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DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 648

[Docket No. 180110024-8535-02]

RIN 0648-BH33

Fisheries of the Northeastern United States; Special Management Zones for 13 New Jersey Artificial Reefs

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

ACTION: Final rule.

SUMMARY: NMFS approves and implements management measures to designate 13 New Jersey artificial reefs as special management zones under the black sea bass provisions of the Summer Flounder, Scup, and Black Sea Bass Fishery Management Plan. The intent of these measures is to reduce user group conflicts and help maintain the intended socioeconomic benefits of the artificial reefs to the maximum extent practicable.

DATES: This rule is effective [*INSERT DATE 30 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER*].

ADDRESSES: NMFS prepared an environmental assessment (EA) and an Initial Regulatory Flexibility Analysis (IRFA) for this action that describe the measures and other considered alternatives and analyzes of the impacts of the measures and alternatives. Copies of the EA and the IRFA are available upon request from Travis

Ford, NOAA/NMFS, Sustainable Fisheries Division, 55 Great Republic Drive, Gloucester, MA 01930. The special management zone measures document is also accessible via the Internet at: <https://www.greateratlantic.fisheries.noaa.gov/>.

Copies of the small entity compliance guide are available from Michael Pentony, Regional Administrator, NMFS, Greater Atlantic Regional Fisheries Office, 55 Great Republic Drive, Gloucester, MA 01930-2298, or available on the internet at: <http://www.greateratlantic.fisheries.noaa.gov/>.

FOR FURTHER INFORMATION CONTACT: Travis Ford, Fishery Policy Analyst, 978-281-9233.

SUPPLEMENTARY INFORMATION:

Background

On November 6, 2015, the New Jersey Department of Environmental Protection (NJDEP) requested that the Mid-Atlantic Fishery Management Council (Council) designate 13 artificial reef sites, currently permitted in Federal water by the U.S. Corps of Engineers (COE), as special management zones (SMZ) under the black sea bass provisions of the Council's Summer Flounder, Scup, and Black Sea Bass Fishery Management Plan (FMP), 50 CFR 648.148. The SMZ request noted that the NJDEP has received complaints from rod and reel anglers regarding fouling of their fishing gear on commercial pots/traps and lines on ocean reef sites for more than 20 years. It also noted that the U.S. Fish and Wildlife Service (FWS) Sportfish Restoration Program (SRP), which was the primary funding source of the New Jersey Reef Program, had discontinued its funding of the program and all reef construction and monitoring activities until the

gear conflicts are resolved. These gear conflicts are not consistent with the objectives of the SRP program, which provides funding for the building and maintenance of the artificial reefs. In order to comply with the goals of the SRP, the FWS is requiring that state artificial reef programs limit gear conflicts by state regulations in state waters or by SMZs for sites in the Exclusive Economic Zone (EEZ). The major issues from the FWS's perspective include: 1) Proliferation of commercial fishing traps/pots on artificial reefs constructed with SRP funds; 2) commercial/recreational gear conflicts interfere with accomplishment of artificial reef grant objectives; and 3) absence of mechanisms to manage commercial fishing on reefs located in state-controlled waters and the EEZ.

The Council established the SMZ Monitoring Team to develop an analysis of designating the 13 reefs as SMZs. On December 21, 2016, after a review of the Monitoring Team's report and input from 3 public hearings, the Council recommended that NMFS designate all 13 artificial reefs as SMZs through a regulatory amendment. This action approves and implements the Council's recommended measures that apply in the Federal waters of the EEZ and to all vessels: Within the established areas of the SMZs, all vessels are only allowed to conduct fishing by handline, rod and reel, or spear fishing (including the taking of fish by hand). All pot/trap gear must be removed from these reef sites by [*INSERT DATE 30 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER*]

The boundaries of the SMZs artificial reef sites encompass 19.71 square nautical miles (nmi²) (67.6 square kilometers (km²)) and are in Federal waters bounded by the following coordinates connected by straight lines in the sequence specified in Tables 1-

13.

Table 1. Sea Girt Reef Site.

POINT	N. Latitude	W. Longitude
NE Corner	40° 08.22'	73° 55.52'
ME Corner	40° 07.30'	73° 56.67'
SE Corner	40° 06.13'	73° 57.12'
SW Corner	40° 06.17'	73° 57.57'
MW Corner	40° 07.48'	73° 57.15'
NW Corner	40° 08.63'	73° 55.73'
NE Corner	40° 08.22'	73° 55.52'

Table 2. Garden State North Reef Site.

POINT	N. Latitude	W. Longitude
NE Corner	39° 38.05'	74° 00.70'
SE Corner	39° 37.05'	74° 01.00'
SW Corner	39° 37.00'	74° 02.50'
NW Corner	39° 37.98'	74° 02.20'
NE Corner	39° 38.05'	74° 00.70'

Table 3. Garden State South Reef Site.

POINT	N. Latitude	W. Longitude
NE Corner	39° 33.82'	74° 05.75'
SE Corner	39° 33.33'	74° 05.85'
SW Corner	39° 33.33'	74° 07.35'
NW Corner	39° 33.80'	74° 07.20'
NE Corner	39° 33.82'	74° 05.75'

Table 4. Little Egg Reef Site.

POINT	N. Latitude	W. Longitude
NE Corner	39° 29.00'	74° 10.00'
SE Corner	39° 28.00'	74° 10.00'
SW Corner	39° 28.00'	74° 12.00'
NW Corner	39° 29.00'	74° 12.00'
NE Corner	39° 29.00'	74° 10.00'

Table 5. Atlantic City Reef Site.

POINT	N. Latitude	W. Longitude
NE Corner	39° 16.90'	74° 15.28'
SE Corner	39° 13.93'	74° 11.80'
SW Corner	39° 13.30'	74° 12.70'
NW Corner	39° 16.22'	74° 16.18'
NE Corner	39° 16.90'	74° 15.28'

Table 6. Great Egg Reef Site.

POINT	N. Latitude	W. Longitude
NE Corner	39° 15.00'	74° 21.00'
SE Corner	39° 14.00'	74° 21.00'
SW Corner	39° 14.00'	74° 22.00'
NW Corner	39° 15.00'	74° 22.00'
NE Corner	39° 15.00'	74° 21.00'

Table 7. Ocean City Reef Site.

POINT	N. Latitude	W. Longitude
NE Corner	39° 10.75'	74° 32.45'
SE Corner	39° 09.40'	74° 34.62'
SW Corner	39° 09.82'	74° 34.97'
NW Corner	39° 11.10'	74° 32.85'
NE Corner	39° 10.75'	74° 32.45'

Table 8. Shark River Reef Site.

