

(1) * * *

(iii) List all parties with which the applicant has entered into arrangements for the spectrum lease or resale (including wholesale arrangements) of any of the capacity of any of the applicant's spectrum.

(iv) List separately and in the aggregate the gross revenues, computed in accordance with § 1.2110, for each of the following: The applicant, its affiliates, its controlling interests, and the affiliates of its controlling interests; and if a consortium of small businesses, the members comprising the consortium.

(v) If applying as a consortium under § 1.2110(b)(3)(i), provide the information in paragraphs (b)(1)(i) through (iv) separately for each member of the consortium.

(2) * * *

(ii) List any FCC-regulated entity or applicant for an FCC license, in which any controlling interest of the applicant owns a 10 percent or greater interest or a total of 10 percent or more of any class of stock, warrants, options or debt securities. This list must include a description of each such entity's principal business and a description of each such entity's relationship to the applicant;

(iii) List and summarize all agreements or instruments (with appropriate references to specific provisions in the text of such agreements and instruments) that support the applicant's eligibility as a small business under the applicable designated entity provisions, including the establishment of *de facto* or *de jure* control. Such agreements and instruments include articles of incorporation and by-laws, partnership agreements, shareholder agreements, voting or other trust agreements, management agreements, franchise agreements, spectrum leasing arrangements, spectrum resale (including wholesale) arrangements, and any other relevant agreements (including letters of intent), oral or written;

* * * * *

(v) List separately and in the aggregate the gross revenues, computed in accordance with § 1.2110, for each of the following: The applicant, its affiliates, its controlling interests, and the affiliates of its controlling interests; and if a consortium of small businesses, the members comprising the consortium; and

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■ 7. Section 1.9020 is amended by revising paragraph (d)(4) to read as follows:

§ 1.9020 Spectrum manager leasing arrangements.

* * * * *

(d) * * *

(4) *Designated entity/entrepreneur rules.* A licensee that holds a license pursuant to small business and/or entrepreneur provisions (see § 1.2110 and § 24.709 of this chapter) and continues to be subject to unjust enrichment requirements (see § 1.2111 and § 24.714 of this chapter) and/or transfer restrictions (see § 24.839 of this chapter) may enter into a spectrum manager leasing arrangement with a spectrum lessee, regardless of whether the spectrum lessee meets the Commission's designated entity eligibility requirements (see § 1.2110) or its entrepreneur eligibility requirements to hold certain C and F block licenses in the broadband personal communications services (see § 1.2110 and § 24.709 of this chapter), so long as the spectrum manager leasing arrangement does not result in the spectrum lessee's becoming a "controlling interest" or "affiliate" (see § 1.2110) of the licensee such that the licensee would lose its eligibility as a designated entity or entrepreneur.

* * * * *

PART 27—MISCELLANEOUS WIRELESS COMMUNICATIONS SERVICES

■ 8. The authority citation for part 27 continues to read as follows:

Authority: 47 U.S.C. 154, 301, 302a, 303, 307, 309, 332, 336, 337, 1403, 1404, 1451, and 1452, unless otherwise noted.

■ 9. Section 27.1301 is amended by removing the undesignated introductory text and revising paragraph (a) to read as follows:

§ 27.1301 Designated entities in the 600 MHz band.

(a) *Eligibility for small business provisions.*

(1) A small business is an entity that, together with its affiliates, its controlling interests, the affiliates of its controlling interests, and the entities with which it has an attributable material relationship, has average gross revenues not exceeding \$55 million for the preceding three (3) years.

(2) A very small business is an entity that, together with its affiliates, its controlling interests, the affiliates of its controlling interests, and the entities with which it has an attributable material relationship, has average gross

revenues not exceeding \$20 million for the preceding three (3) years.

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[FR Doc. 2014-26924 Filed 11-13-14; 8:45 am]

BILLING CODE 6712-01-P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 648

[Docket No. 140902739-4739-01]

RIN 0648-BE49

Fisheries of the Northeastern United States; Atlantic Mackerel, Squid, and Butterfish Fisheries; Specifications and Management Measures

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Proposed rule, request for comments.

SUMMARY: NMFS proposes 2015 specifications and management measures for Atlantic mackerel, 2015-2017 specifications for *Illlex* squid, 2015-2017 specifications for longfin squid, and 2015-2017 specifications for butterfish. This action also proposes simplifying the butterfish fishery closure mechanism. These proposed specifications and management measures are intended to promote the utilization and conservation of the Atlantic mackerel, squid, and butterfish resources.

DATES: Public comments must be received no later than 5 p.m., eastern standard time, on December 15, 2014.

