



SOUTH ATLANTIC FISHERY MANAGEMENT COUNCIL

4055 Faber Place Drive, Suite 201, North Charleston SC 29405
Call: (843) 571-4366 | Toll-Free: (866) SAFMC-10 | Fax: (843) 769-4520 | Connect: www.safmc.net

Jessica McCawley, Chair | Mel Bell, Vice Chair
Gregg T. Waugh, Executive Director

AGENDA

Executive Finance Committee

Hilton Garden Inn/Outer Banks
5353 N. Virginia Dare Trail
Kitty Hawk, North Carolina

Wednesday, December 5, 2018 – 3:45 P.M. to 4:00 P.M. (Times subject to change)

1. Ranking of Amendments for work schedule:
 - a. Overview – Dr. Brian Chevront
 - b. Committee Discussion and Guidance – Jessica McCawley

Thursday, December 6, 2018 – 1:30 P.M. to 3:00 P.M. (Times subject to change)

Approval of Agenda – Jessica McCawley

Approval of October 2018 Committee minutes – Jessica McCawley

1. Magnuson-Stevens Act Reauthorization (*Attachments 1a – 1d*)
 - a. Overview – Gregg Waugh
 - b. Committee Action: Review and provide guidance to staff – Jessica McCawley – **ACTION**
2. CCC Working Paper (*Attachments 2a – 2c*)
 - a. Overview – Gregg Waugh
 - b. Committee Action: Discuss and provide guidance to staff – Jessica McCawley – **ACTION**
3. Status of Approved Calendar Year (CY) January-December 2018 Expenditures (*Attachments 3*)
 - a. Overview – Gregg Waugh/Mike Collins
 - b. Committee Action: Review and provide guidance to staff – Jessica McCawley – **ACTION**
4. Council Follow-up and Priorities & Tiering (*Attachments 4a – 4c*)
 - a. Overview – Dr. Brian Chevront
 - b. Committee Action: Review and provide guidance to staff – Jessica McCawley – **ACTION**

5. Preliminary List of Items for January-December 2019 Calendar Year (CY) Budget (*Attachment 5*)
 - a. Overview – Gregg Waugh
 - b. Committee Action: Review and provide guidance to staff – Jessica McCawley – **ACTION**

Other Business – Jessica McCawley

6. Proposed Rule: Financial Disclosures & Voting Recusals (3/6/19 deadline) (*Attachment 6*)

Adjourn – Jessica McCawley

Committee Members

Jessica McCawley, Chair
Chester Brewer
Steve Poland

Mel Bell, Vice Chair
Doug Haymans

Attachments

Attachment 1a: HR 200

Attachment 1b: HR 200 Section-by-Section

Attachment 1c: S 1520

Attachment 1d: SAFMC Draft Positions on S 1520

Attachment 2a: CCC Working Paper (May 24, 2018)

Attachment 2b: Wicker Aquaculture Bill (S.3138)

Attachment 2c: Discussion Points on Wicker Aquaculture Bill (S.3138)

Attachment 3: CY (January-December) 2018 Expenditures

Attachment 4a: Council Follow-Up

Attachment 4b: Council Priorities with Tiering (Excel)

Attachment 4c: Council Amendment Summaries

Attachment 5: Draft List of Items for CY (January-December) 2019 Budget

Attachment 6: Proposed Rule: Financial Disclosures and Voting Recusals

Staff: Gregg Waugh/Mike Collins/Kelly Klasnick

OVERVIEW

Executive Finance Committee

The Committee will approve minutes from the October 2018 meeting and the agenda.

I. MAGNUSON-STEVENSON ACT REAUTHORIZATION

Description: A number of hearings have been held and that portion of the reauthorization process is complete; testimony from Council-related folks is available from the U.S. Regional Fishery Management Councils Website (<http://www.fisherycouncils.org>). Should the South Atlantic Council be asked to provide input, we will use the regional perspectives and consensus positions in the CCC Working Paper as the basis of our comments. Comments thus far are available from the website above.

The U.S. House of Representatives recently passed H.R. 200 “Strengthening Fishing Communities and Increasing Flexibility in Fisheries Management Act”, a bill that provides more flexibility for managing recreational fisheries with reauthorization of the Magnuson-Stevens Act (**Attachment 1a**). David Whaley produced a section-by-section analysis for the Councils’ use (**Attachment 1b**). In the Senate, S. 1520 “Modernizing Recreational Fisheries Management Act of 2018” was introduced on July 10, 2017 and reported with an amendment on June 5, 2018 (**Attachment 1c**) and is the only bill currently under discussion. Section 104 of S.1520 would impose a new 75% probability of success for rebuilding plans that do not meet the initial goals of a rebuilding plan within 2 years. Staff prepared a short discussion paper on this topic (**Attachment 1d**) for the Council to use in developing potential comments. The Committee can use the CCC Working Paper to develop comments on both H.R. 200 and S. 1520.