POINT	N. Latitude	W. Longitude
NE Corner	40° 07.33'	73° 41.08'
SE Corner	40° 06.20'	73° 41.08'
SW Corner	40° 06.20'	73° 41.80'
NW Corner	40° 07.33'	73° 41.80'
NE Corner	40° 07.33'	73° 41.08'

Table 9. Barnegat Light Reef Site.

POINT	N. Latitude	W. Longitude
NE Corner	39° 45.87'	74° 01.10'
SE Corner	39° 44.62'	74° 01.10'
SW Corner	39° 44.62'	74° 01.95'
NW Corner	39° 45.87'	74° 01.95'
NE Corner	39° 45.87'	74° 01.10'

Table 10. Wildwood Reef Site.

POINT	N. Latitude	W. Longitude
NE Corner	38° 57.85'	74° 39.70'
SE Corner	38° 56.58'	74° 41.40'
SW Corner	38° 57.55'	74° 42.60'
NW Corner	38° 58.80'	74° 40.90'
NE Corner	38° 57.85'	74° 39.70'

Table 11. Deepwater Reef Site.

POINT	N. Latitude	W. Longitude
NE Corner	38° 59.00'	74° 10.50'
SE Corner	38° 58.00'	74° 10.50'
SW Corner	38° 58.00'	74° 11.50'
NW Corner	38° 59.00'	74° 11.50'
NE Corner	38° 59.00'	74° 10.50'

Table 12. Cape May Reef Site.

POINT	N. Latitude	W. Longitude
NE Corner	38° 53.45'	74° 39.43'
SE Corner	38° 50.07'	74° 42.25'
SW Corner	38° 50.67'	74° 43.25'
NW Corner	38° 53.97'	74° 40.62'
NE Corner	38° 53.45'	74° 39.43'

Table 13. Townsend Inlet Reef Site.

POINT	N. Latitude	W. Longitude
NE Corner	39°06.70'	74°36.00'
SE Corner	39°06.25'	74°36.00'
SW Corner	39°06.25'	74°37.50'
NW Corner	39°06.70'	74°37.50'
NE Corner	39°06.70'	74°36.00'

Figure 1 shows the location of the 13 artificial reef sites off the coast of New Jersey.

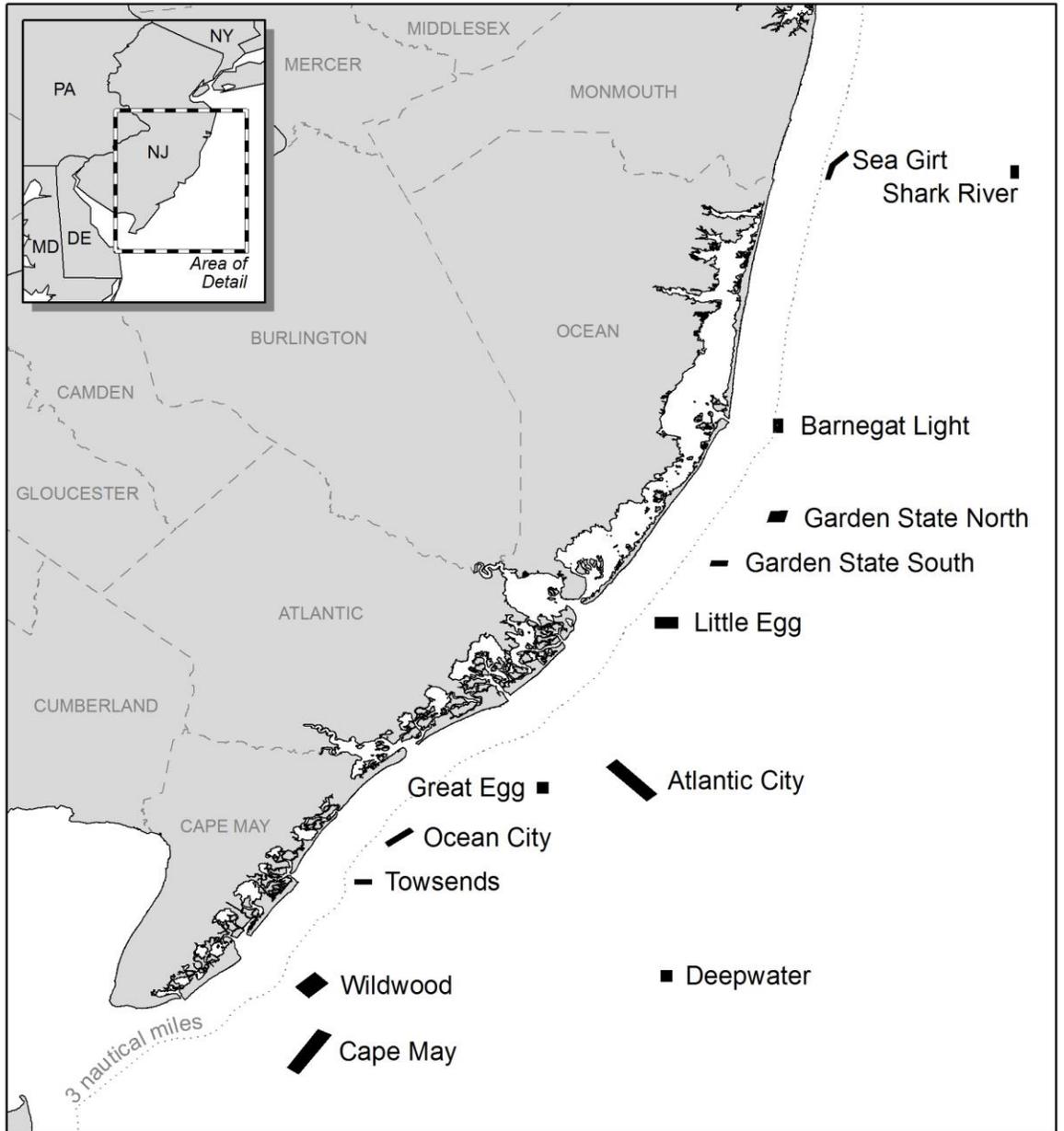


Figure 1. Location of the 13 artificial reef sites that NMFS is designating as SMZs.

Regulatory Corrections Under Regional Administrator Authority

This rule includes a revision to the regulatory text to address text that is unnecessary, outdated, unclear, or that NMFS could otherwise improve. These changes are consistent with section 305(d) of the Magnuson-Stevens Act (MSA) which provides that the Secretary of Commerce may promulgate regulations necessary to ensure that amendments to an FMP are carried out in accordance with the FMP and the MSA. The revision, at § 648.148(a), clarifies that the Council may prohibit or restrain the use of specific types of fishing gear that are not compatible with the purpose of the artificial reef or fish attraction device or other habitat modification within the SMZ.

