

FISHERIES MANAGEMENT DIVISION EVALUATION, 6/25/2024

PUBLIC HEARING: Proposal to amend Chapter 4 VAC 20-1270-10 et seq., "Pertaining to Atlantic Menhaden", to establish a quota and license transfer system for the menhaden purse seine bait sector.

ISSUES: Currently, there are no provisions in Chapter 4 VAC 20-1270-10 et seq. that allow a transfer of license eligibility or quota to any entities outside of the Atlantic menhaden limited entry fishery purse seine bait fishery. Item 391(D) of the 2024 Commonwealth of Virginia Budget Bill directs MRC to amend Chapter 4 VAC 20-1270-10 et seq. to establish a permanent license transfer system for this sector.

BACKGROUND: In May 2024, the Commonwealth of Virginia passed the 2024 Budget Bill. Item 391(D) of the 2024 Commonwealth of Virginia Budget Bill directs MRC to amend Chapter 4 VAC 20-1270-10 et seq. to establish a permanent license transfer system for the menhaden purse seine bait sector.

“D. The Commission shall amend § 4 VAC 20-1270 no later than June 30, 2024, to protect Virginia’s Commercial Bait Sector by establishing an amendment to facilitate the purchase and sale of purse-seine bait license and quota. This Emergency Amendment shall be adopted after a 30-day public comment period of a draft amendment. The Emergency Amendment shall be exempt from the provisions of § 28.2-201.8 of the Code of Virginia.” Explanation: (This amendment is to prevent the loss of allocated quota of allowable commercial menhaden landings [4 VAC 20-1270-30. C. 1-2] in the event a commercial menhaden bait business which currently holds a license decides to cease commercial fishing. This amendment would direct the Commission to amend regulations to prevent the loss of the current allocated menhaden bait landings, which is 9.96 percent of the commercial menhaden fishery.

Currently, the regulation is written such that only two persons meet the limited entry requirements to hold purse-seine menhaden bait quota and licenses. The purpose of these amendments is to allow the transfer of licenses and quota to people or entities that currently do not qualify.

RECOMMENDATION: The Commission may approve amendments Chapter 4 VAC 20-1270-10 et seq., "Pertaining to Atlantic Menhaden", to establish a quota and license transfer system for the menhaden purse seine bait sector.

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PREAMBLE

This chapter establishes management measures including an allocation system for three fishing sectors of the commercial menhaden fishery, establishes an annual total allowable commercial harvest from the Chesapeake Bay by the purse seine menhaden reduction sector, establishes a limited entry and individual transferable quota systems for the purse seine menhaden bait sector, and establishes reporting requirements for the three sectors of the commercial menhaden fishery.

This chapter is promulgated pursuant to the authority contained in §§ 28.2-201, 28.2-204 and 28.2-204.1 of the Code of Virginia. This chapter amends and re-adopts, as amended, previous Chapter 4 VAC 20-1270-10 et seq., which was promulgated ~~December 6, 2023~~, February 28, 2023, and made effective on ~~December 31, 2022~~ March 3, 2023. The effective date of this chapter is ~~March 3, 2023~~ June 30, 2024.

4 VAC 20-1270-10. Purpose.

The purpose of this chapter is to establish management measures for a sustainable Atlantic menhaden fishery and to provide fair and equitable allocation to the sectors.

4 VAC 20-1270-20. Definitions.

The following words and terms when used in this chapter shall have the following meanings unless the context indicates otherwise:

“Atlantic menhaden or menhaden” means any fish of the species *Brevoortia tyrannus*.

“Bay Cap” means the annual total allowable commercial landings by volume (pounds or metric tons) from the Chesapeake Bay by the purse seine menhaden reduction sector.

“Chesapeake Bay” means the territorial waters of Virginia lying west of the Chesapeake Bay Bridge-Tunnel.

