GULF OF MEXICO FISHERY MANAGEMENT COUNCIL

REEF FISH MANAGEMENT COMMITTEE

Naples Grand Beach Resort Naples, Florida

JUNE 5-6, 2017

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3. Patrick Banks .................................................. Louisiana
4. Leann Bosarge .................................................. Mississippi
5. Doug Boyd .................................................. Texas
6. Roy Crabtree .................................................. NMFS, SERO, St. Petersburg, Florida
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Adjournment
TABLE OF MOTIONS

PAGE 12: Motion in Action 1 to make Alternative 6 the preferred alternative. The motion carried on page 15.

PAGE 17: Motion to approve Reef Fish Amendment 44 and that it be forwarded to the Secretary of Commerce for review and implementation, giving staff editorial license to make the necessary changes in the document. The motion carried on page 17.

PAGE 23: Motion to approve Reef Fish Amendment 47, and that it be forwarded to the Secretary of Commerce for review and implementation, and deem the codified text as necessary and appropriate, giving staff editorial license to make the necessary changes in the document. The Council Chair is given the authority to deem any changes to the codified text as necessary and appropriate. The motion carried on page 24.

PAGE 27: Motion to make Option 3 the preferred option. The motion carried on page 28.

PAGE 28: Motion to approve the Abbreviated Framework Action to Modify the Number of Unrigged Hooks Carried Onboard Bottom Longline Vessels, and that it be forwarded to the Secretary of Commerce for review and implementation, and deem the codified text as necessary and appropriate, giving staff editorial license to make the necessary changes in the document. The Council Chair is given the authority to deem any changes to the codified text as necessary and appropriate. The motion carried on page 29.

PAGE 32: Motion to make the Status Determination Criteria Amendment a priority on the proposed action schedule. The motion carried on page 32.

PAGE 34: Motion to direct staff to begin work on a document to address turtle release gear. The motion carried on page 35.

PAGE 63: Motion to move Action 3 to Considered but Rejected. The motion carried on page 64.

PAGE 65: Motion to add a new alternative under Action 2 that would modify the recreational closed season from January 1 to July 31. The motion carried on page 66.

PAGE 125: Motion that National Marine Fisheries will provide to initial shareholders who currently possess shares, but no
commercial reef fish IFQ permit, a non-transferable Gulf reef fish permit that provides them privileges that are associated with a Gulf reef fish permit. The motion failed on page 130.

PAGE 133: Motion to add to Amendment 36B, Draft Options Document, an option to distribute allocation based on 4.65 million pounds, which was 51 percent of the 9.12 of the original allocation. Any commercial ACL available above 4.65 million pounds would be available to other shareholders and non-shareholders each year through an auction program. The motion failed on page 141.

PAGE 147: Motion to add an alternative for an adaptive management redistribution method based on cyclical redistribution, which depends on fishing participation. The motion carried on page 149.

PAGE 149: Motion to direct staff to write a letter to NMFS to request a determination if an auction of commercial red snapper quota above 4.65 million pounds would require a referendum. The motion carried on page 151.

PAGE 158: Motion in Action 1 to make Alternative 2 Option 2b the preferred. The motion carried on page 159.

PAGE 159: Motion in Action 1 to move Alternative 3 to Considered but Rejected. The motion failed on page 160.

PAGE 160: Motion in Action 2 to make Alternative 1 the preferred alternative. The motion carried on page 161.

PAGE 161: Motion to move Action 2 to Considered but Rejected. The motion carried on page 163.

PAGE 162: Motion in Action 3, Alternative 2 to make options 2a, 2b, and 2c the preferred. The motion carried on page 165.

PAGE 165: Motion that Alternative 5 be the preferred alternative for Action 4. The motion failed on page 165.

PAGE 170: Motion in Action 6.1 to make Alternative 3 option 3a the preferred alternative. The motion carried on page 175.

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The Reef Fish Management Committee of the Gulf of Mexico Fishery Management Council convened at the Naples Grand Beach Resort, Naples, Florida, Monday afternoon, June 5, 2017, and was called to order by Chairman Johnny Greene.

ADOPTION OF AGENDA

APPROVAL OF MINUTES

ACTION GUIDE AND NEXT STEPS

CHAIRMAN JOHNNY GREENE: I would like to call the Reef Fish Committee to order. Are there changes to the agenda? Mr. Banks.

MR. PATRICK BANKS: I would like to add to the agenda, under Other Business at the end, a discussion of a very, very brief overview of our thoughts on the Louisiana-only amendment.

CHAIRMAN GREENE: Thank you. So noted. Ms. Levy.

MS. MARA LEVY: If you would indulge me, I would just like to have a brief conversation, at some point, about the status of the Status Determination Criteria Amendment. It’s not on this agenda, but I would like to talk a little bit about it and the timing and how the council sees that moving forward.

CHAIRMAN GREENE: Okay. At what point do you think that would be relevant on our schedule, under Other Business? Okay. With that, we will note that. Any further changes? Ms. Gerhart.

MS. SUSAN GERHART: Also under Other Business, we would like to discuss additional allowable gear for the turtle release requirements for the reef fish fishery.

CHAIRMAN GREENE: Ms. Bosarge.

MS. LEANN BOSARGE: I was just going to make a joke that we’re going to have to set a quota for Other Business.

CHAIRMAN GREENE: Dr. Simmons.

DR. CARRIE SIMMONS: Thank you, Mr. Chairman. Nothing for under Other Business, but, regarding Item Number VIII, the Draft Framework Action for the Greater Amberjack ACL, we have a presentation, a short presentation, by Dr. Mike Larkin at the Regional Office and an interactive decision tool that’s an Excel spreadsheet that we received today.

If appropriate, we would like to go ahead and post those
materials, and he plans to be here in person to give the presentation tomorrow. It’s short. The SSC has not had a chance to review this yet, but we could put it before them later in the year, and so I just wanted to make sure that’s okay with the committee.

CHAIRMAN GREENE: Okay, committee. We have a request by staff to publish some stuff online. Is there any opposition? Seeing no opposition, Dr. Simmons, that sounds fine. Go ahead and post it accordingly. Any other business? Okay. Then we will adopt the agenda as modified. Any opposition to the agenda as modified? Seeing no opposition, we will move on to the next action item, which will be Approval of the Minutes. Is there any changes? Ms. Levy.

MS. LEVY: Just one thing that I think needs a correction. On page 41, line 31, it says “Mara”, but I think it was “Martha” that was being referred to there, and so if someone just wants to check and make that correction.

CHAIRMAN GREENE: I understand. It’s probably the Chairman and his way of mumbling. Anyway. Any other minute changes?

MR. KEVIN ANSON: I have a couple.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: On page 10, line 12, change “that” to “than”. Page 97, line 39, change “steam” to “stream”. Page 126, line 4, change “data” to “date”. Page 137, line 37, change “it” to “I”.

CHAIRMAN GREENE: Thank you. Any other changes to the minutes as written? Any opposition to modifying them? Seeing none, we will adopt them as modified. The next action item is Review of Tab B, Number 3, which is your Action Guide and Next Steps, which I find very handy during the meeting. It kind of keeps us on task of what I am supposed to be doing, if nobody else, and I appreciate that. With that, we will move into Item Number IV, which will be Final Action, Amendment 44, Minimum Stock Size Threshold for Reef Fish Stocks. This will be Tab B, Number 4(a), and Mr. Atran.

FINAL ACTION - AMENDMENT 44 - MINIMUM STOCK SIZE THRESHOLD FOR REEF FISH STOCKS

REVIEW OF AMENDMENT

MR. STEVEN ATRAN: Thank you, Mr. Chairman. This is final action. This is a single-action amendment, and so hopefully it
won’t take too long to go through it. There were a couple of
changes from the previous versions of this amendment.

Previously, this amendment was going to address minimum stock
table size thresholds for all reef fish species, and, based upon
recommendations from General Counsel, the council decided to
only address modifying MSST for those species that have existing
status determination criteria, and, for species that don’t have
status determination criteria, all of that will be addressed in
the status determination criteria amendment that Mara referred
to a few minutes ago.

This is only addressing seven species that currently have an
MSST defined within the Reef Fish FMP. Another change from when
you had looked at it before was that an alternative was added,
and not as a preferred alternative, but just as another
alternative to set 85 percent of BMSY as one of your
alternatives, and so you have six alternatives in here, and you
previously had five.

The six alternatives, if you want to go over to page 16, are
Alternative 1, no action, the stocks that have MSST defined will
continue to have them defined, and that table that you see under
the alternative indicates how they’re defined, and, for me, it’s
a little easier to look at that right-hand column to say how
wide is the buffer, and you can see, for these species, the
buffer ranges from a minimum buffer of 9 percent for red snapper
to a maximum of 28 percent for greater amberjack.

Alternative 2 would apply the formula one minus M times BMSY to
all of these stocks. This would only affect hogfish. Hogfish
just recently -- In Amendment 43, you adopted 75 percent of
BMSY. That would switch it to a somewhat narrower buffer, and I
have a table that I will show you in a few minutes of how that
affects that.

Alternative 3 is the preferred alternative. It’s an either or.
All stocks would have at least a 25 percent buffer. It would be
75 percent of BMSY, or, if the formula allows for a wider
buffer, then that wider buffer would apply, and I will show you
-- This would apply 25 percent to all the stocks, except gray
triggerfish and greater amberjack would end up with a wider
buffer, because the formula gives them a wider buffer.

Alternatives 4, 5, and 6 would apply a fixed percent buffer to
all of the reef fish stocks. Alternative 4 would be 85 percent
of BMSY. That is the narrower buffer that we’re looking at as a
percentage number. Alternative 5 would be 75 percent of BMSY,
and Alternative 6 would be 50 percent of BMSY, which is the widest buffer you’re allowed to adopt under the National Standard Guidelines.

Now, if you scroll over to Table 2.1.2, which is on the next page, I think this would be helpful in showing you how each of these alternatives affect the buffer. Alternative 1, which is no action, you can see, and we went over that just a second ago, that we have buffers ranging from 9 percent to 28 percent.

Alternative 2, which would apply the one minus M times BMSY formula to everything, the only thing that would address is hogfish, and you see hogfish would move from a 25 percent buffer to a 17.9 percent buffer, or 18 percent, if it gets rounded to the whole percentage points.

Preferred Alternative 3 has everything at 25 percent except for gray trigger and greater amberjack. Those species have a somewhat larger natural mortality rate, and so they would end up with buffers of 27 percent and 28 percent, respectively.

Then Alternative 4 would apply a fixed 15 percent buffer across the board. Most of these stocks, that would narrow the buffer, but, in the case of red snapper and gag, that would widen them, because, currently, they have less than a 15 percent buffer.

Alternative 5 would apply the 25 percent buffer across the board. That is almost identical to the preferred alternative, except that it would narrow the buffer slightly for greater amberjack and gray triggerfish.

Then Alternative 6 would apply the 50 percent buffer across the board. We don’t have 50 percent right now for any of our stocks, and so it would widen the buffer for all of them, and one other thing is, if you scroll up to the table that’s above there, we have three stocks that are classified as overfished. Under all of these alternatives, except for Alternative 6, stocks that are overfished would continue to be classified as overfished.

Under Alternative 6, which is the 50 percent buffer, gray triggerfish is above that threshold, and so the designation that it’s overfished would be removed, but it would still be under a rebuilding plan. We would still be required to rebuild the stock up to its BMSY level within the timeframe that’s in the rebuilding plan, but there would be that one change in designation under Alternative 6. Basically, that is what we’ve got. As I said, Alternative 3 is the preferred alternative.
right now.

**CHAIRMAN GREENE:** Dr. Crabtree.

**DR. ROY CRABTREE:** Steve, the table you have there, for example with red snapper and the 37 percent, that was as of 2013, the terminal year in that assessment, which is probably 2012 or so, and not the projected stock status at this point, right?

**MR. ATRAN:** Correct.

**CHAIRMAN GREENE:** Are there further comments? Ms. Guyas.

**MS. MARTHA GUYAS:** I guess it would be interesting to know what this table looks like with the most recent assessments plugged in here. It looks like the other ones are -- Well, we have a new amberjack one, too, a new 2017 one. Is that something that we can get fairly quickly?

**MR. ATRAN:** These numbers all reflect whatever the most recent assessment indicated. The most recent full assessment that we have for red snapper was, I believe, the 2013 assessment, and we were at around 16 percent SPR, and so that will be adjusted with the next assessment, but we don’t have the updated numbers yet.

**CHAIRMAN GREENE:** Ms. Guyas.

**MS. GUYAS:** I guess I’m confused, because -- So we have an update for greater amberjack that was just completed, that we just got at our last meeting, and we’ve had an update for red snapper since then, but we go back to the benchmark assessment when we’re determining the overfished status here?

**MR. ATRAN:** I am not sure if this includes that most recent amberjack assessment or not. I would have to check.

**CHAIRMAN GREENE:** Okay. Dr. Crabtree.

**DR. CRABTREE:** I am looking at we had an update of red snapper in 2014, according to what I am looking at, and so I’m confused on the dates, I guess.

**CHAIRMAN GREENE:** Okay. Well, this document is listed for final action, which doesn’t mean that it has to go at this particular moment. However, if there is some question about the data, maybe you guys can circle back and we can pick it back up at Full Council if you feel like there might be some areas that we could improve here.
MR. ATRAN: I will try to check those stock assessments, to see if they have updated SPR numbers on them and report back, either at -- Well, we’re going to have Reef Fish Committee again tomorrow, and so we can do that, or we can do it at Full Council. As I said, even if the overfished designation changes, the requirement to rebuild the stock doesn’t, and so it would be mainly a change in designation.

CHAIRMAN GREENE: Okay. Thank you. Anything else on this particular item? Mr. Anson.

MR. ANSON: I am wondering, relative to the preferred in this particular action, if there is some discussion on changing the preferred to Alternative 6. In fact, I will go ahead and just make that motion, for discussion, or if someone wants to discuss it. I will make a motion to make Alternative 6 the preferred motion in Action 1.

CHAIRMAN GREENE: Okay. We have a motion going up on the board. Is there a second for this motion? It’s seconded by Ms. Guyas. Is there discussion? Mr. Anson.

MR. ANSON: In the document, on page 17 of the document, it talks a little bit about the pros and cons of selecting each alternative, and so it talks a little bit about the pros of selecting a lower BMSY or a lower rate, when you apply it towards BMSY, to take into account, potentially, fluctuations in stock biomass.

You can allow an opportunity for management to end a decline in the stock, and the con to that is that you have to have a more aggressive, potentially, or robust rebuilding plan, but, since we deal with data issues with a couple of these species, which have impacts in the analysis, particularly on the recreational side, that going to a lower level might allow greater flexibility, in the short term, for management, going to that 50 percent level of BMSY. I just put that out there for those reasons.

CHAIRMAN GREENE: Okay. Thank you. Dr. Ponwith.

DR. BONNIE PONWITH: Thank you, Mr. Chair. The revised National Standard 1 Guidelines allow MSST to be between one-half of BMSY and BMSY. Technically, I don’t know if 0.5 BMSY actually is between or whether it technically has to be 0.51, and so I would defer to the council on that one, but the other thing to consider is that is the absolute lowest allowable level that
that number could be, which doesn’t mean that it’s not on the table, but, when I consulted our colleagues, their ideal alternative, among this suite, was Alternative 5, which is the MSST of 0.75 BMSY, or its proxy.

They felt as though the other alternatives that were technically acceptable were Alternative 2 and Alternative 3. I think they liked Alternative 5 for its simplicity. Their major concern with the Alternative 6 is that setting it to that level is -- when we ran some analyses, it showed that a stock will almost never be this depleted unless it’s also accompanied by overfishing, which is a scenario you don’t really want to approach, and so it almost puts you in sort of a double jam, where you have the stock both overfished and undergoing overfishing to get to that point.

CHAIRMAN GREENE: Thank you. Dr. Crabtree.

DR. CRABTREE: I think this is allowed by the Guidelines, and I think it is a fairly commonly used MSST. I know I think the Mid-Atlantic does it, and New England has used it, and I think the North Pacific has used it some.

Before the revisions to the Magnuson Act, I think you could make some case for why you might want to set it closer to BMSY, but, given that we have to deal with overfishing issues immediately now and end overfishing, I am not sure there’s much lost if you went with this way out, because we’re going to have to deal with the overfishing issues.

We have seen, with red snapper, that, even at very low stock sizes, it’s capable of producing very large year classes. We have relatively high steepness for most of the stocks we manage, and so we’re going to get good year classes and good recruitments, it appears, even at stock sizes of 50 percent BMSY. I think this is allowed by the Guidelines, if you want to go down this path, and it doesn’t really cause me much heartburn.

CHAIRMAN GREENE: Thank you. Ms. Bosarge.

MS. BOSARGE: I was just wondering, for the other species in other areas that this level is set at, are they -- What is the lifespan on those species? I am just wondering, compared to some of the things that we’re looking at here.

In other words, is it a fish that is closer to like a ten-year lifespan, that will bounce back under a rebuilding plan a little
bit more quickly and fill out those year classes, or are they
long-lived species like some of the ones we’re looking at here?

CHAIRMAN GREENE: Thank you. Mr. Gregory.

EXECUTIVE DIRECTOR DOUGLAS GREGORY: I think, in general, the
northern species are probably more longer-lived, but the reason
for the 50 percent that the other councils are using, particularly the North Pacific, that has a lot more experience
with dealing with MSY-type analyses, is that, at the 50 percent
level, a stock is on the verge of collapse.

When you get to that point, you have to rebuild, and you would
almost want to consider shutting the fishery down to rebuild it,
and that was the purpose of that. This is a danger zone, and
you’ve got to do something, and you’ve got to do something to
rebuild the stock if it gets that low.

Like Dr. Crabtree said, overfishing, the rate of fishing
mortality, is what we’re managing our stocks by, and so we will
never drive a stock down to that level by fishing alone. Now,
an environmental catastrophe could cause that.

The confusion and the controversy over this is the scientific
literature, historically, has considered fishing beyond MSY as
overfishing or being overfished, but Congress came along, with
input from these northern councils, and defined overfished,
which they are now redefining as depleted, to be the MSST, and
so they kind of changed what we thought of being overfished is,
and it has a different meaning.

We started out, here in the South, by using one minus M, because
we were more nervous about having that wide buffer, and there
was some, I guess, mistrust among the scientists about the
managers not having the fortitude to not drive the stocks down
to whatever level we set, and, as the evolution of our
management and our scientific advice started, we started with
red snapper. That was at 2 percent SPR.

We were trying to rebuild back to a target, I mean to a limit,
and get above that limit, because that was our primary goal, but
then the real target was MSY and not 20 percent SPR, or probably
30 or 35 percent SPR, and so we’ve got that confusion.

Whatever target we use now as MSST, it’s not really going to be
driving our stocks or what we do until we have an environmental
disaster that would deplete the stock to that level, because
overfishing is going to control what we do for management, and
so I just kind of wanted to point it out, and I may have made it
worse, that there is two concepts to being overfished.