Changes from Proposed Rule to Final Rule

We made corrections to the coordinates for the Ocean City and Shark River Reef Sites to correct an error in the proposed rule.

Comments and Responses

We published a proposed rule for this action on February 13, 2018 (83 FR 6152), and the comment period closed on March 15, 2018. We received 348 comments about the SMZs during the comment period. There were 74 unique comments submitted in favor of the action. Of these, 13 were from recreational fishing/diving organizations and 61 were from individuals. One of the comments from an organization included 4,301 signatures in support of the action. In addition, we received 263 form letters from individuals in support of the action. We received eight comments against implementing

the SMZs (two from industry organizations and six from individuals with commercial fishing interests). The remaining three comments were unrelated to this action.

Comment 1: Comments in support of this action noted that this action will resolve the gear conflict on these reefs and will help restore the SRP funding. They argue that the vast majority of the funding to support these reefs comes from the recreational industry and that the original intent of these reefs was to promote recreational fishing. Furthermore, they comment that pot/trap fishing is not consistent with the intent of the SRP, which was established through excise tax on recreational fishermen and divers. Many of the comments referenced the hazards that pot/trap fishing can cause on the reefs, including: Navigational hazards of multiple poorly marked pots; at-sea skirmishes; the need for crew to enter the water to untangle vertical lines from propellers; and threats to the safety of divers who may become entangled in pot lines. Many commenters said that pots/traps are overharvesting the reefs because there is no limit on the number of pots/traps and that these pots/traps take up the prime real estate on the reefs. In addition, they comment that the lost pots/traps can continue ghost fishing on the reefs leading to overharvesting. The commenters said that the pots/traps restrict use for other groups on the reefs, and that results in a large loss of revenue to recreational marine industries, including loss of gear, restrictions on expansion and maintenance of reefs, and a decrease in recreational fishing interest. Finally, regarding NMFS' authority to implement this action, commenters discussed that this action represents the desires of NJDEP and the Council and a similar action took place on artificial reef sites off of Delaware in 2015.

Response: The SMZs are intended to reduce the commercial/recreational gear conflicts on the artificial reefs, and help ensure unimpeded access to the artificial reefs for recreational and commercial rod and reel fishing. Both NJDEP and the Council recommended that we designate all 13 reef sites as SMZ for many of the reasons highlighted above. NMFS supports the Council's recommendation to designate these areas as SMZs to reduce gear conflicts and help restore SRP funding to New Jersey.

Comment 2: One individual commented that implementing the SMZs would violate National Standard 1 of the Magnuson-Steven Act because it is not designed to achieve optimum yield of any species.

Response: NMFS disagrees. NMFS is implementing this action under the black sea bass provisions of the Summer Flounder, Scup and Black Sea Bass FMP. The most recent amendments to the FMP address how the management actions implemented comply with the National Standards. The black sea bass specifications are set by the Council to achieve optimum yield and these specification will take into account these SMZs moving forward. This action will not prevent the black sea bass fishery from achieving optimum yield.

Comment 3: Three individuals, the Garden State Seafood Association (GSSA), and LaMonica Fine Foods commented that this action is not supported by science and gear conflicts are not substantiated, and is therefore a violation of National Standard 2 of the Magnuson-Stevens Act.

Response: NMFS disagrees. The analysis of this action is based on the best scientific information available. Therefore, it is consistent with the requirements of

National Standard 2. The EA for this action provides in-depth analysis of the economic and social impacts of designating these 13 artificial reef sites as SMZs. The analysis is based on the most recent available information from vessel activity along the East Coast where the vessels operate. This information is gathered from vessel trip reports (VTR) and fish dealer reports. No other information is available for such analyses. Vessel operators are required to report a single “representative” point of fishing activity per VTR. Because self-reported VTR points are generally inadequate for identification of party/charter or commercial fishing activity occurring at a reef site, we used a statistical approach to assesses the spatial precision of the commercial fishing VTR points and derive probability distributions for actual fishing locations. This allowed for more robust analysis of the commercial fishing VTR data by taking into account some of the uncertainties around each reported point. The mapping approach is applied only to commercial fishing VTR data and not party/charter VTR data because it requires use of Northeast Observer Program data that are not available for party/charter fishing trips. Analysis of the impacts on the biological and physical environment is based on updated information on the status of the black sea bass resource and the physical environment. The FWS has determined that the gear conflicts are significant enough to pull the SRP funding from New Jersey, which is one of the driving factors for NJDEP and the Council requesting this action. However, the FMP does not require demonstration of gear conflicts to designate a reef as an SMZ.

Comment 4: One individual commented that implementing the SMZs would violate National Standard 3 of the Magnuson-Steven Act because it does nothing to manage any species of fish.

Response: NMFS disagrees. The regulations governing the designation of these SMZs are part of the black sea bass provisions of Summer Flounder, Scup and Black Sea Bass FMP. These SMZs are a tool developed in the FMP that the Council can use to help manage these stocks, consistent with National Standard 3.

Comment 5: GSSA and one individual commented that this action is a violation of National Standard 4 of the Magnuson-Steven Act because it does not address several of its requirements, specifically: Fairness and equity (because it effectively bans commercial fishing); promotion of conservation (the recreational fleet will increase its catch); and avoidance of excessive shares (they claim that NMFS did not do a review to avoid excessive shares).

Response: NMFS disagrees. This action does not violate the provisions of National Standard 4. National Standard 4 guidelines at § 600.325(c) note that allocation of fishing privileges should be considered in relation to achievement of optimum yield or to achieve an objective of the FMP. This action allows access to New Jersey artificial reef sites in the EEZ only to those recreational and commercial fishermen using rod and reel and hand line gear in order to ameliorate gear conflicts between this gear type and fixed pot/trap gear.

This action is consistent with the SMZ provisions of the Summer Flounder, Scup and Black Sea Bass FMP. The SMZ regulations at § 648.148 allow the Council to

recommend to the Regional Administrator that an SMZ be approved. If the Regional Administrator concurs in the recommendation, an SMZ can be established. Within the SMZ, the Council may prohibit or restrain the use of specific types of fishing gear that are not compatible with the purpose of the artificial reef or fish attraction device or other habitat modification within an established SMZ. The Council already addressed these larger Magnuson-Stevens Act issues when it decided that the Regional Administrator could implement SMZs.