Status of Actions: The Council may be asked to provide comments on H.R. 200 and/or S. 1520. Should that happen, Council staff will develop comments based on the CCC Working Paper and any other Council guidance. The Committee and Council reviewed this material in October and provided some guidance to staff. It is highly unlikely that the MSA will be reauthorized in this Congress. The next Congress may use these bills as a starting point, but this is highly dependent on the structure of committees, committee chairs, etc.

Required Committee Action: the committee and Council should review the revised wording for S.1520 and provide any additional guidance for staff to use should a request for comments be received.

II. CCC WORKING PAPER

1. Council Coordinating Committee (CCC) Working Paper

Description: The Legislative Workgroup has completed revisions to the working paper and the CCC has approved the latest version dated May 24, 2018 (**Attachment 2a**). This document was posted to the U.S. Regional Fishery Management Councils Website (<http://www.fisherycouncils.org>) after it was sent to the Secretary of Commerce and was recently updated.

Major items are as follows:

- A. **Introduction** (pages 6-13) – this section includes the consensus positions for all topics.
- B. **Topic 1 (Stock Rebuilding)** (pages 14-19)
- C. **Topic 2 (Ending Overfishing)** (pages 21-21)
- D. **Topic 3 (Annual Catch Limit Requirements and Exceptions)** (pages 22-26)
- E. **Topic 4 (Resources Available for Additional Mandates)** (pages 27-28)
- F. **Topic 5 (Transparency Requirements)** (pages 29-31)
- G. **Topic 6 (Climate Change & Regional Action Plans for Climate Science)** (pages 32-35)
- H. **Topic 7 (Forage Fish)** (pages 36-38)
- I. **Topic 8 (Catch Share Programs)** (pages 40-41)
- J. **Topic 9 (NEPA)** (pages 42-44)
- K. **Topic 10 (Other Federal Statutes)** (pages 45-47)
- L. **Topic 11 (Recreational Data)** (pages 48-52)
- M. **Topic 12 (Commercial Data)** (pages 53-56)
- N. **Topic 13 (Exempted Fishing Permit (EFP) Authority)** (pages 57-59)
- O. **Topic 14 (Data to be Used in Stock Assessments)** (pages 60-62)
- P. **Topic 15 (Deeming/Transmittal Process)** (pages 63-68) – the Council works with the SERO and NOAA GC to have each document reviewed for completeness prior to sending the document for formal review. The Council Chair reviews and signs off on the amendment document and the codified text before they are sent for formal review.
- Q. **Topic 16 (Cooperative Research)** (pages 69-70)
- R. **Topic 17 (Cooperative Data Collection)** (pages 71-72)
- S. **Topic 18 (Mixed-Use Fisheries LAPP Moratorium)** (pages 73-74)
- T. **Topic 19 (Aquaculture)** (pages 73-74)
- U. **Resources & Documents** (pages 79-81)

The CCC intends to continue using the working paper as a source document when the CCC is responding to a request for comments. The lead Council will draft a response for review by the other Councils. The working paper can also be attached to a comment letter to provide more details. The regional perspectives and examples are an excellent way to describe how requirements could affect Councils differentially. New topics will be added as they are identified; the CCC report includes wording for 4 new topics. The working paper will be updated as needed and will be used to inform individuals new to the Council process. Individual Councils are responsible for their regional perspective and should provide updates to the lead Council in any year. The lead Council will be responsible for updating the Working Paper. Lead Councils by year are NPFMC (2018), SAFMC (2019), WPFMC (2020), MAFMC (2021), and GMFMC (2022).

S. 3138 (“Advancing the Quality and Understanding of American Aquaculture Act”) was introduced by Senator Wicker on June 26, 2018. The bill established NMFS as the agency in charge and directs NMFS to consult with the Councils. The committee and Council may want to comment on the Council having a larger role, that some of the money be provided to the states, and that \$500,000 be provided to each Council that chooses to establish an Aquaculture FMP.

Status of Actions: Topics 1 through 19 are complete; Topics 16-19 were approved at the May 2018 CCC meeting. The committee and Council should review the regional perspective

language for these new topics, and any others, and offer any modifications. The Committee and Council reviewed this material in October and provided some guidance to staff.

