

There are no new recordkeeping or reporting requirements proposed in this rule. There are no relevant Federal rules that duplicate, overlap, or conflict with this proposed rule. All vessels that would be impacted by this proposed rulemaking are considered to be small entities; therefore, there would be no disproportionate impacts between large and small entities. A summary of the analysis follows:

The purpose of this framework is to better coordinate the timing of the fishery's harvest potential with availability of the resource. Under the no-action quota rollover alternative, the current allocation system as specified in the FMP would remain unchanged, and any negative economic impacts associated with it could persist. More specifically, a portion of the annual quota allocated to Winter I may be left unharvested, which would result in foregone economic opportunities to the fishing industry. Additionally, the existing regulations require that once the Winter II quota has been achieved, additional scup captured by the fishery operating during that time of year be discarded.

Allowing the transfer of unused scup quota from the Winter I period to the Winter II period could potentially increase landings of scup during the Winter II period. Applying the nominal average ex-vessel price of scup for the 1998–2002 Winter II period of \$0.80/lb, and assuming the transfer of 2,203,751 lb (999,605 kg), the additional amount of scup available for harvest during the 2003 Winter II period would be valued at \$1.763 million. If this increase in revenue is equally distributed among the 213 vessels that landed scup during the 2002 Winter II period, then overall ex-vessel gross revenues could increase by \$8,277 per vessel. However, as it is possible that the average price for scup during Winter II may decrease, given the potential increase in scup landings, the estimate of the increase to ex-vessel gross revenues most likely represents an upper limit.

The proposed Winter II possession limit for 2003 of 4,000 lb (1,814 kg) per trip is not expected to impact the scup fishery negatively. In fact, the increased possession limit may have positive impacts by providing the market a regular product supply, and avoiding market gluts and price fluctuations.

It is expected that the proposed action regarding quota rollover from Winter I to Winter II would reduce social burdens associated with early closures that may occur under the current system for managing scup. It is expected that this alternative would have a positive impact on the ports and communities

associated with the vessels participating in this fishery.

The impacts of the combination of Winter I and Winter II into one period are expected to be similar to those for the proposed action. However, it is possible that the entire quota could be harvested during Winter I. If this were to occur, fishermen would not be able to fish for scup during the Winter II period, potentially disrupting product supply, increasing discards, and contributing to price fluctuations, as well as severely constraining fishing opportunities for those fishermen that depend upon access to the Winter II quota period fishery. The proposed action would provide the maximum economic benefit to the fishing industry by ensuring that any unused Winter I period scup quota would be made available in the Winter II period.

Federal Northeast permit data indicate that there were 878 vessels with scup commercial permits in 2001. This action would affect only how certain landings are attributed, and would not affect the ability of vessels holding only a state permit to land and sell scup during a Federal closure.

The preferred quota counting procedures alternative would not affect overall scup landings, as total landings would continue to be restricted to the annual commercial quota. It is possible that, if the Winter I fishery were closed and inshore fishermen were allowed to land and sell scup, scup prices could increase. However, given the short length of time that inshore fishermen would have to land any scup harvested during a Winter I closure, i.e., April 15 through April 30, it is not expected that the scup price would be significantly affected. Nevertheless, selling scup harvested by inshore fisheries prior to May 1 during a Winter I closure would likely provide economic and social benefits to inshore fisheries. It is possible that the preferred alternative could result in the Summer period quota being harvested earlier. This would depend on the amount of the summer quota, numbers of fishermen that may participate in an early summer fishery, and/or the amount of scup that could potentially be landed after April 15 and prior to May 1 in the event of a Winter I closure. However, due to lack of information on these factors, this cannot be analyzed in detail.

#### List of Subjects in 50 CFR Part 648

Fishing, Fisheries, Reporting and recordkeeping requirements.

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For the reasons stated 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 § 648.120, paragraphs (b)(2), (b)(4), and (c) are revised; paragraph (d)(3) is redesignated as paragraph (d)(4) and the introductory text is revised; and new paragraphs (d)(3) and (d)(5) are added to read as follows:

#### § 648.120 Catch quotas and other restrictions.

\* \* \* \* \*

(b) \* \* \*

(2) Landing limits for the Winter I and Winter II periods, including landing limits that result from potential rollover of quota from Winter I to Winter II. The possession limit is the maximum quantity of scup that is allowed to be landed within a 24-hour period (calendar day).

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(4) All scup landed for sale in any state during a quota period shall be applied against the coastwide commercial quota for that period, regardless of where the scup were harvested, except as provided in paragraph (d)(5) of this section.

\* \* \* \* \*

(c) *Annual fishing measures.* The Demersal Species Committee shall review the recommendations of the Scup Monitoring Committee. Based on these recommendations and any public comment, the Demersal Species Committee shall recommend to the MAFMC measures necessary to assure that the specified exploitation rate will not be exceeded. The MAFMC's recommendation must include supporting documentation, as appropriate, concerning the environmental and economic impacts of the recommendations. The Regional Administrator shall review these recommendations and any recommendations of the Commission. After such review, NMFS will publish a proposed rule to implement a commercial quota in the **Federal Register**, specifying the amount of quota allocated to each of the three periods, landings limits for the Winter I and Winter II periods, including landing