This action promotes conservation as described in the National Standard 4 guidelines because it encourages a rational, more easily managed use of the resource by reducing gear conflicts at the reef sites, and making the resource more accessible to rod and reel fishermen. More trips may be made to these areas if fishermen realize that they may no longer lose rod and reel gear to fixed pot /trap gear. This could result in increased economic benefits for those commercial and recreational fishermen who choose to fish in these areas. Certainly, given the small size of these artificial reef areas in comparison to the totality of available fishing grounds, these conservation benefits are expected to be minimal. This conclusion does not have any measureable impact on the overall management scheme because fishing mortality for the black sea bass stock is controlled by annual quotas which are allocated to the recreational and commercial sectors of the fishery based on historical performance of each sector. Thus, limiting access to the artificial reef areas under an SMZ designation is not be expected to affect achievement of the FMP's conservation objectives one way or another.

Regarding avoidance of excessive shares, the National Standard 4 guidelines state that an allocation scheme must be designed to deter any person or other entity from acquiring an excessive share of fishing privileges, and to avoid creating conditions fostering inordinate control, by buyers or sellers, that would not otherwise exist. Designating these artificial reefs as SMZ does not represent an allocation scheme. Instead, it simply resolves user conflicts while enabling both commercial and recreational sectors to continue to harvest fish that are not controlled by vessel or group-specific allocations.

Comment 6: GSSA and one individual commented that the NJDEP has managed artificial reefs to the benefit of both the commercial and recreational sectors because the Congressional statement of findings at 33 U.S.C. 2101(a)(5) require it and therefore this action is inconsistent with these regulations. They also commented that this action is inconsistent with the National Artificial Reef Plan (NARP) standards at 33 U.S.C. 2102 and 33 CFR 322.5(b)(1)(ii) and (iii), specifically, to facilitate access and use by U.S. recreational and commercial fishermen because it leaves no viable commercial fishery on the reef areas. In addition, they commented that it does not minimize conflicts among competing users of the artificial reefs and the resources on these reefs because it eliminates users rather than minimizing conflicts.

Response: NMFS disagrees. The statement of findings at 33 U.S.C. 2101(a)(5) states that Congress found that properly designed, constructed and located artificial reefs can enhance habitat and diversity of resources; enhance United States recreational and commercial fishery resources; increase production of fishery product in the United States;

increase the energy efficiency of recreational and commercial fisheries; and contribute to the United States and coastal economies. These reefs were built with SRP funding to enhance recreational fishing. COE regulations at 33 U.S.C. 2101(a)(5) are designed to permit artificial reefs for the benefit of commercial and recreational fishing, and one of the standards for these regulations is the minimization of conflicting uses. Neither the statute nor the COE regulations require that all reefs be built to simultaneously benefit commercial and recreational fishing. This action does not prohibit commercial fishing on the reef sites. It prohibits the use of certain gears types on the reefs. Implementing SMZs for the New Jersey artificial reefs will increase recreational and commercial rod and reel fisheries opportunities, and likely increase energy efficiency of the recreational fleet (by reducing their search time for high quality fishing areas) and contribute to the US and coastal economies. The New Jersey reefs were built with SRP funds to specifically enhance recreational fisheries.

The SMZs will allow continued use among all to fish the artificial reefs. They will just be limited in the type of gear they can use. Anyone with proper commercial fishing permits may continue to fish on the artificial reefs using rod and reel or taking by hand, and private, charter, and party recreational vessels may continue to fish the artificial reefs with rod and reel gear. Although a robust commercial rod and reel fishery may not currently exist, one could operate under the restrictions of the SMZs.

Comment 7: One commenter stated that implementing these SMZs does not comply with the SMZ regulations at 50 CFR 648.148 because this action only allows certain types of gear but doesn't prohibit specific gears.

Response: NMFS disagrees. The regulations at § 648.148 state that the recipient of a COE permit for an artificial reef, fish attraction device, or other modification of habitat for purposes of fishing may request that an area surrounding and including the site be designated by the Council (Mid-Atlantic Fishery Management Council) as an SMZ. These SMZs will prohibit or restrain the use of specific types of fishing gear that are not compatible with the intent of the permitted area. This action would restrict use of all commercial gears other than handline, rod and reel, and spear fishing (including the taking of fish by hand), which is allowable under § 648.148. This is compatible with the intent of the New Jersey artificial reefs which were built with SRP funds.

Comment 8: One individual commented that the Executive Order (E.O.) titled Reducing Regulation and Controlling Regulatory Costs (E.O. 13771) requires that NMFS remove regulations in order to implement these new SMZs.

Response: Office of Management and Budget (OMB) guidance clarifies that E.O. 13771 only applies to rules that are significant, as that term is defined in E.O. 12866. OMB has determined that this rule is not significant pursuant to E.O. 12866. Therefore, this action is not subject to the requirements of E.O. 13771.

Comment 9: One individual commented that NMFS should include estimates of profits from vessels fishing commercially on the reef sites so the public could better gauge the impact of the rule.

Response: This information was available in the EA for this action. Table 14 shows the ex-vessel revenue from the reef sites from 2011 through 2015. Since 2012, the highest ex-vessel revenues were from landings at the Cape May reef site, which

constituted almost half of the total ex-vessel revenue obtained from the 13 reef sites in 2015. Two other reef sites with measurable pot/trap ex-vessel revenue over the past few years include the Wildwood reef site and Ocean City reef site. It is important to point out; however, that because the size of each reef site is generally less than one square mile, the amount of pot/trap activity occurring at each reef site is limited. Ex-vessel revenue from pot/trap landings at all 13 reef sites combined approached only \$25,000 in 2015. This represents less than 1 percent of total ex-vessel revenue (*i.e.*, reef revenue and non-reef revenue combined) obtained by vessels with pot/trap reef landings in 2015. Over the past 5 years, ex-vessel reef revenue from pot/trap landings has remained below 1 percent of total ex-vessel revenue for vessels with pot/trap reef landings.

Table 14. Ex-Vessel Revenue of VTR Mapped Commercial Fishing Pot/Trap Trips where the Estimated Spatial Footprint of the Trip Includes One or More Reef Sites.