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“Non-purse seine menhaden bait sector” means those vessels that do not utilize a purse seine net to harvest menhaden and land menhaden only for use as bait in other fisheries.

“Purse seine menhaden bait sector” means those vessels that utilize a purse seine net to land menhaden only for use as bait in other fisheries.

“Purse seine menhaden reduction sector” means those vessels that utilize a purse seine net to land menhaden only at a qualified menhaden processing factory.

“Qualified menhaden processing factory” means a facility located in Virginia that has processed at least 100,000 metric tons of menhaden in each of the years 2009, 2010, and 2011.

“Stationary multi-species gear” means pound nets, anchored or staked gill nets, fishing weirs, floating fish traps, and fyke nets.

4 VAC 20-1270-30. Total allowable landings for menhaden; allocation, accountability, overages, restrictions, closures, state-to-state transfers, and transfers between sectors.

A. Total allowable commercial landings for menhaden shall be equivalent to 75.21% of the annual total allowable catch (TAC) set by the Atlantic States Marine Fisheries Commission (ASMFC) after 1.0% of the TAC is set aside by the ASMFC for episodic events.

B. Any portion of the 1.0% of the coastwide TAC set aside by the ASMFC for episodic events that is unused as of September 1 of any calendar year shall be returned to Virginia and other states according to allocation guidelines established by the ASMFC. Any such return of this portion of the coastwide TAC to Virginia shall increase the total allowable commercial landings for that year.

C. Total amount of allowable commercial landings in subsection A of this section shall be allocated as quotas among three sectors of the menhaden fishery in proportion to each sector’s share of average landings from 2002 through 2011, as described in subdivision 1, 2, and 3 of this subsection.

1. The purse seine menhaden reduction sector shall be allocated a quota of 90.04% of allowable commercial menhaden landings.
2. The purse seine menhaden bait sector shall be allocated a quota of 8.38% of allowable commercial menhaden landings.
3. The non-purse seine menhaden bait sector shall be allocated a quota of 1.58% of allowable commercial menhaden landings.

D. If the total allowable commercial landings specified in subsection A of this section are exceeded in any calendar year, the total allowable commercial landings for the subsequent calendar year

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shall be reduced by the amount of the overage. Such overage shall be deducted from the sector of the menhaden fishery that exceeded the allocation specified in subsection C of this section, with the exception of the non-purse seine menhaden bait sector, which shall move into the incidental catch provision outlined in subsection F 3 of this section.

E. It shall be unlawful for any person to take or catch menhaden using a purse seine net except in accordance with the seasons, areas, and gear restrictions as set forth in §§ 28.2-409 and 28.2-410 of the Code of Virginia.

F. It shall be unlawful to harvest or land in Virginia, any menhaden after the Commissioner of the Marine Resources Commission (commissioner) projects and announces that 100% of the total allowable landings for any sector has been taken. The commissioner may reopen a fishery sector if, after all reports as described in 4VAC20-1270-60 have been received, the portion of the total allowable landings has not been harvested by that sector.

1. The commissioner shall announce the date of closure when the total allowable landings for the purse seine menhaden reduction sector is projected to be taken.
2. The commissioner shall announce the date of closure when the total allowable landings for the purse seine menhaden bait sector is projected to be taken.
3. The commissioner shall announce the date of closure when the total allowable commercial landings for the non-purse seine menhaden bait sector is projected to be taken. Once this closure is announced, any person licensed in the non-purse seine menhaden bait sector may possess and land up to 6,000 pounds of menhaden per calendar day as bycatch. Any two persons licensed in the non-purse seine menhaden bait sector may possess and land up to 12,000 pounds of menhaden bycatch when working together from the same vessel using stationary multi-species gear per the ASMFC incidental catch provision.