ADDRESSES: Copies of supporting documents used by the Mid-Atlantic Fishery Management Council, including the Environmental Assessment (EA) and Regulatory Impact Review (RIR)/Initial Regulatory Flexibility Analysis (IRFA), are available from: Dr. Christopher M. Moore, Executive Director, Mid-Atlantic Fishery Management Council, Suite 201, 800 N. State Street, Dover, DE 19901. The EA/RIR/IRFA is accessible via the Internet at [http://h http://www.greateratlantic.fisheries.noaa.gov/](http://hhttp://www.greateratlantic.fisheries.noaa.gov/).

You may submit comments, identified by NOAA-NMFS-2014-0139, by any one of the following methods:

- *Electronic Submission:* Submit all electronic public comments via the Federal e-Rulemaking Portal www.regulations.gov. To submit comments via the e-Rulemaking Portal, first click the "submit a comment" icon, then enter NOAA-NMFS-2014-0139 in

the keyword search. Locate the document you wish to comment on from the resulting list and click on the "Submit a Comment" icon on the right of that line.

- Mail to NMFS, Greater Atlantic Regional Fisheries Office, 55 Great Republic Dr, Gloucester, MA 01930. Mark the outside of the envelope "Comments on 2015 Mackerel, Squid and Butterfish Specifications."

- Fax: (978) 281-9135, Attn: Aja Szumylo.

Instructions: Comments must be submitted by one of the above methods to ensure that the comments are received, documented, and considered by NMFS. Comments sent by any other method, to any other address or individual, or received after the end of the comment period, may not be considered. All comments received are a part of the public record and will generally be posted for public viewing on www.regulations.gov without change. All personal identifying information (e.g., name, address, etc.) submitted voluntarily by the sender will be publicly accessible. Do not submit confidential business information, or otherwise sensitive or protected information. NMFS will accept anonymous comments (enter "N/A" in the required fields if you wish to remain anonymous). Attachments to electronic comments will be accepted in Microsoft Word or Excel, WordPerfect, or Adobe PDF file formats only.

FOR FURTHER INFORMATION CONTACT: Aja Szumylo, Fishery Policy Analyst, 978-281-9195, fax 978-281-9135.

SUPPLEMENTARY INFORMATION:

Background

This rule proposes specifications, which are the combined suite of commercial and recreational catch levels established for one or more fishing years. The specifications process also allows for the modification of a select number of management measures, such as closure thresholds, gear restrictions, and possession limits. The Council's process for establishing specifications relies on provisions within the Atlantic Mackerel, Squid and Butterfish Fishery Management Plan (FMP) and its implementing regulations, as well as requirements established by the Magnuson-Stevens Fishery Conservation and Management Act. Specifically, section 302(g)(1)(B) of the Magnuson-Stevens Act states that the Scientific and Statistical Committee (SSC) for each Regional Fishery Management Council shall provide its Council ongoing scientific advice for fishery management decisions,

including recommendations for acceptable biological catch (ABC), preventing overfishing, maximum sustainable yield, and achieving rebuilding targets. The ABC is a level of catch that accounts for the scientific uncertainty in the estimate of the stock's defined overfishing level (OFL). The Council's SSC met on May 7 and 8, 2014, to recommend ABCs for the 2015 Atlantic mackerel specifications, and the 2015-2017 butterfish, *Illlex* squid, and longfin squid specifications.

The FMP's implementing regulations require the Council's Mackerel, Squid, and Butterfish Monitoring Committee to consider and develop specification recommendations for each species. Since the Magnuson-Stevens Act requirements for the SSC to recommend ABC became effective, the monitoring committees' role has largely been to recommend any reduction in catch limits from the SSC-recommended ABCs to account for management uncertainty, and to recommend other management measures (e.g., gear and/or possession restrictions) needed for the efficient management of the fishery. The Monitoring Committee met via webinar on May 13 and 27, 2014, to discuss recommendations for the 2015 mackerel fishery, and the 2015-2017 butterfish, *Illlex* squid, and longfin squid fisheries.

The Council considered the recommendations of the SSC, the Monitoring Committee, and public comments at its June 11, 2014, meeting in Freehold, NJ, and made its specification recommendations. The Council submitted the recommendations, along with the required analyses, for agency review on July 28, 2014, with final submission on October 20, 2014. NMFS must review the Council's recommendations for compliance with the FMP and applicable law, and conduct notice-and-comment rulemaking to propose and implement the final specifications.

The regulations for the FMP require the specification of annual catch limits (ACL) and accountability measure (AM) provisions for mackerel and butterfish. Both squid species are exempt from the ACL/AM requirements because they have a life cycle of less than 1 year. In addition, the regulations require the specification of domestic annual harvest (DAH), domestic annual processing (DAP), total allowable level of foreign fishing (TALFF), joint venture processing (JVP), commercial and recreational annual catch targets (ACT), and a river herring and shad catch cap for mackerel, the butterfish mortality cap in the longfin squid fishery, and initial optimum yield (IOY) for both squid species.

In addition to the specifications, this action would also simplify the management measures for the direct butterfish fishery and changes the regulations in regard to possession limits.