There is the historical concept of being beyond MSY and then
there is the Magnuson concept, where you don’t want a stock to
get below this level where it’s on the verge of collapse or
capable of collapsing. In the South, we just went with the more
conservative measure, because of the historical identity of what
overfished was, being related to MSY, rather than a depleted
stock, and sorry I took so long.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: If you look at red snapper, which was depleted
far below 50 percent of BMSY, for most of the recovery and the
rebuilding plan, the F rebuild has not been that much less than
FMSY. I think they’ve been fairly close, and so, for a lot of
these stocks, our experience has been, if you stop overfishing,
they come back.

Now, that hasn’t been the case for everything, because we had
gray triggerfish, for example, where we had a long period of
poor recruitment, but I don’t think that was because of the
depletion of the stock. I am not sure what drove that, but,
with red snapper, I don’t think there was a whole lot of spread
between the FMSY and the F rebuild, and so that’s something to
bear in mind.

CHAIRMAN GREENE: Thank you. Are there further comments? All
right. Seeing no further comments, Mr. Atran. I’m sorry. We
have a motion on the board. I was getting ahead of myself. We
have a motion on the board, and it’s been seconded. It’s been
read into the record. Is there any further discussion? Seeing
none, any opposition to the motion on the board? Seeing no
opposition, the motion carries. Mr. Atran.

MR. ATRAN: We are still working on trying to get those updated
SPRs from the most recent stock assessments, but that’s the only
action you need to take on this document, other than
recommending that it be forwarded -- That the Full Council
forward it to the Secretary of Commerce for approval and
implementation.

Do we have codified regulations on this? We should. I take
that back. MSST is not included in the codified regulations,
and so we have no codified regulations. It’s just we would
submit the document to the Secretary of Commerce, and, if it’s
approved, then it would become the policy, the MSST, without
going into the CFR, and so the question is, do you want to recommend to the Full Council that they approve this and forward it to the Secretary for implementation?

CHAIRMAN GREENE: Okay. Committee -- Hold on.

MR. ATRAN: I am sorry. I think we have some public comments that Emily was going to go over.

SUMMARY OF PUBLIC HEARINGS AND WRITTEN COMMENTS

MS. EMILY MUEHLSTEIN: Thank you. I think, maybe before we make that recommendation to Full Council, we just really quickly go over Tab B, Number 4(b), and that’s the public comments that we received on this document during our public hearings.

We did host a webinar public hearing on May 23 for this document. Five members of the public attended that hearing, but they submitted no comment at that time. However, we did receive some written comment, and the following is a brief summary of the comments that we go that were amendment-specific.

The first thing we heard was that the council should take a scientifically-appropriate approach to setting MSST by either selecting Alternative 2, which would set MSST equal to one minus M times BMSY or a proxy, or create a new preferred alternative that would set MSST equal to 0.85 percent of BMSY. This would accommodate the diverse biology of the stocks, by accounting for natural mortality, and this would accommodate the diverse biology of the stocks, by accounting for natural mortality, and take a cautionary approach to ensure that rebuilding stays on track.

Next, we heard that the council should consider a new alternative that would set MSST equal to 0.9 of the BMSY or a proxy for all of the stocks, and, finally, we heard that the Southeast Fisheries Science Center and the council’s Scientific and Statistical Committee should do additional analysis on the pros and cons of the various MSST levels.

We also received some non-amendment-specific comments on this comment form. Concern was expressed for the cobia population in the Gulf of Mexico, because the stock is in decline and the council needs to create new regulations to help with that problem.

The last stock assessment acknowledges that there needs to be more current cobia data to ensure an accurate assessment, and,
finally, we heard that, in general, anglers would prefer longer
seasons, even at the risk of raising size limits or lowering bag
limits, and that is all we heard, public comment-wise, for this
amendment. Thanks.

CHAIRMAN GREENE: Thank you, Emily. Now, committee, do you want
to send it to the Full Council to take final action at this
point? Mr. Anson.

MR. ANSON: I will make a motion that we deem our normal —
There it is. To approve it and forward it to the Secretary of
Commerce.

CHAIRMAN GREENE: Ms. Gerhart.

MS. GERHART: You will need to remove the part about deeming the
codified text, since there is no codified text.

CHAIRMAN GREENE: I think that’s right. It’s a little bit
different, but Ms. Levy is going to lead us out of it.

MS. LEVY: I would remove the “as necessary and appropriate”,
and so it would be “for implementation, giving staff editorial
license”.

CHAIRMAN GREENE: Okay. This is a little bit different, and so
is that correct, Kevin?

MR. ANSON: Yes, my motion is to approve Reef Fish Amendment 44
and that it be forwarded to the Secretary of Commerce for review
and implementation, giving staff editorial license to make the
necessary changes in the document.

CHAIRMAN GREENE: Thank you. We have a motion, and it was
seconded by Mr. Banks. Is there any opposition to the motion on
the floor before you? Seeing no opposition, the motion carries.

With that, we will move into our next action item, which will be
Final Action, Amendment 47, Vermilion Snapper MSY. This will be
Tab B, Number 5(a) through (c), and Mr. Atran will lead us
through that.

FINAL ACTION - AMENDMENT 47 - VERMILION SNAPPER MSY
REVIEW OF AMENDMENT

MR. ATRAN: Thank you. This is an amendment to revise the proxy
that we use for MSY for vermilion snapper and to adjust the
annual catch limit. If all we were doing was adjusting the
annual catch limit, we could have done this in a framework
procedure, but, because we are looking at revising the MSY
proxy, that needs to be done in a full plan amendment.

The reason why we’re looking at adjusting the MSY proxy is
because, in the most recent stock assessment, our SSC
recommended that the proxy be set at 30 percent SPR.
Previously, they had actually used Fmax, and, even before that,
our vermilion snapper rebuilding plan had specified that the
actual MSY estimate from the model be used, which the SSC feels
is not a valid number at all.

We have got two actions in here, and, if we go to page 20, the
first action is to set the MSY proxy, and we have three
alternatives. Alternative 1 is no action, do not set a proxy,
and use the vermilion snapper MSY estimated by the assessment
model.

The preferred alternative is Alternative 2. The proxy for
vermilion snapper MSY is the yield when fishing at F 30 percent
SPR. That’s the recommendation of the SSC. Then Alternative 3,
the proxy for vermilion snapper is the MSY at the yield when
fishing at F 26 percent SPR.

That third alternative was added at the last council meeting.
If you were to go with that alternative, that would change the
OFL and ABC, and so it would also change the ACL, and so,
depending upon which alternative you select here, it’s going to
make a difference as to what the ACLs are in Action 2. Mr.
Chairman, would you like me to review Action 2 before we come
back to this or make a decision now on Action 1?

CHAIRMAN GREENE: No, let’s go ahead and review Action 2, and
then we’ll come back to it. That way, people can see what
they’re voting on.

MR. ATRAN: Okay. Action 2 is to set the annual catch limits,
and we are setting the ACLs in here equal to the ABC. Of
course, you do have the option of setting the ACL at any level
you prefer, as long as it doesn’t exceed ABC, and so Alternative
1, and we’ve got some tables that are a little easier to read
than this, but Alternative 1 is no action.

The ACL will remain at 3.42 million pounds whole weight, and
that was not set based on a stock assessment. That was set
based upon Tier 3a of our ACL control rule. That is a data-poor
method that simply looks at the average landings over a ten-year
period, the variability in those landings, and it sets ABC one
standard deviation above those landings, to allow for fluctuation in OFL two standard deviations above it.

Alternative 2 would set the ACL, for the years 2017 through 2021, based upon the annual ABC derived from 75 percent of the MSY proxy yield selected from Action 1, and we’ll go down to the table that shows what that is in a moment, and that would be an ACL that changes each year over that five-year period.

Preferred Alternative 3 would use a constant catch average to set the ACL, and that would set it at the average of the annual ABCs over that five-year period. Alternative 4 would set ACL for vermilion snapper for those years at what is currently estimated to be the equilibrium ABC under the conditions in the stock assessment for the particular SPR.

If we could scroll down to the Table 2.1.1(a), I’ve got two tables in here, and this one is for the ACLs at a 30 percent SPR. Then, in a moment, I will show you what they are for 26 percent, and so this shows you what we would end up with for ACLs, if you were to adopt the preferred alternative 30 percent SPR in Action 1 and the preferred alternative in this action.

No action would leave us at 3.42 million pounds. That’s where we are right now. Alternative 2, which would use the constant F, which causes the ACL and the ABC to change each year, would begin with an ABC and an ACL of 3.21 million pounds. Then, over the next several years, it would decline slightly, until it reaches 3.03 million pounds in 2021.

The reason why it’s going down is because our target is 30 percent SPR, but, at the moment, the stock is actually at about 32 percent SPR, and so, if we were to fish the full ABC, we would actually be fishing it down slightly.

Preferred Alternative 3 of 3.11 million pounds is just the average of those five numbers in the Alternative 2 column, and it would just hold it at that level indefinitely, and then Alternative 4 is at 2.98 million pounds.

Remember, as I said, we are fishing the stock down if we were to fish it under Alternative 2, and the projections, carried out many years into the future, state that, if all other conditions remain constant, we would reach an equilibrium at 2.98 million pounds.

Presumably, we would never have to change the ACL again, but, of course, the next time we get a stock assessment, we will have
slightly different numbers. We will have the effects of future recruitment that we can’t predict, and so that’s some future number that the SSC did not endorse, but it seemed to be the most conservative of numbers that are within the range of what we might consider. As I said, right now, the combination of preferred alternatives in Actions 1 and 2 would give you the 3.11 million pounds for the ACL.

If we go to the next table, this is the same table, but only those ABCs were calculated at 26 percent SPR. Alternative 1 is the same, no action, but you can see all the other alternatives have slightly higher numbers.

Alternative 2, which is the constant F, begins at 4.33 million pounds. It drops down to 3.56. Alternative 3, the average of those numbers, would set the ACL at 3.87 million pounds, and Alternative 4, which is based on that long-term equilibrium, would be 3.40 million pounds.

In order to be able to present these numbers, we had to go back to the SSC and ask them if they would approve an alternative set of ABCs if the council were to select 26 percent SPR as your MSY proxy rather than 30 percent. It’s the council’s decision where to set that proxy, and then it’s the SSC’s job to determine what the ABC would be at that proxy, and so the SSC reviewed the projections that were run by the Science Center.

They were run exactly the same way as the 30 percent proxy numbers were run, only with the different SPR, and this is what they came up with, and the SSC passed a motion saying that, if the council selects 26 percent SPR as its proxy, that these numbers do represent the ABCs at that proxy.

However, they emphasized that they are not recommending 26 percent SPR. Their recommendation is for 30 percent SPR. As I said, what you end up with for an ACL depends upon a combination of what you select in Action 1 and in Action 2. Mr. Chairman.

CHAIRMAN GREENE: Thank you. We went over Action 1 and Action 2, and so we can go back to Action 1 now and decide. This is slated for final action, and we do have preferreds that are selected. While we roll back up here to Action 1, does anybody want to take a stab at a different preferred? Is everybody comfortable with where we’re at? Anything as far as a change in Action 1? All right. I don’t see any changes for Action 1, and so we will move on down to Action 2. Mr. Anson.

MR. ANSON: I had a question, I guess relative to the SSC’s
recommendation relative to F 26 percent versus F 30, and they
recommended 30. Mara, how would the agency proceed if the
council were to -- I know we just talked about Action 1, and I
could have addressed it there, but, if we had selected F 26 and
the SSC recommended F 30, does that create any problems for you
to take it to the Secretary or submit it to the Secretary?

MS. LEVY: Well, I think you would need to articulate a reason
for choosing 26 percent and not going with the science
recommendations, and so there needs to be some compelling reason
why you went that way.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: It seems to me that where that 26 percent for
vermilion came from is because that’s what we use for red
snapper, and so maybe you can draw some parallels and some
connection there, but I don’t think we’ve done that yet, but
that’s not saying you couldn’t.

CHAIRMAN GREENE: Steven Atran.

MR. ATRAN: There is one other piece of possible rationale, if
you wanted to go to 26 percent SPR. The stock assessment
calculated SPR values going back to I think it was 1960, and the
lowest SPR that vermilion snapper has ever had was 26 percent
SPR. That was in the years 1999 and 2000, and it recovered back
up to being slightly over 30 percent SPR without any regulatory
action, and so it appears that the stock can support a 26
percent SPR level.

CHAIRMAN GREENE: Okay. Thank you. Is there further
discussion? Seeing no further discussion, it doesn’t appear
that anybody wishes to change the preferred, and we will move on
to Action 2. Action 2 is on the board in front of you, and I’m
sure probably your computers as well. We have Preferred
Alternative 3 selected. Any changes there? Okay. Seeing none,
we will continue on. Mr. Atran, there is just two actions? Is
that correct?

MR. ATRAN: Just those two actions. We did have a public
hearing webinar on this item as well, and I think Emily has some
information to provide on public comments.

SUMMARY OF PUBLIC HEARINGS AND WRITTEN COMMENTS

MS. MUEHLSTEIN: I sure do. Thank you, Steven. We hosted a
public hearing on May 24 on this amendment. There were sixteen
members of the public in attendance during that public hearing, which was a webinar, and two members of the public commented.

Both gentlemen that commented noted that they think that the vermilion snapper population is quite healthy. They did say that it’s harder to catch them, especially on artificial structure, because of the amount of red snapper that are sort of competing with them for hooks, but one of the gentlemen runs a headboat out of Texas, and he said that he catches an average of 30,000 a year.

They also both mentioned that, despite the health of the stock, that they would like the council to consider increasing the minimum size limit of vermilion snapper.

One gentleman was looking at either eleven or twelve inches, and then the other was supporting fully to go to twelve inches, and that’s because they both reasoned that there is not a lot of meat on a ten-inch vermilion to bring home, and, especially from the perspective of a headboat owner, if it’s legal, you’re going to keep it, and so the idea was that maybe the council could consider increasing that size limit, so that they would be keeping fish that were more useful for the plate.

It was also suggested that, if something had to happen with vermilion management changes in the future, and they don’t want that to happen now, but, if it had to happen, they would consider dropping the bag limit as well, because there is quite a large bag limit on vermilion right now.

We also received quite a bit of written comment on this amendment, and I will go through those really quickly. Of the comments that we received, these ones were amendment-specific, and so, first, we heard that vermilion are being fished hard, because there is no other species to target.

If vermilion is closed or restricted, then headboats in the Florida Panhandle won’t have anything to target, and private boats would also be adversely impacted. Vermilion snapper are the go-to fish when red snapper is closed. The ten-inch size limit is too short. There isn’t enough meat for a sandwich, and the roe is often found in little fish. The council should increase the minimum size limit to twelve inches.

The council should use a more cautious approach of F 30 percent SPR to set the MSY, and vermilion limits should be left as they are. They seem to be doing quite well under the current management.
We also received a number of comments on this comment form that were not specifically related to vermilion snapper, and I’m just going to go over those very quickly. First, we heard that Destin is overrun with triggerfish and that anglers should be allowed to harvest them.

We heard that all fishermen should be limited to a maximum of five hooks per line. People should not be fishing with ten to twenty-hook rigs. I think this was put in the vermilion comment form because a lot of people that are targeting vermilion do use more than one hook.

It was also noted that red snapper management is working. In the early 1990s, it was difficult to catch a good limit, and now they’re hard to avoid. There needs to be more older red snapper for the stock to be restored, and hopefully more harvest in state waters, with less harvest in the federal waters, will help with that.

It was noted that more education on SPR and how it applies to the catch limit would help the public become supportive of red snapper regulations. Snapper management has been a disaster, and bag regulations have caused overharvest of amberjack, trigger, and grouper.

Longliners take all the fish from reefs and out of the hands of the small number of recreational fishermen. The council should pay attention to the CCS report on the economics of recreational versus commercial fishing, and commercially-harvested fish shouldn’t be exported, which forces restaurants to serve imported fish, and that concludes my report on the public comments we received for this document.

**REVIEW OF CODIFIED TEXT**

**CHAIRMAN GREENE:** Thank you, Emily. Next up is the Review of the Codified Text, which will be Tab B, Number 5(c), which is presented for you and is ready. With that, being we didn’t have any changes or anything, I assume that we are ready to recommend to the council for implementation and submission to the Secretary, if somebody is willing to make a motion.

**MR. MATENS:** So moved.

**CHAIRMAN GREENE:** Mr. Matens is going to make the motion to recommend it to the Full Council to send to the Secretary. It’s seconded by Mr. Diaz. Thank you. **Mr. Matens’ motion is to**
approve the Reef Fish Amendment 47 and that it be forwarded to
the Secretary of Commerce for review and implementation and deem
the codified text as necessary and appropriate, giving staff
editorial license to make necessary changes in the document.
The Council Chair is given the authority to deem any changes to
the codified text as necessary and appropriate. The motion was
seconded by Mr. Diaz. Is there any opposition to the motion on
the floor before you? Seeing none, the motion carries. Mr.
Swindell.

MR. ED SWINDELL: We’re sending to the Secretary Preferred
Alternative 3 in both of these cases here, where you have a
choice between 30 percent SPR or 26 percent SPR, and which one –
- Are we asking the Secretary to make a decision on which one
we’re going to use?

MR. BANKS: It was F 30 percent.

MR. SWINDELL: 30 percent? Okay. Alternative 3 says see the
tables.

CHAIRMAN GREENE: Okay. Thank you. In discussion with Madam
Chair Bosarge, we are going to continue on our agenda as we
have, and we will pick up on our staff that was scheduled for
tomorrow morning. That will be Final Action on Abbreviated
Framework Action to Modify the Number of Unrigged Hooks Carried
Onboard Bottom Longline Vessels, Tab B, Number 6(a), (b), and
(c). There will also be comments by Emily and the codified text
to follow, and so, with that, Dr. Simmons, Tab B, Number 6(a).

FINAL ACTION - FRAMEWORK ACTION TO MODIFY THE NUMBER OF UNRIGGED
HOOKS CARRIED ONBOARD BOTTOM LONGLINE VESSELS
REVIEW OF AMENDMENT

DR. SIMMONS: Thank you, Mr. Chairman. I will be reviewing Tab
B, Number 6(a). You may recall, at the April council meeting,
you passed a motion for staff to bring back a document that will
look at modifying the number of unrigged hooks carried onboard
the bottom longline vessels in the Gulf of Mexico, because the
250 hooks was not adequate for the fishery.

This will be short. It’s a very short document that we have
prepared for you, and there’s the potential that you can take
final action, if you feel comfortable with the amendment as
written, if you select a preferred option.

Let’s start on page 1, which is the purpose and need. The
purpose of this action is to modify the number of hooks that the
commercial reef fish vessels with a bottom longline endorsement in the Gulf of Mexico are allowed to carry onboard when using bottom longline gear to fish for reef fish in the Gulf EEZ, and that is east of the 85 degrees, 30 minutes West longitude, and that’s around the area of Cape San Blas, Florida.

The need is to reduce the regulatory and potential economic burden on fishermen, and so I will stop there and see if you have any changes or suggestions to the purpose and need, but I will note that, on page 2, Figure 1.2.1 shows the restrictions, the current regulations, for bottom longline gear, and so I will stop there.