G. The commissioner may request a transfer of menhaden quota from any other state that is a member of the ASMFC. If Virginia receives a transfer of menhaden quota in any calendar year from another state, the total allowable commercial landings for that calendar year shall increase by the amount of transferred quota. It shall be unlawful for this quota transfer to be applied to the Bay Cap quota as described in 4VAC20-1270-35. The commissioner may transfer menhaden quota to another state only if there is unused menhaden quota at the end of the calendar year.

H. The Marine Resources Commission shall establish a reciprocal temporary transferable quota system between the purse seine menhaden reduction sector and the purse seine menhaden bait sector. Any transfer of menhaden quota between these sectors shall be limited by the following conditions:

1. A transfer of quota to the purse seine menhaden bait sector from the purse seine reduction sector shall be allocated to each qualified licensee's percentage share of the purse seine menhaden bait sector quota.

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2. No transfer of quota to the purse seine menhaden bait sector shall be authorized by the Marine Resources Commission unless all qualified individuals of the purse seine menhaden bait sector and the purse seine menhaden reduction sector agree to the transfer and document the transfer on a form provided by the Marine Resources Commission, notarized by a lawful notary public, and approved by the commissioner.
3. No transfer of quota to the purse seine reduction sector shall be authorized by the Marine Resources Commission unless at least one qualified individual of the purse seine menhaden bait sector and the purse seine menhaden reduction sector agree to the transfer and document the transfer on a form provided by the Marine Resources Commission, notarized by a lawful notary public, and approved by the commissioner.
4. No transfer shall be authorized by the Marine Resources Commission unless the transferring qualified individuals of the purse seine menhaden bait sector and the purse seine menhaden reduction sector have submitted up-to-date records of all commercial landings of menhaden to the Marine Resources Commission prior to such transfer.
5. Quota transfers between the purse seine menhaden reduction sector and purse seine menhaden bait sector shall be effective only during the calendar year in which the transfer is approved.

4 VAC 20-1270-35. Chesapeake Bay purse seine menhaden reduction fishery.

- A. The annual total allowable Bay Cap landings from the Chesapeake Bay by the purse seine menhaden reduction sector shall not exceed 51,000 metric tons (112,435,754 pounds) and shall be subject to annual adjustment for any overages as specified in subdivision 3 of this subsection.
 1. It shall be unlawful for any transfers of quota from other states to be applied to the Bay Cap to reduce any overages.
 2. It shall be unlawful for any amount of unlanded menhaden quota under the Bay Cap each calendar year to be rolled over or applied as credit for any subsequent calendar years.
 3. Any annual menhaden landings in excess of the current calendar year's Bay Cap shall be deducted from only the subsequent calendar year's Bay Cap.
- B. When it is projected that the purse seine menhaden reduction sector has met the annual menhaden Bay Cap in the Chesapeake Bay, based on mandatory daily landings reports, the commissioner shall promptly notify industry announcing the date of closure.
- C. It shall be unlawful for any person to harvest menhaden by purse seine for reduction purposes from the Chesapeake Bay for the remainder of that calendar year after the commissioner has announced the date of closure.

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4 VAC 20-1270-40. Purse seine menhaden bait sector; limited entry criteria; individual transferable quota system, and season.

A. To qualify for limited entry to the purse seine menhaden bait sector, the person or entity shall:

1. Have held a purse seine license in 2011 and landed menhaden in Virginia in 2009, 2010 and 2011, while using purse seine gear to harvest menhaden in one of those three years;

~~and~~ or

2. Provide the ~~commission~~ Marine Resources Commission receipts and landings reports or other requested reports as proof of landings and gear usage to demonstrate that the criteria described in subdivision 1 of this subsection have been met; or,

3. Have received a valid transfer of purse seine menhaden bait sector quota pursuant to subsection C of this section.

B. The ~~commission~~ Marine Resources Commission shall establish an individual transferable quota (ITQ) system for each purse seine menhaden bait licensee who meets the limited entry requirements in subsection A of this section. ~~The quota for this sector will be allocated according to each qualified licensee's rounded percentage share of the average of the 2007 through 2011 menhaden landings.~~ The quota for this sector will be allocated according to each qualified ITQ holder's individual percentage share of the 2023 purse seine menhaden bait sector quota.

