIST OF COMMON ACRONYMS AND CONVERSIONS

### Frequently Used Acronyms

ABC	Annual Biological Catch
ACL	Annual Catch Limit
ACT	Annual Catch Target
CFR	Code of Federal Regulations
DAH	Domestic Annual Harvest
DAP	Domestic Annual Processing
EA	Environmental Assessment
EEZ	Exclusive Economic Zones
EO	Executive Order
FR	Federal Register
FMP	Fishery Management Plan
MAFMC	Mid-Atlantic Fishery Management Council (Council)
MT	Metric Tons
NEPA	National Environmental Policy Act
NMFS	National Marine Fisheries Service
OFL	Overfishing Limit
OY	Optimal Yield
RFA	Regulatory Flexibility Analysis
SSC	Scientific and Statistical Committee
US	United States

### Conversions

1 metric ton (mt) = approximately 2,204.622 pounds (lb)

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#### **4.0 PURPOSE OF THIS SUPPLEMENTAL INFORMATION REPORT (SIR)**

The purpose of this SIR is to help determine if the continuation of the existing longfin squid and butterfish specifications and proposed modifications to the *Illex* specifications for 2019 and 2020 would require a supplement to the EA prepared for the 2018-2020 specifications (MAFMC 2017) in order to maintain adherence with the NEPA.

In making this determination, the Council and NMFS relied on the Council on Environmental Quality NEPA regulations and other applicable case law.

The Council on Environmental Quality's regulations 40 Code of Federal Regulations (CFR) § 1502.09(c) state that "agencies shall prepare supplements to either draft or final environmental impact statements if: (i) the agency makes substantial changes in the proposed action that are relevant to environmental concerns; or (ii) there are significant new circumstances or information relevant to environmental concerns and bearing on the proposed action or its impacts." In addition, the Council on Environmental Quality's "significance" criteria at 40 CFR §1508.27 which are used to determine whether any new circumstances or information are "significant," were considered.

This document compares the current management measures and the proposed modifications in the context of the alternatives and analysis presented in the 2018-2020 specifications EA for the Atlantic Mackerel, Squid, and Butterfish FMP (MAFMC 2017). We then consider whether there are any significant new circumstances or information that are relevant to environmental concerns and have a bearing on the proposed action or its impacts.

#### **5.0 THE PROPOSED ACTION**

##### **5.1 Background of Original Action**

The original action, the 2018-2020 specifications EA (MAFMC 2017), was developed to ensure catch and landings limits were in place for the 2018-2020 fishing years based on the ABC recommendations of the SSC (MAFMC-SSC 2017), which are designed to avoid overfishing. The Council's system of specifications, coupled with management measures implemented by NMFS that include fishery closures, is designed to avoid overfishing given the best available scientific information and achieve optimum yield. In May 2017, the SSC certified that its ABC recommendations for all species, including an *Illex* ABC of 24,000 MT, was, to the best of its knowledge at the time, based on the best available scientific information. A proposed rule was published on December 13, 2017 (82 FR 58583), and a final rule published on March 1, 2018 (83 FR 8764) implementing these specifications for 2018 and projecting specifications for 2019 and 2020. Each year, the Council evaluates projected specifications to see if any changes to those specifications are warranted.

## 5.2 New Action and Any Changes from the Original Action

The proposed action would maintain existing longfin squid and butterfish specifications for 2019 and 2020, as previously approved by the Council (MAFMC 2017), but update *Illex* specifications (Table 1) using an *Illex* Acceptable Biological Catch (ABC) of 26,000 metric tons (MT) (57.3 million pounds) and the current discard rate of 4.52% (the mean plus one standard deviation of the most recent 10 years of observed discard rates). The updated *Illex* ABC and discard rate results in an initial optimum yield (IOY) and domestic annual harvest (DAH)/domestic annual processing (DAP) quota of 24,824.8 metric tons (54.7 million pounds). Current regulations require NMFS to close the fishery at 95% of that quota.