CHAIRMAN GREENE: Thank you. Is there discussion? Any discussion on the purpose and need? I don’t see any, Dr. Simmons.

DR. SIMMONS: You will see the document setup is structured a little bit differently than we currently structure most of our amendments. It’s a categorical exclusion, and so what we did is we provided some background information on what Amendment 31 did, and that was implemented in 2010.

Those regulations included -- You had the twenty-fathom boundary, and you couldn’t fish seaward of that. That was currently on the books, but Amendment 31 implemented that June, July, and August closure in fishing shoreward of thirty-five fathoms, due to the sea turtle interactions. It also created an endorsement, and the endorsement was based on the historical logbook landings during 1997 to 2007 for fish traps and longline gear, and so, using those landings histories, if you had 40,000 pounds gutted weight, then you qualified for an endorsement.

Since 2010, it has fluctuated between sixty-one and sixty-two valid or renewable endorsements to the commercial reef fish permit that are allowed to use this gear since the implementation of Amendment 31, and then it also put in place these gear restrictions, which are the point of this document, which it limited the number of hooks that they were allowed to carry onboard to 1,000 hooks, of which no more than 750 could be fished or rigged for fishing, and so they had the extra 250 onboard only, and this was what was implemented in Amendment 31.

These regulations, we received an updated biological opinion after Amendment 31 was implemented, and we were told that these regulations achieved the council’s goal of meeting the recommended reductions in effort and reduced the interactions with sea turtles, and you can see we have summarized that
Since that time, fishermen have asked for an additional number of hooks besides the 250 to be onboard, due to the economic burden, where they’re fishing with too few hooks or they have to come back, or another vessel has to bring more hooks out to them on long trips.

If you go to page 4, we have laid out three options. Option 1 would modify the total number of hooks per vessel to 1,500, of which no more than 750 hooks are fished or rigged for fishing, and so that would allow 750 extra. Option 2 would modify the total number to 1,750, of which no more than 750, again, are allowed to be fished or rigged for fishing, and so that would allow them to carry 1,000 additional hooks onboard.

Then Option 3 is an unlimited number of unrigged hooks onboard, and that would modify -- You could only fish the 750 hooks, and so they’re not changing that requirement. It would only be allowing them to carry these additional hooks onboard.

I think some of the rationale that we heard from industry for this is they’ve had additional shark bite-offs, and so, basically, this 250 hooks was not enough on a trip, and I think Ms. Gerhart has some additional information from observers about an average number of hooks that are used per trip, and law enforcement hasn’t specifically weighed-in on this, but we did get in touch with some folks over at NOAA.

They did tell us that they would enforce these regulations regardless, and so they would count all those number of unrigged hooks, but obviously the least burden would be if you allowed the unlimited number of hooks, and so I will stop.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: On that note, I asked some of our law enforcement about this one, and they were comfortable with Option 3. They already have to count a lot of hooks, and stopping at 750 would be awesome, was the feedback that I got, because it really takes a long time, and searching around the boat for more hooks in places is not fun.

CHAIRMAN GREENE: Ms. Gerhart.

MS. GERHART: In speaking with the NOAA Law Enforcement, we got something similar as well. If it’s unlimited, then they don’t have to count anything, and so that actually eases their burden,
whereas, if we increased the number of hooks, that’s more hooks to count.

CHAIRMAN GREENE: Thank you. Is there further discussion? David Walker.

MR. DAVID WALKER: I would speak in favor of Option 3, too. I would sort of echo what Martha said. It would simplify it for enforcement, and, I mean, there is really — Sharks have increased, or the forage fish have decreased, and I’m not sure, but the interaction with sharks — They have lost a lot of hooks with sharks.

CHAIRMAN GREENE: Ms. Gerhart.

MS. GERHART: As Dr. Simmons mentioned, I do have a little bit of information that we just got from the observer data, and we have average hook loss per trip. Now, this is, obviously, only on observer trips, but it has increased. In 2010, there was about 226 per trip that were lost, which falls within the 250 that we originally put into place, but, lately, it’s been closer to — There has been higher numbers, up to 350, or even 440 in 2011. It’s variable, according to this database, but it is right at that 250, or even higher, on average, for the observer trips.

CHAIRMAN GREENE: Thank you. Lieutenant Commander Danaher.

LCDR LEO DANAHER: Just from an enforcement perspective, reading over the options, they’re all enforceable, but we’re trying to keep things efficient, and so do you want the boarding to be short and efficient or long and painful?

CHAIRMAN GREENE: Well, that puts it in a different perspective. Okay. Anybody else want to weigh in? Okay. Dr. Simmons, do we need to pick a preferred at this point?

DR. SIMMONS: Yes, I think that would be helpful for the public, especially if you’re thinking about taking final action in the near future.

CHAIRMAN GREENE: I am thinking that we are going to take final action in the near future. Mr. Sanchez.

MR. JOHN SANCHEZ: I will move that we pick Option 3 as the preferred.

CHAIRMAN GREENE: We have a motion to make Option 3 the
preferred by Mr. Sanchez, and it was seconded by Mr. Matens. I think we’ve had some pretty good discussion, and we’ve had enforcement weigh in. Is there any further discussion?

Seeing no further discussion, the motion is to make Option 3 the preferred option. Option 3 is to modify the total number of hooks to be unlimited, of which no more than 750 are rigged for fishing. While the option of greater than 1,500 hooks per vessel was not analyzed in Amendment 31, the regulation to only allow 750 hooks to be fished or rigged will remain in place. Therefore, there should not be any additional concerns for protected species interactions. Law enforcement would only need to check the number of rigged hooks (750), because there would be an unlimited number of unrigged hooks allowed in this option, reducing any burden on law enforcement. It was seconded by Mr. Matens. Is there any further discussion? Is there any opposition to the motion on the floor before you? Seeing none, the motion carries. Dr. Simmons.

SUMMARY OF PUBLIC COMMENTS

DR. SIMMONS: Thank you, Mr. Chairman. I just want to confirm with Emily that we did not have any public comments on this?

MS. MUEHLSTEIN: We did not.

CODIFIED TEXT

DR. SIMMONS: Okay. The proposed text is Tab B, Number 6(c). That just shows where the number would change, if you have any questions there.

CHAIRMAN GREENE: Okay. We have the codified text before us, if you want to go ahead, being that it is slated for final action, go ahead and send it to the council to send to the Secretary, and I would need someone to make that motion, if you’re comfortable with it at this time. Ms. Levy.

MS. LEVY: Just to note that the codified text in the briefing book put 1,000 hooks in total as a placeholder, but that would change to just remove the total and leave in that 750 could only be used for fishing or rigged.

CHAIRMAN GREENE: Okay. That would change under the editorial license and approved by the Chair, and so, with that, Mr. Banks has offered up the motion to send this to the Full Council and on to the Secretary.
MR. ANSON: Second.

CHAIRMAN GREENE: It was seconded by Mr. Anson. Mr. Banks’ motion is to approve the abbreviated framework action to modify the number of unrigged hooks carried onboard bottom longline vessels and that it be forwarded to the Secretary of Commerce for review and implementation and deem the codified text as necessary and appropriate, giving staff editorial license to make necessary changes in the document. The Council Chair is given the authority to deem any changes to the codified text as necessary and appropriate, and it was seconded by Mr. Anson. Is there any opposition to the motion on the floor before you? Seeing none, the motion carries.

With that, in talking to Ms. Bosarge here and other staff members, we’re going to go ahead and try to take care of some of the Other Business items now. There may be people coming in for tomorrow on some of these other agenda items, and so, with that, I will go to Ms. Levy and then Ms. Gerhart, so we can talk about the Status Determination Criteria and then the turtle stuff, and so, if you guys are ready to jump into that, we can do it, and it doesn’t have to be in any particular order. Whoever is ready first is fine with me. Ms. Levy.

OTHER BUSINESS

STATUS OF STATUS DETERMINATION CRITERIA AMENDMENT

MS. LEVY: I will go first then. Thank you. I just wanted to have a little bit of discussion about the status of the Status Determination Criteria Amendment. I think you recently received a letter from Roy about the hogfish amendment, and it’s related to the discussion we had at the last meeting about sort of putting the status determination criteria on the front burner and dealing with things like MSY and MSST and OY for species in the Reef Fish FMP that haven’t been looked at since I think it was Amendment 3, with regard to those status determination criteria and reference points.

The council decided that that was a priority, and I think it’s a priority, and I would just like some discussion about a potential maybe timeline or expectation for how the workflow and when a completion date for that would be happening, because I think should be a priority, and it would be helpful if we sort of lined out how long we think it’s going to take and when we would expect to complete it.

CHAIRMAN GREENE: Thank you. Ms. Bosarge.
MS. BOSARGE: I am going to kind of look over to the staff table and look at Mr. Atran, but we did -- Mr. Atran, and I shouldn’t say we, but Mr. Atran has started on this, and he actually give a cursory presentation of it on the SSC webinar that we had, last month I think it was, to get them geared up and prep them for what was coming, but I will turn it over to you and let you talk a little more to it.

MR. ATRAN: If we’re going to make this a high priority, I think it might move faster -- This is an amendment that we have started and stopped and started. We have pulled stuff out of it, and we’ve put stuff back into it, and so it’s been going at a snail’s pace, and we’re trying to get it jumpstarted again right now.

The SSC was introduced to a preliminary options paper that I have, and it still needs work. I am not sure if we have an IPT together at the moment. We had one, but we have been working on this for so long that some of the people who were on the IPT are retired now, and so we may need to reformulate that.

The best I can tell you is that, if we make this a priority, and we kind of resist some of the efforts that some people like to have to just continually form working groups and review the latest information, but we could probably have a document that’s in good enough shape to talk about taking final action sometime around the middle of next year, but, as I said, we would need to make this a high priority if we’re going to do that.

MS. LEVY: I guess I would just encourage the council to think about that and, maybe at Full Council -- I am not sure that it needs a motion, but I feel like there needs to be some sort of direction that this is a high priority and we’re going to push it through and we’re going to establish some sort of defensible status determination criteria and reference points for all of the species that have all of these outdated ones.

Then I think one of the issues has been the SSC has wanted to take a more comprehensive look at MSY and things like that, and I think that’s fine, but I still think we should press forward with having these things on the books, consistent with the Magnuson Act, and then we can take a more detailed sort of longer look, or, if they get new information and you want to change some of these things, that can always happen. I guess I would be interested in sort of hearing sort of a firm commitment to get this done in a timely manner.

CHAIRMAN GREENE: Mr. Gregory.
EXECUTIVE DIRECTOR GREGORY: Should we just do hogfish alone at this time and then follow it up with the other species, the other FMPs?

MS. LEVY: You could do that, but, in my opinion, the time would be better spent dealing with them all as quickly as we can, to just get them all done. I mean, for hogfish, we have ACLs and ABCs that are in place, based on OFLs and MSYs that are based on the same sort of reference points.

We just have that technical issue with the OY, and, if we can address that in the status determination criteria and move the whole thing along quickly, so that the whole Reef Fish FMP has these important reference points in place, then I think that would be the best, but obviously it’s up to you if you want to quickly address hogfish, and I still would want you to quickly address the other ones as well, and it just seems like that’s double the effort.

CHAIRMAN GREENE: Mr. Atran.

MR. ATRAN: First of all, on OY, there is a number of questions on how we’re going to address OY, and so, whether we do one stock or a bunch of stocks, it’s still going to take a little bit of time to sort that out, and so we might as well address them all at once.

The other thing that I wanted to mention is that, as of right now, this SDC Amendment is set up to address the reef fish stocks plus red drum, the finfish that we manage, basically.

My understanding is that our invertebrates, the spiny lobster and the shrimp, already have adequate SDC and OY, and, if we wanted to address the mackerels, that brings it into the realm of a joint amendment, and that would slow things down, because we would have to coordinate with the South Atlantic Council, and so, at the moment, we’re looking at this just to focus on the reef fish, and maybe include red drum with that as well.

CHAIRMAN GREENE: All right, committee. Anybody have any opinions here? Mara, or Doug Gregory, do we need to make this in the form of a motion to move it up on the priority list, or how would you like to proceed?

EXECUTIVE DIRECTOR GREGORY: Yes, I think we are trying to move more to get the council to make motions for us to follow, rather than have individuals ask us to do something. It’s starting to
get a little confusing, and my concern is that, if we get three
people asking us to do something and we go, okay, and we forget
one person, it could cause problems, and so we would prefer to
get motions for everything like this.

CHAIRMAN GREENE: Okay. Based on what Mara said and everything
that’s been around, I guess we’re going to need a motion to move
this status determination criteria to a higher priority. Anybody willing to float a motion? Ms. Guyas. Thank you.

MS. GUYAS: I don’t know if this amendment has a number, but I
guess it would just be to move the Status Determination Criteria
Amendment a priority on the proposed action schedule.

CHAIRMAN GREENE: Instead of “to move the status determination”,
I guess we need “to make the status determination criteria”. That makes Ms. Bosarge happy, and so please change that to
“make”. We have a motion on the floor, and it was seconded by
Mr. Robinson. Thank you.

The motion is to make the Status Determination Criteria
Amendment a priority on the proposed action schedule. Any
further discussion? Seeing no further discussion, is there any
opposition to the motion on the floor before you? Seeing no
opposition, the motion carries.

With that, we will go into our next Other Business item, which
will lead us to Ms. Gerhart.

TURTLE RELEASE GEAR

MS. GERHART: A while ago, the council required turtle release
gear, and you saw the placard earlier for that, and there was
certain gear that was approved to meet those requirements. At
the time, what the council did was point to the HMS regulations
for that list of approved gear. We didn’t have our own.

Now the Science Center has found a couple of other gears that
they have approved. One is a net. It’s a collapsible net. Right now, all the nets that are required have rigid frames, and
this makes it something that is a little more usable on a
smaller vessel, where they don’t have as much room to store
those larger nets.

It does open up to the correct size, and it can hold the
hundred-pound weight that’s required for pulling turtles
onboard. The other one is a different kind of de-hooker that is
very easy to use, and it is apparently very popular with for-
hire fishermen, in particular.

We would like to allow those gears to meet the requirements. However, they’re not appropriate for HMS, and so we can’t just ask HMS to add it to their list of approved gears. The South Atlantic Council also has these same requirements in place, but they actually created an appendix for their own gear list in our codified text that they can just refer to and very easily update, without having to come forward to the council and just add that on there.

What we would like to do is have the council request staff to work on -- I am not sure if we’ve decided if it should be a plan amendment or a framework, but something to set up the same process for the Gulf Council, so that we can create the same appendix, and perhaps even use the same appendix that the South Atlantic Council has, since it’s the same list of gear, so that, in the future, this would be easier to take care of changes like this.

CHAIRMAN GREENE: Thank you. I have a comment, but I will hold it until the rest of the committee has any comments or concerns. This is something that we’re going to I guess have a motion to figure out if we’re going to do a plan amendment or a framework.

I don’t see any comments, and so I’m going to throw one out there, Ms. Gerhart. This whole turtle thing is very cumbersome to begin with, and you have to carry dog-bone type deals and mouth-opening devices, dog-chew toys, PVC couplings to go in to hold the turtle’s mouth open, eighteen-inch-long needle-nose pliers to go in and get the hook out. You have to carry these nets, and you have to carry a car tire.

We’re all engaged in fishing activities, and, while we all do it a little differently, it becomes kind of hard, I would imagine, for some of these small guys in smaller boats to carry car tires and dip-nets, et cetera.

I hope, when we get to this point, we can look at not only the new de-hooker and the items that you mentioned, but some of this other stuff that is kind of archaic, and it’s kind of hard to have an area to carry this stuff on a boat, because some of this stuff is rather long.

Depending on the height of your gunnel, from the top of the gunnel to the water, it has to be 150 percent, and so some of these things, in my case, are almost ten feet long to carry, and so these are things that we need to look at with this, and so I
just wanted to throw that out there for informational purposes as well.

We’re going to need a motion to start a framework or a plan amendment, and I didn’t know which one, or do we just need to direct staff to do that, or does someone want to throw a motion out there? I think we need to do that as well. Ms. Bosarge.

MS. BOSARGE: I think we can probably just say “document”, and that will give staff the leeway to talk with the agency and confer with the IPT and figure out which type of document is the proper one, and so, if somebody wants to make that motion, we can just say generally a document. It’s not five o’clock yet, and so we’re still making motions, and so who wants to make the motion?

DR. CRABTREE: I would like to move that we direct staff to begin work on a document to revisit turtle release gear in the reef fish fishery.

CHAIRMAN GREENE: Thank you. Is there a second to the motion? It’s seconded by Ms. Guyas.

DR. CRABTREE: I am still working on my motion a little.

CHAIRMAN GREENE: Ms. Levy.

MS. LEVY: I don’t know that you need to fix the motion, but, at some point, someone, or the council, is going to need to be clear about what that means, and so exactly what about turtle release gear? Other than what Sue said, if there are other specific things that you want the document to look at, I think you’re going to need to tell staff, because that’s just a completely wide-open motion.

CHAIRMAN GREENE: I think, to get started, the stuff that Sue had mentioned, the points that I made, and I’m sure there will be a lot of other stuff that will come out as well. If anybody else has anything specifically, outside of a different de-hooker and the collapsible net and car tires and other possible solutions for that, and so, with that, I’m going to look over at the staff table. Do you all want more or need more?

I know they always want more information, and I know a lot of the people at the table are not very familiar with this, and that’s why I’m jumping in, which I try not to ever do, as Chair, but it’s one of those things that it is fairly complex, and it is something that, when I’ve been boarded twice this year, they
have asked to see my turtle release gear, which I fail to see how I’m going to get a 300-pound turtle up to the boat on fifty-pound test, but it’s part of the requirements.

Anything else that anybody can think of, throw it in there. Otherwise, I will pledge to work with the staff on this and provide some more substance, but, Mara, I don’t know what else we could add at this particular point. I really don’t. Ms. Levy.

MS. LEVY: That’s fine. One thing that might be useful, because we were going down sort of a narrow path of addressing the couple of things that Sue mentioned, but you have kind of broadened it, and that is that staff may need, within this document or whenever this comes back up, to look at also what was put in place and why and then what the biological opinion assumed was going to be in place, because you may not want to carry the car tire, but, if it was for a particular purpose and it does something that the bi-op assumes reduces turtle mortality, then I think you would want to know that before you decide that it shouldn’t be required anymore.

CHAIRMAN GREENE: Thank you. We have a motion on the board to direct staff to begin work on a document to address the turtle release gear. It was seconded by Martha. Any further discussion? Seeing no further discussion, is there any opposition to the motion on the floor before you? Seeing none, the motion carries. Our last item on Other Business is Mr. Banks.

LOUISIANA REEF FISH MANAGEMENT PLAN

MR. BANKS: Thank you, Mr. Chairman. I just emailed the staff. I wasn’t sure if we would get to this today, and so I just emailed the staff the draft options that we had put together in Louisiana, and a little bit of background.