C. Each licensee qualified under the ITQ system ~~may transfer quota to another licensee's ITQ upon approval of the commissioner.~~ Any person or entity with an individual percentage share of the purse seine menhaden bait sector quota, as provided in subsection B of this section, may transfer purse seine menhaden bait sector quota to any person or entity. The transfer of purse seine menhaden bait sector quota by permanent percentage shareholders- may be temporarily, within the

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same year only, or permanently transferred, and shall be documented on a form provided by the Marine Resources Commission, notarized by a lawful notary public, and approved by the Commissioner, or his designee. Temporary percentage shareholders are not eligible to transfer purse seine menhaden bait sector quota to another entity or person except back to the original permanent shareholder the quota was received from.

D. Any person or entity with an individual percentage share of the purse seine menhaden bait sector quota, temporary or permanent, shall purchase a current Purse Seine Menhaden Bait Sector License before harvesting any purse seine menhaden bait sector quota. Only a person or entity with an individual percentage share of purse seine menhaden bait sector quota may purchase a Purse Seine Menhaden Bait Sector License.

E. It shall be unlawful for any person or entity without an individual share of the purse seine menhaden bait sector quota and a current Purse Seine Menhaden Bait Sector License to harvest any menhaden by purse seine for bait. It shall be unlawful for any Purse Seine Menhaden Bait Sector Licensee to harvest any menhaden from the purse seine menhaden bait sector once they no longer possess any unused purse seine menhaden bait sector quota for that year.

~~D.~~ F. The season for vessels with a gross weight of less than 70 tons that use purse seine nets to take or catch menhaden for purposes other than use as fish meal or oil shall be from the first Monday in March up to, but not including, the first Monday in May.

4 VAC 20-1270-50. Non-purse seine menhaden bait sector quota allocation.

The non-purse seine menhaden bait sector's quota allocation shall be in proportion to each gear type of average landings from 2002 through 2011 and are as follows:

- 1) Cast net: 0.04%.

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- 2) Dredge: 0.06%.
- 3) Fyke net: 0.04%.
- 4) Gill net: 30.31%.
- 5) Pound net: 67.98%.
- 6) Haul seine: 0.4%.
- 7) Trawl: 1.17%.

4 VAC 20-1270-60. Reporting requirements by menhaden fishery sector.

A. Each licensee of any purse seine vessel who harvests menhaden shall complete a Captain's Daily Fishing Report on each non-weekend or non-holiday day that either purse seine sector is open for harvest. The Captain's Daily Fishing Report is produced by the National Marine Fisheries Service and provides preliminary estimates of harvest. Pursuant to § 28.2-204 of the Code of Virginia, those same licensees shall submit to the ~~commission~~ Marine Resources Commission the Captain's Daily Fishing Reports in addition to summarized weekly harvest reports that include vessel name and exact weight of menhaden landed, in pounds, by Wednesday of the following week.

1. Any menhaden landed by a limited entry purse seine menhaden bait licensee at a qualified menhaden processing factory, as indicated on the mandatory daily landings reports, shall be attributed to the purse seine menhaden reduction sector quota.
2. Once 97% of either purse seine sector's quota is projected and announced to have been taken, each licensee of that purse seine sector shall provide daily harvest totals to the ~~commission's~~ Marine Resources Commission Interactive Voice Recording System.

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B. The non-purse seine menhaden bait sector shall submit daily reports according to the schedule and reporting requirements established by 4VAC20-610.

4 VAC 20-1270-70. Penalty.

As set forth in §28.2-903 of the Code of Virginia, any person violating any provision of this chapter shall be guilty of a Class 3 misdemeanor. A second and each subsequent violation of any provision of this chapter committed by the same person within 12 months of a prior violation is a Class 1 misdemeanor.