Proposed 2015 Specifications for Atlantic Mackerel

TABLE 1—PROPOSED 2015 SPECIFICATIONS IN METRIC TONS (mt) FOR ATLANTIC MACKEREL

Overfishing limit (OFL)	Unknown
ABC	40,165
ACL	25,039
Commercial ACT	21,138
Recreational ACT/Recreational Harvest Limit (RHL)	1,397
1,397.	
DAH/DAP	20,872
JVP	0
TALFF	0

The most recent U.S. stock assessment for mackerel was conducted by the Transboundary Resources Assessment Committee (TRAC) in March 2010. The 2010 TRAC Status Report indicated reduced productivity in the stock and a lack of older fish in both the survey and catch data; however, the status of the mackerel stock is unknown because biomass reference points could not be determined. Due to uncertainty in the assessment, the TRAC Status Report recommended that total annual mackerel catches not exceed 80,000 mt (average total U.S. and Canadian landings from 2006-2008) until new information is available.

Since 2010, the SSC has recommended a stock-wide ABC of 80,000 mt based on the recommendation in the TRAC status report. NMFS previously implemented specifications that matched the recommendation in the TRAC Status Report for the 2013-2015 fishing years as part of the 2013 specifications for the FMP (January 16, 2013; 78 FR 3346). However, given uncertainty in 2010 mackerel assessment, low U.S. landings in recent years, and results from a 2014 Canadian assessment that suggest the stock is doing poorly, the SSC concluded that the foundation that it used for developing its previous ABC was inappropriate because 2006-2008 was a period of unusually high catches. In order to capture the highly periodic nature of mackerel catches, the SSC recommended a stock-wide ABC of 40,165 mt (median of 1978-2013 U.S. and Canadian catches) for the 2015 fishing year only. This period was chosen as a time when fisheries operations have been relatively

consistent and foreign fleets were not in operation.

According to the FMP, the mackerel ABC must be calculated using the formula U.S. ABC = Stock-wide ABC – C, where C is the estimated catch of mackerel in Canadian waters for the upcoming fishing year. Canadian catch was estimated at 15,126 mt (2014 Canadian mackerel quota of 10,000 mt, plus a discard rate of 1.26 percent, plus 5,000 mt estimated unreported catch). The Council deducted estimated Canadian catch from the stockwide ABC to a recommended U.S. ABC of 25,039 mt (40,165 mt minus 15,126 mt).

The Council recommended a recreational allocation of 1,552 mt (6.2 percent of the U.S. ABC). The proposed recreational ACT of 1,397 mt (90 percent of 1,552 mt) accounts for uncertainty in recreational catch and discard estimates. The Recreational ACT is equal to the Recreational Harvest Limit (RHL), which would be the effective cap on recreational catch.

For the commercial mackerel fishery, the Council recommended a commercial fishery allocation of 23,487 mt (93.8 percent of the U.S. ABC, the portion of the ACL that was not allocated to the recreational fishery). The recommended Commercial ACT of 21,138 mt (90 percent of 23,487 mt) compensates for management uncertainty in estimated Canadian landings, uncertainty in discard estimates, and possible misreporting of mackerel catch. The Commercial ACT would be further reduced by a discard rate of 1.26 percent to arrive at the proposed DAH of 20,872 mt. The DAH would be the effective cap on commercial catch.

Consistent with the Council’s recommendation, NMFS proposes mackerel specifications that would set the U.S. ACL at 25,039 mt, the Commercial ACT at 21,138 mt, the DAH and DAP at 20,872 mt, and the Recreational ACT at 1,397 mt.

Additionally, as recommended by the Council, NMFS proposes to maintain JVP at zero (the most recent allocation was 5,000 mt of JVP in 2004). In the past, the Council recommended a JVP greater than zero because it believed U.S. processors lacked the ability to process the total amount of mackerel that U.S. harvesters could land. However, for the past 10 years, the Council has recommended zero JVP because U.S. shoreside processing capacity for mackerel has expanded. The Council concluded that processing capacity was no longer a limiting factor relative to domestic production of mackerel.

The Magnuson-Stevens Act provides that the specification of TALFF, if any,

shall be the portion of the optimum yield (OY) of a fishery that will not be harvested by U.S. vessels. TALFF would allow foreign vessels to harvest U.S. fish and sell their product on the world market, in direct competition with U.S. industry efforts to expand exports. While a surplus existed between ABC and the mackerel fleet’s harvesting capacity for many years, that surplus has disappeared due to downward adjustments of the specifications in recent years. Based on analysis of the global mackerel market and possible increases in U.S. production levels, the Council concluded that specifying a DAH/DAP that would result in zero TALFF would yield positive social and economic benefits to both U.S. harvesters and processors, and to the Nation. For these reasons, consistent with the Council’s recommendation, NMFS proposes to specify DAH at a level that can be fully harvested by the domestic fleet, thereby precluding the specification of a TALFF, in order to support the U.S. mackerel industry. NMFS concurs that it is reasonable to assume that in 2015 the commercial fishery has the ability to harvest 20,872 mt of mackerel.

