



Draft Addendum XX for Public Comment Review

**LCMA 3 Closed Area II
Season
February 2013**



Purpose

- **Development an addendum that would include measures outlined in the agreement between the offshore lobster fishery and sector trawl fishermen for bottom-sharing in Closed Area 2 in order to protect large concentrations of egg-bearing females and prevent gear conflicts.**



Background

- **Closed Area II was established to protect groundfish in 1969**
- **In 2012 NEFMC considered Framework 48, which considers the opening of several areas that are closed to groundfish fishery including Closed Area II.**
- **Sept 2012 NEFMC supported a measure to allows groundfish sectors to request exemptions from prohibition on fishing in groundfish closed areas (on a limited basis)**



Background

- **NEFMC second phase will develop alternatives to complement the habitat management areas for consideration in the**
- **Includes consideration of rolling closures, spawning closures, as well as year-round closed areas.**
- **It is projected that the Council will take action these issues in April of 2014.**



Background

- **Offshore industry reported large congregations of ovigerous females within the area.**
- **Industry and members of the Board are concerned that opening Closed Area II to mobile gear will have a negative impact on the local lobster population.**
- **TC reports suggest opening Closed Area II to these types of gear will result in additional incidental damage to lobster**



Management Option

- **Option 1: Status Quo- No Closed Area II Season Closure**

- **Option 2: Closed Area II Season Closure (Industry Agreement)**



Industry Agreement

- **Prohibitive to set or store traps in Closed Area II from Nov 1 to June 15 annually.**
- **All Lobster trap gear must be removed by midnight October 31st from closed area II area, except the HAPC area**
- **No lobster gear will be set in the area until 12:01 a.m. on June 16th.**
 - **Any gear set or stored from November 1st through June 15th will be considered derelict**
 - **Provision for acts of God**



Industry Agreement

Initial period

- **The sector operations plans are not in effect until May 1st, 2013.**
- **To start the agreement from May 1 to June 15, 2013 the Mobile gear Sector vessels will first enter the area for their six week spring season above 41° 30'.**
- **If opening of CAII does not become effective until 2014, this agreement will remain in effect for initiation at that time (2014).**



Compliance and Recommendation to NOAA Fisheries

- **Determine measures, if approved, that should be recommended to NOAA Fisheries for implementation in Federal waters.**



Draft Addendum XXI for Public Comment

**Effort Consolidation
February 2013**





Purpose

- **The American Lobster Board voted to scale the SNE fishery to the size of the resource**
- **The addendum proposes a consolidation program for LCMA 2 and 3 to address latent effort and reductions in traps allocated**
 - **Improve the economic performance of the fishermen who remain in the fishery by constraining unused gear from returning to the fishery should the stock rebuild**



Trap Allocation Transfers

LCMA 2 and 3

➤ Partial Transfers of a Multi LCMA Trap Allocation

- **Option 1: Status quo: must choose single LCMA to fish multi-LCMA transferred traps, privileges for other LCMAs forfeited**
 - **Example: A person buys 100 traps that have historical allocation to fish in LCMA 2, 3, and 4. 10 traps are retired for conservation and 90 traps are available to be fished or banked. The buyer must choose only 1 of the 3 LCMAs (area 2, 3, or 4) to fish the traps, the other 2 areas will lose fishing privileges for those traps.**



Trap Allocation Transfers

LCMA 2 and 3

- **Partial Transfers of a Multi LCMA Trap Allocation**
 - **Option 2: 2 Areas Fished**
 - May fish in any of the LCMAs that the trap history allows with a max of 2 areas per year
 - Declare the area fished when apply for a trap tag
 - Bound by the most restrictive rule for all areas
 - **Option 3: All Areas**
 - May fish any LCMA that the transferred multi-LCMA traps had history
 - Bound by the most restrictive rule



Trap Allocation Transfers LCMA 2

➤ Full Business Transfers

- Option 1 (status quo): May fish any LCMA that the transferred multi-LCMA traps had history in but bound by the most restrictive rule**
- Option 2 (1 Area Fished): must choose single LCMA to fish multi-LCMA transferred traps, privileges for other LCMA's forfeited**



Aggregate Ownership Cap

➤ **Option 1: Status quo**

- **No company or individual may own, or share ownership of, more than 2 permits.**
- **more than 2 permits in December 2003 may retain the number they had at that time but may not own or share ownership of any additional permits.**