We asked some recreational anglers and some of the leaders of the angling groups to Baton Rouge a couple of weeks ago, to sit down with us and go through this plan, and we knew that we needed to come here and least propose it to you guys, not necessarily for a discussion, but at least so that the council would know what we were thinking, and so it was very helpful to have those folks in the room with us.

Leann was able to join us via phone call, and both Ed and Camp were there, and so it was helpful to us, and so what came out of that meeting was the document that I just sent around, which
goes through the options that describes what we’re thinking about in Louisiana, in terms of a Louisiana-only reef fish management plan.

I will start walking through it real quick, and, again, it’s completely up to the council as to whether you all want to ask questions or make comments or whatever, but it has eleven options, or eleven actions.

The Number 1 Action is Louisiana management, and, basically, it establishes a management program that designates Louisiana as the management authority for private angling and charter/for-hire components of the recreational sector for all reef fish included in this amendment and landed in Louisiana by Louisiana anglers at Louisiana ports. The amendment will continue the separate management of the private angling and charter/for-hire components of the recreational sector.

Action 2, the species included, and certainly we had talked originally about it just being red snapper, but we thought, since all these other species were in Amendments 41 and 42 and the group seemed to agree that we added at least what our preferred would be, and that would be not just red snapper, but greater amberjack, gray triggerfish, gag, and red grouper.

Geographic is Action 3. The region covered in this document includes the territorial seas adjoining the EEZ and Louisiana coastal communities, and so basically Louisiana waters out to 200 nautical miles.

The duration would be for the years that we specified in the motion at the last meeting, 2019 through 2021, after which it will either sunset or be renewed by council action, and certainly there were a couple of reasons, as you guys probably know from that motion, that I used those years. One was to try to push us forward to this issue, but then also not to lock us in on the issue if it turned out that this was not what the folks wanted or what the council wanted.

Action 5 is apportioning the recreational ACL or the quota. Louisiana recreational reef fish quotas will be determined for each sector component as that component’s annual catch limit times the average of 50 percent of each component’s average historical landings between 1986 and 2015, with 2010 excluded, and 50 percent of the component’s average historical landings for the years 2006 through 2015, and so that’s basically following in line with 39 and 40 on how those were determined, with historical landings as well as the more recent landings.
Composition of the charter/for-hire component, our preferred alternative would be that the recreational reef fish plan will continue to separate management of the charter/for-hire and private angling components, but that state-permitted charter/for-hire vessels will be included in private angling components, which is basically the status quo.

In-season accountability, Louisiana would monitor landings in coastal communities through LA Creel and prohibit landings in Louisiana when the Louisiana quota or specified component quota is met or projected to be met. That is exactly what we do right now. We have a self-imposed quota, and we close when that is projected to be met.

Post-season accountability, while red snapper and other reef fish included in this amendment are overfished, if a component of Louisiana’s recreational sector exceeds their ACL, then Louisiana will reduce the component’s ACL in the following year by the amount of the ACL overage in the prior years, unless the best scientific information available determines that a greater, lesser, or no overage adjustment is necessary.

Action 9 is a post-season carryover. If a component of Louisiana’s recreational sector is under their ACL, then Louisiana may increase the component’s ACL in the following year by the amount of the ACL deficit in the prior year, unless the best scientific information available determines that a greater, lesser, or no deficit adjustment is allowable, and certainly like we just did earlier, minus the natural mortality, et cetera.

Size limit will stay with the same, the sixteen-inch size limit, and the bag limits stay with the two fish per season, and so, again, it mainly describes the season we have in Louisiana right now out to nine miles and just extending that out into 200 nautical miles, and so those were the ideas that we put forth to the group and the group discussed, Louisiana anglers did, and so that is what we’re going to propose, and we felt like putting it down on paper for everybody to see what the ideas were may be helpful for our future discussions. I will be happy to answer any questions, or we can just leave it at that and be prepared for the next meeting. Thanks.

CHAIRMAN GREENE: Thank you, Mr. Banks. Any discussion? Ms. Bosarge.

MS. BOSARGE: I just wanted to say thank you for allowing me to
be on that call. I did very much appreciate it. I think, a lot of times, there is a fear of the unknown, and, as I tell you a lot of times, sometimes I feel like I’m under a rock when I leave this council meeting and I don’t know what the other states have in store, and so I did really appreciate that.

I think you have laid it out pretty clearly what you hope to accomplish and how you hope to run your system. You had two council members at that meeting, and I think that’s very open and transparent, and so I think we’re making some good progress, and surely that’s some guidance to staff as to what Louisiana is hoping to see in their amendment, and maybe we will get some of the same as we go forward with Mississippi and Alabama. I think we have some optimism here. We’re looking good, guys. We might make progress on some stuff, and so a happy note to end the day.

CHAIRMAN GREENE: Well, Dr. Crabtree.

DR. CRABTREE: Why did you say it like that? I think this is some good guidance, but I just wanted to make a -- We had, at the last meeting, we had three motions made to work on three independent amendments along these lines.

One thing to bear in mind though is the allocation part of those three amendments is intertwined, because they can all only come to a 100 percent, and so, somehow, we need to think about how we’re going to approach the allocation parts of these amendments, because they are not independent of each other, because, if we allocate so many fish to one state, then there is only so many fish left to be allocated, and so they affect each other.

CHAIRMAN GREENE: Thank you. Any further discussion? Okay. Right on time. Well, we’re a few minutes early. We’ve still got fifteen minutes, but, Chairman Bosarge, anything else? Steven Atran.

MR. ATRAN: During the discussion of the MSST amendment, the committee had asked for some updates on a couple of the numbers, as far as the biomass levels for some of the fish. I have those numbers now, if you want them.

MS. BOSARGE: Yes, we’ll do that real quick, especially since it’s slated for final action.

MSST AMENDMENT BIOMASS LEVEL UPDATE

MR. ATRAN: Okay. The two stocks that we’re looking are greater
amberjack and red snapper. Greater amberjack, with the SEDAR 33 assessment, we were at 47 percent of our target, our 30 percent SPR target. With the SEDAR 33 update, we went backwards. We are now at about 29 percent of the target, and so we’re going the wrong way there, and it would be overfished under any of the MSST alternatives.

With red snapper, that’s a little bit better information. As of the update assessment, we are at 54 percent of our target, our 26 percent SPR target, and so, under a 50 percent MSST, we would be above the overfished threshold, and I have an email that I got from Andy Strelcheck, who tells me that, based on projections from the Southeast Fisheries Science Center, the stock biomass for 2017 is projected to be around seventy-one-and-a-half percent, and so we’re getting very close to that 75 percent threshold. We’re not quite there, but we’re getting close to it.

CHAIRMAN GREENE: Mr. Gregory.

EXECUTIVE DIRECTOR GREGORY: I have a question for Dr. Crabtree or Ms. Levy. If the council chooses the 50 percent level, and red snapper are longer overfished, does the rebuilding plan go away and then the overfishing definition take over?

DR. CRABTREE: No.

EXECUTIVE DIRECTOR GREGORY: Because they are slightly different fishing mortality rates.

DR. CRABTREE: No, the rebuilding plan remains until we reach BMSY, but the status of the stock would change from overfished to not overfished, and then that has some bearing, I think, on some of the accountability measures and things, but the rebuilding plan is until we actually achieve 26 percent SPR.

EXECUTIVE DIRECTOR GREGORY: Okay. When we do the standard assessment, and the conclusion is going to be that that assessment -- That the population is no longer overfished, and that’s a determination by the SSC. Wouldn’t that make the rebuilding plan go away?

DR. CRABTREE: No, because the rebuilding plan is not complete until you reach the rebuilding target, which is BMSY, and so you would still be rebuilding until you get to 26 percent SPR, and we’ve had this happen in several other stocks, when you pass the MSST, but you’re still not fully rebuilt, and so that’s the way the guidelines and things are set up.
CHAIRMAN GREENE: Okay. Thank you. Is there further discussion? Seeing none, Madam Bosarge.

MS. BOSARGE: All right. That should wrap us up for the day. We’re ten minutes ahead of schedule, and so I will let you out of here a whole ten minutes early. We are going to start tomorrow at eight o’clock again, and so I will see you bright and early. Before we leave the day, I wanted to thank our Florida Commissioner Priddy again for coming and joining us. We appreciate your enthusiasm and your willingness to come and sit at the table with us. Thank you.

(Whereupon, the meeting recessed on June 5, 2017.)

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June 6, 2017

TUESDAY MORNING SESSION

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The Reef Fish Management Committee of the Gulf of Mexico Fishery Management Council reconvened at the Naples Grand Beach Resort, Naples, Florida, Tuesday morning, June 6, 2017, and was called to order by Chairman Johnny Greene.

CHAIRMAN GREENE: Good morning. We will pick up on Item Number VII, and this will be Tab B, Number 7 in your book, and, Mr. Rindone, if you’re ready.

DRAFT - FRAMEWORK ACTION TO MODIFY THE ACT FOR RED SNAPPER FEDERAL FOR-HIRE AND PRIVATE ANGLER COMPONENTS

MR. RYAN RINDONE: I am sir. We are talking here, in Tab B, Number 7, about modifications to the recreational red snapper annual catch target, or ACT, buffers. We have used quota-based management for red snapper for forever, or for an exceptionally long time, and we have been using ACTs ever since the federal lawsuit that directed the council to put the buffer between the ACT and the ACL, and, right now, those buffers are set at 20 percent, respectively, for the private recreational component and the for-hire component.

The landings history for the ACT and the ACL versus actual landings is shown in Table 1.1.1, which is on page 7 in the background section, and that goes through 2016. Since we had
sector separation the last couple of years, 2015 and 2016, the
private angling sector has exceeded their ACT twice and their
ACL once, and the for-hire sector has not exceeded their ACT or
ACL, and you can see that in Table 1.1.2, the next page down.
Those data are directly from the Southeast Regional Office’s ACL
monitoring webpage.

The purpose of this document is to examine looking at adjusting
the ACT buffer for the red snapper recreational sector or sector
components to a level that will allow greater harvest without
exceeding the component ACLs. The season length for both is set
based on the ACT, and obviously, with the private angling
component, we have exceeded that a couple of times, and, with
the for-hire component, they’re not actually -- The season
length isn’t long enough, it appears, to allow them to reach
their ACT.

The need is to allow the recreational sector components to
harvest red snapper at a level consistent with achieving optimum
yield while preventing overfishing and also to achieve more
accurate and fair implementation of annual catch targets and to
address social and economic impacts, keeping the respective
recreational red snapper fishing seasons open longer, while
allowing rebuilding targets to be achieved. At any point, stop
me if you guys have any questions.

CHAIRMAN GREENE: Mr. Diaz.

MR. DIAZ: I just have a quick comment. I like the purpose and
need statement that you have there, and I really like that you
put in there that we’re trying to be more accurate and fair, beca
because I think that’s the whole thing that I’ve been trying to
drive home in talking about this over the course of the last
nine or ten months.

CHAIRMAN GREENE: Thank you. Is there further discussion? Mr.
Rindone.

MR. RINDONE: Thank you, Mr. Chair. We only have one action in
here right now, and I’m looking for lots and lots of feedback
from you guys. Action 1 would modify the red snapper
recreational annual catch target buffers.

Alternative 1, obviously, does the opposite of that. It does
nothing at all and leaves it where it is, at 20 percent, for
both components. Now, Alternatives 2, 3, and 4 go about things
generally the same way.
Alternative 2 would set the ACT for the combined recreational red snapper sector at some percentage below or above the -- At some percentage below the recreational ACL. This is contingent on the final combined recreational landings estimates for red snapper in 2017 being within some percentage of the combined component ACLs, and so it’s dependent on what happens this month and next month.

Option 2a would set the combined ACT, and so it’s both sectors, at 25 percent below the ACL, in the event that the 2017 landings are at least 5 percent over the combined ACL. Now, in the opposite direction, Option 2b would set the combined ACT at 15 percent below, and that’s 5 percent below what it currently is, the combined ACL, so long as the 2017 landings are at least 5 percent below the 2017 combined ACL.

Option 2c would set the combined ACT 10 percent below the combined ACL, so long as landings are at least 10 percent below the 2017 ACL, and so, with Option 2a, it’s going to increase the buffer to 25 percent if the landings are at least 5 percent over. Option 2b, it’s going to decrease it to 15 percent, as long as the landings are 5 percent under, and Option 2c is it’s going to decrease it to 10 percent, as long as the landings are 10 percent under, and this is all contingent on the 2017 landings.

CHAIRMAN GREENE: Ms. Levy.

MS. LEVY: I just have a question about how b and c relate to each other. It would reduce it to 15 percent below as long as the 2017 landings are 5 percent below the combined ACL, but then it’s going to reduce it less, 10 percent, if the combined landings are 10 percent below, and is that right? Meaning you’re reducing it more if the landings are less below the ACL.

MR. RINDONE: No. If the landings are 15 percent below the combined ACL, then the new ACT -- Sorry. You would set the combined ACT 15 percent below the combined ACL if the landings are 5 percent below the ACL in 2017, and so you’re going to reduce it by -- You’re going to reduce the buffer by 5 percent, and so from 20 percent to 15 percent, as long as the landings were 5 percent under. 5 percent underage in landings equates to a 5 percent reduction in the buffer, and does that make sense? Okay. I have lots of thumbs-up now. Does anybody else have a question about how that math is working out?

CHAIRMAN GREENE: Dr. Stunz.
DR. GREG STUNZ: Ryan, just so I’m clear, and maybe it’s just me not following this, and so I’m wondering, sort of based on the discussion that we had yesterday, and so this just resets every year then? What happens in 2018 or 2019 or --

MR. RINDONE: That’s a wonderful question.

DR. STUNZ: Is there a way to build this in so you --

MR. RINDONE: To make it fluid like that, we could add to it, and you can guys can certainly request that. The way that this is set up right now is that, based on what happens in 2017, we would make a hard adjustment to the ACT. If you wanted it to be a more fluid adjustment, based on a moving average, we could look at something like that. By all means, propose some ideas. We’re a little thin on this, because we only have two years of landings data to look at, which makes landings-based data analysis more difficult.

DR. STUNZ: I guess I am not opposed to this, but there certainly are some challenges. One is if you’re using one year. We’re all well aware that there’s a lot of dynamics happening that could greatly influence setting something from 2017, and so building in some type of annual resetting, but then, complicating that, is we’re just getting those final landings in very late in the year, and so that’s same problem that we had yesterday, is do we use the year prior or something, since you don’t have these landings data in time to actually have as firm numbers as we might want, but I don’t know. I would be for setting some type of flexibility in here, so it’s not just fixed one year, since things are changing.

CHAIRMAN GREENE: Thank you. Ms. Levy.

MS. LEVY: I have a question about that, too. Last time, when we set the buffer, and I think the table is in here, but there was an analysis of what the buffer meant in terms of the percentage of exceeding the ACL, and so there was an analysis of, if you choose this buffer, this is the likelihood of exceeding.

Why aren’t we looking at that? Meaning, why aren’t we looking at a history and kind of figuring out what the appropriate buffer may or may not be or a range of alternatives, based on the probability of exceeding the ACL, and I guess I sort of have the same question about relying on 2017 as the only year that’s going to be the basis for deciding what the buffer should be, given that we do have some history.
MR. RINDONE: Really, we only have two years of history, because we've only been managing red snapper in the way that we currently are for two years, and so it's just an average with an N of two, and, because of that, using the ACT control rule to try to determine what the buffer should be is not functional, because the ACT control rule requires more years of data than just two.

What we’re stuck with is either using the average of two years, which we can certainly try to look at, but, again, it’s not very meaningful, because it’s just an N of two, or we can look at making adjustments based on what will trend to happen in the future, or, if there’s another way that you guys would like us to explore, we can look at that, too. I mean, we’re very early in the development of this.

CHAIRMAN GREENE: Ms. Levy.

MS. LEVY: I guess, and maybe I need to look back at the thing we did that set the buffers in place, but I didn’t think that was based on the control rule. Maybe it was, but I thought NMFS just did some analysis, and I realize that we had more years to put into that analysis, but I don’t think it was based on the control rule.

I am just suggesting that we maybe think of other ways to come up with what an appropriate buffer is based on what has happened and maybe what we think will happen, but I do see sort of an issue with this reliance on what’s going to happen this year. That seems a little bit difficult.

CHAIRMAN GREENE: Thank you. Is there further discussion? Mr. Rindone.

MR. RINDONE: Thank you, sir. Alternative 3 and 4 essentially do the exact same thing as Alternative 2, except Alternative 3 does it specifically for the private angler component and Alternative 4 does it specifically for the for-hire component.

Based on what we were looking at here, we thought you guys might prefer different options here, and the other thing is that you could -- If we were going to base this measure on what happens in 2017 only, then selecting multiple options would be something that you could do, and it’s kind of like hedging a bet and covering yourself, but it would be something that you could do.

CHAIRMAN GREENE: Dr. Ponwith.
DR. PONWITH: Thank you. Looking at this, one advantage of Alternative 3 that I can see is that it gives you some granularity, in terms of differences in burn rates. If the burn rates among those sub-components are dramatically different, it would be at least some sort of rationale for having those buffers be proportionally different.

CHAIRMAN GREENE: Thank you. Is there further discussion? Ms. Bosarge.

MS. BOSARGE: Ryan, maybe I am just missing it, but is there a table in here that gives the overall ACT and ACL percentages? I see, on page 2 of my paper copy, and I have no idea what that is electronically, but where you give the percent ACTs for 2015 and 2016, like by sector, by sub-sector, but do we give the overall anywhere? If not, could we add that?

MR. RINDONE: I can add the overall. That’s fine. I can just add a -- On Table 1.1.1, I will add a column that shows the percentage. To Dr. Ponwith’s point from before, and to what Dr. Stunz was saying, there might be some mingling that could happen there between those two ideas, if you guys wanted to explore something that was going to be more fluid, and you could have -- If you’re going to look at like a moving average, you could have multiple options in place to determine how the buffer would change based on the results of that moving average, and so that’s something else to think about.

Again, we’re looking for any and all input from you guys on this, and, like I said, with only two years of data, it does make it a little bit more difficult to come up with a solid plan moving forward.

CHAIRMAN GREENE: Mr. Diaz.

MR. DIAZ: Thank you, Mr. Chair. I kind of like the way Ryan has got it set up here, especially for Alternatives 3 and 4. I think there was some discussion around the table, when we talked about this at the last meeting, that what happens with one group affects the other group.

The way it’s set up here now is what happens in 2017, what that group actually experiences, what actually happens with that group, is what’s going to affect that group, and we have these things separated now.

I do like that concept and the way we’re going here, and so, if
one group happens to overfish, then we could set up the ACT based on that experience. If we look at historically how it’s happened lately, the charter/for-hire, two years in a row, has been 87 percent of its ACT and 88 percent of its ACT.

If they underfish again, then we could set it up based on the experience of that group, and, like I said earlier, I like the need statement, because it talks about us trying to be more accurate and fair, and so I do think it moves us towards before more fair.