**Table 1. Proposed Action for *Illex* Specifications 2019-2020**

<i>Illex</i> Specification		Proposed	Current
(a)	Overfishing Limit (OFL) (metric tons - mt)	Unknown	Unknown
(b)	Acceptable Biological Catch (ABC) (mt)	26,000	24,000
(c)	Commercial Discard Set-Aside	4.52%	4.52%
(d)	Initial Optimum Yield (IOY)	24,824.8	22,915
(e)	Domestic Annual Harvest (DAH) (mt)	24,824.8	22,915
(f)	Domestic Annual Processing (DAP) (mt)	24,824.8	22,915
(g)	Joint Venture Processing (JVP)	0	0
(h)	Total Allowable Level Foreign Fishing (TALFF)	0	0

The proposed action would be a change from the original action and current specifications, which use an *Illex* ABC of 24,000 MT (52.9 million pounds) and set IOY/DAH/DAP at 22,915 MT (50.5 million pounds). The original EA analyzed an *Illex* ABC range of 18,000 MT (39.7 million pounds) to 30,000 MT (66.1 million pounds) and resulting IOY/DAH/DAP range of 17,186 (37.9 million pounds) MT to 28,644 MT (63.1 million pounds).

The Council did not recommend changes to any other regulations in place for this fishery. Therefore, any other fishery management measures in place would remain unchanged for the 2019 and 2020 fishing years. Descriptions of the regulations for *Illex* are available through the website for the Greater Atlantic Regional Fisheries Office (GARFO) of NMFS: <https://www.greateratlantic.fisheries.noaa.gov/sustainable/species/msb/index.html>.

## 5.3 New Information and Circumstances

The Council reviewed the projected 2019 and 2020 squid and butterfish specifications at its June 2018 meeting, but recommended no changes to these specifications for 2019. However, it reconsidered the 2019 *Illex* specifications at its August 2018 meeting based on the continued high landings rate that was projected to close the fishery that month. The *Illex* fishery had one of its best consecutive 2-year periods of performance in 2017-2018. Figure 1 shows landings from 1975-2017 and Figure 2 below shows 2017 landings in orange and 2018 year to date landings in blue.

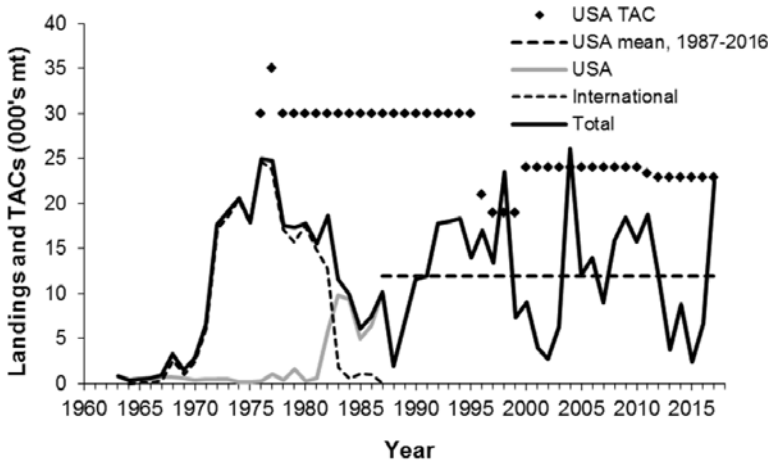


Figure 1. Landings (000's MT) of *Illex* from NAFO Subareas 5+6, by fleet during 1963-2017, and TACs (000's MT) for the same region during 1975-2017 (2017 preliminary).