2015 Proposed River Herring and Shad Catch Cap in the Mackerel Fishery

In order to limit river herring and shad catch, Amendment 14 to the FMP (February 24, 2014; 79 FR 10029) allows the Council to set a river herring and shad cap through annual specifications. For 2015 the Council recommended that the cap be set at 89 mt initially, but if mackerel landings surpass 10,000 mt before closure, then the cap would increase to 155 mt. The 89-mt cap represents the median annual river herring and shad catch by all vessels landing over 20,000 lb (9.08 mt) of mackerel per trip from 2005–2012. These were years when the fishery caught about 13,000 mt of mackerel. The 155-mt cap is based on the median river herring and shad catch by all vessels landing over 20,000 lb (9.08 mt) of mackerel per trip from 2005–2012, adjusted to the 2015 proposed DAH (20,872 mt). The Council recommends the two-tier system in order to encourage the fishery to avoid river herring and shad regardless of the rate of mackerel catches. If mackerel catch is low, the 89-mt cap would encourage fishermen to avoid catching river herring and shad. If mackerel catch increases, the 155-mt cap should still allow mackerel fishing to occur as long as river herring and shad catch rates remain below the recent median. Once the mackerel fishery catches 95 percent of the river herring and shad cap, we

will close the directed mackerel fishery and implement a 20,000-lb (9.08-mt) incidental catch trip limit for the remainder of the year.

2015–2017 Proposed Illex Specifications

TABLE 2—PROPOSED 2015–2017 SPECIFICATIONS IN METRIC TON (mt) FOR ILLEX SQUID

	OFL	Unknown
ABC		24,000
Initial Optimum Yield (IOY)		22,915
DAH/DAP		22,915

The *Illex* stock was most recently assessed at the 42nd Northeast Regional Stock Assessment Workshop in late 2005. The assessment did not generate reliable estimates of stock biomass or fishing mortality. In the absence of an updated stock assessment, the SSC recommended the status quo ABC of 24,000 mt. Landings of 24,000–26,000 mt do not appear to have caused harm to the *Illex* stock, based on trawl survey indices and landings in years following when landings were in the range of 24,000–26,000 mt.

The Council recommended that the ABC be reduced by the status quo discard rate of 4.52 percent, which results in an IOY, DAH, and DAP for recommendation of 22,915 mt for the 2015–2017 fishing years. These levels are the same as was specified for the *Illex* fishery in 2012–2014. The Council will review this decision during its annual specifications process and may make a change for 2016 or 2017 if new information is available.

Consistent with the Council’s recommendation, NMFS proposes to specify the *Illex* ABC as 24,000 mt, and to specify IOY, DAH, and DAP as 22,915 mt for the 2015–2017 fishing years.

2015–2017 Proposed Longfin Squid Specifications

TABLE 3—PROPOSED 2015–2017 SPECIFICATIONS IN METRIC TONS (mt) FOR LONGFIN SQUID

	OFL	Unknown
ABC		23,400
IOY		22,445
DAH/DAP		22,445

The 51st Northeast Regional Stock Assessment Workshop, published in January 2011, found that the longfin squid stock is not overfished, but that the overfishing status is unknown. The SSC used the stock assessment information to recommend an ABC of 23,400 mt for the 2012–2014 fishing

years, subject to annual review. This recommendation corresponds to catch in the year with the highest observed exploitation fraction (catch divided by estimated biomass) during a period of light exploitation (1976–2009). The SSC interpreted this level of exploitation to be sustainable over the long term. In absence of newer information, the SSC recommended renewing current levels for another three years, subject to annual review, resulting in an ABC of 23,400 mt for the 2015–2017 fishing years.

The Council recommended that the ABC be reduced by the status quo

discard rate of 4.08 percent, which results in an IOY, DAH, and DAP for recommendation of 22,445 mt for the 2015–2017 fishing years.

Consistent with the Council’s recommendation, NMFS proposes an ABC of 23,400 mt, and an IOY, DAH, and DAP of 22,445 mt for the 2015–2017 fishing years.