The only other thing that I would like to comment on is it’s been said a few times that we only have two years of data, and I know we only have two years of data under sector separation. We have three years of data if you count since we put the ACT in, but the group was combined in 2014, and I realize that, and I do think that the private recreational group is harder to deal with, with only two years of data, and it would be preferable to have more data, but there is a lot of things that do not apply to the charter/for-hire sector that applies to the private recreational, when we start thinking about how complicated it is.

They’re not under a moratorium. They can’t fish in state seasons. There is no uncertainty about state-water season lengths, and there is no uncertainty about state-water catch rates. I mean, those are a lot of things that are very complicated for us to deal with, and it just does not apply to the charter/for-hire sector, and so, anyway, that’s all for now. Thank you, Mr. Chairman.

CHAIRMAN GREENE: Thank you, Mr. Diaz. Is there further discussion? Mr. Swindell.

MR. SWINDELL: You have to probably go back a little bit and explain to me, since we are trying to manage this in such finite terms, and we’re so close with allowable catches and so forth, especially for the private angler, that I am getting really concerned about it, and I should be. How does the ACL compare to the MSY for this fishery?

MR. RINDONE: We’re in a rebuilding plan right now, and, the way that the OFLs are trending right now, based on the rebuilding plan, is they’re actually higher now than they will be at the completion of the rebuilding plan. The OFL, once the stock has rebuilt, I think is going to be 12.8 million pounds, and so then you will have the ABC, which is 7.5 percent below that, and then the ACLs and ACTs and everything just keep branching off down
below those.

Once we’re rebuilt, all things being equal, no new -- If we assume no new stock assessment and no adjustment to the OFLs or anything like that, we’ll actually be catching fewer fish than we are right now.

Where the ACLs are right now, they’re all on track for us to rebuild when we are supposed to, so long as the sectors land their ACLs and they’re not exceeding what they’re allowed to catch, more so than the model permits them to catch, and so the model says you can catch X, and you catch no more than X, and everything is fine. If you catch more than that, then you need to go back and look at things again, because it will affect the rebuilding timeline.

MR. SWINDELL: But what is the overall maximum sustainable yield that we’re trying to get to?

MR. RINDONE: Give me just a second, and I will pull it up.

CHAIRMAN GREENE: Okay.

MR. SWINDELL: I am assuming that that’s what we’re trying to reach to. I mean, am I correct?

EXECUTIVE DIRECTOR GREGORY: Right, and we’re estimated to reach that level in the year 2032, but I don’t know what number that is relative to what our ACL is.

MR. SWINDELL: Well, I don’t think we should ever get away from knowing what the number truly is, because I mean you can rebuild things, and you’re going to go up and down as you rebuild, but you need to keep an eye on just where in the world are we trying to get and how many successes or failures are we going to have along the way, and so I’m just trying to understand clearly as to where we’re trying to get to.

CHAIRMAN GREENE: Mr. Rindone.

MR. RINDONE: To that point, what we estimate we’re rebuilding to is going to change as we update our stock assessments and our understanding of the stock changes and we add new data, et cetera, and so, in 2032, when the stock is supposed to be rebuilt, our fishing mortality should be a little bit lower than it is now.

For 2017, it was predicted to be 0.051, and, when the stock is
rebuilt, it should be at 0.05, and so just marginally lower, but, again, our OFL right now is 14.79 million pounds, and it will be 12.8 million pounds in 2032. It’s trending down to that lower equilibrium level.

When you’re talking about maximum sustainable yield, we’re defining that as the harvest rate for red snapper at fishing mortality at 26 percent spawning potential ratio, which is going to allow us — Which is what results in an overfishing limit of 12.8 million pounds, and so it’s more than that today, but we’re still on track to rebuild by 2032.

For those playing the home game, this is Table 4.9 in the SEDAR 31 update assessment, and I can send this to the admin staff to send to you guys, so you can take a look at it, but it shows you how the fishing mortality rate changes as we continue to rebuild and how the stock biomass continues to increase as we rebuild and what the overfishing limit should be.

When we’re talking about MSY, MSY itself is not a directed number of pounds. MSY for red snapper is defined as a proxy, which is the fishing mortality rate at 26 percent SPR.

CHAIRMAN GREENE: Thank you. Dr. Stunz.

DR. STUNZ: My comment is kind of just for the record. I mean, I agree, Ryan, that what you put here makes sense, sort of the baseline year and trying to work through that kind of stuff, but, looking from the Data Collection Committee and the data collection hat, I am wondering — We’re talking about just a few percentage points here, and I’m wondering if we’re trying to develop things that are not within the scope of the error of the data, and I don’t remember — Nick Farmer gave a presentation last time, and I remember something like 15 percent error, I think, or maybe it was 30 percent total in this entire recreational sector.

In other words, are we trying to do things that is outside of what we can explain with the data? That is sort of independent of this discussion, and we want to divide it up equitably, but I guess I just wanted to point that out, and maybe, as we’re proceeding further and Bonnie’s team is working on better data collection, that will help refine this, but now I don’t know — It seems that — Maybe the Science Center can correct me if I’m wrong, but these percentages we’re talking about here are sort of within our margin of error of what we know about the catch rates in those fisheries, and so I kind of question, do we have data at that refined level to even make some of these sort of
nuanced percentage changes?

CHAIRMAN GREENE: Thank you. Is there further discussion? Mr. Diaz.

MR. DIAZ: All I would like to say is we’ve got a public hearing tomorrow, and I would be curious to see what kind of public comments we get on the document. For me, I would like us to continue to work on the document, maybe incorporate some of the discussion that was had at this meeting into the document, and that would be my preference.

CHAIRMAN GREENE: Thank you. Dr. Mickle.

DR. PAUL MICKLE: Thank you, Mr. Chairman. Just a few points that I want to, I guess, discuss with the group. In reading this document last week, when I was going through it, I started running some numbers in some of the things that we deal with in Mississippi, and the variability in our fishery is increasing, because of the variability in seasons and catch rates.

We are learning a lot about the weather is probably one of the largest factors in our catch rates, and, when you get down to these ACLs and ACTs, the catch rate seems to be the one thing that I focus on the most, and I think a lot of us should as well, when we start going down the road of these buffer metrics and going down and identifying when we put the brakes on, but the good news is the data programs are getting better, and so I’m identifying all these high variabilities, and we all are, and then the data is starting to go down this much better road.

I think there is two parts to it, and I’m kind of torn as to the decision to make, or the example of this decision we’re at right now, and so that’s just something to think about.

CHAIRMAN GREENE: Okay. Thank you. Is there further discussion? Mr. Rindone.

MR. RINDONE: To Dr. Mickle’s point, perhaps something like a moving average would better smooth over some of that interannual variability, as opposed to picking a single point year.

DR. MICKLE: Yes, I would support that in the terms of now. Yes, absolutely.

CHAIRMAN GREENE: Okay. Thank you. Any further discussion? All right. Mr. Rindone.
MR. RINDONE: We only have one action in here, Mr. Chairman, but I will take direction back to incorporate an action or alternatives in some appropriate way that looks at a moving average, both for the entire recreational sector and for the components specifically.

CHAIRMAN GREENE: Okay. Thank you. All right. Any further discussion before we leave this action item? Okay. Seeing none, that will carry us on to our next agenda item, which will be the Draft Framework Action for Greater Amberjack ACL and Management Measures. This will be Tab B, Number 8, and Dr. Froeschke.

DRAFT - FRAMEWORK ACTION - GREATER AMBERJACK ACL AND MANAGEMENT MEASURES

DR. JOHN FROESCHKE: Good morning. This Tab B, Number 8, if you recall, you took a look at this document last time. At that time, it was a single-action document meant to apply an updated ACL based on the recent stock assessment.

After you looked at it, you decided that you wanted to reconsider some other potential management actions, and so we have added those to the document. Just for those of you who may not be familiar, we have assessed amberjack in 2000, 2006, 2010, 2014, and 2016. Every time, it’s been overfished and overfishing.

This time, the most recent stock assessment came back and the SSC recommended some reductions in ABC, and so Action 1 has options in it that would consider ACLs and ACTs that would reflect the reduction in the ABC, and so, before we get to that, I would like to have you just look at the purpose and need of this document. It is on page 8, 1.2.

The purpose is to adjust the amberjack rebuilding time, ACLs and ACTs, and to incorporate updated stock status information from the 2017 assessment. Then the need for this is to end overfishing and rebuild the stock. I would just make sure that everyone is comfortable with that before we get into the actions.

Taking no comments on that, let’s go to Action 1, Chapter 2 on page 11, Modifications to the Greater Amberjack Rebuilding Time Period, ACLs and ACTs, and what we have here are four alternatives, and I will just go through these one-by-one. Alternatives 2 and 3 have a couple of options.
Alternative 1, this is the no action, what we’re currently at, and the ABC is 1.72 million pounds, and the ACLs reflect that, based on the allocation of 73 percent to the recreational and 27 percent to the commercial. However, these ACLs exceed the recommendation for ABC from the current stock assessment, and so it’s appropriate to look at alternatives.

Alternative 2, there are two options, and Alternative 2 would set the ACL equal to the ABC, as recommended by the SSC, from 2018 through 2020, and there is a table on page 11. For 2018, the ABC would be 1.182 million pounds, and then the ACLs would be apportioned, again, off of the 73 and 27 percent allocation.

Currently, we have an ACT that we have by applying the ACL/ACT control rule, and so Option a would continue to do this and update it based on the most recent data, incorporating the overages from previous years.

That results in a 13 percent buffer for the commercial sector and a 17 percent buffer for the recreational, and so that would reduce the recreational ACT by 17 percent from the ACL, and it would reduce the commercial ACT by 13 percent from the ACL. Any questions on that?

CHAIRMAN GREENE: Any comments or discussion by the committee? Ms. Bosarge.

MS. BOSARGE: John, in the document, is there any way that on some of our tables that we can go a little further back in time, just because this is a species where I think we did our first amendment on it as Amendment 2 to the Reef Fish Plan, in 2002, based on a stock assessment from 2000, where we were overfished and undergoing overfishing, and this is 2017, and we’re still overfished and undergoing overfishing, and so, if we could kind of see a longer-term picture of where it was back in maybe the 1990s and see what happened and where we’re at, I think that gives us a little better idea of how steep of a hill we need to climb, to make our decisions on what we need to do. Thanks.

DR. FROESCHKE: Yes, I will definitely make that note to the IPT. 2000 was the first time that it was assessed, and so there’s no information in the 1990s that it wasn’t overfished, but it just wasn’t assessed at that point, but we will definitely make that recommendation.

CHAIRMAN GREENE: Thank you. Is there further discussion? Okay, Dr. Froeschke.
DR. FROESCHKE: Okay. Alternative 2, Option b, is the ACLs are the same as Option a. The difference is that you would not retain the ACT as a management target. You would retain the ACL as a management target, and so this would reduce or eliminate the 13 and 17 percent buffers. However, you would be right up against that cap, and there is a payback on this if you go over.

Alternative 3, instead of -- The difference between Alternative 2 and Alternative 3 is the increasing ACL each year is part of the rebuild. Alternative 3 would retain the earliest year, the 2018, at the 1.182-million-pound ACL and not automatically bring in those stepped increases. The rationale for considering this is that, again, this long history, and, for whatever reason, the stock hasn’t responded to management in the way that we thought, and so it just doesn’t seem to be rebuilding at the rate that we would expect it to.

For this one, we have the two options, where essentially you would apply the ACL/ACT control rule buffer and use an ACT, which would be Option b, or you wouldn’t with Option a. Any questions on this one?

If you recall, we did something similar to this in red grouper, where the stock assessment came back with results of large stepped increases through time. The stock was in good condition, and there was concern that, from on the water, that maybe the current conditions weren’t quite as favorable, and so you all elected to go with a constant catch at the lowest level recommended. Any questions on that?

CHAIRMAN GREENE: Are there comments or questions or discussion? I don’t see any, Dr. Froeschke.

DR. FROESCHKE: Okay. Then Alternative 4 would set the stock ACL at zero. This alternative obviously is the most severe. It is projected to rebuild the stock the most quickly, and it’s in there. If there is no questions on this one, I can go to Action 2.

CHAIRMAN GREENE: Thank you. Mr. Boyd.

MR. DOUG BOYD: John, just a quick question. In that last option, Alternative 4, it rebuilds by 2022. The other options have us rebuilding by 2024, around in there, and why doesn’t the stock rebuild quicker if you have no take at all versus when you have a take, just two years difference?

DR. FROESCHKE: Well, I mean, amberjack, the life history of
this, it’s a fast-growing stock, and it should rebuild quickly, and so the good thing is that none of these are on long rebuilding plans like red snapper, and so that’s the good news. The bad news is that we have been on these similar trajectories for a long time, and we just haven’t realized the -- It just hasn’t responded like we thought, but that’s our best estimate of how it is. Were you expecting it to be the ones that weren’t closing it to have much longer rebuilding relative to the complete closure?

MR. BOYD: Yes, that’s what I’m thinking. Either it ought to take longer than we think to rebuild when we have take or it ought to take a shorter amount of time if we don’t have any take. I am just trying to apply some logic, which doesn’t work sometimes.

DR. FROESCHKE: Yes, and, again, these are projections. I mean, to me, what it suggests is that the gains, the biological gains, of a total closure may not be all that good relative to what you would have to give up, from the fishery perspective, for two years or something.

MR. BOYD: Thank you.

CHAIRMAN GREENE: Thank you for that question, Mr. Boyd. I was thinking along the same lines as well, and so I appreciate the explanation there. Any further comments or questions? Okay. Dr. Froeschke.

DR. FROESCHKE: Okay. Action 2 has alternatives that would modify the recreational season for greater amberjack. If you recall, the last amendment, we put in place a June/July closure for the season. The rationale at that time was trying to keep a trophy fish, i.e., red snapper or amberjack, open for a longer period of time, and, at that time, red snapper was open during June and July, and so we closed amberjack and then tried to reopen it.

Well, it’s a different game now, in terms of red snapper, and so we do have some other alternatives that may either direct the effort during a different portion of the year, give you longer days, depending on what it is you’re trying to maximize.

Alternative 2 would mirror the March 1 to May 31 closure that’s in the commercial sector. The rationale for this is that is the period between March and likely June. That’s the peak spawning period, and so this would provide them some additional protection from fishing during that period.
Alternative 3 would modify the recreational closed season from March 1 to June 30. This would extend it out another month, which, based on more recent research, would likely capture the peak spawning period, and so there is some debate as to what peak spawning is, and it may vary through different portions of the Gulf. They have an extended spawning season, but we have tried to narrow this down to what we think is the peak.

Then Alternative 4 would modify the recreational closed season from January 1 through June 30. Mike Larkin prepared a decision tool, and he’s going to go through that here briefly. All of these options, keep in mind that the season would be closed prior to year-end if the harvest was expected to be reached.

For example, Alternative 4, January 1 to June 30, it likely wouldn’t -- It may not be open the rest of the year if the ACL or ACT, whatever you go with, is met before that, and so it could still close in November or December, something like that.

Just keep that in mind, and we can go through those in more detail on the decision tool, but I guess what we would like, from the IPT, is some guidance on what it is that you're trying to maximize. Do you want a longer season? Do you want the season in a different time of year? The decision tool is set up to maximize the number of days, but, if that’s not what you’re trying to maximize, then it may not be set up to get what you want, and so we do have some ability to modify those, if you give us some additional feedback. If there are no questions on that, I will go to Action 3.

CHAIRMAN GREENE: Okay. I have a few comments, but I will hold them until the end, and I will go ahead and let the committee discuss this first. Are there comments or discussion? Ms. Guyas.

MS. GUYAS: Thank you. I’ve got a couple of things. One thing I have heard from fishermen, just so far, is that maybe a closure early in the year would be better, just because there seem to be a lot of catch rates in January and February, and these early closures are really, really tough, and so there’s that.

Also, I think, depending on what comes out of this decision tool process, it might be nice to have a season or an option in here where we know that the season will be somewhat predictable, and maybe we can avoid an early closure. I don’t know if that means that we would set -- Just assume that we’re going to close on
December 31 and then work forward, given that we’ve had some late final data for the recreational sector lately, but I think that’s one thing I would be interested in, just going into looking at the decision tool.

CHAIRMAN GREENE: Thank you. Is there further discussion? Okay. I will share my comments at this particular point. I mean, I haven’t reviewed the decision tool, and I know we’re going to get into that, according to what Dr. Froeschke said, but the trophy fish idea was something what I had led the charge with back shortly after the oil spill, when we were having to deal with all of these closures at random times and trying to keep something open year-round. I just hate to have the Gulf closed to everything at one time. I just don’t think that’s productive or efficient, and this was something that I had pushed pretty hard back six or seven years ago.

I still believe that we need to have something open year-round for access, because, when the weather is pretty, I think people should be allowed to go fishing year-round. I don’t think it needs to be any different than that.

I do agree with Martha that we do need to look at potentially pushing back the opening later in the year, especially with the last couple of years with the high catch rates early in the year and so on and so forth. I do drive the boat every day, and I do change the oil on the boat, and, when I’m not doing that, I do clean fish, a lot of days, and I do think there is something to where that fish is at during the course of the year, as to when they spawn.

The last couple of years, when I have cleaned fish early in the year, I have seen large females that are full of roe in March and April, which is surprising, because it used to be that it was later in the year, and I don’t know if it has something to do with water temperatures or whatever, but it has been there, and I have seen it, and I do think we’ve missed something on that.

I was a big proponent for the June and July closure, because that was according to the science, and that was when they were supposed to be spawning, but I think it’s way earlier than that ever could have been, and so, in all fairness, I will come to you and say that I think that I was wrong in that, but I think that the closure should be sooner in the year.

However, I do think it’s paramount that we look at something. We will have the decision tool before us here before long, and I
would like to see something that would open up, potentially, August 1 and run through the end of the year. I think there is a lot of benefit to that, and I think having fisheries that everything opens on January 1 is the way that it’s been, but I don’t know that necessarily it’s the way it needs to be.

I think having fisheries that open later in the year provide access and opportunities to people, potentially, in different parts of the Gulf, and it’s something that we should consider. I am not going to make a motion at this time, but, at Full Council, I will probably make one to open August 1 and let it run through the end of year and go forward with that, and so, as Chairman, I’m just letting you know that I don’t intend to make any motions, but, when we get to Full Council, that’s probably my intentions. Does anybody have any comments? Mr. Walker.

MR. WALKER: Thank you, Mr. Chairman. I was just going to add some comments. I had some communication with the recreational fishermen who have children in school that like to go fishing, and a lot of times they can’t go on the weekends, and a lot of times they can’t go during the weekends when school is in, because of activities with school, and they had mentioned that they would like to see it opening sometime in the summertime, when the kids were out of school, so they would have the opportunity to go. Maybe, if it’s not the weekends, during the week or some other time, but I would just like to pass that along.

CHAIRMAN GREENE: Thank you. Is there further discussion? Okay. Seeing no further discussion, I will turn it back over to Dr. Froeschke.