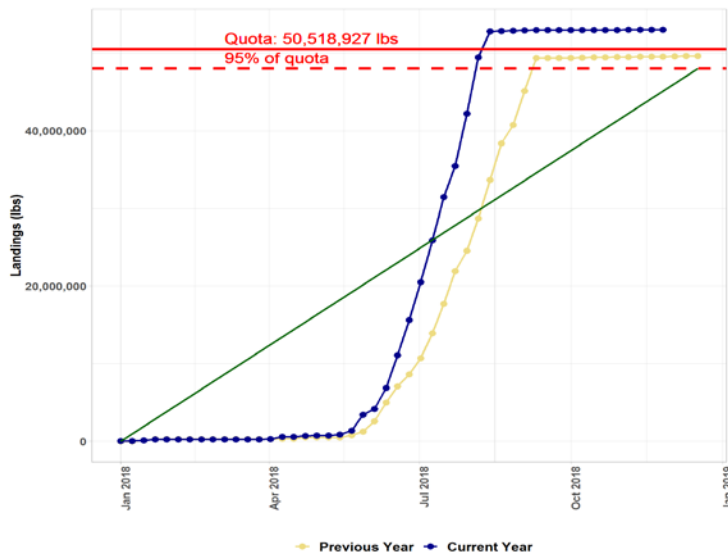


Figure 2. U.S. Landings (pounds) of *Illex* from NMFS Quota Monitoring during 2017 (orange) and 2018 (blue) (preliminary).

In the SSC's previous explanation of its 24,000 MT ABC recommendation, it noted that the recommendation was based on the observation that landings of 24,000 - 26,000 MT (the high range) appear to have not caused harm to the *Illex* stock - indices and landings in years following 24,000-26,000 MT of landings did not suggest overfishing had occurred (a quantitative *Illex* stock assessment does not exist). In light of this rationale and the recent robust landings, the Council requested that the SSC reconsider the 24,000 MT ABC. The SSC found there was no evidence the SSC did not follow its terms or reference, made an error in fact or in omission of information considered, made a calculation error, or did not follow its standard operating procedures. The SSC concluded that given its previous conclusions that the stock has been lightly exploited, setting an ABC near the maximum historical catch is reasonable and that an ABC of 26,000 will likely not result in a greater than a 40% chance of causing overfishing in

2019 and perhaps 2020 as well (MAFMC-SSC 2018). In other words, the proposed higher quota would have very similar impacts as the current quota. The SSC also encouraged the Council to find mechanisms to support more quantitative ways to determine optimal *Illex* catches. Currently, the Council is considering starting a workgroup to continue to explore this issue.

The realized landings in 2018 were nearly the same as those that would be allowed under a 26,000 MT ABC. NMFS closes the fishery at 95% of DAH, which would be 23,584 MT under the proposed new specifications, and in 2018 the fishery landed approximately 24,097 mt.

## **6.0 NEPA COMPLIANCE AND SUPPORTING ANALYSIS**

Council on Environmental Quality regulations indicate that a supplemental NEPA analysis must be prepared if a new proposed action is substantially different from a previously completed but related action. However, not every change to a proposed action, including the presence of new information, necessitates the development of a new or supplemental NEPA analysis. NMFS provided guidance to Councils to determine whether a new or supplemental NEPA document is necessary, or if the Council may demonstrate that an original NEPA document sufficiently considered and analyzed the proposed actions and its effects. At this time, it appears that a SIR would be appropriate given the information discussed below. Should this information change or new information become available during the development of the action, this recommendation may no longer be appropriate.

*1. Were substantial change(s) made to the proposed action that is/are relevant to environmental concerns? Is the proposed action a minor variation of the alternatives in the previous EA?*

The proposed changes being considered for *Illex* are not substantial relative to environmental concerns, representing a minor variation of the alternatives analyzed in the previous EA, including the implemented alternative. The proposed changes to *Illex* specifications using a 26,000 MT ABC are only slightly higher than the previously implemented specifications that used a 24,000 MT ABC. Further, the previous EA considered specifications that analyzed up to a 30,000 MT *Illex* ABC. Directed *Illex* trips can land around 300 MT per trip, so the extra quota would only be expected to generate around an extra 7 trips, which is a negligible change compared to the dozens of trips in a typical year, or the thousands of other commercial fishing trips that take place off the Mid-Atlantic and New England. Such a change is also well within the scope of the potential effort analyzed in the previous EA.