Distribution of the Longfin DAH

The Council did not recommend any changes to the trimester allocation of the 2015–2017 longfin DAH. Therefore allocations would remain at 2012–2014 levels according to percentages specified in the FMP, as follows:

TABLE 4—PROPOSED 2015–2017 TRIMESTER ALLOCATION OF LONGFIN QUOTA

Trimester	Percent	Metric tons
I (Jan–Apr)	43	9,651
II (May–Aug)	17	3,816
III (Sep–Dec)	40	8,978
Total	100	22,445

2015–2017 Proposed Butterfish Specifications

TABLE 5—PROPOSED 2015–2017 SPECIFICATIONS IN METRIC TONS (mt) FOR BUTTERFISH

	2015	2016	2017
OFL	41,092	N/A	N/A
ABC	33,278	31,412	30,922
Commercial ACT (ABC minus 10-percent buffer)	29,950	28,271	27,830
DAH (ACT minus butterfish cap and discards)	22,530	21,043	20,652
Directed Fishery closure limit (DAH minus 1,411 mt buffer)	21,119	19,631	20,652
Butterfish Cap (in the longfin squid fishery)	3,884	3,884	3,884

The status of the butterfish stock was updated in the 58th Northeast Regional Stock Assessment Workshop (March 2014), which concluded that the stock was above target stock size and experiencing low fishing mortality. The stock is now considered fully rebuilt. The SSC derived an OFL of 41,092 mt by applying estimated natural and fishing mortality to the size of the existing stock. The SSC recommended a 2015 ABC of 33,278 mt (increased dramatically from 9,100 mt in 2014) to account for the increased stock size and estimated expected fishing mortality in 2014. The SSC recommended an ABC of 31,412 mt in 2016, and 30,922 mt in 2017 to account for fishing mortality in 2015 and 2016, respectively, with a 60-percent probability of not overfishing as required by the Council risk policy.

The Council recommended setting the butterfish ACL equal to the ABC, and establishing a 10-percent buffer between ACL and ACT for management uncertainty, which would result in an ACT of 29,950 mt in 2015, 28,271 mt in 2016, and 27,830 mt in 2017. To prevent butterfish catch from exceeding the ACT, the Council subtracts butterfish catch in the longfin squid fishery, catch in other fisheries, and discards in the directed fishery. The Council recommended leaving the butterfish cap at the 2014 level of 3,884 mt for each year. This cap is not constraining on the longfin fishery and reserves most of the available butterfish quota for the directed butterfish fishery. The

maximum amount of butterfish discards in non-longfin fisheries from 2011–2013 was 637 mt. Therefore, 4,521 mt (3,884-mt butterfish cap plus 637 mt of discards) are subtracted from the ACT. Because there are no recent observed trips with substantial butterfish landings, the Council looked to observed trips that landed over 25,000 lb (9.33 mt) butterfish between 1989 and 2000, which had a butterfish discard rate of 11.4 percent. The Council identified this discard rate as the best approximation for the fishery under current conditions. Therefore, the Council recommended setting the DAH at 22,530 mt in 2015, 21,042 mt in 2016, and 20,652 in 2017. Butterfish TALFF is only specified to address bycatch by foreign fleets targeting mackerel TALFF. Because there is no mackerel TALFF, butterfish TALFF would also be set at zero.

NMFS proposes specifications, consistent with the Council’s recommendation, as outlined in Table 5. NMFS also proposes that the 2015 butterfish mortality cap be allocated by Trimester as follows:

TABLE 6—PROPOSED TRIMESTER ALLOCATION OF BUTTERFISH MORTALITY CAP ON THE LONGFIN SQUID FISHERY FOR 2015

Trimester	Percent	Metric tons
I (Jan–Apr)	43	1,670
II (May–Aug)	17	660

TABLE 6—PROPOSED TRIMESTER ALLOCATION OF BUTTERFISH MORTALITY CAP ON THE LONGFIN SQUID FISHERY FOR 2015—Continued

Trimester	Percent	Metric tons
III (Sep–Dec)	40	1,554
Total	100	3,844

Butterfish Directed Fishery Closure Mechanism

Due to the dramatic increase in butterfish availability and proposed DAH, the Council recommended simplifying the three-phase butterfish management season enacted in 2013 (January 16, 2013; 78 FR 3346). Instead of the phased system which implements different trip limits depending on catch levels, the Council recommended that vessels issued a longfin squid/butterfish moratorium permit (as specified at § 648.4(a)(5)(i)) be allowed to land unlimited amounts of butterfish if using mesh greater than or equal to 3 inches (76 mm) until projected landings reach within 1,411 mt of a given year’s DAH. Once landings are within 1,411 mt of the DAH, NMFS would implement a 5,000-lb (2.27-mt) trip limit. Vessels issued a longfin squid/butterfish moratorium permit fishing with mesh less than 3 inches (76 mm) are currently prohibited from landing more than 2,500 lb (1.13 mt) of butterfish per trip, and no changes are proposed for those

vessels. The Council identified 1,411 mt as the amount that would allow some landings under a 5,000-lb (2.27-mt) trip limit without reaching the DAH. In the unlikely event that projected landings reach the annual DAH, then Council recommended that the trip limit be reduced to 600 lb (0.27 mt) to prevent an overage of the ACT.

Consistent with Council recommendations, NMFS proposes to implement the simplified closure mechanism, and the proposed specifications detailed in Table 5.