DR. FROESCHKE: Okay. Thanks. Next, I would like to go to Action 3, and this one has some alternatives that would modify the recreational minimum size limit.

Again, if you recall, the last time we did amberjack, a couple of years ago, we increased the size limit from thirty inches to thirty-four inches, and the rationale was -- There is a table in here, and it’s Table 2.2.1, which shows the proportion mature, and so, the thirty-inch size limit, what you will see is that you’re harvesting immature animals. Only 11 percent are estimated to be mature at that size.

Given that the stock is overfished and experiencing overfishing, you all elected to increase that up to thirty-four inches, to allow a larger proportion of the stock to mature before entering the fishery. That was implemented in 2016. The commercial,
just for your information, is thirty-six inches minimum size limit.

In 2016, we had a large overage in the ACL, and that resulted in a very early closure in 2017, because of the payback, and so we’ve already closed it, and so there was some discussion that did this increase in minimum size drive up the size of the harvested animals, meaning that we reached the ACL much faster than we anticipated, and so we looked at that a little bit, and so that’s sort of the reason that we have some alternatives in here of, well, maybe if that’s the cause, then lowering it back down may reduce that problem.

There is a couple of figures in here. 2.3.1 shows the average weight of amberjack harvested by sector through time, and so what you will see is that it’s a fairly noisy time series. 2016, again, is the only year on this with a thirty-four-inch minimum size limit in here. It’s trending upward, I guess, but it doesn’t seem to be out of the range of the noise of the previous data, and some of this, to note, is fairly noisy. It’s based on fairly low sample sizes, and so it wasn’t as insightful as we had hoped.

Figure 2.3.2, again, is a histogram-ish chart denoting the size of percentage of animals at each size limit landed between 2013 and 2016. In 2016, you do see a bump upwards, at the thirty-four-inch, but, again, there wasn’t anything -- There was no smoking gun here, suggesting that that was the culprit, if you will.

I looked at some of the MRIP data, the numbers of fish, and it appeared to be more influential than size, and so it wasn’t clear to me that, based on what we have, that changing the size limit was the driving factor in the increased harvest in 2016. Are there any questions or comments?

CHAIRMAN GREENE: Is there discussion by the committee? Dr. Crabtree.

DR. CRABTREE: Given that we just set the size limit in mid-2016, I don’t think enough time has gone by to be able to tell any meaningful analysis of what it’s done, and so my advice to you would be to leave the size limit where it is and take this action out of the document. I just don’t think it’s productive for us to keep moving size limits around every year, and so that would be my suggestion to you, that we remove Action 3.

CHAIRMAN GREENE: Thank you. Is there further discussion? Ms.
MS. BOSARGE: I went to the SSC meeting, as the liaison, at the meeting where they went through the stock assessment, to give it their blessing, and it was a very in-depth discussion, and so, having gone to that, I also tried to -- Because you know me. I like to read everything, and so I tried to read the stock assessment.

I say tried, because I made it through most of it, but I am not sure that I understood all of it, and so I guess I just kind of wanted to summarize, for the council, that learning process for me and what I saw and hopefully what may can get us to a point where we get this fishery back out of a condition where it’s not overfished and undergoing overfishing.

As I mentioned before, we assessed it for the first time, I think, around 2000 or 2002, and that assessment said, well, as of 1998, we’re pretty confident that you were overfishing and had an overfished stock, and so we started a rebuilding plan that was implemented in 2002.

Essentially, what we did there was the council said, all right, well, let’s have some seasonal closures, both recreational and commercial, to try and get this thing back on an upward trajectory. Well, as we know, that didn’t work, and we had to update our rebuilding plan and try and do something different, because the next stock assessment, in 2006, I think it was, said, nope, you’re still overfished and undergoing overfishing, and so, in 2008, in response to that stock assessment, we said, all right, we’re going to cut these quotas, and we cut them hard. We reduced the quotas by about 40 percent, so that we wanted to reduce the number of fish that we were killing by about 40 percent, and so that was in 2008.

We got a new stock assessment a few years later that said, nope, still overfished and undergoing overfishing, and so we cut the quotas even more, both commercially and recreationally, and so, as we were going through this process, in that SSC meeting, I said, well, you know, my goodness, we’ve done everything we can do. We have cut the fishermen back, and we’ve got a stranglehold on them, trying to rebuild this fishery, and what are we doing wrong?

I think this table on page 17, that proportion of mature females, all I can figure is that maybe that’s our smoking gun. Maybe that’s where we’ve been going down the wrong path. Prior to 2016, we had a thirty-inch size limit, and only 11 percent of
those fish have ever had a chance to reproduce and make babies and contribute to growing the population.

We spent a lot, a lot of years killing babies, and now we did change that, in 2016, to the thirty-six-inch size limit, and so now 97 percent of those fish have a chance to reproduce before we land them.

Now, as Dr. Crabtree said, that really -- We haven’t had a new stock assessment since then, and it’s only been one year with that, and maybe we do have wiggle room if the for-hire sector is having some issues, and I don’t know, because 85 percent of them are mature at thirty-four inches, and so that’s still a pretty high percentage, but I’m hoping that maybe that is where we’ve been going wrong.

We just were harvesting immature fish for too many years, and, now that we’ve changed that, maybe in our next stock assessment, since these fish do grow pretty quickly, hopefully we’ll see it, but I just wanted to give you a quick synopsis of what I heard there and my take-away from it and hopefully how we can get it headed in an upward direction.

CHAIRMAN GREENE: Thank you. We’ve had pretty good discussion. Does anybody else want to weigh in on size limit or any other alternatives? Dr. Froeschke.

DR. FROESCHKE: Just a couple of comments, and then I would let Mike do his presentation about the decision tool. What I would like to get from you on this document, before we move, is some recommendation on the range of alternatives and actions in the document, if you wanted to remove an action or if you’re satisfied with the alternatives, such that we can complete the document and bring it to August for potential final action. That’s what we have on the schedule, so we can get something implemented in 2018, and so just keep that in the back of your mind.

CHAIRMAN GREENE: Thank you. Any further discussion? Dr. Froeschke, you said we have a decision tool, and I believe it was put online yesterday, and is that correct?

DR. FROESCHKE: Yes, and Mike is ready.

PRESENTATION OF DECISION TOOL

DR. MIKE LARKIN: I am going to go over the recreational decision tool for the Gulf of Mexico greater amberjack. First
of all, I know you guys already talked about this, and so I’ll go over this pretty fast, the rationale.

The Gulf of Mexico greater amberjack stock is experiencing overfishing and is overfished, based on the recent assessment. Additional management measures are needed to rebuild the stock. The framework action is proposing a range of ACLs and ACTs and changes to seasonal closures and size limits.

I apologize that this slide is kind of a mess, but the fishery, with all the closures, has been a mess, trying to determine what landings would be if we didn’t have all of these closures like we’ve had in recent years, as well as that June and July closure.

I am going to try to give you the baseline of what we predict the future landings would be if you did keep it open all year, and so the real reasoning behind this is really to assume that recent landings is a reflection of future landings, and so, in trying to look at the most recent years of complete data for the whole year, and so, for the first two waves, the January/February and the March/April, I took the average landings by wave from 2014 through 2016. The stock was open during those three years, but I first have to point out that all of these landings were modified, the landings before 2016, because we had the new size limit in 2016.

These landings were modified by taking the reduction, a small reduction, but a reduction of harvest from increasing the size limit. In 2014 and 2015, they were back to thirty inches, and what is now 2016, we have the thirty-four-inch fork length size limit.

I am going to go through these little waves, and then down here is -- The figures on the bottom are to try to show you -- The red, dashed line is the predicted landings, and so, real quick, for the January/February and March/April waves, take the average landings from 2014 through 2015, and then May and June is tricky, because we’ve had that June and July closure, at least since 2011.

What I did for that was I determined the daily catch rate from taking the average landings from 2014, 2015, and 2016 in May and then applying that daily catch rate to June, because I didn’t have any landings in June, because June has been closed, and so the assumption behind that is that the daily catch rate in May is the same as it is in June, and then I added the May landings and added the June landings.
Then, in July and August, I had to use a different time series, because it was closed in August in 2014 and 2016, and so the most recent years of complete data are 2012, 2013, and 2015, but, in this one, it’s kind of the same setup, and so we’re looking at the landings in August, and we’re looking at the daily catch rate, taking the average of 2012, 2013, and 2015, and applying that daily catch rate to July, because -- Just a quick reminder that it’s been closed in June and July.

That’s why, if you go down to that red, dashed line, if you kind of follow it along here, you can see, for example, in January and February, it’s kind of in the middle of the recent landings, and 2016 is pulling it up, because, in recent years, the landings have been really high.

Also, in the March/April, that red, dashed line is being pulled up again by those 2016 landings, which are high, but, in May and June, you can see that red, dashed line is above the other lines, because keep in mind those other ones were just landings from one month. They were just May, whereas that red, dashed line is the landings from May and June, and, again, in that red-dashed line above, that July/August, that is incorporating landings from July and August, where the other ones just had landings in August, because of that June and July closure.

Then, for September/October and November/December, we had to go further back in time, when the stock was actually open, and so I had to take the average of landings from 2011 to 2013, and you can kind of follow the red, dashed line to see what the predicted landings would be.

Also, I had to use preliminary 2016 landings, because we still don’t have final 2016 landings yet, and so I do think it will change. I don’t think it will change dramatically. I looked briefly between the final and the preliminary landings, and they could change 1 percent, or they could change as much as 10 percent, but, when we do have the final 2016 landings, I will incorporate that, and I do expect a change, but I’m expecting it to be relatively small.

The decision tool was basically developed to allow you to evaluate these different seasonal closures, which you folks were talking about earlier today. Some caveats for it though. The decision tool does not account for effort shifting. If you closed everything and just let everything open in January, does everyone suddenly fish in January? That’s certainly something to keep in mind, effort shifting.
It does not take into account changes in average size during the stock rebuilding and changes in fishing effort, and so there are caveats to the decision tool.

The basic equation behind it is projected landings -- We actually break it down by mode and month in the decision tool, and so mode meaning break it down by charter, private, and headboat, and then you take the predicted landings and times it by OM. OM is essentially the percent of the month open to fishing.

If you close half the month of August, then the landings for August will be reduced by half, by 50 percent. If you close it completely, then those landings in August will be zero. 100 percent of it will be closed.

Then I also have a little feature at the bottom. I’m going to show you the decision tool in a minute, but, at the bottom, I also incorporate some data on discards and total removals. I go through a quick example here. If you have predicted landings of let’s say it’s 400,000 pounds, and then you choose a seasonal closure that reduces their total landings down to 350,000 pounds, 50,000 pounds are discarded.

The way this works, discards, it assumes that the harvest is going to continue, but instead of -- If you close a month, instead of it being harvested, now they’re released, and those released pounds are converted to fish by dividing by the average weight. You get the recent average weight from the recent assessment, and those are discarded fish.

Then those discarded fish are multiplied against the discard mortality rate, which is 20 percent from the recent assessment for the recreational sector, and then you get dead discards. That is the number of fish discarded times the mortality rate.

I also have a feature, down at the bottom, if you want total removals, which is your dead discards plus the number of fish landed, and so, if you wanted to look at the total fish dead from everything, from harvesting and from dead discards, and so I’m just telling you the math behind that, which I will show you the decision tool, and so I’m going to jump over to that real quick.

Really, I am sure a lot of you guys have seen this before. If you want to go through and change -- If you want to change seven days in February, or if you want to keep February completely
open, or if you want to -- It takes a second for it to kick in, but let’s say that you want to close April and May. Anyway, you can see the predicted annual landings changes, and the recreational landings by wave for each month changes, and then you can go down and look at how do these landings compare to the ACL.

I have the Alternative 1 ACL listed here and then the Alternative 2 and 3, Options a and b. They’re actually the same for the recreational sector, the same ACL. You see there that 862. Then you can see, based on the seasonal closures you chose, is it above the ACL? In this case, it is. You can see, the one I just picked, it’s 27 percent above, and 85 percent above the Alternatives 2 and 3 ACL.

Then, down here, I have the ACT, the Alternative 1 as well as the Alternative 2 and 3 ACTs listed there, and you can go through and see is it above the ACT, yes or no, and then the next step down here is your predicted closure date, when the ACT is met. In this case, it would be August 12 for the Alternative 1 ACT, and the Alternative 2 and 3 ACT would be July 3, the number of days in the season open.

Then, over here, it’s just -- This figure is modified every time you change the seasonal closure, and so the top black line, the dashed, black line, is the Alternative 1 ACT. Then the green, dashed line is the Alternative 2 and 3 ACT, and so you can see how it lines up there against those. Then the landings are tracked per month.

Then, down here, it’s that stuff that I just went through, if you did want to look at total discards, total number of dead discards, chosen on your different seasonal closures, as well as the total landings, if you want numbers of fish, and then total removals, which is the combination of the dead discards as well as the number of dead fish from the harvest. That’s it, and I would be happy to answer any questions about this decision tool.

CHAIRMAN GREENE: Thank you, Dr. Larkin. Any questions or comments about the decision tool and the presentation? Okay. I don’t see any. Thank you, Dr. Larkin. That gets us through the amberjack thing. Is there anything else that we want to offer Dr. Froeschke in regards to amberjack before we leave this agenda item? Mr. Anson.

MR. ANSON: Well, picking up on what Dr. Crabtree said earlier about the action item dealing with the minimum size limit, I think, as he stated, we’ve only had really one year of working
the recreational fishery with that thirty-four-inch size limit, and I think it would be a little premature to try to adjust that or tinker with that right now, and so I would suggest moving that action to Considered but Rejected. That would be a motion. Motion to consider that action dealing with the recreational size limit to Considered but Rejected.

CHAIRMAN GREENE: I think everyone understands the motion, as they’re getting it up on the board. Is there a second for the motion? Dr. Frazer.

MR. ANSON: It would be Action 3 to Considered but Rejected.

CHAIRMAN GREENE: We have a motion to move Action 3 to Considered but Rejected, which is the -- There is it in front of you. It’s to modify the minimum size limit, and it was seconded by Dr. Frazer. We did have some discussion around the table about this. Is there any further discussion? Ms. Guyas.

MS. GUYAS: I agree with a lot of what Leann said and what’s been said around the table already, and I think we all understand that this -- When we did bump the size limit up from thirty to thirty-four, that was kind of painful for people, but I do think that this is probably something that we need to do and just hold the course for the time being, until we get another assessment and see what the results were of that, and it just seems like this is what we need to do.

CHAIRMAN GREENE: Thank you. Mr. Diaz.

MR. DIAZ: I agree with Martha and most of what’s been said, and I don’t know that I am in favor of doing anything with the size limit. My only hesitation is this document is in a pretty early stage, and we do have some public comments that -- We’re going to take public testimony tomorrow, and that would be my only hesitation, is maybe leave it in there, now that there’s a document, and there are some tables for people to analyze that wasn’t there before, and that would be my only hesitation about taking it out at this point. Thank you.

CHAIRMAN GREENE: Thank you. Point well made. Any further discussion? We have a motion on the board, and it was seconded. We’ve had discussion. Is there any opposition to the motion on the board before you? Seeing one in opposition, the motion carries. Is there any further discussion? Is there anything else on amberjack before we leave and move on?

DR. FROESCHKE: Just so everyone is clear, we will complete the
document, based on your recommendations. We will do our normal outreach things, and we will bring a document back that you can consider for final action in August, which means that you will need to select preferences at that time, and potentially take final action, in order to get it implemented in January, and so that’s the schedule.

CHAIRMAN GREENE: That’s a great question by Mr. Anson, that, if we’re going to send it out to the public, if anyone wishes to choose any of these as a preferred, this might be the time to do that. We are kind of under a time crunch with this, if I’m correct. Mr. Gregory.

EXECUTIVE DIRECTOR GREGORY: Just a little clarification. Framework actions, we don’t normally take to the full run of public hearings. We do a video and do an online webinar.

CHAIRMAN GREENE: Yes, and I think Mr. Anson was saying to just kind of select preferences to show our intent, regardless of what type of an action it was, and I hate to speak for Mr. Anson, but is that correct?

MR. ANSON: Yes, that’s correct. Dr. Froeschke had mentioned the timeline, in order to meet obligations to get this implemented for next year, and I think it might be best, before it goes out for the public review, to let the public know where the council is leaning, relative to each of the action items and the alternatives that are provided.

CHAIRMAN GREENE: Okay. I think that may be something that we need to do at Full Council, because we are going to get public testimony. I am going to add another alternative at Full Council as well, and I want to make sure that that’s considered for a preferred alternative. Ms. Guyas.

MS. GUYAS: I agree with you. I think maybe after we get public testimony, but I was going to make a motion to add your suggestion here, and so I will make a motion to add a new alternative that would, I guess under Action 2, that would modify the recreational closed season to January 1 through July 31, and I can explain more if I get a second.

CHAIRMAN GREENE: They are getting the motion up on the board. I believe that is correct as written, and is there a second for this motion? It’s seconded by Mr. Sanchez. Is there discussion? Ms. Guyas.

MS. GUYAS: This was Johnny’s idea here. Just looking at the
decision tool, it does look like, if we set an opening starting
August 1, the fishery could potentially run through the end of
the year, which would be positive. It would be nice to have
some predictability here with this fishery, since it’s been so -
We’ve had these wild closures the past few years, and I know
that’s really -- That’s tough on a lot of businesses that rely
on this fishery, and so this may give us a little bit more
stability.

CHAIRMAN GREENE: Is there further discussion? Dr. Frazer.

DR. FRAZER: I just looked at that decision tool though. If you
move that back, to address David’s concern of getting people to
fish in the summer, if you move it back to July 15, you still
stay under the cap, and I so I would adjust that.

CHAIRMAN GREENE: Thank you. We have a motion on the floor, and
it’s been seconded. Is there further discussion about the
motion? Seeing no further discussion, is there any opposition
to the motion on the floor before you? Seeing no opposition,
the motion carries.

We are trying to decide at this point, now that we’ve added an
alternative, and I understand that the document will be updated
accordingly, and we’re working within a time, and does anyone
feel comfortable in picking a preferred alternative in Action 1
or 2 or 3 at this particular point?

I know it seems a little premature, and I’m not trying to be
pushy, but I know that we have a time constraint that’s coming
in. We can do this at Full Council if you feel more inclined at
that point, but I’m just trying to do as much work in committee
as possible, because I’m sure, by Thursday, all of us will be
ready to get out of here, and so it’s one of those things. Ms.
Bosarge.

MS. BOSARGE: I think, at this meeting, we’re going to need to
pick some preferreds, if this is scheduled for final action at
our next meeting. If we’re going to have public testimony
tomorrow, I really think it would probably be good to have our
preferreds today, so that the public can see what we’re aiming
for currently and give us some feedback on whether they think
that’s going to work or what the issues may be with it.

CHAIRMAN GREENE: Mr. Matens.

MR. MATENS: Thank you, Mr. Greene. Of course, I am not a
professional in this field, but I really would like to hear some
Discussion from one of the professionals about these things, specifically Alternative 3.