Required Committee Action: the committee and Council should review the new wording for the South Atlantic Council's regional input and consider providing guidance to staff on how to comment on the aquaculture bill should we be asked to comment.

III. Status of CY (January – December) 2018 Expenditures

Description: Gregg Waugh and Mike Collins will review the status of Calendar Year (CY; January-December) 2018 Expenditures for Council and SEDAR activities (**Attachment 3**).

Cost savings items approved by the Council in December 2017, and incorporated into the 2018 budget, are:

1. Council Member Travel Policy

- A. Advisory Panel Meetings – Committee Chair and Vice-Chair approved to attend; if one will not attend, open to another Council member. Two Council members attending.
- B. SSC Meetings – SSC Liaison and Council representative on any SEDAR Assessments the SSC is reviewing are authorized to attend; if one will not attend, open to another Council member. Two 2 Council members attending (usually).
- C. Council Chair & Vice-Chair – authorized to attend any AP & SSC meetings given they have to represent the Council on CCC and other events/meetings.
- D. Total Council member attendance at any meeting should not normally exceed 4 individuals.

2. Loosen AP policy on voting to allow voting via webinar and conduct some AP meetings via webinar.

3. Reduce travel to “Other Meetings” by 10%.

4. Scoping and Public Hearings – use webinars and listening stations.

5. Reduce State Liaison Grants by 10%.

6. Reduce Council Staff Retirement Match by 10%.

Council guidance on the staff benefit package from June 2018 has been incorporated into the draft budgets.

Council staff continues to search for ways to reduce costs (e.g., life, dental, vision, and health insurance; travel expenses).

Status of Action: Our 2018 funding from the line item and regular add-on items from NMFS was essentially level from 2017 with approximately \$100,000 in additional funding provided for our regulatory reform activities. The total general funding received in 2018 was \$3,736,805. We received \$600,000 for SEDAR. The Committee and Council are being asked to review the expenditures for CY (January-December) 2018 and provide guidance as appropriate.

Required Committee Action: discuss and provide guidance on the CY (January-December) 2018 expenditures.

IV. COUNCIL FOLLOW-UP AND PRIORITIES

Description: Dr. Brian Chevront, Deputy Director for Management, will give the committee an overview of the Council Follow-Up (**Attachment 4a**) and the Council Priorities (**Attachment 4b**) as approved at the September/October 2018 meeting. The Follow-Up contains the detailed steps for each active amendment and amendments under formal review. This allows any Council member to see where each amendment is in the process. The Follow-Up is updated after each Council meeting after review and input from the SERO and Council staff. In addition, draft agendas are included for the next two upcoming Council meetings. This allows Council members to see what is on the agenda and make any suggestions to the Chair and staff. **Attachment 4c** provides a summary overview of the amendments Council members are asked to prioritize.

Status of Follow-up & Priorities: The Committee/Council reviewed this material at the September/October 2018 meeting and made changes to the tiering methodology and Council Priorities.

Required Committee Action: discuss, modify/provide guidance, and approve the revised priorities.

V. PRELIMINARY LIST OF ITEMS FOR 2019 CY (January-December) BUDGET

Description: Generally, the Council provides guidance on a preliminary list of items for next year's budget at the December meeting and staff presents a draft budget at the March meeting. This timing is being followed for the 2019 CY (January-December) budget. However, beginning with the 2020 CY (January-December) budget, this effort will be moved up one Council meeting based on guidance from the Chair and Vice Chair. A preliminary list of items for the 2020 CY (January-December) budget will be developed by the Council at the September 2019 meeting and a draft 2020 CY (January-December) budget will be reviewed at the December 2019 meeting. The preliminary list of items for the 2019 CY (January-December) budget is included as **Attachment 5**. Gregg Waugh, Executive Director, will review the initial list of items for potential inclusion in the 2019 CY (January-December) budget.

Status of Action: A preliminary list of items for the 2019 CY (January-December) budget is included for the Council's discussion and review. This is the first opportunity for the Council to provide input although a number of these items have been suggested at prior meetings.

Required Committee Action: discuss and provide guidance on initial list of items for the 2019 CY (January-December) budget.

Other Business

1. Proposed Rule: Financial Disclosures and Voting Recusals (**Attachment 6**). The Committee and Council will review the proposed rule and provide guidance to staff on items to include in our comments that are due to NMFS by March 6, 2019.