This is to certify that the foregoing is a true and accurate copy of the chapter passed by the Virginia Marine Resources Commission, pursuant to authority vested in the Commission by §28.2-201 of the Code of Virginia, duly advertised according to statute, and recorded in the Commission’s minute book, at its meeting held in Hampton, Virginia on June 25, 2024.

**COMMONWEALTH OF VIRGINIA
MARINE RESOURCES COMMISSION**

BY: _____

**Jamie L. Green
Commissioner**

Subscribed and sworn to before me this _____ day of _____ 2024.

Notary Public



COMMONWEALTH of VIRGINIA

Marine Resources Commission

Building 96

380 Fenwick Road

Fort Monroe, VA 23651

Travis A. Voyles
Secretary of Natural and Historic
Resources

Jamie L. Green
Commissioner

NOTICE

The Virginia Marine Resources Commission invites public comment on proposed amendments to regulations, as shown below. By June 6, 2024, the proposed draft regulations may be viewed on the VMRC web calendar at <https://mrc.virginia.gov/calendar.shtm>.

In accordance with Section 28.2-209 of the Code of Virginia, a public hearing on the proposed amendments to these regulations will be held on Tuesday, June 25, 2024, at the Virginia Marine Resources Commission, 380 Fenwick Road, Bldg. 96, Fort Monroe, Virginia.

Written public comments on the Fisheries Management Division proposals or on fisheries items not on the agenda must be provided by 12:00 p.m., Thursday, June 20, 2024, to Patrick Geer, VMRC Fisheries Management Division, 380 Fenwick Road, Bldg. 96, Fort Monroe, Virginia 23651, or sent by email to fisheries@mrc.virginia.gov with the subject heading "Commission Comments".

The Commission may review Fisheries Management Division items as early as 9:30 a.m.

I. Chapter 4VAC20-270-10 et seq., "Pertaining to Blue Crab Fishery"

The Commission proposes to amend Chapter 4VAC20-270-10 et seq., "Pertaining to Blue Crab Fishery," to establish management measures, including season and bushel limits, for the 2024-2025 commercial crab fisheries and to amend the daily time limits for commercial harvest.

The purpose of these amendments is to conserve the blue crab resource and to increase time-of-day flexibility for commercial crabbers .

II. Chapter 4VAC20-1140-10 et seq., "Prohibition of Crab Dredging in Virginia Waters"

The Commission proposes to amend Chapter 4VAC20-1140-10 et seq., "Prohibition of Crab Dredging in Virginia Waters" to close the December 1, 2024, through March 31, 2025, winter commercial crab dredge fishing season, in accordance with the provisions of Section 28.2-707 of the Code of Virginia.

The purpose of this closure is to conserve the blue crab resource.

An Agency of the Natural and Historic Resources Secretariat

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III. Chapter 4VAC20-140-10 et seq., “Pertaining to the Identification and Location of Crab Pots, Peeler Pots, Eel Pots, and Fish Pots”

The Commission proposes to amend Chapter 4VAC20-140-10 et seq., “Pertaining to the Identification and Location of Crab Pots, Peeler Pots, Eel Pots, and Fish Pots” to clarify the height required for identifying information on crab and eel pot buoys as described in Section 28.2-712 of the Code of Virginia.

The purpose of these amendments is to clarify existing language in accordance with Section 28.2-712 of the Code of Virginia.

VMRC DOES NOT DISCRIMINATE AGAINST INDIVIDUALS WITH DISABILITIES; THEREFORE, IF YOU ARE IN NEED OF REASONABLE ACCOMMODATIONS BECAUSE OF A DISABILITY, PLEASE ADVISE MICHELE GUILFORD (757-247-2206) NO LATER THAN FIVE WORK DAYS PRIOR TO THE MEETING DATE AND IDENTIFY YOUR NEEDS.