CHAIRMAN GREENE: Okay. Point well taken. I will encourage you, as a committee, that, when we get to Full Council, let’s pick some preferreds, after we hear public testimony, and move on. That way, we can try to stay within the parameters we need to move this document forward. Ms. Levy.

MS. LEVY: Just when you’re thinking about what you might want to select for Action 1, in terms of the rebuilding timeframe and the catch levels, I would just encourage you to think about the requirement that it be as short as time possible, taking into consideration the needs of the fishing community.

Not only looking at what the catch levels would be, but looking at how that correlates to the rebuilding time and then thinking about your rationale for selecting any one of those alternatives. Thank you.

CHAIRMAN GREENE: Okay. Thank you. All right. If there is nothing else for amberjack, we will move on to our next agenda item, which will be the Report of the Ad Hoc Red Snapper Private Angler AP. In conferring with Madam Chair Bosarge, we’re going to go ahead and take a fifteen-minute break, because I’ve got a feeling that, once we get into some of these other items coming, it might be best that we stick to it, and so let’s go ahead and take a fifteen-minute break, and we will pick back up at 9:30 sharp.

(Whereupon, a brief recess was taken.)

CHAIRMAN GREENE: We are going to go ahead and start with our next action item, which will be Report of the Red Snapper Private Angler AP, and this will be Tab B, Number 9, and, Dr. Froeschke, whenever you are ready, we are ready.

REPORT OF THE AD HOC RED SNAPPER PRIVATE ANGLER AP

DR. FROESCHKE: Good morning. Tab B, Number 9, this is the summary of the Ad Hoc Red Snapper Private Recreational Advisory Panel meeting. It was a long-awaited meeting that we had in New Orleans. I think, on the first day, we had at least six council members there, in one capacity or another, and so thanks for the interest.

We had a large panel, with almost all new members, and our strategy for the meeting was we tried, myself and Emily and
others, tried to provide them some background information about management, red snapper, the MSA, the council process, and things like that, and we tried to illustrate the problem, as we understand it, and tried to get them to hone in on some ways that we could extend or improve federal access.

We presented a series of presentations and things, and the AP was extremely skeptical of the data and the process that goes into the decision-making process, and so what happened, instead of making specific recommendations on how the fishery could be improved, it was their opinion that they didn’t have sufficient background information in order to provide that guidance at that time, and so they made some specific requests for presentations at an additional meeting, to provide them some what they felt was required background information before they could make any recommendations.

On page 2 of the summary, there are some bolded terms, and so fishery-dependent data, and then I have some bullets under there of things that they specifically requested, and then, below that, is a little bit of rationale.

If this was the route that you all wanted to go, that’s something that we could identify the right people and things and do that, but they did -- Essentially, the data, the MRIP, how these things are done, how they’re calculated, what are the inputs into the stock assessment process and how this -- There was some discussion that, while this may be interesting to the panel, it may not help them provide a longer season or something, but they were also interested in the role of economics and potential legislative options outside of the council process, and so they requested some information about that.

There was a lot of discussion about allocation or reallocation, both how the allocation was initially determined between the commercial and the recreational sectors and how the sector separation part was done. We did our best to provide this information, as we have it, and we did provide them a lot of information, but this is what they requested, and so I would open the floor to discuss.

CHAIRMAN GREENE: Thank you. Is there discussion? I wasn’t at the AP meeting. I know there was a good many of you there. Any discussion? Mr. Anson.

MR. ANSON: Well, I attended the meeting, and it was a good meeting, and there was lots of participation among the AP
members, and, as John mentioned, they asked for a lot of
information, and some of this information may seem kind of
basic, I guess, to us sitting at the table, or even people out
in the audience that normally attend and travel with us
throughout the Gulf, but most of these people that are on the AP
aren’t engaged as deeply as we are.

They came into the meeting with some information, but some of
that information may not be correct, or they may misunderstand
it, and so, in order to help frame the issue relative to our
perspective, the introduction and the summary information that
John and staff had provided was a good starting point, but, for
them to make any progress, they made it very clear that they
would like some additional information that, again, on the face
of it, might not seem to be important relative to the question
or task at hand, but it will help them kind of get to our place,
I guess, to help understand what we have to deal with relative
to the requirements in Magnuson-Stevens.

I think, if it’s of the council’s intent to keep that AP going,
that we try to support them and provide them the information
that they had requested.

CHAIRMAN GREENE: Thank you. Dr. Crabtree.

DR. CRABTREE: I was at that meeting, and we have this Marine
Resource Education Program, and a lot of you have been there and
seen it. That’s what these guys need, and we can’t do the full
program with them, but they essentially need a morning spent on
how assessments work and the data and all the pieces, and then
they probably need an afternoon that goes through the Magnuson
Act and the management process, kind of an abbreviated version
of that, because they need to have a better understanding of
what’s going on before we’re going to be able, I think, to get
to a productive outcome.

CHAIRMAN GREENE: Okay. Thank you. Ms. Guyas and then Mr.
Swindell.

MR. SWINDELL: Did they elect a chairman? I didn’t see a
chairman listed here of their committee at all. Was anybody
selected that they appointed, or did we appoint one?

CHAIRMAN GREENE: Charlie Caplinger is the Chair, and Troy
Williamson is the Vice Chair. Ms. Guyas.

MS. GUYAS: I am supportive of doing some kind of abbreviated
MREP or giving these guys what they need. I certainly can
understand that they don’t understand all the sideboards that
come with the council process and MSA and all these other
things, and, in my mind, this was probably going to be an
advisory panel that’s going to have to meet several times to
really understand and be able to dig into the issues and work
through them. It’s going to take time, and so I’m fine with
proceeding with getting them together again and helping to get
them the information they need.

CHAIRMAN GREENE: Mr. Walker.

MR. WALKER: Thank you, Johnny. I am just going to echo what
Roy and Martha have said, that MREP is of great value. I was
there last year, and we had some folks that came there that kind
of had a -- Some of them seemed to have kind of a negative
feeling, and, after the meeting was over, it was kind of like a
light went off, and they were like, I get it. I understand how
it works now, and kind of one of the things that we kept hearing
at the end of the meeting too was more funding will help, too.

CHAIRMAN GREENE: Thank you. Emily.

MS. MUEHLSTEIN: Thank you, guys, and I’m sorry to interrupt.
However, I just wanted to let you know that MREP has actually
talked about coming up with some sort of abbreviated program
that is sector-specific, and so, if it is the pleasure of the
council, I can talk to the MREP folks, and we can potentially
consider having them sort of come in as a third-party to work
with this advisory panel specifically, and so I haven’t talked
to them about it, because it’s the first time I’m been hearing
it from you guys, but I can have that conversation, if that is
the pleasure of the council.

CHAIRMAN GREENE: Thank you for that, Emily. Dr. Crabtree.

DR. CRABTREE: I mean, that sounds good. I think the thing to
think about though is how are we going to pay for that, because
we’re going to bring in a lot of people, and I think part of the
discussion is how much funding is available to go into this.

CHAIRMAN GREENE: Mr. Gregory.

EXECUTIVE DIRECTOR GREGORY: Minimal, given the budget
situation, but the MREP people organize the workshops, but they
don’t do the teaching. It’s the FWC and National Marine
Fisheries Service people that do the instruction, and so we can
do this piecemeal, easily, without expending any excess money.
CHAIRMAN GREENE: Thank you. Dr. Froeschke, did you have your hand up?

DR. FROESCHKE: Just one observation. I think one thing that was difficult at the meeting, and we tried to frontend the information, and, from our understanding of the situation, it’s that there is the data thing, and there is a lot of uncertainty and skepticism and other things about that, but, in totality, it seems unlikely that resolving the data alone would make a drastic improvement in the management.

There is going to have to be some cuts to the meat, either bag limits or a different paradigm, and we struggled to move the AP to have that conversation, and I am not certain how we could get them to discussing those things, if more information about the data will lead naturally to more discussion about the other things that they probably need to talk about in order to make a meaningful difference in the access.

I don’t know if there is any guidance that you could give us on how to do that and then if you want us to have a meeting and when and those kinds of things.

CHAIRMAN GREENE: Thank you. Is there further discussion? Mr. Anson.

MR. ANSON: Well, to answer, or attempt to answer, John’s question, you know, I think, when you formulate the agenda for the next meeting, and maybe it, again, will be a day-and-a-half or two-day meeting, and I understand these guys have jobs, for the most part, and it’s difficult to take time off, but, you know, in order to have even an abbreviated rundown of the questions or to address the questions that they came up with for the first meeting, it’s still going to take some time.

They’re going to need to process that, and, you know, whether that’s a one-day meeting, but then you’ve got the extra travel costs to bring them back for another day, but a two-day meeting, potentially, again, with the summary, and I think it was also suggested that they have some of the stock assessment folks that can answer some of maybe those more technical questions, if they have an MREP-type -- An abbreviated MREP program.

It’s going to be a half-day, a good half-day, you know maybe three-quarters of a day, to answer the data questions, and then they probably could at least start getting to those issues, and that’s about the only comment I can provide, John. I can’t give you any direction as to, at this time, as to what things that I
would do or what agenda items I would add on there specific to get to where you want to get to.

CHAIRMAN GREENE: Okay. Thank you. Is there further discussion? Ms. Bosarge.

MS. BOSARGE: I attended that meeting too, and I attended in-person the first day, and then I listened via webinar the second day, and I was very encouraged. There were a lot of great questions.

I will say one thing, feedback, is, as we formed that AP, or the ad hoc, we had a lot of discussion about whether to set that up like our other APs, where it’s a pretty diverse group, as far as a cross-section between private anglers, for-hire, and commercial, and maybe even some environmental-type interests, and we had a pretty heated discussion about that, really, and we decided, no, that this would be a group of private recreational anglers only, and, when I went to that meeting, and I was kind of on the fence about that.

I thought, well, but, you know, maybe it could help to have some of those perspectives in there, but, when I went to that meeting, I have to say that, our private angler representatives around this table, you were absolutely right. It was wonderful to have a group of pure private anglers for that first meeting.

You could just see they were all on the same wavelength, and I was even able to kind of get into that wavelength, even me, coming from the commercial sector, but so it was. It was very refreshing, and I really loved the conversation that they had.

One of the questions they asked -- As they were getting their presentations, they were trying to give some background as to how we got to where we are, right, and sometimes -- Around this table sometimes, I think, well, I can’t see the forest for the trees, because I’m so bogged down in the details.

When they gave this presentation, I really kind of stepped back and took a 30,000-foot view of this, and what they were telling the group was, well, you know, traditionally, when you’re catching too many fish, when you’re overrunning your quotas, one of the first traditional management measures that we take is to cut the season back. Usually, when you cut the season back, it will reduce your landing, right, which was our goal.

Unfortunately, in this case, red snapper is such a popular fish for private anglers that, as we’ve cut that season back, we’ve
seen an effort compression, right, and so they go out there and fish just as hard, but they just do it in a shorter number of days.

So somebody asked the question of, well, you know, and we showed a graph, and, you know, you can imagine what it looked like. It kind of went like that, with time and landings, and so number of days, season days, time, and landings, and somebody said, well, you know, if it rolled up that way when you cut the season back, would it unroll the same way, and I thought, well, it’s a scary question, but it’s a good question. It’s a very insightful question. I am a little scared to even bring it up, because the ramifications, if it didn’t unroll that way, would be pretty bad, but I think it’s something we ought to at least look into.

We ought to ask for some data of how much -- As we’ve cut the season, what’s the effort compression versus what is the actual increase in effort, overall effort, because surely there is also some overall effort increase, right, and see if we can’t somehow parse that out and feel comfortable enough with that data to at least take a look at it and see what it would mean.

Obviously you couldn’t just unroll it with no safeguards. I mean, we have worked since what -- I think it was -- Where is Andy Strelcheck? Is it 1998 that we had a 2 percent SPR in this fishery, somewhere around that?

MR. ANDY STRELCHECK: 1990.

MS. BOSARGE: 1990, okay, and this is 2017, and so we’ve worked a long, long time, and it’s been tough for all fishermen to get us to the point where we are rebuilding and we are on a good trajectory.

The fishermen aren’t in a good place, but the fish are, but I think we should take a look at that. I think we should ask for some data on it, maybe have a presentation at our next meeting, and see if it’s even plausible, with enough safeguards built into it. There would have to be a lot of cooperation, maybe even from some state data collection programs. You know, if that was to happen, you would probably have to have a trip number before you left the dock. You would have to report your landings, things like -- You would have to have some sort of monitoring that could be closer to real time and not six months later, right?

Anyway, I think we should look at it. That’s my two-cents. There is tons of holes that we could poke in that idea. There’s
a lot of scary things about it, but I think it might be worthwhile to at least look at the information.

CHAIRMAN GREENE: Thank you. Dr. Stunz.

DR. STUNZ: I agree, Leann, with what you said, and there’s been -- Some of us have been saying that for a long time, that, you know, to some extent, the effort is not always coupled directly to the season length. You know, you wake up with four to six-foot seas, and you don’t go when there’s a thirty-day season, but, in a three-day season, you’ve got to go.

I talked with Roy some, and, to me, and we talked for a long time about this 20 percent buffer and rolling over, and, to me, this seems like a really good option of what to do with some of those buffer fish. For example, you could do some of those scientific tests with that, and so, in other words, you’re not taking fish from anyone. That 20 percent buffer was just kind of there, and whatever we decide to do with that, but you could take some of those fish and do some Gulf-wide EFPs, for example, where you test that very thing.

You open up the season some and see what happens, and so we don’t -- It’s not quite as scary as your scenario, where it’s like the real season and the real fish. You have this 20 percent buffer, which is set aside, but you could distribute that out, of course, to a select group of anglers, and I know that’s controversial, and just see what happens with that effort.

Do they go every day that they would get or do they spread it out? Then that gives us some indication of what it would look like if those days were expanded, and so, yes, I think there’s some real opportunity there that we could take advantage of.

CHAIRMAN GREENE: Thank you. Is there further comments? Mr. Matens.

MR. MATENS: Thank you, Mr. Greene. I also attended. I was the council representative there, and some of the things in that group really hit me. One of them was, when we populated this, we populated it with twenty-five people, and I don’t know all of these people, but the ones I know all have jobs and careers. Twenty-three came, and I think that’s pretty strong. Now, I know the council went to a lot of trouble to find days that they could come, but these guys showed up on business days.

One of the other things that struck me was the preponderance of
the people that were there were prepared. They had done research. One particularly gentleman, who is not from Louisiana, and an engineer like me, has a ring binder about a half-inch thick with research that he had done, a typical engineer, but he had it.

The other one, the third thing that really hit me, is these guys were engaged. They were excited about this. They were into it. They were prepared, they were smart, and they were passionate, and so I thought that it was a really good meeting. Quite frankly, it exceeded my expectations about how this was going to go down.

I understand the logistics of putting future meetings together, and I agree with Roy, although he’s not here, and I wish he was here to hear me say that I agreed with him, that there is an education curve here, but you know that’s just the price of doing business.

If we want people’s opinions, we need to have them as prepared as possible, and so, again, I thank the council for putting this together, and I thank my friends on the staff for arranging it and doing all of the logistics, and, quite frankly, not only did I think that it great value, but it was interesting that four council members were there.

I mean, I think that said a lot, the people who were there, and one of the council members was coming and had a situation where he just couldn’t arrive, and there would have been five there. Again, I want to thank you guys for putting this together, and let’s see how this thing works out, and let’s see what we can get in the future out of it.

CHAIRMAN GREENE: Thank you. Is there further comments? Dr. Froeschke.

DR. FROESCHKE: We have a long outstanding motion to begin work on a private recreational management amendment at some point, pending the outcome of these meetings, and so is it your intent that we will hold off on initiating something on that document until we receive some further guidance from the AP?

CHAIRMAN GREENE: All right, committee. We have a question by staff. How would you guys like to proceed is the question. Mr. Anson.

MR. ANSON: Well, I think we had talked about this a meeting or two ago, and my comment, at the time, was that anything that the
council does, including staff, in developing a document that
starts to identify issues and potential solutions to issues or
options would be premature before we got any feedback,
officially, from the AP.

I know it’s been a long process, and some people think maybe too
long, but, again, we’ve got different challenges in the private
recreational community relative to getting information from
them, as representatives of that community, that would be
helpful to us, and that just takes time, and so, again, I think
it would be -- It wouldn’t be wise to go down and start
identifying things when we’ve got this AP meeting on its own
timeline and track to come to the table with ideas they feel
would be appropriate on how they would like to be managed.

That doesn’t mean to say that we can’t add things that they come
to the table with, but I just think it would be premature to
start a document before we got a report from them.

CHAIRMAN GREENE: Mr. Swindell.

MR. SWINDELL: As I look at this council, and I know that us
sitting around the table -- There are not many people here that
are not private recreational anglers and have some experience in
fishing for such things as red snapper, at one time or another.

I don’t see any problem with having the staff at least start to
put something together that tries to address things and give
them, the private angler recreational angler group, something to
really contemplate, to get more in-depth with, and the staff can
then bring to them, I think, a good analysis of just what they
went through in trying to get to these points, to give them some
information that we know that we’re going to be needing, rather
than just open it up and not give them anything that they have
really there to discuss. Thank you.

CHAIRMAN GREENE: Thank you, Mr. Swindell. Are there further
comments? Dr. Simmons.

DR. SIMMONS: Thank you, Mr. Chairman. I was just looking at
that motion, and I’m glad that John brought it up. It was
passed in June of 2016, and one thing we could do is, if we
convened the panel again later this year, such as in the fall,
is we could bring the information that they requested for the
first day, and have more of an educational-type format, and
then, possibly, on the second day, we could bring drafts of the
state management plans or some concepts that would be in those
state management plans to the group and put those ideas before
them.

In the motion that was passed in June, it’s to direct staff to create a new amendment for the management of red snapper for the private recreational fishery in the Gulf of Mexico, considering all options, including regional management, with input from the Ad Hoc Private Recreational AP. We would also know a little bit more, hopefully, about our budget too, if we had the meeting in the fall as well, and so that’s just something to think about.

CHAIRMAN GREENE: Thank you, Dr. Simmons. Is there discussion? Okay. Seeing no discussion and no one wishing to seek action on anything -- Mr. Boyd.

MR. BOYD: Do we need a motion to reconvene, or can we just ask staff to do that?

CHAIRMAN GREENE: I would prefer a motion if you want anything. That would be my feeling, but, Mr. Gregory.

EXECUTIVE DIRECTOR GREGORY: I think we were planning on holding another meeting sometime in the fall, like Carrie mentioned, anyway, and so -- We have the budget for it. The meeting will be in Tampa, and it saves us a lot of money to have these meetings at our council office, and that’s our intent from now on, and so we’re planning to do that sometime in the fall anyway. A motion would just reinforce that.

CHAIRMAN GREENE: I think that’s correct. I think I will retract my previous statement. I mean, I think it’s going to happen regardless. If you want something specific, like it to happen next month or whatever, then that would be okay. I am just trying to make sure that -- I kind of agree that the staff has asked that we do more stuff by motion, formally, to make sure that things go on, but I think this is something that’s going to happen, unless you want to make it happen sooner or later or have anything -- Mr. Boyd, I certainly don’t want to speak for you.