Corrections

This proposed rule also contains a minor adjustment to an existing regulation. The vessel monitoring system (VMS) power-down exemption for vessels that will be at the dock for more than 30 consecutive days, at § 648.10(c)(2)(i)(B), currently lists specific eligible permits. The proposed regulatory text is simplified to clarify that the exemption is available to all permits that are required to have VMS.

Classification

Pursuant to section 304(b)(1)(A) of the Magnuson-Stevens Act, the NMFS Assistant Administrator has determined that this proposed rule is consistent with the Atlantic Mackerel, Squid, and Butterfish FMP, other provisions of the Magnuson-Stevens Act, and other applicable law, subject to further consideration after public comment.

This proposed rule has been determined to be not significant for purposes of Executive Order 12866.

The Council prepared an IRFA, as required by section 603 of the Regulatory Flexibility Act (RFA). The IRFA describes the economic impact this proposed rule, if adopted, would have on small entities. A summary of the analysis follows. A copy of this analysis is available from the Council or NMFS (see **ADDRESSES**) or via the Internet at <http://www.nero.noaa.gov>.

Statement of Objective and Need

This action proposes 2015 specifications for mackerel, and 2015–2017 specifications for butterfish, *Illex* squid, and longfin squid. It also proposes to modify the river herring catch cap in the mackerel fishery and to simplify the closure mechanism in the butterfish fishery. A complete description of the reasons why this action is being considered, and the objectives of and legal basis for this action, are contained in the preamble to this proposed rule and are not repeated here.

Description and Estimate of Number of Small Entities to Which the Rule Will Apply

Based on permit data for 2013, the numbers of potential fishing vessels in the 2015 fisheries are as follows: 384 separate vessels hold Atlantic mackerel, longfin squid, *Illex* squid, and butterfish limited access permits, 287 entities own those vessels, and, based on current Small Business Administration (SBA) definitions, 274 are small entities. Of the 274 small entities, 29 had no revenue in 2013 and those entities with no revenue are listed as small entities for the purposes of this analysis. All of the entities that had revenue fell into the finfish or shellfish categories, and the SBA definitions for those categories for 2014 are \$20.5 million for finfish fishing and \$5.5 million for shellfish fishing. Many vessels participate in more than one of these fisheries; therefore, permit numbers are not additive. The only proposed alternatives that involve increased restrictions apply to mackerel limited access permits, so those numbers are listed separately (they are a subset of the above entities). This analysis found that 150 separate vessels hold Atlantic mackerel, longfin squid, *Illex* squid, and butterfish limited access permits, 114 entities own those vessels, and, based on current SBA definitions, 107 are small entities.

Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements

There are no new reporting or record keeping requirements contained in any of the alternatives considered for this action. In addition, there are no Federal rules that duplicate, overlap, or conflict with this proposed rule.

Minimizing Significant Economic Impacts on Small Entities

The mackerel commercial DAH proposed in this action (20,872 mt) represents a reduction from status quo (2014 DAH = 33,821 mt). Despite the reduction, the proposed DAH is above recent U.S. landings; mackerel landings for 2010–2013 averaged 5,873 mt. Thus, the reduction does not pose a constraint to vessels relative to the landings in recent years. Even though the proposed 2015 quota is lower than 2014, it would still allow more than a tripling of catch compared to any year 2011–2013. This action proposes a Recreational ACT/RHL of 1,552 mt. Because recreational harvest from 2010–2013 averaged 850 mt, it does not appear that the allocation for the recreational fishery will constrain recreational harvest. Overall, the proposed action is not expected to

result in any reductions in revenues for vessels that participate in either the commercial or recreational mackerel fisheries.

The proposed river herring and shad catch cap in the mackerel fishery has the potential to limit the fishery from achieving its full mackerel quota if the river herring and shad encounter rates are high, but it's very unlikely that the fishery would close before exceeding the levels of landings experienced since 2010, when landings have been less than 11,000 mt. Based on the operation of the cap in 2014 (the first year of the cap), as long as the fishery can maintain relatively low river herring and shad catch rates, this alternative is unlikely to constrain the mackerel fishery. Examination of river herring and shad catch rates in 2011–2013 suggest that the only year that the proposed cap would have been binding would have been 2012. In 2012, relevant trips landed 5,074 mt of mackerel, but the fishery would have closed at approximately 4,439 mt if the proposed cap been in place. Given the river herring and shad encounter rate in 2012, about 608 mt of mackerel landings would have been forgone. Using the 2013 price of mackerel, 608 mt mackerel would have amount to \$265,105 of potentially forgone ex-vessel revenues. However, based on the operation of the cap in 2014, actual river herring and shad catch rates may be lower under the cap and therefore the cap may not be binding. Therefore, we conclude that there is no impact to the relevant entities.