The SSC has modified its previous recommendation to suggest that, similar to the current 24,000 MT ABC, a 26,000 MT ABC is unlikely to negatively impact the *Illex* stock. The previous EA determined that an increase up to a 30,000 MT ABC could have slight negative habitat impacts, slight negative protected resource impacts, positive socioeconomic impacts unless overfishing occurred, and slight negative non-target species impacts. Compared to no action/the current specifications, the small increase associated with an SSC-endorsed 26,000 MT ABC would, therefore, be expected to have negligible habitat impacts, slight negative protected protected

resource impacts, slight positive socioeconomic impacts, and negligible non-target species impacts.

*2. Are there significant new circumstances or information relevant to environmental concerns and bearing on the proposed action or its impacts?*

No. The SSC considered whether the new information presented to it—the rapid attainment of the commercial quota in 2017 and 2018 based on the quota monitoring system and a time series of *Illex* catches in nearshore survey data (NorthEast Area Monitoring and Assessment Program - NEAMAP)—represent new information of sufficient weight for the SSC to overturn its ABC specification. The SSC decided these pieces of information would not have materially changed its previous conclusion that *Illex* landings of 24,000-26,000 MT have not caused harm to the stock. Rather, their new ABC recommendation was made based on additional reflection on the old information and their existing rationale related to basing the ABC on near the maximum historical catch.

*3. Should any new information or change to the action have been known and/or included at the time the previous EA was drafted?*

No. The SSC's previous recommendations were made before it became apparent that the fishery would fully land available quota in 2017 or again in 2018. The change in recommended ABCs, while stimulated by recent high landings, was based on additional evaluation of the same information.

*4. Are data or other analyses required in order to characterize the impacts of the proposed action?*

No. The impacts of the proposed action are expected to be consistent with the range of analyses presented in the previous EA (MAFMC 2017). There were no new analyses, the SSC just recommended the higher end of a previously analyzed and recommended range.

*5. Has the public had an opportunity to comment on the prior NEPA document on impacts similar to the proposed action and alternatives?*

Yes. The 2018-2020 Specifications EA (MAFMC 2017) was developed through a multi-stage process that was open to review by affected members of the public. The public had the opportunity to review and comment on the implemented action for 2018-2020 and other alternatives, which span a range that includes the proposed action, during the (Federal Register-noticed) SSC meetings held in May 2017 and September 2018, and during the Council meeting held in October 2018. In addition, the public had further opportunity to comment during rulemaking when NMFS published a request for comments notice in the Federal Register (FR) for the 2018-2020 Specifications (<https://www.federalregister.gov/documents/2017/12/13/2017-26840/fisheries-of-the-northeastern-united-states-atlantic-mackerel-squid-and-butterfish-fisheries>).



## **7.0 CONCLUSION**

After considering the proposed action and new information in section 5.0, and supporting analyses in section 6.0, the Council and NMFS have determined that a supplement to the 2018-2020 Specifications EA (MAFMC 2017) is unnecessary. The proposed *Illex* specifications for 2019 and 2020 would implement very similar commercial quotas when compared to 2017-2018. The small increase (8%) in quota or fishery effort is not expected to substantially change the risk of overfishing, or change landings patterns, prices/revenues, or fishery behavior, so impacts on all VECs would remain similar as previously analyzed. No new information or circumstances exist that have a substantial bearing on environmental concerns that are significantly different from when the original Finding of No Significant Impact was signed on February 8, 2018, for the 2018-2020 specifications EA (MAFMC 2017) so it remains valid to support the proposed action.

