



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

Hotel Ballast; 301 N. Water St.
Wilmington, NC

Monday, December 2, 2019 – 2:30 P.M. to 4:00 P.M. (Times subject to change)

1. Report from November 5-7, 2019 CCC Meeting (**Attachment 1**)
 - a. Overview – Gregg Waugh/Jessica McCawley/Mel Bell
 - b. Committee Action: Discuss and provide guidance to staff – **ACTION**

2. Report from October 15, 2019 Executive Finance Committee Meeting (**Attachments 2a-2c**)
 - a. Overview & Update – Gregg Waugh/Kelly Klasnick
 - b. Committee Action: Review and action as needed – **ACTION**

3. Council Follow-up and Status of Work on Priorities (**Attachments 3a-3b**)
 - a. Overview – Dr. Brian Chevront
 - b. Committee Action: Review and provide guidance to staff – **ACTION**

4. NMFS Documents to Review (**Attachments 4a-4d**)
 - a. Overview – Gregg Waugh/Kelly Klasnick
 - b. Committee Action: Review and action as needed – **ACTION**

Other Business – Jessica McCawley

- a. Council Award in recognition of significant work that supports the Council's mission.

Adjourn – Jessica McCawley

Committee Members

Jessica McCawley, Chair
Chester Brewer
Steve Poland

Mel Bell, Vice Chair
Carolyn Belcher

Attachments

Attachment 1: November 2019 CCC Meeting Report

Attachment 2a: Report from October 15, 2019 Executive Finance Committee Meeting

Attachment 2b: Status of 2019 CY Budget Expenditures and Draft CY 2020 Budget

Attachment 2c: Status of 5-Year Grant Application

Attachment 3a: Council Amendment Activities September 2019 (Excel)

Attachment 3b: Council Follow-Up

Attachment 4a: Draft Procedural Directive, EM Data Retention

Attachment 4b: CCC Workgroup Report

Attachment 4c: Draft Carry-Over and Phase-In

Attachment 4d: Modernizing Recreational Fisheries Management Act Draft Report to Congress

Staff: Gregg Waugh/Kelly Klasnick

OVERVIEW

Executive Finance Committee

The Committee will approve minutes from the October 15, 2019 webinar committee meeting and the agenda.

I. NOVEMBER 2019 CCC MEETING DRAFT REPORT

Description: The November 5-7, 2019 CCC meeting was held in Washington, DC. A draft report is included as **Attachment 1**. Gregg Waugh, Executive Director, will briefly review the report.

Status of Actions: The draft report outlines what was covered and includes the approved motions. The next meeting is May 27-29, 2020 in Hawaii. This is a good time for the Committee/Council to offer input on a preference for topics to be covered (see Attachment 3 in the draft report).

Required Committee Action: review and provide guidance.

II. REPORT FROM THE OCTOBER 15, 2019 EXECUTIVE FINANCE COMMITTEE MEETING

Description: Gregg Waugh, Executive Director, will review actions from the October 15, 2019 Executive Finance Committee meeting (**Attachment 2a**) and Kelly Klasnick, Administrative Officer, will present a status of CY 2019 expenditures (**Attachment 2b**). Gregg and Kelly will then review the status of the 5-Year Grant application for Calendar Years 2020-2024 (**Attachment 2c**).

Status of Actions: The 5-Year Grant was sent to NMFS on 8/20/19 and is under review.

Required Committee Action: review and discuss actions from the October Committee meeting, status of CY 2019 expenditures, and the 5-Year Grant application and provide guidance.

III. COUNCIL FOLLOW-UP AND STATUS OF WORK ON PRIORITIES

Description: Dr. Brian Chevront, Deputy Director for Management, will give the committee an update of work on the Council's Priorities (**Attachment 3a**). The Follow-Up document (**Attachment 3b**) was updated based on decisions at the September 2019 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.

Status of Follow-up & Priorities: The Council approved priorities at the September 2019 meeting.

Required Committee Action: discuss and provide guidance as appropriate.

IV. NMFS DOCUMENTS TO REVIEW

Description: Gregg Waugh, Executive Director, will give a brief overview of the 3 documents to be reviewed; comments are due right after the December Council meeting so the Council will need to provide input during the December meeting. The Draft Procedural Directive for Electronic Monitoring Data Retention (**Attachment 4a**) was reviewed and discussed at the November CCC meeting. The CCC Workgroup Report is included as **Attachment 4b** and the Draft Report from the November CCC Meeting includes the approved motions addressing this topic (**Attachment 1**).

