

specified in the Settlement Agreement), the proposed emergency rule included measures to implement a DAS Leasing Program under its emergency action authority (section 305(c) of the Magnuson-Stevens Fishery Conservation and Management Act and 62 FR 44421, August 21, 1997) in order to mitigate the potential harm resulting from the continuation of the August 1, 2002, interim final rule measures. The April 24, 2003, proposed emergency rule specified a Program that would have allowed limited access NE multispecies vessels to lease their NE multispecies DAS. The intent of the Program was to alleviate some of the negative economic and social impacts that may result from the reduced DAS allocations that will continue as a result of implementation of the final emergency rule. The Program was designed to maintain conservation neutrality, i.e., to maintain groundfish fishing effort close to the level that would be fished under the current management measures in the absence of the Program. The impetus for the Program was a request by the New England Fishery Management Council (Council) on May 20, 2002, that NMFS implement a DAS leasing program, on a permanent basis, through the most expedient mechanism. The Council, which is considering such a Program to be implemented on a permanent basis in Amendment 13, reiterated this request to NMFS on December 19, 2002. Additional information regarding the proposed Program measures appears in the preamble of the April 24, 2003, proposed emergency rule and is not repeated here.

Due to the newness and potential controversy of the DAS Leasing Program and its implications, NMFS published a notice in the **Federal Register** (68 FR 28188; May 23, 2003) that extended the comment period on the DAS leasing aspect of the proposed emergency rule only through June 10, 2003, (the comment period on the Settlement Agreement measured remained unchanged and, thus, ended on May 27, 2003). Extension of the comment period on the Program allowed additional time for the public to comment on this important component of the proposed emergency rule. On June 27, 2003, a final emergency rule that continued the Settlement Agreement measures, with modifications, was published in the **Federal Register** (68 FR 38234). That rule did not contain measures pertaining to the proposed Program because of the extension of the comment

period for the DAS leasing aspect of the proposed emergency rule.

One hundred and twenty-seven comments regarding the Program were received, the majority of which were from vessel owners and crew members. Other comments were submitted by other interested parties such as net manufacturers, seafood buyers, seafood processors, environmental organizations and state governments. Seventy-eight comments were in support of the Program, 48 were in opposition to the Program, and one took no position. The following organizations opposed the proposed Program: Cape Cod Hook Fisherman's Association, Island Institute, New Hampshire Marine Coalition, North Atlantic Marine Alliance, Northeast Seafood Coalition, Ocean Conservancy, Oceana, State of Maine Department of Marine Resources, State of Maine Department of Marine Resources Advisory Council, Stonington Fisheries Alliance, and West End Fisherman's Association. The following organizations supported the DAS Leasing Program: Associated Fisheries of Maine, Atlantic Offshore Lobstermen's Association, Portland Fish Exchange, and Sea Fresh USA (Portland buyer). The Small Business Administration's Office of Advocacy submitted a comment that encouraged NOAA Fisheries to give full consideration to the comments of all members of the small business community prior to making a final determination on whether to implement the Program.

There were two major recurring concerns expressed by commenters. The first concern was that the program would not help those vessels with a low number of DAS to obtain additional DAS to fish because such vessels would not be able to afford to lease DAS from other vessels. The commenters presumed that vessels that are large, financially successful, or have cash on hand would out-compete the small, financially marginal, or cash-poor vessels in the DAS leasing market. Commenters feared that the proposed Program would signal a shift in the make-up of the fishery toward corporate owned vessels with high landings. The second concern expressed was that the Program would not be conservation neutral, but would instead cause an increase in fishing effort and landings, and result in the need for additional fishing effort restrictions in the future. One commenter stated that DAS leasing is not appropriate in light of the sustained overfishing that has occurred over time, and the current importance of controlling fishing effort in the interim period (prior to implementation of

Amendment 13). Some commenters believe that an emergency rule is not a proper regulatory mechanism to implement a new management tool that they perceive may have far-reaching implications for important aspects of the fishery in the future (e.g., fleet composition, allocative decisions).

Supporters of the program stated that the ability to lease DAS would enable them to remain economically viable and would be crucial to the survival of a full-time fishery. Commenters stated that the program would most help those that depend upon groundfish, would allow vessels to obtain a sufficient number of DAS to have a full-time job, and would be good for safety by enabling generation of additional revenue that could be used to maintain vessels. Many commenters stated that a DAS Leasing Program would maintain the continuity of groundfish landings and income, and enhance the future continuity of the infrastructure that supports the NE multispecies fishery. Some commenters were not concerned about the potential for the Program to influence the number or type of vessels that are active in the fishery, and stated that the NE multispecies fishery needs to expand and contract as conditions warrant.

Due to the level of uncertainty about potential positive and negative impacts of the proposed Program, aspects of the Program that are not supported by the public, the highly controversial nature of the Program, and the fact that a permanent DAS leasing program is under consideration in Amendment 13, NMFS believes that a DAS leasing program should not be implemented at this time on an interim basis only. Such a program is more appropriately addressed through a full public process, such as the development of Amendment 13. Therefore, NMFS is withdrawing that portion of the April 24, 2003, proposed emergency rule that would have implemented the Program. The other measures in the proposed emergency rule were approved and published in the June 27, 2003, final emergency rule.

This notification is not intended to solicit additional public comments to those already obtained in response to the proposed emergency rule, but rather to provide the public with notification regarding the decision of NMFS not to implement the proposed Program.

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