The *Illex* IOY (22,915 mt) proposed in this action renews the status quo for three more years. Though annual *Illex* landings have approached this amount in some recent years (15,825 mt for 2010, 18,797 mt for 2011, 11,709 mt for 2012, and 3,835 mt for 2013), the landings were lower than the level being proposed. Thus, implementation of this proposed action should not result in a reduction in revenue or a constraint on expansion of the fishery in 2015–17.

The proposed longfin squid IOY (22,445 mt) renews the status quo levels for three more years. Because longfin squid landings from 2010–2013 averaged 10,093 mt, the proposed IOY provides an opportunity to increase landings, though if recent trends of low landings continue, there may be no increase in landings despite the increase in the allocation. No reductions in revenues for the longfin squid fishery are expected as a result of this proposed action.

The butterfish DAHs proposed in this action (21,119 mt in 2015, 19,631 mt in 2016 and 19,241 mt in 2017) represents

a 660-percent increase over the 2014 DAH (3,200 mt). Due to market conditions, there has not been a directed butterfish fishery in recent years; therefore, recent landings have been low. The proposed increase in the DAH has the potential to increase revenue for permitted vessels, having a positive economic impact.

This action also proposes simplifying the closure mechanism for the butterfish fishery. This would allow permitted vessels to take butterfish when they are available or when dealers may process them, and should have a positive economic impact on the fishery.

The proposed 2015–17 butterfish discard cap of 3,884 mt would renew the status quo for three more years. The longfin squid fishery will close during Trimester I, II, or III if the butterfish discards reach the trimester allocation. If the longfin squid fishery is closed in response to butterfish catch before the entire longfin squid quota is harvested, then a loss in revenue is possible. The potential for longfin squid revenue loss is dependent upon the size of the butterfish discard cap. This cap level was in effect for the 2013 and 2014 fishing years, and did not restrict the fishery in either year. For that reason, additional revenue losses are not expected as a result of this proposed action.

Alternatives to the Proposed Rule

The Council analysis evaluated two alternatives to the proposed specifications for mackerel. The proposed action would set the U.S. ABC at 40,165 mt, the Commercial ACT at 21,138 mt, the DAH and DAP at 20,872 mt, and the Recreational ACT at 1,397 mt. The first alternative (status quo—least restrictive) would have resulted in a U.S. ABC of 43,781 mt, a Commercial ACT of 34,907 mt, a DAH/DAP of 33,821 mt, and a Recreational ACT of 2,443 mt. The status quo alternative was based previous SSC recommendations, and was not selected because due to increasing concern that low catches may indicate a decline in the status of the mackerel stock. The other alternative (most restrictive) was based on average catch from 1992 to 2001, the most recent period of time when mackerel catches were stable. This alternative would set the U.S. ABC and ACL at 18,274 mt, the Commercial ACT at 15,427 mt, the DAH and DAP at 15,233 mt, and the Recreational ACT at 1,020 mt. This alternative was not selected because it was inconsistent with the ABC recommended by the SSC.

The Council considered two alternatives to the proposed 89-mt river herring and shad catch cap in the

mackerel fishery. The proposed alternative was the most restrictive option. The status quo alternative (least restrictive) would maintain the cap at 236 mt. The other alternative would set the cap at the median observed river herring and shad catch from each year 2005–2012 as applied to the 2015 proposed mackerel quota (155 mt). These alternatives were not selected because the Council believed they would be less protective of river herring and shad than the proposed alternative.

The Council considered two alternatives to the preferred action for *Illex*. The proposed action would set the ABC at 24,000 mt, and the IOY, DAH, and DAP at 22,915 mt. The first alternative (least restrictive) would have set ABC at 30,000 mt, and IOY, DAH, and DAP at 28,644 mt. This alternative was not selected because the higher specifications were inconsistent with the results of the most recent stock assessment. The second alternative (most restrictive) would have set ABC at 18,000 mt, and IOY, DAH, and DAP at 17,186 mt. The Council considered this alternative unnecessarily restrictive.

The Council considered two alternatives to the preferred action for longfin squid. The preferred alternative would set the ABC at 23,400 mt, and the IOY, DAH, and DAP at 22,445 mt. The first alternative (least restrictive) would have set the ABC at 29,250 mt, and the IOY, DAH, and DAP at 28,057 mt. The second alternative (most restrictive) would have set the ABC at 17,550 mt, and the IOY, DAH and DAP at 16,834 mt. These alternatives were not selected because they were all inconsistent with the ABC recommended by the SSC.

