

**FINAL**  
**SUMMARY REPORT**  
**EXECUTIVE FINANCE COMMITTEE**  
**SOUTH ATLANTIC FISHERY MANAGEMENT COUNCIL**  
**Charleston, SC**  
**October 3, 2018**

The Committee approved minutes from the June 2018 meeting and the agenda.

**Magnuson-Stevens Act Reauthorization**

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.

Gregg briefly discussed 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 MSA.

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 and is the only Senate bill currently under discussion. Section 101 would mandate a National Academy of Sciences study of allocations in the South Atlantic and Gulf of Mexico; this would cost about \$1M and the Councils/NMFS have developed guidance that may negate the need for such a study. 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. Gregg reviewed a short discussion paper on this topic for the Council to use in developing potential comments. The Committee can also use the CCC Working Paper to develop comments on both H.R. 200 and S. 1520.

The Committee felt the existing guidance in the CCC Working Paper and previous comment letters provides sufficient guidance to staff in the event we are requested to comment on H.R. 200. For S. 1520, the Committee provided the following guidance:

1. Section 101 – Allocation Review in South Atlantic and Gulf of Mexico: continue to use the existing guidance that given the existing guidance documents and the fact that the Councils are in the process of reallocating based on the updated MRIP numbers, expending approximately \$1M for a study by the National Academy of Sciences is not a prudent use of limited resources.
2. Section 104 – Rebuilding: guidance to staff to develop comments indicating the Council’s preference that rather than increase the probability of rebuilding from 50% to 75%, the Council be given the opportunity to examine each situation and develop an appropriate response. Use red grouper (with updated landings data) as an example where the Council began rebuilding with an 81% probability.
3. Section 106 – Exempted Fishing Permit: the 12 month deadline is too short; suggest 24 months.

## **CCC Working Paper**

The Legislative Workgroup has completed revisions to the working paper and the CCC has approved the latest version dated May 24, 2018. 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.

S. 3138 (“Advancing the Quality and Understanding of American Aquaculture Act”) was introduced by Senator Wicker on June 26, 2018. The bill would establish NMFS as the agency in charge and would direct NMFS to consult with the Councils. Gregg reviewed a short list of items that the committee and Council may want to use 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.

Monica Smit-Brunello reviewed the recent aquaculture lawsuit. The judge in the district court in Louisiana ruled against the Service concluding that under the Administrative Procedures Act (APA) the action is unlawful and exceeds NMFS’ statutory authority because aquacultured fish are not natural resources. The district court in Hawaii reached the opposite conclusion.

Monica read the statement from NOAA issued on 9/26/18:

“NOAA is considering whether to appeal the Eastern District of Louisiana’s finding that NOAA does not have regulatory authority to regulate aquaculture under the Magnuson-Stevens Fishery Conservation and Management Act.

Given conflicting court decisions and the desire for regulatory certainty, NOAA supports congressional efforts to clarify the agency’s statutory authority to regulate aquaculture. NOAA remains committed to expanding the social, environmental, and economic benefits of sustainable marine aquaculture in the U.S. It is important to note that this ruling is not a prohibition on marine aquaculture, either nationally or in the Gulf of Mexico, and we will continue to work with stakeholders through existing policies and legislation to increase aquaculture permitting efficiency and predictability.”

Her advice to the Council is to hold any work on an Aquaculture FMP until NOAA decides how to proceed and additional action by Congress. In response to a question, Monica indicated that the Louisiana district court’s decision does not affect the South Atlantic and Gulf Councils’ LiveRock Aquaculture program.

The Committee provided guidance to staff for input on the Wicker Aquaculture Bill using the draft items provided by staff. Major areas were to recognize the important role of the States, the need for increased funding to the States, and the transparent process the Council could provide for things like siting and species to be used.

## **Draft CY 2018 Budget**

Mike Collins and Gregg Waugh presented the draft CY 2018 Budget with expenditures through September 1, 2018. Guidance from the Council in June have been incorporated into the draft budget. Additional cost savings were also reviewed. The 2018 funding level from Congress was essentially level with an additional \$100,000 from NMFS for regulatory reform activities.

The Committee discussed and approved the 2018 Draft General and SEDAR Budgets.

## **Council Follow-up and Priorities & Tiering**

The Committee reviewed and used a new method for setting priorities that involved Council and SERO staff assigning a tier level based on workload. Council members used Survey Monkey to express their opinions on how pressing it is to work on prior to the next meeting (December 2018), and the next subsequent meeting (March 2019). Directions to staff included providing Council members with a short description of each active amendment, as well as highlighting those amendments where there is a statutory deadline to complete the projects. Using the new procedure, the Committee recommended the following will be worked on at the December meeting. Asterisked items are ones which have a statutory deadline to be completed.