## **8.0 RELATIONSHIP TO APPLICABLE LAWS**

### **8.1 Magnuson-Stevens Fishery Conservation and Management Act (MSA) National Standards**

Section 301 of the MSA requires that FMPs contain conservation and management measures that are consistent with the ten National Standards. First and foremost, the Council continues to meet the obligations of National Standard 1 by adopting and implementing conservation and management measures that will continue to prevent overfishing, while achieving, on a continuing basis, the optimum yield for each species. The Council has developed recommendations that do not exceed the ABC recommendations of the SSC, which have been developed to explicitly address scientific uncertainty. In addition, the Council has considered relevant sources of management uncertainty and other social, economic, and ecological factors, which resulted in recommendations for annual IOY/DAH/DAP quotas. The quota overage in 2018 is not expected to be a regular occurrence due to continual adjustments by NMFS in its quota monitoring process. The Council uses the best scientific information available (National Standard 2) and manages the species throughout its range in US waters (National Standard 3). These management measures do not discriminate among residents of different states (National Standard 4), they do not have economic allocation as their sole purpose (National Standard 5), the measures account for variations in these fisheries (National Standard 6), they avoid unnecessary duplication (National Standard 7), they take into account the fishing communities (National Standard 8) and they promote (or at least do not negatively impact) safety at sea (National Standard 10). Finally, actions taken are consistent with National Standard 9, which addresses bycatch in fisheries (there is minimal bycatch in the *Illex* fishery). The Council has implemented many regulations in the past that have indirectly acted to reduce fishing gear impacts on EFH. By continuing to meet the National Standards requirements of the MSA through this and future actions, the Council will insure that cumulative impacts of these actions will remain positive overall for the ports and communities that depend on these fisheries, the Nation as a whole, and for the *Illex* resource.

## **8.2 National Environmental Policy Act (NEPA)**

The Council and NMFS have determined that the 2018-2020 Specifications EA (MAFMC 2017) remains valid for this action, as discussed above. Thus, there is no need to supplement these analyses and their Findings of No Significant Impact.

## **8.3 Endangered Species Act**

Sections 6 and 7 in the 2018-2020 Specifications EA (MAFMC 2017) should be referenced for an assessment of the impacts of the proposed action on endangered species and protected resources. The proposed action is not expected to substantively alter fishing methods, effort, or activities; the measures proposed for 2019-2020 are very similar to those implemented in prior years and within the range of alternatives previously evaluated (MAFMC 2017). Directed *Illex* trips can land around 300 MT per trip, so the extra quota would only be expected to generate around an extra 7 trips, which is a negligible change compared to the dozens of trips in a typical year, or the thousands of other commercial fishing trips that take place off the Mid-Atlantic and New England, many with gear types that are more likely to have encounters with protected species (e.g. gill nets). Therefore, this action is not expected to affect endangered or threatened species or critical habitat in any manner not considered in previous consultations on the fisheries.

The batched fisheries Biological Opinion completed on December 16, 2013, concluded that the actions considered would not jeopardize the continued existence of any listed species. On October 17, 2017, NMFS reinitiated consultation on the batched Biological Opinion due to updated information on the decline of North Atlantic right whale abundance.

Section 7(d) of the ESA prohibits federal agencies from making any irreversible or irretrievable commitment of resources with respect to the agency action that would have the effect of foreclosing the formulation or implementation of any reasonable and prudent alternatives during the consultation period. This prohibition is in force until the requirements of section 7(a)(2) have been satisfied. Section 7(d) does not prohibit all aspects of an agency action from proceeding during consultation; non-jeopardizing activities may proceed as long as their implementation would not violate section 7(d). Per the October 17, 2017, memo, it was concluded that allowing those fisheries specified in the batched Biological Opinion to continue during the reinitiation period will not increase the likelihood of interactions with ESA listed species above the amount that would otherwise occur if consultation had not been reinitiated. Based on this, the memo concluded that the continuation of these fisheries during the reinitiation period would not be likely to jeopardize the continued existence of any ESA listed species. Taking this, as well as our analysis of the proposed action into consideration, we do not expect the proposed action, in conjunction with other activities, to result in jeopardy to any ESA listed species.