	2011		2012		2013		2014		2015	
	\$'s	%								
Atlantic City Reef Site	3,002	13.4%	5,090	12.5%	1,224	4.8%	894	3.8%	1,422	5.7%
Barnegat Light Reef site	51	0.2%	41	0.1%	44	0.2%	35	0.2%	50	0.2%
Cape May Reef Site	2,086	9.3%	13,682	33.5%	9,757	38.3%	9,347	40.1%	11,761	47.2%
Deepwater Reef Site	103	0.5%	384	0.9%	373	1.5%	234	1.0%	2,273	9.1%
Garden State North reef Site	103	0.5%	35	0.1%	25	0.1%	8	0.0%	62	0.2%
Garden State South Reef Site	6	0.0%	2	0.0%	13	0.1%	2	0.0%	26	0.1%
Great Egg Reef Site	2,914	13.0%	9,602	23.5%	363	1.4%	257	1.1%	246	1.0%
Little Egg Reef Site	100	0.4%	104	0.3%	45	0.2%	11	0.0%	35	0.1%
Ocean City Reef Site	3,809	17.0%	2,313	5.7%	2,965	11.6%	3,025	13.0%	2,467	9.9%
Sea Girt Reef Site	680	3.0%	1,499	3.7%	1,314	5.2%	1,161	5.0%	1,605	6.4%
Shark River Reef Site	2,247	10.0%	2,391	5.9%	1,863	7.3%	1,052	4.5%	1,028	4.1%
Townsend's Inlet Reef	3,607	16.1%	2,002	4.9%	3,204	12.6%	1,833	7.9%	832	3.3%
Wildwood Reef site	3,749	16.7%	3,684	9.0%	4,318	16.9%	5,458	23.4%	3,097	12.4%
Total	22,457		40,830		25,507		23,317		24,903	

Comment 10: LaMonica Fine Foods commented that the commercial fleet has significant costs for permits and licenses to maintain the right to fish.

Response: Any commercial license revenue in New Jersey is used for commercial fisheries management, not recreational management or artificial reefs. Further, this action is supported by the NJDEP despite the permit or license costs they may impose on commercial pot/trap vessels. Although the commercial pot/trap fishery may have costs for permits and licenses to maintain the right to fish from New Jersey, there are no costs for these vessels to retain their Federal permits.

Comment 11: GSSA commented that this action would prevent New Jersey from harvesting \$250,000 worth of lobsters annually.

Response: This action will not prevent fishermen from harvesting lobsters. New Jersey lobster fishermen can relocate their pots/traps to other areas. This action does not reduce the number of pot/traps an individual can deploy. It only prohibits the use of pots/traps on these reef sites. There are no buffer zones on these reef sites and fishermen could deploy their traps directly adjacent to the reefs. Fishermen will only be displaced over the relatively small area of the reef sites (19.71 nmi² (67.6 km²)). Further, as stated above, we used the best available science to determine the impacts of this action and concluded that the impacts to commercial pot/trap fishing would be far less than those suggested by GSSA (see Table 14 above).

Comment 12: GSSA commented that the economic impacts described in the action are inconsistent with the degree of pot/trap fishing on the reef sites. It asserts that if there is a minimal economic impact then the gear conflicts must not be substantial.

Response: NMFS disagrees. Even though NMFS predicts that removing pot/trap gear from the reefs may have a slight negative economic impact on the commercial

pot/trap fleet, this does not translate to only a minimal benefit to the rod and reel fleet. A single pot or trap and the affiliated lines may be associated with multiple gear conflicts. Therefore, although there will likely be a minimal economic impact to the pot/trap fleet, this will likely relieve the majority of the gear conflicts on the reefs. Furthermore, New Jersey's funding for these reefs has been suspended and will not be fully available to maintain these reefs unless the gear conflict issue is resolved. The lack of funding and resulting failure to maintain the reefs could lead to long term negative impacts on both commercial and recreational fishing.

Comment 13: GSSA commented that the natural bottom around New Jersey is sandy and that the reefs provide a unique habitat for black sea bass, tautog, and lobsters. They argue that prohibiting pot/trap gear from these sites will have a significant impact on the industry catching these species. Further, an individual commented that more and more bottom is being taken away from commercial pot/trap fishermen.

Response: NMFS disagrees. While other actions may have prohibited commercial pots/traps, the analysis in the IRFA indicates that this action will require a total of 45 vessels to relocate the portion of their pots/traps and that catch from traps on these reefs are responsible for less than 5 percent of these vessels' annual gross revenue. The majority of these vessels (36) will have to relocate effort that was responsible for less than 0.5 percent of their annual gross revenue. Unless traps result in zero catch after being relocated, vessel owners will recoup at least some of the revenue they expect to lose by not fishing pots/traps on the reefs. Therefore, NMFS believes this action will

have a slight negative to negligible impact on the commercial pot/trap fleet and a slight positive impact on the rod and reel fleet.

Comment 14: One individual commented that the majority of the trap fishery are small vessels that need to fish near shore.

Response: Although many of these vessels may be fishing inshore, they can still relocate their pots/traps to other inshore areas. Further, most of the rod and reel fleet consists of smaller vessels as well, particularly private recreational anglers. If the gear conflicts are deterring vessels from utilizing the reefs they may forgo fishing activity as opposed to traveling further offshore.

Comment 15: One individual commented that no part of the ocean should be set aside for one group of stakeholders and that this action favors one group over another.

Response: NMFS disagrees; The regulations at § 648.148 grants the Council the authority to designate artificial reefs as SMZs if the Regional Administrator determines that the establishment of the SMZ is supported by the substantial weight of evidence in the record and consistent with the Magnuson-Stevens Act and other applicable law. These SMZs may prohibit or restrain the use of specific types of fishing gear that are not compatible with the intent of the artificial reef.

Comment 16: One individual and LaMonica Fine Foods commented that the recreational fleet will still lose gear on the reef sites because the reef itself can cause hang ups.

Response: NMFS agrees that rod and reel anglers will continue to lose gear on the reefs themselves, but removing the pots/traps from the reef sites will reduce the total amount of gear lost and eliminate gear lost on pots/traps.

Comment 17: One individual and GSSA commented that pots/traps have biodegradable vents and become part of the reef habitat if lost, while recreational gear (monofilament) does not disintegrate and can do more damage to the marine environment.

Response: NMFS agrees that all Federal pots/traps are required to have a ghost panel with biodegradable fasteners as described in § 697.21(d). However, if a pot/trap is lost, that pot/trap will continue to fish for a period of time before the fasteners degrade. NMFS is not designating these reefs as SMZs to reduce ghost fishing of pots/traps, but to address gear conflicts as recommended by NJDEP and the Council. NMFS agrees that monofilament line can damage marine environments, but this action did not propose to prohibit the use of monofilament gear on the reefs. However, if reinstated, NJDEP could use SRP funding to maintain reefs and which would help remove any lost recreational gear on the reef sites. Further, less monofilament gear will be lost if the pot/trap gear is removed, reducing gear conflicts.