December

- \*SG Reg Amendment 30 - Red Grouper Rebuilding
- SG Reg Amendment 26 - Recreational Visioning
- SG Reg Amendment 42 - Sea Turtle Release Gear/SG Framework Modifications
- \*Allocation Review Trigger Plan
- \*SG Reg Amendment 32 - Yellowtail AMs (final approval based on SG actions)
- Recreational AM Amendment

The Committee recommended the following will be worked on by the Council at the March meeting:

- Wreckfish ITQ Review
- SG Reg Amendment 29 - Best Fishing Practices & Powerheads
- Coral Amendment 10 (and other amendments) = golden crab allowable fishing zones, Oculina, transit provisions, VMS for golden crab vessels
- ABC Control Rule

## **Regulatory Reform**

The Committee reviewed the status of regulatory reform. In June 2018, a letter was sent to NMFS HQ highlighting the items the Council deemed were unnecessary, unneeded, or outdated. Several regulations were highlighted in June as being in need of further consideration for future modification. The Committee directed staff to keep track of those items not currently under consideration for modification and remind the Council of them as new amendments are being considered in the future,

## **Issues to Comment On**

Gregg gave a brief review of the large number of items NMFS has asked the Council to provide comments on. Given the large number of items the Councils are requested to review and comment on, the suggestion was made at the last CCC meeting for NMFS to provide a spreadsheet with the list of items to ease the Councils' ability to meet the multiple comment deadlines. NMFS will do this in the future when there are multiple items out for comment.

**Law Enforcement AP Meeting Schedule**

Council directed staff to continue the annual in-person AP meeting and consider adding a second meeting a year that is more targeted towards specific amendments/actions. This second meeting would occur via webinar.

**Other Business**

The Committee discussed the following items:

1. Timing for review of health insurance – provided guidance that the Council will complete their review of medical benefits at the December 2018 meeting.
2. Council representative for Take Reduction Team – the Council appointed Charlie Phillips as the Council’s representative.
3. SSC Representative – Jessica and Mel will cover the October 2018 SSC meeting and Steve Poland volunteered to be the SSC representative for future meetings.

**Motions:**

The Committee approved the following motions:

**MOTION #1: APPROVE THE 2018 GENERAL FUNDING BUDGET  
APPROVED BY COMMITTEE  
APPROVED BY COUNCIL**

**MOTION #2: APPROVE THE 2018 SEDAR FUNDING BUDGET  
APPROVED BY COMMITTEE  
APPROVED BY COUNCIL**

**MOTION #3: APPOINT CHARLIE PHILLIPS AS THE SAFMC REPRESENTATIVE  
TO THE LARGE WHALE TAKE REDUCTION TEAM  
(INTENT COVER TRAVEL COSTS)  
APPROVED BY COMMITTEE  
APPROVED BY COUNCIL**

**MOTION #4: APPOINT STEVE POLAND AS THE SSC REPRESENTATIVE  
APPROVED BY COMMITTEE  
APPROVED BY COUNCIL**

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**Note:** Council staff drafts the timing and task motion based on Committee action. If points require clarification, they will be added to the draft motion. The Committee should review this wording carefully to be sure it accurately reflects their intent prior to making the motion.

**Timing and Task(s)**

**MOTION #5. ADOPT THE FOLLOWING TIMING AND TASK(S):**

- 1) Directed staff to prepare draft comments on the MSA Reauthorization bills to have ready if we are asked to comment.
- 2) Directed staff to prepare draft comments on the Wicker Aquaculture Bill to have ready if we are asked to comment.
- 3) Directed staff to prepare draft language to modify the SAFMC Regional Perspective on Cooperative Research in the CCC Working Paper.
- 4) modify the draft 2018 agendas for the September meeting and include the recommendations from the Personnel Committee; address the major recommendations for the Committee's consideration.
- 5) Directed staff to work on the following items for the DECEMBER 2018 meeting:
  - a. December
  - b. \*SG Reg Amendment 30 - Red Grouper Rebuilding
  - c. SG Reg Amendment 26 - Recreational Visioning
  - d. SG Reg Amendment 42 - Sea Turtle Release Gear/SG Framework Modifications
  - e. \*Allocation Review Trigger Plan
  - f. SG Reg Amendment 32 - Yellowtail AMs
  - g. Recreational AM Amendment
- 6) Directed staff to work on the following items to be included on the MARCH 2019 agenda:
  - a. Wreckfish ITQ Review
  - b. SG Reg Amendment 29 - Best Fishing Practices & Powerheads
  - c. Coral Amendment 10 (and other amendments) = golden crab allowable fishing zones, Oculina, transit provisions, VMS for golden crab vessels
  - d. ABC Control Rule
- 7) Requested staff to schedule the Closed Personnel Committee meeting on Thursday of the December meeting. Topics will be the annual Executive Director's Review and MEDICAL.

**APPROVED BY COUNCIL**