This action does not represent any irreversible or irretrievable commitment of resources with respect to the FMP that would affect the development or implementation of reasonable and prudent measures during the consultation period. NMFS has discretion to amend its MSA and ESA regulations and may do so at any time subject to the Administrative Procedure Act and other applicable laws. As a result, the Council has preliminarily determined that fishing activities conducted pursuant to this action will not affect endangered and threatened species or critical habitat in any manner beyond what has been considered in prior consultations on this fishery.

#### **8.4 Marine Mammal Protection Act**

Sections 6 and 7 in the 2018-2020 Specifications EA (MAFMC 2017) should be referenced for an assessment of the impacts of the proposed action on marine mammals. The proposed action is not expected to substantively alter fishing methods, effort, or activities; the measures proposed for 2019-2020 are very similar to those implemented in prior years and within the range evaluated by the previous EA (MAFMC 2017). Therefore, this action is not expected to affect marine mammals or critical habitat in any manner not considered in previous consultations on the fisheries.

#### **8.5 Coastal Zone Management Act**

The Coastal Zone Management Act (CZMA) of 1972, as amended, provides measures for ensuring stability of productive fishery habitat while striving to balance development pressures with social, economic, cultural, and other impacts on the coastal zone. It is recognized that responsible management of both coastal zones and fish stocks must involve mutually supportive goals. The Council has developed this SIR and will submit it to NMFS; NMFS must determine whether this action is consistent to the maximum extent practicable with the CZM programs for each state (Maine through North Carolina).

#### **8.6 Administrative Procedure Act**

Section 553 of the Administrative Procedure Act establishes procedural requirements applicable to informal rulemaking by Federal agencies. The purpose of these requirements is to ensure public access to the Federal rulemaking process, and to give the public adequate notice and opportunity for comment. At this time, the Council is not requesting any abridgement of the rulemaking process for this action.

#### **8.7 Section 515 (Information Quality Act)**

##### ***Utility of Information Product***

This action proposes catch and landings limits in 2019 and 2020 for the *Illex* fishery. This document includes: A description of the proposed action and rationale for selection, and any changes to the implementing regulations of the FMP (if applicable). As such, this document enables the implementing agency (NMFS) to make a decision on implementation of annual specifications (i.e., management measures), and this document serves as a supporting document.

The action was developed to be consistent with the FMP, MSA, and other applicable laws, through a multi-stage process that was open to review by affected members of the public. The public had the opportunity to review and comment on the proposed action during a number of public meetings. In addition, the public will have further opportunity to comment on these measures once NMFS publishes a request for comments notice in the *Federal Register*.

### ***Integrity of Information Product***

The information product meets the standards for integrity under the following types of documents: Other/Discussion (e.g., Confidentiality of Statistics of the MSA; NOAA Administrative Order 216-100, Protection of Confidential Fisheries Statistics; 50 CFR 229.11, Confidentiality of information collected under the Marine Mammal Protection Act).

### ***Objectivity of Information Product***

The category of information product that applies here is “Natural Resource Plans.” This section (section 8.0) describes how this document was developed to be consistent with any applicable laws, including MSA with any of the applicable National Standards. The analyses used to develop the proposed action are based upon the best scientific information available and the most up to date information is used to develop the EA which evaluates the impacts of those measures (see 2014-2016 Specifications EA (MAFMC 2013)). The specialists who worked with these core data sets and population assessment models are familiar with the most recent analytical techniques and are familiar with the available data and information relevant to the squid and butterfish fisheries.