Aggregate Ownership Cap

- **Option 2: Can not own more than 1600 traps (800 active and 800 banked traps)**
 - Traps are subject to annual reductions
- **Option 3. Can not own more than 1600 traps (800 active and 800 banked traps) or more than 2 permits.**
 - If one owns more than 2 at implementation may retain the overage.
 - Traps are subject to annual reductions



Controlled Growth

- **Controlled growth prohibits excessive consolidation of industry**
- **Option 1: Status Quo: No limits on growth**
- **Option 2: A max of 400 traps could be moved per year from a bank account to active**



LCMA 3 Designation

Proposes to split LCMA 3 into 2 designations

- **LCMA 3 and LCMA 3-SNE**
- **Option 1: Status quo, no designation**
- **Option 2: Annually designate one of the 2 areas to fish for the year**
 - **Split at the 70° longitude (west LCMA 3 SNE and East LCMA 3)**
 - **Part of the permit renewal process**
 - **Can change area from year-to-year**
 - **Bound by the most restrictive rule**

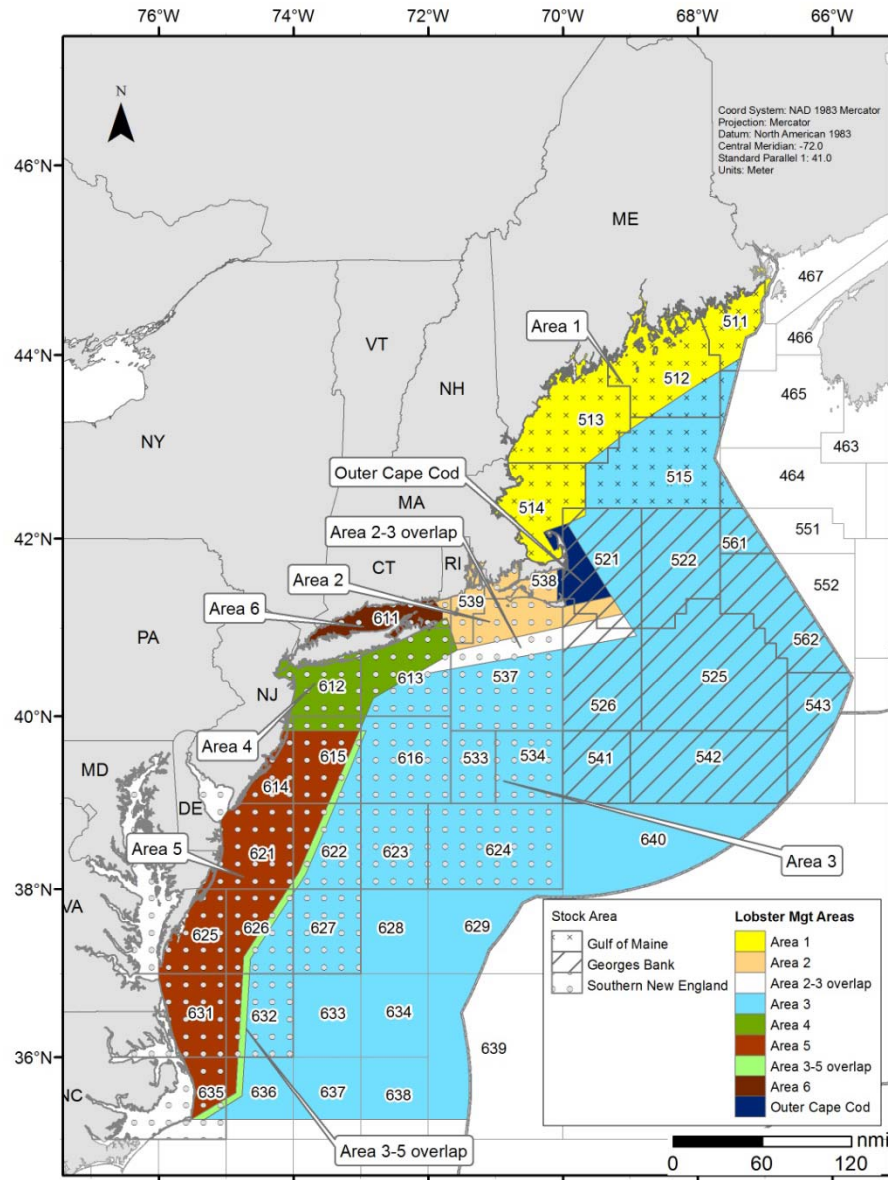


Figure 32.1. Statistical areas used to define the American lobster, *Homarus americanus*, stock.