Comment 18: GSSA commented that since 2007 all of the lines for the pots/traps have been sinking lines and this should limit conflicts.

Response: While this may reduce gear conflicts on these reefs, most of the rod and reel fishing is occurring on or near the bottom, so rod and reel anglers can still get hung up on trap/pot lines. In addition, regardless of the sinking line requirements, the

gear conflicts have remained after 2007 to the extent that FWS has not fully reinstated their SRP funding of the reef sites.

Comment 19: GSSA commented that any gear conflicts can be addressed by NJDEP or the United States Coast Guard.

Response: This action represents an attempt by NJDEP to address the gear conflicts on these reefs. They brought this proposal to the Council that recommended that NMFS designate the 13 reefs as SMZs. The United States Coast Guard may not be able to prevent these gear conflicts if everyone is fishing legally under the existing rules.

Comment 20: One individual commented that NMFS should not consider NJDEP's funding source to manage its reef program because this is no different than selling Federal waters to the funders because they will have control of the site. One individual, LaMonica Fine Foods, and GSSA commented that the commercial fishing industry made financial investment in the New Jersey reef program through the preparation and donation of vessels to be used as reefs. In addition, GSSA commented that the Oyster Creek power plant provided \$400,000 to NJDEP to offset fish kills associated with the facility. The commercial fleet allowed its portion (\$200,000) to be used in the artificial reef program. Finally, GSSA commented that NJDEP erroneously states that SRP was the primary funding source for the artificial reef program, because the primary funding source is actually state general funds to cover salaries and benefits.

Response: In response to this comment, we contacted NJDEP. They informed us that the New Jersey Artificial Reef Program is funded through the SRP. The commercial industry has indeed donated vessels in the past. Typically, these vessels are far past their

useful lifespan and have two possible destinies: 1. Scuttled at the owner's expense; or 2. deployed as artificial reefs at the expense of recreational fishing clubs. When a vessel is donated, it is usually because the scrap value is less than the expense of preparing the vessel for scrap. The State of New Jersey does not spend state funds on vessels for deployment.

NMFS is designating these artificial reefs as SMZs at the recommendation of the Council and NJDEP. While those entities may have considered the original source of the funding for the reefs and recommended this action to NMFS to restore SRP funding, NMFS is abiding by the regulations at § 648.148, which grant the Council the authority to designate artificial reefs as SMZs if the Regional Administrator of the Greater Atlantic Regional Fisheries Office determines that the establishment of the SMZ is supported by the substantial weight of evidence in the record and consistent with the Magnuson-Stevens Act and other applicable law. The Regional Administrator has determined that establishing these SMZs is consistent with the Magnuson-Stevens Act and other applicable law. The source of the funding for these sites and the opportunity for NJDEP to regain its SRP funding is not relevant to NMFS' decision to designate the reef sites as SMZs.

Comment 21: We received several alternative proposals for SMZ designation on these reefs through comments on the proposed rule. One commenter suggested that NMFS prohibit all fishing on these artificial reefs and keep them in place for fish habitat. One individual suggested a sharing agreement that would divide each reef in half from April through December of each year and designate one side for the recreational fleet and

one side for the commercial fleet. Each year the sides would switch for equity. GSSA recommended that NMFS consider dividing the reefs equally among the four primary users groups (three dive reefs, three for-hire charter, three recreational, and three commercial) and set the one remaining reef for conservation as a scientific no-take zone. Finally, one commenter suggested that NMFS make these SMZs for rod and reel gear only from April 1 through Labor Day of each year to allow the commercial trap fishing for lobster, conch, and tautogs in the fall.

Response: The Council heard several of these alternative proposals throughout the development of this action at public hearings and Council meetings. The Council recommended that all 13 artificial reef sites be designated as SMZs. Generally, NMFS implements measures recommended by the Council based on whether the measures are consistent with the fishery management plan, the Magnuson-Stevens Act and its National Standards, and other applicable law. We defer to the Council's policy choices unless there is a clear inconsistency with the law or the FMP. Because we find these measures to be consistent with these laws, we are designating the 13 artificial reefs as recommended by the Council. Further, the SMZ regulations at § 648.148 only allow the Regional Administrator to accept or reject, but not revise the Council's recommendation. If in the future the Council recommends a different management alternative, NMFS will evaluate that alternative using the same criteria and make a determination regarding its implementation.

Classification

Pursuant to section 304(b)(1)(A) of the Magnuson-Stevens Act, the NMFS Assistant Administrator has determined that this final rule is consistent with the FMP, other provisions of the Magnuson-Stevens Act, the Endangered Species Act, and other applicable law.

OMB has determined that this rule is not significant pursuant to E.O. 12866.

This final rule does not contain policies with federalism or “takings” implications, as those terms are defined in E.O. 13132 and E.O. 12630, respectively.

This action does not contain any collection-of-information requirements subject to the Paperwork Reduction Act (PRA).

Pursuant to section 604 of the Regulatory Flexibility Act (RFA), NMFS has completed a final regulatory flexibility analysis (FRFA) in support of this action. The FRFA incorporates the IRFA, a summary of the significant issues raised by the public comments in response to the IRFA, NMFS’ responses to those comments, a summary of the analyses completed in the EA for this action, and the preamble to this final rule. A summary of the IRFA was published in the proposed rule for this action and is not repeated here. A description of why this action was considered, the objectives of, and the legal basis for, this rule is contained in the EA and in the preambles to the proposed rule and this final rule, and is not repeated here. All of the documents that constitute the FRFA are available from NMFS and/or the Council, and a copy of the IRFA, the Regulatory Impact Review (RIR), and the EA are available upon request (see **ADDRESSES**).

A Summary of the Significant Issues Raised by the Public in Response to the IRFA, a Summary of the Agency's Assessment of Such Issues, and a Statement of Any Changes Made in the Final Rule as a Result of Such Comments

One individual commented that NMFS should include estimates of profits from vessels fishing commercially on the reef sites so the public could better gauge the impact of the rule. In addition, GSSA commented that they believe that the economic impacts are inconsistent with the degree of pot/trap fishing on the reef sites. They assert that if there is a minimal economic impact then the gear conflicts must not be substantial.

In our response to comments, we referenced a table (Table 14) from the EA that included commercial pot/trap revenue from the reef sites to help characterize the amount of revenue affected by this action.