The review process for the proposed action involves the Council, NMFS-NEFSC, NMFS-GARFO, and NMFS headquarters. The NEFSC technical review is conducted by senior level scientists with specialties in fisheries ecology, population dynamics and biology, as well as economics and social anthropology. The Council review process involves public meetings at which affected stakeholders have the opportunity to comments on proposed management measures. Review by GARFO is conducted by those with expertise in fisheries management and policy, habitat conservation, protected resources, and compliance with the applicable law. Final approval of the proposed action and clearance of the rule is conducted by staff at NOAA Fisheries Headquarters, the Department of Commerce, and the U.S. Office of Management and Budget.

### **8.8 Paperwork Reduction Act**

The Paperwork Reduction Act (PRA) concerns the collection of information. The intent of the PRA is to minimize the federal paperwork burden for individuals, small businesses, state and local governments, and other persons as well as to maximize the usefulness of information collected by the Federal government. There are no changes to the existing reporting requirements previously approved under this FMP for vessel permits, dealer reporting, or vessel logbooks. This action does not contain a collection-of-information requirement for purposes of the PRA.

### **8.9 Impacts of the Plan Relative to Federalism/EO 13132**

This specifications document does not contain policies with federalism implications sufficient to warrant preparation of a federalism assessment under Executive Order (EO) 13132.

### **8.10 Regulatory Flexibility Analysis**

The Regulatory Flexibility Act (RFA), first enacted in 1980, and codified at 5 U.S.C. 600-611, was designed to place the burden on the government to review all regulations to ensure that, while

accomplishing their intended purposes, they do not unduly inhibit the ability of small entities to compete. The RFA recognizes that the size of a business, unit of government, or nonprofit organization frequently has a bearing on its ability to comply with a Federal regulation. Major goals of the RFA are: 1) to increase agency awareness and understanding of the impact of their regulations on small business; 2) to require that agencies communicate and explain their findings to the public; and 3) to encourage agencies to use flexibility and to provide regulatory relief to small entities.

The RFA emphasizes predicting significant adverse impacts on small entities as a group distinct from other entities and on the consideration of alternatives that may minimize the impacts, while still achieving the stated objective of the action. When an agency publishes a proposed rule, it must either, (1) “certify” that the action will not have a significant adverse impact on a substantial number of small entities, and support such a certification declaration with a “factual basis”, demonstrating this outcome, or, (2) if such a certification cannot be supported by a factual basis, prepare and make available for public review an Initial Regulatory Flexibility Analysis (IRFA) that describes the impact of the proposed rule on small entities.

This document provides the factual basis supporting NMFS determination regarding certification whether the proposed regulations will not have a “significant impact on a substantial number of small entities” and that an IRFA is not needed in this case. Certifying an action must include the following elements, and each element is subsequently elaborated upon below:

- A. A statement of basis and purpose of the rule
- B. A description and estimate of the number of small entities to which the rule applies
- C. Description and estimate of economic impacts on small entities, by entity size and industry
- D. An explanation of the criteria used to evaluate whether the rule would impose significant economic impacts
- E. An explanation of the criteria used to evaluate whether the rule would impose impacts on a substantial number of small entities
- F. A description of, and an explanation of the basis for, assumptions used

#### A – Basis and purpose of the rule

The bases of the rules proposed in this action are the provisions of the MSA for federal fishery management to prevent overfishing, achieve optimum yield, reduce bycatch to the extent practicable, and conserve non-target species. Optimum yield is defined as the amount of fish which will achieve the maximum sustainable yield, as reduced by any relevant economic, social, or ecological factor. The purpose of the rules associated with the proposed action is to implement specifications for the squid and butterfish fisheries that institute quotas that will restrict catch so as to avoid overfishing while facilitating catch within the constraint of avoiding overfishing such that optimum yield is achieved. Failure to implement the proposed actions described in this document could result in failure to reach optimum yield on an ongoing basis. To assist with further evaluation of the measures proposed in this document, a brief summary of the proposed action is provided below.