The Draft Carry-Over and Phase-In document is included as **Attachment 4c**; the SSC comments are shown below. John Carmichael, incoming Executive Director, provided the following staff comments for the Committee's consideration:

SAFMC SSC REVIEW: October 2019

- *Carryover has the potential to re-allocate the ACL, since ABC decisions are not where the allocation decision is made. If a sector does not catch its portion of the ACL, how will the carryover be allocated in the carryover year?*
- *The SSC recommends the addition of guidance on the use of phase-ins and carryovers for stocks that have ABCs but do not have OFLs. In particular, what would set the upper limit on the amount carried forward or phased in if an OFL has not been specified. The OFL would set this upper limit when combined with the ABC for future years but absent an OFL it is not clear how the upper limit (ABC + carry forward or ABC + amount added for phase in) would be set.*
- *The SSC recommends a retrospective analysis of the efficacy of assessment projections to gauge how well carryovers may work. This MSE exploration could be implemented using an assessment from a data-rich stock as a reference model. The combination of assessment methods, ranging from age-structured assessment to catch-only methods, and carryover amount (percent of unused ACL) could be evaluated relative to standard performance metrics.*

STAFF COMMENTS

P7 Sect 1.1: ACL overages and catch uncertainty. The guidance states that allowing carry-over for underages without pay back for overages could result in catches exceeding the ACL on average, risking overexploitation over the long term. While it is true that a higher catch always poses a higher risk of overexploitation, this statement seems biased against carry-over since it does not acknowledge that the higher risk of overfishing may not be excessively risky nor out of line with Council policies. The ultimate goal of the management program is to prevent catches exceeding OFL. Other text in the document notes that OFL provides an upper limit to the catch that can be carried over. This provision ensures that the Council's risk tolerance for overfishing is not exceeded, and by definition, overfishing does not occur. This section should be reworded to acknowledge the role of the Council in deciding appropriate risk levels, and the role of OFL in preventing overfishing.

P8, benefits of phase-in: An additional benefit to consider is improved risk management and regulatory effectiveness. While considerable effort is put into predicting catch levels and regulatory impacts, there is uncertainty in both that can result in reality differing from predictions. Implementing large catch changes over a few years gives managers an opportunity to evaluate and, if needed, adjust management actions as they learn how the fishery responds to the regulatory change.

P8, Risks of phase in: The final bullet acknowledges that increases may also be phased in. This point should also be made in the phase-in introduction, along with a clear statement that this has always been allowed because Councils may implement ACLs that are below the ABC.

The Council agrees with the core principle that phase in and carry over may not exceed OFL. This simple fact addresses many of the concerns about the risk of overexploitation.

The Modernizing Recreational Fisheries Management Act Draft Report is included as **Attachment 4d**. SSC comments are as follows:

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- *Introductory section is incomplete. In summarizing the types of data, the introductory paragraph makes no mention of effort, age and growth, reproduction, stock structure and fishery-independent programs.*
- *There should be a separate paragraph on fishing effort that defines and describes the means of collecting commercial and recreational fishing effort data.*
- *The stock structure section only mentions genetics and leaves out other methods, such as mark-recapture, morphometrics (including otolith microstructure), otolith chemistry and tagging studies.*
- *In the ecosystems and socio-economics section, when describing ecosystem factors, the text should refer to understanding the effects of high-frequency environmental variation (e.g., temperature and salinity) and low-frequency basin-scale oceanographic phenomena (e.g., El Nino).*
- *NMFS does a lot of the analyses of the data and modeling relevant to stock status, but the states and some outside organizations also are involved in collecting and analyzing data and conducting analyses that are incorporated into models and stock assessments.*
- *The criteria for including outside datasets are too restrictive. Short-term and localized data collection programs can also be very informative. Also, those surveys that don't necessarily cover the entire stock, but are still very informative and useful in assessments and management.*
- *Does the SSC have the time to review potential new data sources given their current workload and the increased expectation of assessment review? □ Such reviews may already be part of the SEDAR review process, or does the SSC have to do this in addition to their SEDAR review duties?*
- *Does the Science Center have the necessary resources to assign a liaison to the SSC or do they need to ask for additional funding?*
- *Include federal scientists in state research projects for federally-managed species to facilitate the use of the data in stock assessments.*

- *States and NGOs would be very useful in addressing gaps in the MRIP survey, such as those anglers renting housing and fishing from private docks. These programs would need to be developed in conjunction with MRIP.*
- *Outreach efforts, and evaluation of the efficacy of such efforts, are needed to improve angler compliance with fishing regulations.*

Status of Follow-up & Priorities: These documents are provided for the Council's input. Review group comments are provided.

Required Committee Action: discuss and provide guidance on comments.

Other Business

The Committee will continue discussion on creating a Council award to recognize individuals that have contributed to work in support of the Council's mission.