There were two alternatives to the preferred action for butterfish that were not selected by the Council. The preferred alternative (least restrictive) would set the ABC/ACL at 33,278 mt in 2015, the ACT at 29,950 mt, the DAH at 22,530 mt, with slight decreases for the 2015 and 2015 fishing years, and the butterfish cap at 3,884 mt from 2015 to 2017. The first alternative (status quo—most restrictive) did not take into account the revised stock assessment, and would have set the ABC/ACL at 9,100 mt, the ACT at 8,190 mt, the DAH at 3,200 mt, and the butterfish cap at 3,884 mt. The second alternative would have increased butterfish quotas from status quo levels to SSC recommended levels slowly over three years with an ABC/ACL of 16,332 mt and a DAH of 9,017 mt in 2015, a ABC/ACL of 23,627 mt and DAH of 14,835 mt in 2016, and an ABC/ACL of 30,922 and DAH of 20,652 mt in 2017. These two alternatives were not selected because they were both inconsistent with the

ABC recommended by the SSC. Both the preferred alternative and the second alternative would also simplify the closure mechanism for butterfish, compared to the no action/status quo alternative, which features a phased closure mechanism. The simplified closure mechanism is less restrictive than the phased closure mechanism, and was selected over because the increased quota does not require the intensive management necessary for the phased closure mechanism.

List of Subjects in 50 CFR Part 648

Fisheries, Fishing, Recordkeeping and reporting requirements.

Dated: November 7, 2014.

Samuel D. Rauch III,

Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service.

For the reasons set out in the preamble, 50 CFR part 648 is proposed to be amended as follows:

PART 648—FISHERIES OF THE NORTHEASTERN UNITED STATES

■ 1. The authority citation for part 648 continues to read as follows:

Authority: 16 U.S.C. 1801 *et seq.*

■ 2. In § 648.10, paragraph (c)(2)(i)(B) is revised to read as follows:

§ 648.10 VMS and DAS requirements for vessel owners/operators.

* * * * *

(c) * * *

(2) * * *

(i) * * *

(B) The vessel owner signs out of the VMS program for a minimum period of 30 consecutive days by obtaining a valid letter of exemption pursuant to paragraph (c)(2)(ii) of this section, the vessel does not engage in any fisheries or move from the dock/mooring until the VMS unit is turned back on, and the vessel complies with all conditions and requirements of said letter;

* * * * *

■ 3. In § 648.24, paragraph (c)(1) introductory text is revised to read as follows:

§ 648.24 Fishery closures and accountability measures.

* * * * *

(c) *Butterfish AMs*—(1) *Directed butterfish fishery closure.* When butterfish catch reaches the butterfish closure threshold as determined in the annual specifications, NMFS shall implement a 5,000-lb (2.27-mt) possession limit for vessels issued a longfin squid/butterfish moratorium permit and that are fishing with a

minimum mesh size of 3 inches (76 mm). When the butterfish catch is projected to reach the butterfish DAH as determined in the annual specifications, NMFS shall implement a 600-lb (0.27-mt) possession limit for all vessels issued a longfin squid/butterfish moratorium or incidental catch permit.

* * * * *

■ 3. In § 648.26, paragraph (d) is revised to read as follows:

§ 648.26 Mackerel, squid, and butterfish possession restrictions.

* * * * *

(d) *Butterfish.* (1) A vessel issued a longfin squid/butterfish moratorium permit (as specified at § 648.4(a)(5)(i)) fishing with a minimum mesh size of 3 inches (76 mm) is authorized to fish for, possess, or land butterfish with no possession restriction in the EEZ per trip, and may only land butterfish once on any calendar day, which is defined as the 24-hr period beginning at 0001

hours and ending at 2400 hours, provided that directed butterfish fishery has not been closed, and the reduced possession limit enacted pursuant to § 648.24(c)(1). When butterfish harvest is projected to reach the threshold for the butterfish fishery (as described in § 648.24(c)(1)), these vessels may not fish for, possess, or land more than 5,000 lb (2.27 mt) of butterfish per trip at any time, and may only land butterfish once on any calendar day. When butterfish harvest is projected to reach the DAH limit (as described in § 648.24(c)(1)), these vessels may not fish for, possess, or land more than 600 lb (0.27 mt) of butterfish per trip at any time, and may only land butterfish once on any calendar day.

(2) A vessel issued longfin squid/butterfish moratorium permit fishing with mesh less than 3 inches (76 mm) may not fish for, possess, or land more than 2,500 lb (1.13 mt) of butterfish per

trip at any time, and may only land butterfish once on any calendar day, provided that butterfish harvest has not reached the DAH limit and the reduced possession limit has not been implemented, as described in § 648.24(c)(1). When butterfish harvest is projected to reach the DAH limit (as described in § 648.24(c)(1)), these vessels may not fish for, possess, or land more than 600 lb (0.27 mt) of butterfish per trip at any time, and may only land butterfish once on any calendar day.

(3) A vessels issued a longfin squid/butterfish incidental catch permit, regardless of mesh size used, may not fish for, possess, or land more than 600 lb (0.27 mt) of butterfish per trip at any time, and may only land butterfish once on any calendar day, which is defined as the 24-hr period beginning at 0001 hours and ending at 2400 hours.

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