#### Proposed Action

The proposed action would continue existing longfin squid and butterfish specifications, but increase the *Illex* ABC to 26,000 metric tons (MT) (57.3 million pounds) and apply the current discard rate of 4.52% (the mean plus one standard deviation of the most recent 10 years of observed discard rates) to result in an IOY and DAH/DAP quota of 24,824.8 metric tons (54.7 million pounds). Because this action would only make minor changes to previously approved *Illex* specifications, the following analysis focuses on the economic impacts to entities issued *Illex* permits.

#### B – Description and estimate of the number of small entities to which the rule applies

The changes to existing *Illex* specifications proposed in this action apply to the vessels that hold limited access permits for *Illex* squid. There are also incidental permits that allow small-scale landings, and more vessels hold incidental permits, but landings of this species by incidental permit holders are relatively minor and no changes are proposed for the incidental trip limits so those vessels would not be impacted.

Many permitted vessels hold multiple permits and some small entities own multiple vessels with limited access permits. Staff used NMFS databases with ownership data provided by the Social Science Branch of NMFS' Northeast Fisheries Science Center to highlight the vessels that would be most affected by the minor changes proposed in this action.

This analysis found that 63 separate vessels held *Illex* limited access permits in 2017. 51 entities owned those vessels, and based on current SBA definitions (under \$11 million to be a commercial fishing small business entity), 45 are small business entities. All of the entities that had revenue fell into the commercial fishing category. 1 small business entity had no revenues. For those with revenues, their average revenue was \$2.0 million in 2017.

This analysis found that 278 separate vessels held longfin squid/butterfish limited access permits in 2017. 213 entities owned those vessels, and based on current SBA definitions (under \$11 million to be a commercial fishing small business entity), 204 are small business entities. All of the entities that had revenue fell into the commercial fishing category. 8 small business entities had no revenues. For those with revenues, their average revenue was \$1.2 million in 2017.

#### C – Description and estimate of economic impacts on small entities

Since the proposed action slightly increases the available *Illex* quota (8%), small entities issued a limited access *Illex* permit may have a slight positive impact related to higher revenues generated from additional landings. Previously-specified increases to the butterfish quota would have similar effects for relevant vessels – the relative increase is greater (66% increase from 2018 to 2019) but butterfish landings have been relatively low due to market conditions and are unlikely to change substantially from year to year.

D/E – An explanation of the criteria used to evaluate whether the rule would impose significant economic impacts/ An explanation of the criteria used to evaluate whether the rule would impose impacts on a substantial number of small entities

The criteria used to evaluate whether the rule would impose significant economic impacts was whether the landings (and therefore ex-vessel revenues) from the preferred alternatives would be constraining beyond the current constraints, which persist if no action is taken. Landings limits are increased as described above, so there should be no adverse impacts on any small entities.

F – A description of, and an explanation of the basis for, assumptions

Other than those described directly in the above analyses, there are no additional assumptions made in this analysis.

**8.11 Regulatory Planning and Review/EO 12866**

This action is exempt from the procedures of E.O. 12866 because this action contains no implementing regulations.

**9.0 LITERATURE CITED**

MAFMC. 2017. MSB Specifications for 2018-2020. Dover, DE.

MAFMC-SSC. 2017. Reeting Materials and Report at <http://www.mafmc.org/ssc-meetings/2017/may-17-18>.

MAFMC-SSC. 2018. Reeting Materials and Report at <http://www.mafmc.org/ssc-meetings/2018/sept-11>.

## **10.0 LIST OF AGENCIES AND PERSONS CONSULTED**

In preparing this document, the Council consulted with NMFS. To ensure compliance with NMFS formatting requirements, the advice of NMFS GARFO personnel was sought. The Council also consulted with the Mid-Atlantic states through their participation on the Council and the New England Fishery Management Council through their liaison.

**Copies of the supplemental information report, including the Regulatory Flexibility Analysis and other supporting documents, are available from:  
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