Though NMFS predicts that removing pot/trap gear from the reefs will have a slight negative economic impact on the commercial pot/trap fleet, this does not translate to only a minimal benefit to the rod and reel fleet. A single pot or trap and the affiliated lines may be associated with multiple gear conflicts. Therefore, although there will likely be a minimal economic impact to the pot/trap fleet, this will likely relieve the majority of the gear conflicts on the reefs.

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

The Small Business Administration (SBA) defines a small commercial finfishing or shellfishing business as a firm with annual receipts (gross revenue) of up to \$11.0 million. A small for-hire recreational fishing business is defined as a firm with receipts of up to \$7.5 million.

This rule applies to all Federal permit holders except recreational for-hire permit holders and commercial permit holders using hand gear or dive gear. While virtually all commercial fishing permit holders employing gear other than pot/trap gear will technically be regulated if the artificial reefs are granted SMZ status, the vast majority of the commercial fishing effort on these artificial reefs comes from the pot/trap gear sector. Therefore, only pot/trap gear vessel trips are considered in this analysis. Hand gear and dive gear activities will continue to be allowed under SMZ designation, and vessels using other mobile gears and fixed gears stay clear of the reef site areas to avoid bottom hang-ups with reef materials. Additionally, not all business entities that hold Federal fishing permits fish in the areas identified as potential SMZs. Those who actively participate (i.e., catch and land fish in and from at least one of the areas) in the areas identified as potential SMZs will be the group of business entities that are directly impacted by the regulations.

During 2013, 2014, and 2015: 24 vessels reported landings of fish caught at the reef sites in all 3 of those years; 10 vessels reported landings of fish caught at the reef sites in 2 of the 3 years; and 18 vessels reported landings of fish caught at the reef sites in only 1 of the 3 years. A total of 52 unique commercial vessels reported landings of catch estimated to be from within the coordinates of the 13 reef sites from 2013–2015.

Based on the ownership data classification process described above, the 52 directly affected participating commercial fishing vessels were owned by 45 unique fishing business entities. All revenue earned by these businesses was derived from finfishing or shellfishing, and no revenue was earned from for-hire recreational fishing.

Thus, all 45 of the potentially affected businesses are classified as commercial fishing business entities.

Average annual gross revenue estimates calculated from 2013-2015 Greater Atlantic region dealer data indicate that only one of the potentially affected business entities under the preferred alternative will be considered large according to the SBA size standards. In other words, one business, classified as a commercial fishing business, averaged more than \$11 million annually in gross revenues from all of its fishing activities during 2013–2015. Therefore, 44 of the 45 potentially affected business entities are considered small and one business entity is considered large.

Description of Projected Reporting, Recordkeeping, and other Compliance Requirements of the Final Rule

This action contains no new collection-of-information, reporting, or recordkeeping requirements.

Description of the Steps the Agency Has Taken to Minimize the Significant Economic Impact on Small Entities Consistent with the Stated Objectives of Applicable Statutes

During the development of this action the SMZ Monitoring Team, the Council, and NMFS considered ways to reduce the regulatory burden on, and provide flexibility for, the regulated entities in this action. For instance, the SMZ Monitoring Team considered implementing buffer zones around each of the SMZs, but ultimately decided that including buffer zones would substantially increase the footprint of the SMZs and further increase the areas where pot/trap fishermen could deploy their gear. The Council and NMFS each took public comment from the commercial and recreational fleets on this

action, but ultimately determined that the benefits of this action will outweigh the negligible to slight negative impacts. NMFS considered a slightly less restrictive alternative after receiving the Council's recommendation (Alternative 3). Under the No Action alternative, vessels would still have been able to fish with pot/trap gear on the 13 artificial reef sites. Alternative 3 would have designated 11 of the 13 artificial reefs as SMZs (excludes Shark River and Wildwood); 41 unique fishing business entities were estimated to have landings within the coordinates of the 11 reef sites from 2013–2015. The Shark River and Wildwood reef site were excluded under this alternative because these sites had higher percentage of commercial effort when compared to the percentage of recreational effort.

Alternative 2 was ultimately selected as the preferred alternative because it reduces gear conflicts on all 13 of the artificial reefs. For Alternatives 1 and 3, gear conflicts would remain on all reefs not designated as SMZs. Alternative 2 results in slight positive economic impacts to the recreational fleet and is likely to have slight negative to negligible economic effects on the commercial fishery compared to the No Action alternative. Further, under Alternative 2, the program to maintain the artificial reefs will not be in jeopardy of losing its FWS funding.

Small Entity Compliance Guide

Section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996 states that, for each rule or group of related rules for which an agency is required to prepare a FRFA, the agency will publish one or more guides to assist small entities in complying with the rule, and will designate such publications as “small entity compliance

guides.” The agency will explain the actions a small entity is required to take to comply with a rule or group of rules. As part of this rulemaking process, a letter to permit holders that also serves as a small entity compliance guide was prepared. Copies of this final rule are available from the Greater Atlantic Regional Fisheries Office, and the guide (*i.e.*, permit holder letter) will be sent to all holders of permits for the black sea bass and lobster fisheries. The guide and this final rule will be available upon request.

List of Subjects in 50 CFR Part 648

Fisheries, Fishing, Recordkeeping and reporting requirements.

Dated: July 3, 2018.

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

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

PART 648—FISHERIES OF THE NORTHEAST UNITED STATES

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

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

2. In § 648.148, revise paragraph (a) introductory text and paragraph (b) to read as follows:

§ 648.148 Special management zones.

(a) *General.* The recipient of a U.S. Army Corps of Engineers permit for an artificial reef, fish attraction device, or other modification of habitat for purposes of fishing may request that an area surrounding and including the site be designated by the MAFMC as a special management zone (SMZ). The MAFMC may prohibit or restrain the use of specific types of fishing gear that are not compatible with the purpose of the artificial reef or fish attraction device or other habitat modification within the SMZ. The establishment of an SMZ will be effected by a regulatory amendment, pursuant to the following procedure: An SMZ monitoring team comprised of members of staff from the MAFMC, NMFS Greater Atlantic Regional Fisheries Office, and NMFS Northeast Fisheries Science Center will evaluate the request in the form of a written report.