Trap and Permit Cap on Ownership

Proposing several types of restraints on ownership to inhibit the excessive consolidation of industry. Including:

- **a cap on the number of individual active traps a single permit may fish,**
- **a cap on the number of traps a single permit may fish and own, and**
- **a cap on the aggregate number of federal permit and traps a entity/ company may own.**



Trap Cap

- **Option 1: status quo, trap cap is 2000 traps**
- **Option 2: As specified in table on pg 11**
 - **Assumes that NOAA Fisheries will implement a 2000 trap cap in proposed federal rules and cut allocated traps by 25 % , as proposed in section 3.2.1 of this addendum).**
 - **NOAA Fisheries adopts a lower trap cap for LCMA 3 or different trap cut, the schedule will be adjusted accordingly.**



Trap Cap

	Area 3	Area 3-SNE
Year 0	2000	2000
Year 1	1900	1900
Year 2	1805	1805
Year 3	1715	1800
Year 4	1629	1800
Year 5	1548	1800



Single Ownership Cap

- **Option 1: Status quo no ownerships cap**
- **Option 2: Ownership Cap as proposed in table on pg 12**
 - **Allows the purchase and accumulation of traps over and above the *Active Trap Cap Limit* (section 3.2.3).**
 - **Assumes that NOAA Fisheries will implement a 2000 trap cap in proposed federal rules and cut allocated traps by 25 % , if not the schedule will be adjusted accordingly.**



Single Ownership Cap

	Number of Traps
Year 1	2,333
Year 2	2,216
Year 3	2,105
Year 4	2,000
Year 5	1,900



Aggregate Ownership Cap

- **Option 1: no single company or individual may own or share more than 5 LCMA 3 permits, if more than 5 prior to Dec 2003 may be retained**
- **Option 2: no single company or individual may own or share >5 LCMA 3 permits and can not own >5 times the individual ownership cap**
 - **Any entity that owns >aggregate cap at implementation may retain the overage, but transfers after implementation are subject to the cap**



Aggregate Ownership Cap

- **Under Option 2: If this option were adopted, the Board would recommend that NOAA Fisheries establish a control date for the number of permits or taps a single company or individual may own, or share ownership of for LMCA 3.**



Aggregate Ownership Cap

	Number of Traps
Year 1	11,665
Year 2	11,080
Year 3	10,525
Year 4	10,000
Year 5	9,500



Annual Review

- **States will be required to submit to ASMF the following information for the most recent fishing year on July 1**
- **Number of allocated traps for LMCA 2 and 3**
 - **Number of traps transferred for LCMA 2 and 3**
 - **The rate of transfer for LCMA 2 and 3**
 - **Maximum number of traps fished for LMCA 2 and 3**
 - **The degree of consolidation for LCMA 2 and 3**



Compliance and Recommendation to NOAA Fisheries

- **If the existing lobster management program is revised by approval of this draft addendum, the American Lobster Management Board will designate dates by which states will be required to implement the addendum.**

- **Determine measures, if approved, that should be recommended to NOAA Fisheries for implementation in Federal waters.**



Draft Addendum XVIII for Public Comment Review

**LCMA Transfer Tax
October 2012**





Purpose

- Address the LMCA 3 trap transfer tax for full and partial business sales



Background

- Addendum XVIII was approved at the August Board meeting
- It adopted a consolidation program for LCMA 2 and 3 to address latent effort and reductions in traps allocated
- It proposed a uniform trap tax as a part of LCMA 3 transfer program but did not address it
- NOAA Fisheries will begin public comment in the winter of 2012/2013 for the LCMA 3 transfer program



Background

- If the Board is considering changes to the transfer tax for LCMA it will need to provide public comment to NOAA Fisheries during the comment period
- The comment period will likely be closed before the next Board meeting in February



Transfer Tax

Transfer Tax Amount

- Option 1: Status Quo, Conservation tax of 20% is for partial transfers and 10% is assessed on full business sales
- Option 2: Conservation tax of 10% is assessed on and transfer (full or partial) (LCMT Preferred)
 - **Example:** If a fisherman A purchases 100 traps from fisherman B, 10 traps will be retired for conservation purposes and 90 traps will be added to fisherman A's allocation or trap allocation bank account.



Compliance and Recommendation to NOAA Fisheries

- Determine measures, if approved, that should be recommended to NOAA Fisheries for implementation in Federal waters.



Public Comment

➤ No Comments received