* * * * *

(b) *Approved/Established SMZs—(1) Delaware Special Management Zone Areas.* Special management zones are established for Delaware artificial reef permit areas #9, 10, 11, and 13, in the area of the U.S. Exclusive Economic Zone. From January 1 through December 31 of each year, no person may fish in the Delaware Special Management Zones except by handline, rod and reel, or spear fishing (including the taking of fish by hand). The Delaware Special Management Zones are defined by rhumb lines connecting the following coordinates in the order stated:

(i) *Delaware artificial reef #9.*

Point	Corner	N. latitude	W. longitude
1	9SE	38°39.972'	74°59.298'

2	9SW	38°40.05'	75°0.702'
3	9NW	38°40.848'	75°0.402'
4	9NE	38°40.8'	74°58.902'
5	9SE	38°39.972'	74°59.298'

(ii) *Delaware artificial reef #10.*

Point	Corner	N. latitude	W. longitude
1	10SE	38°36.198'	74°55.674'
2	10SW	38°36.294'	74°57.15'
3	10NW	38°37.098'	74°56.802'
4	10NE	38°37.002'	74°55.374'
5	10SE	38°36.198'	74°55.674'

(iii) *Delaware artificial reef #11.*

Point	Corner	N. latitude	W. longitude
1	11SE	38°39.882'	74°43.05'
2	11SW	38°40.002'	74°44.802'
3	11NW	38°40.848'	74°44.502'

4	11NE	38°40.752'	74°42.75'
5	11SE	38°39.882'	74°43.05'

(iv) *Delaware artificial reef #13.*

Point	Corner	N. latitude	W. longitude
1	13SE	38°30.138'	74°30.582'
2	13SW	38°30.222'	74°31.5'
3	13NW	38°31.614'	74°30.864'
4	13NE	38°31.734'	74°30.018'
5	13SE	38°30.138'	74°30.582'

(2) *New Jersey Special Management Zone Areas.* Special management zones are established for New Jersey artificial reef permit areas, in the area of the U.S. Exclusive Economic Zone. From January 1 through December 31 of each year, no person may fish in the New Jersey Special Management Zones except by handline, rod and reel, or spear fishing (including the taking of fish by hand). The New Jersey Special Management Zones are defined by rhumb lines connecting the following coordinates in the order stated:

(i) *Sea Girt Reef Site.*

POINT	N. Latitude	W. Longitude
NE Corner	40° 08.22'	73° 55.52'
ME Corner	40° 07.30'	73° 56.67'
SE Corner	40° 06.13'	73° 57.12'
SW Corner	40° 06.17'	73° 57.57'
MW Corner	40° 07.48'	73° 57.15'
NW Corner	40° 08.63'	73° 55.73'
NE Corner	40° 08.22'	73° 55.52'

(ii) *Garden State North Reef Site.*

POINT	N. Latitude	W. Longitude
NE Corner	39° 38.05'	74° 00.70'
SE Corner	39° 37.05'	74° 01.00'
SW Corner	39° 37.00'	74° 02.50'
NW Corner	39° 37.98'	74° 02.20'
NE Corner	39° 38.05'	74° 00.70'

(iii) *Garden State South Reef Site.*

POINT	N. Latitude	W. Longitude
NE Corner	39° 33.82'	74° 05.75'
SE Corner	39° 33.33'	74° 05.85'

SW Corner	39° 33.33'	74° 07.35'
NW Corner	39° 33.80'	74° 07.20'
NE Corner	39° 33.82'	74° 05.75'

(iv) *Little Egg Reef Site.*

POINT	N. Latitude	W. Longitude
NE Corner	39° 29.00'	74° 10.00'
SE Corner	39° 28.00'	74° 10.00'
SW Corner	39° 28.00'	74° 12.00'
NW Corner	39° 29.00'	74° 12.00'
NE Corner	39° 29.00'	74° 10.00'

(v) *Atlantic City Reef Site.*

POINT	N. Latitude	W. Longitude
NE Corner	39° 16.90'	74° 15.28'
SE Corner	39° 13.93'	74° 11.80'
SW Corner	39° 13.30'	74° 12.70'
NW Corner	39° 16.22'	74° 16.18'
NE Corner	39° 16.90'	74° 15.28'

(vi) *Great Egg Reef Site.*

POINT	N. Latitude	W. Longitude
NE Corner	39° 15.00'	74° 21.00'
SE Corner	39° 14.00'	74° 21.00'
SW Corner	39° 14.00'	74° 22.00'
NW Corner	39° 15.00'	74° 22.00'
NE Corner	39° 15.00'	74° 21.00'

(vii) *Ocean City Reef Site.*

POINT	N. Latitude	W. Longitude
NE Corner	39° 10.75'	74° 32.45'
SE Corner	39° 09.40'	74° 34.62'
SW Corner	39° 09.82'	74° 34.97'
NW Corner	39° 11.10'	74° 32.85'
NE Corner	39° 10.75'	74° 32.45'

(viii) *Shark River Reef Site.*

POINT	N. Latitude	W. Longitude
NE Corner	40° 07.33'	73° 41.08'
SE Corner	40° 06.20'	73° 41.08'
SW Corner	40° 06.20'	73° 41.80'
NW Corner	40° 07.33'	73° 41.80'

NE Corner	40° 07.33'	73° 41.08'
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(ix) *Barnegat Light Reef Site.*

POINT	N. Latitude	W. Longitude
NE Corner	39° 45.87'	74° 01.10'
SE Corner	39° 44.62'	74° 01.10'
SW Corner	39° 44.62'	74° 01.95'
NW Corner	39° 45.87'	74° 01.95'
NE Corner	39° 45.87'	74° 01.10'

(x) *Wildwood Reef Site.*

POINT	N. Latitude	W. Longitude
NE Corner	38° 57.85'	74° 39.70'
SE Corner	38° 56.58'	74° 41.40'
SW Corner	38° 57.55'	74° 42.60'
NW Corner	38° 58.80'	74° 40.90'
NE Corner	38° 57.85'	74° 39.70'

(xi) *Deepwater Reef Site.*

POINT	N. Latitude	W. Longitude
NE Corner	38° 59.00'	74° 10.50'

SE Corner	38° 58.00'	74° 10.50'
SW Corner	38° 58.00'	74° 11.50'
NW Corner	38° 59.00'	74° 11.50'
NE Corner	38° 59.00'	74° 10.50'

(xii) *Cape May Reef Site.*

POINT	N. Latitude	W. Longitude
NE Corner	38° 53.45'	74° 39.43'
SE Corner	38° 50.07'	74° 42.25'
SW Corner	38° 50.67'	74° 43.25'
NW Corner	38° 53.97'	74° 40.62'
NE Corner	38° 53.45'	74° 39.43'

(xiii) *Townsend Inlet Reef Site.*

POINT	N. Latitude	W. Longitude
NE Corner	39°06.70'	74°36.00'
SE Corner	39°06.25'	74°36.00'
SW Corner	39°06.25'	74°37.50'
NW Corner	39°06.70'	74°37.50'
NE Corner	39°06.70'	74°36.00'

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