MR. BOYD: No, I’m not trying to push it one way or the other, but I just wanted to be sure that we had it on staff’s agenda, and it sounds like it is.

CHAIRMAN GREENE: Okay. Mr. Gregory is telling me that, yes, it is, and it will continue. Okay. Is there further discussion on the recreational AP meeting that was held or desires to do anything there? Okay. Then our next item, under this same heading, is Discussion of Red Snapper Allocation Issues, Tab B,
DISCUSSION - RED SNAPPER ALLOCATION ISSUES

MS. LEVY: Thank you. I think, at the last meeting, there was a request for me to discuss, I guess in a little bit more detail, the decision that came out of the lawsuit that challenged the Amendment 28 final rule and how that relates to allocation. I just can give you a brief overview of that decision, and then, really, I think the discussion is going to be up to you about allocation issues.

I did want to let you know that the agency has published a rule that reinstates the pre-Amendment 28 quotas, consistent with that decision, and that just went on public inspection today, and it will actually publish in the Federal Register tomorrow, and so we needed to do that to comply with the court order in that case.

I guess, in summary, the lawsuit that challenged Amendment 28 raised a number of different issues, and so I sort of break them out into three categories. One was an alleged statutory violation that the allocation violated 407(d)(2), which is that part that says that you have to have recreational and commercial quotas that reflect the sector allocations and no harvest in excess of those allocations.

There was that piece, which was the statutory piece, and there were challenges based on other provisions of the Magnuson Act that focused on the biological effects of the rule and the amendment, and then there were issues related to the economic and social effects analysis, and then there was the National Standard 4 claim, which relates to fair and equitable allocation, as well as the biological claim under National Standard 4 that the allocation wasn’t reasonably calculated to promote conservation, and so, again, that goes to the biological, and so we have pure statutory interpretation type of question, biological effects issues, and social and economic issues.

The decision found in favor of the agency on all of those issues that were raised except the National Standard 4 fair and equitable claim, and so that was the basis for saying that the rule violated the Magnuson Act.

The court did say a few things about the National Standard 4 claim. It recognized that it was reasonable for the agency to pursue a new allocation and reasonable to reexamine past
landings and reallocate based on the findings of that, but, on
the specific record that was before the court, the court found
that Amendment 28 wasn’t fair and equitable, because it put the
commercial sector at a permanent disadvantage by failing to take
into account what the IFQ system does with respect to that
sector, which basically is very effective at constraining them
to their quota.

It was really a very narrow issue about what the amendment said
or didn’t say and the rule said and didn’t say about how the IFQ
system for the commercial side played into the decision to
reallocating to the recreational side. There really wasn’t a lot
of discussion about that in the amendment or the rule, and I
just want to emphasize that it’s one decision on one rule and
one amendment. It’s very fact-specific.

There is nothing in the decision that says you can’t reconsider
the red snapper allocation. There is nothing in the decision
that says you can’t consider past landings when you’re looking
at red snapper allocation issues.

It’s just a matter of articulating how whatever allocation the
council and the agency implement meets all the standards in the
Magnuson Act, including the fair and equitable standard, and
articulating that in such a way that the reviewing court
believes that you considered all the pieces and made a decision
about fair and equitable allocations. If you have any
questions, I will try and answer them, but that’s pretty much
it, in a nutshell.

CHAIRMAN GREENE: Thank you. Is there discussion? Mr. Anson.

MR. ANSON: Mara, relative to the landings question, I guess,
you said that, you know, the council would have to use some
rationale to justify how it would go about redistributing the
percentage of red snapper between recreational and commercial,
and you talk about using the landings, but I thought the
landings history that we used was part of the basis for the
judge to defer or use the National Standard 4, relative to fair
and equitable, and that, during those years when we had the IFQ
program, that the commercial fishery was set at a cap of pounds,
but the recreational sector was not, and so they were allowed to
fish over their allocation, their sector allocation, and that we
used those landings during those years as part of the
calculation for determining the percentage that we used for the
new reallocation.

Is that what actually happened, is that the process wasn’t
flawed, but it was that the data was flawed, in that the
recreational sector was not capped, and they could, therefore,
catch more, which would then adjust for the percentages that
they were eligible for, based on our criteria, and isn’t that in
fact the case?

MS. LEVY: I’m not sure that really accurately describes what
the allocation in Amendment 28 was based on, because it wasn’t
based on a straight we’re looking at landings and this is the
allocation.

It was how those landings interplayed with the assessment and
the increase in the total allowable catch that that allowed, and
so they’re interrelated, but it wasn’t a straight relationship,
and I think part of the issue for the court was we didn’t
specifically articulate how the IFQ system and the effect that
that has on the commercial sector -- How that interplays with
the decision to reallocate, based on what the landings did to
the assessment.

I guess what I’m saying is that it wasn’t articulated. It
wasn’t expressly articulated how the IFQ system and the cap that
that creates -- We didn’t expressly consider how that
interplayed with the allocation decision, and so, I mean, it
could just be that there needs to be a better explanation or
articulation or discussion acknowledging that fact and saying
and building the record for why there is still a fair and
equitable decision to move landings to the other side, based on
historical landings.

I think that it’s easy to read more into some of these decisions
than maybe there is, because they’re all very, very fact-
specific, and so this was a decision about one prong of National
Standard 4 on one particular action, and that doesn’t mean that
you can’t develop a record that would support some other type of
shift in allocations based on historical landings, but we just
have to think about what flaw was found here and articulate
something that addresses that.

CHAIRMAN GREENE: Thank you. Dr. Crabtree.

DR. CRABTREE: Remember this was based about some modifications
to the MRIP dockside sampling methodology, and so we reran the
assessment using the calibrated landings and without the
calibrated landings, and the difference in the TAC that came out
was the amount that was reallocated to the recreational fishery.

What seems to have bothered the judge is she viewed it as the
system could only go one direction and that the commercial fishery could never get an increase. In my judgment, that’s wrong.

If the revision to the MRIP methodology had in fact showed the recreational catches were lower than we thought, and if we had applied the exact same process, then the allocation would have shifted more fish to the commercial fishery, and so I don’t think the court understood that, but there was nothing inherent in what we did that would result in the allocation necessarily going one way or the other. It could have gone either way, and I don’t think that came through, and I don’t think that was explained very well, and I think that was really why we lost the decision.

CHAIRMAN GREENE: Ms. Levy.

MS. LEVY: I also wanted to just -- I mean, if you decide that you want to reexamine this issue again, that you consider taking a more holistic approach, and so start out looking at the objectives of the FMP and what you’re trying to achieve and then look at both sides.

Look at the commercial side, look at the recreational side, and take sort of a more comprehensive look at the allocation in general and consider what kind of shift is appropriate, one way or the other, because I think that will help support, in the end, if you make a decision, the decision that you make if there is a broader approach to the allocation issue.

CHAIRMAN GREENE: Thank you. Is there further discussion? Okay. Seeing no further discussion, that will conclude that portion of the agenda, which will move us on to Options Paper, Amendment 36B, Commercial Reef Fish IFQ Modifications, Tab B, Number 11, and Dr. Lasseter.

OPTIONS PAPER - AMENDMENT 36B - COMMERCIAL REEF FISH IFQ MODIFICATIONS

DR. AVA LASSETER: Thank you, Mr. Chairman. Okay. We’re going to begin first by -- Dr. Jessica Stephen is going to provide a presentation for you on the Fishery Finance Program, and so that is going to be Tab B, Number 11(b).

FISHERY FINANCE PROGRAM PRESENTATION

DR. JESSICA STEPHEN: At the last council meeting, there was questions asked to have an update on what the loan programs were
doing in the IFQ program, and so what I am going to talk to you
today about is the Fishery Finance Program, the FFP Program,
that is a national loan program.

This program had traditional loans that provided long-term
financing for such things as reconstruction and improvement of
fishing vessels, purchase of used fishing vessels, and
improvements to aquaculture facilities, and this authority
includes refinancing of any existing debt for these types of
things. Down below, I have put down the web link for the
Fishery Finance Program’s website as well as the contact of the
Regional Loan Program Officer.

Historically, when we looked at loans for the IFQ program, what
happened is that, the financing and the refinancing of those,
the council had to submit a loan program, and the Secretary had
to approve the loan program. Currently, we only have two loan
programs in the nation for IFQ programs, and that is two out of
the sixteen catch share programs that are out there. Those two
are both the Northwest halibut and sablefish fisheries and the
Bering Sea Aleutian Island crab fishery.

What happened this year is that the Coast Guard Reauthorization
Act authorized the FFP to actually finance the purpose of
harvesting rights in any fishery under a limited access system,
and so that includes our IFQ programs. This rule to implement
harvesting rights lending is currently in process, and I’m not
quite sure what the timeline is, but I am anticipating sometime
this year or next year for it to be finalized, and it’s been
agreed that this is a non-significant action, and so it can just
go forward.

There are some key points that relate to this program with the
IFQ. The rule requires that harvesting rights have to be
specifically identifiable to the government, and so we had a
problem when we looked at loan programs before with this. I am
currently working with the FFP group, in order to show them how
we can have our current online IFQ system specifically identify
those, and I’m feeling fairly confident that, once we go through
a discussion, that we will have a method to identify them as
we’re going forward.

Some other information is that the FFP may lend up to 80 percent
of what’s called the depreciated actual cost of those harvesting
rights. That is the purchase cost of the rights or, if you’re
refinancing, the current market value for those rights.

With this, the loan authority has to be reauthorized each year
in the fiscal budget, and so the amount of money going into this
program can be variable from year to year, and that might depend
on what the budgeting authority is in other loan programs, and I
can’t give you a definite amount of how much is in this national
budget each year, and a portion of it is always set aside for
those traditional programs that the loan program was initially
intended for.

What does someone have to do in order to apply to these loans?
They have to first meet any of the general FFP requirements.
They have to meet any requirements of their FMP. As I get into
discussions with this group, we’ll probably be coming back to
see what those requirements from the FMP would be. They also
need to have some additional guarantees, and they have to go
through a background and credit check. There is always an
application fee for this, which is 0.5 percent of the loan
amount requested. Part of that is refundable, and part is non-
refundable.

They will only finance up to 80 percent of that depreciated
actual cost of the project. Loan terms can be up to twenty-five
years, and the way the interest rates work is they are 2 percent
above the Treasury cost for the program. For example, if the
loan program was made on May 16 of this year for a twenty-five-
year term, they would have an interest rate of 5 percent, and so
the 2 percent plus the 3 percent makes the 5 percent. That’s
the last slide, and so now I will take any questions you guys
have about the program.

CHAIRMAN GREENE: Thank you, Dr. Stephen. Is there discussion
or questions or concerns or comments or anything? Mr. Diaz.

MR. DIAZ: It’s not really about the loan program, but is there
private capital or is there a way for private folks to get loans
currently? Is that a big problem, Dr. Stephen?

DR. STEPHEN: Every now and then, I get a bank who calls the
catch share support line asking information about the program,
and, initially, before we had the public participation, the bank
couldn’t come in and buy anything, and so they couldn’t have any
guarantee of right.

I think, with each bank, it kind of depends on what their feel
is about giving the loan out and that the shares or allocation
remain in the hands of the person obtaining the loan, and they
have the right to do whatever with it, and so one of the aspects
of this loan program is that we could probably stop someone from
transferring shares, in order to make sure that that value asset

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was still there if they defaulted on the loan.

CHAIRMAN GREENE: Mr. Walker.

MR. WALKER: I think this program is critical for young fishermen, to give them the opportunity to get into the fishery, and it doesn’t take away from anyone, and I also would like to know what the council can do to support development and implementation of the program.

DR. STEPHEN: In answer to that right now, the council doesn’t need to submit anything. The IFQ programs would automatically be included. What will probably happen is we have further discussions on how to work our IFQ programs into it. I might have to come back to the council and get some clarification on intent for what some of their requirements might be, and, as I get more involved in these discussions, I will have more to report back to you.

The one other thing that I do want to point out, that I forgot to mention, is that some of the FFP requirements is, if a fishing stock is overfished or experiencing overfishing, there are certain requirements to how the loan goes out, and one of those is that they cannot give a loan for that species if it is more than 20 percent of that person’s revenue.

CHAIRMAN GREENE: Interesting. Mr. Diaz.

MR. DIAZ: Dr. Stephen, one more question, and I don’t know if you can answer this or not, but is there any information to let us know if a loan program might drive up prices of shares, artificially or really, and, the two loan programs that are out there, do we know if it had an impact on prices?

DR. STEPHEN: I am not aware of anything, but I can look into that further and see if I can get an answer of if it changed anything.

CHAIRMAN GREENE: Mr. Walker.

MR. WALKER: I am just making a comment that I have heard from fishermen who would be very interested in this program and giving them an opportunity to get in the program, if it’s a new entrant, or a replacement entrant, as others get out, and so I am a strong supporter of this.

I think it would be good for industry, and I know a lot of people here have mentioned about new entrants or replacement
entrants, and this could be a solution with a very good interest rate and secured loan, approved through the government, and I guess, if they default, I would assume that fish would just go right back to the federal government, if they defaulted on the loan.

**DR. STEPHEN:** That’s one of the aspects we have to work out with the program, of what happens when it defaults or if they allow it to be sold or something like that, but, as I said, as we start having more discussions about this, we will have more information to give you guys.

**CHAIRMAN GREENE:** Ms. Bosarge.

**MS. BOSARGE:** So that requirement that it can’t be more than 20 percent of their income, like from that species that’s overfished, I assume that’s from a risk perspective, so that -- I mean, if you’re making that person a loan, there is probably high risk that the council could come in and change something in a fishery that’s overfished, and so that puts a little more risk on the government, but is there any way to adjust that somewhere?

**DR. STEPHEN:** No, that’s a federal regulation, and so I asked that at the time. There is no control over it. Now, for example, in red snapper, what it could still allow is a loan program to help people who are discarding fish through incidental catch who aren’t targeting it, because that might not be 20 percent of their overall income.

**CHAIRMAN GREENE:** Interesting concept. Mr. Matens.

**MR. MATENS:** Dr. Stephen, this probably goes without saying, but I am a little curious. As I read this, particularly your last statement, a person to be an applicant would have to be bidding for a substantial amount and not a de minimis amount of these fish, like some shrimper that wants a small allocation to deal with bycatch. In addition to that, may I assume that one of the requirements of being an applicant would be that you would have to have a permit and that I couldn’t, for example --

**DR. STEPHEN:** As we hit the discussions, that would probably be one of the things we want, because it’s for the people fishing and not necessarily say a public participant who is not fishing it. That wouldn’t go to kind of the intent of that. Again, we would need to work out all of those details as we get closer, and there are numerous other catch share programs that are also working on similar kinds of concepts.
CHAIRMAN GREENE: Further questions? I had one question. On the loan applicant slide that’s up there on the board right now, interest rates are 2 percent above the Treasury cost, and is that fixed for the term of the loan or is that variable?

DR. STEPHEN: I believe it’s variable.

CHAIRMAN GREENE: Okay. Thank you. Any further questions or comments? Seeing none, we will go back to Dr. Lasseter at this point.

REVIEW OF AMENDMENT

DR. LASSETER: Okay. Thank you, Mr. Chairman. We are going to review the options paper, which is Tab B, Number 11(a), and, based on what’s in your action schedule, we’re hoping to get the committee to begin discussing and considering the IFQ program’s goals, in terms of whether the goals have been met, whether further progress is needed, or whether new goals should be defined. Also, we’re hoping to get the committee to discuss and provide guidance to staff on the actions and scope of alternatives provided here.

To jump into the document, why don’t we look at the table of contents first, which is Roman Numeral page IV, just as an outline of what we’ve brought, and so, as always, our Chapter 1 is we’ve got a lot of background information. Much of that does overlap with what you saw in 36A. There is a little additional information that compares the overlap of the program, of vessels participating in both programs.

I am going to discuss quite a bit the purpose and need and the program goals evaluation sections, and so that’s really a bulk part of the document right there. Then Chapter 2 is where we have outlined the potential actions, and so the 2.1, we have lumped a couple of your items that you wanted to explore and provided several potential sub-actions.

Then the rest of them follow your additional items that you wanted to look at, and we’re not going to go through it, but the Chapter 3, we have just provided you information that was also in 36A, from the same chapter, and this is just looking at the geographic distribution of the shareholders, just in case you had questions pertaining to where shares and allocation were being held.

Then, finally, I will just go over the appendices, what we’ve
provided here, and some of them are very similar to 36A, and so Appendix A, again, we have provided you an IFQ program glossary, and that’s very useful for referring to, because some of these terms get thrown about, and it’s good to refer to, so we’re all using the same definitions.

Appendix B, we have provided that purpose and need statement, the goals statements, from each of the amendments that implemented, respectively, the red snapper and grouper/tilefish programs, and then the remaining three appendices are similar to what was in -- They’re exactly the same as Amendment 36A. We have taken this document -- We have taken 36 out for scoping, and it included all of the same actions that are in this document, and so the scoping workshop summaries are provided there for your reference as well.

We will move into the document. On page 6, we have the purpose and need and the program goals evaluation. In Amendment 36A, the actions that you took final action on addressed improving enforcement, and another action addressed a recommendation from the red snapper five-year review, and another one granted the Regional Administrator the authority for withholding quota if a quota is going to change, if a quota reduction is going to occur.

None of those was really in conflict with the existing program goals and objectives, but the items that you’re looking at here are not necessarily supporting the existing goals and objectives, which most generally are reducing overcapacity and reducing the derby conditions and improving safety at sea. That’s kind of general, and there’s a little more specifics in the grouper/tilefish, and, again, Appendix B provides the goals of each of those programs.

The IPT needs to craft a better purpose and need after we receive some guidance on the intent and the purpose of the council for the proposed actions that you wish to pursue, and so, at the moment, that is what the purpose and need states, is that it’s going to review and consider updates to the program goals and objectives, but we hope to replace that with a more refined purpose and need, to address the problem you are specifically wanting to solve.

That first paragraph there in 1.3, the program goals evaluation, really gets at what we’re looking for the discussion to address, and so, again, the Appendix B has those goals reproduced from each of the programs, and the five-year review for red snapper noted that, while progress toward existing goals has been made,
further progress could be made to reduce overcapacity, safety at
sea had been improved, and, from the results we’ve seen from the
studies for the grouper/tilefish review, those conclusions are
very similar. Progress has been made towards reducing
overcapacity, and further progress could be made to make the
fishery more efficient, and safety at sea has been improved.

While progress has been made towards these goals, the IFQ
programs have fundamentally changed the way fishing for IFQ-
managed species is conducted, and now, given that the programs
have been in place for several years, we are asking you to
evaluate whether the original goals of the program have been
met, is further progress needed toward achieving these goals,
and should new goals be added to address changes that have
occurred in the fishery?

The next two sections, again, delves more into the program goals
for each program and discusses the progress made toward those
goals, and there are tables that show you the change. For
example, Table 1.3.1, on page 7, shows you the number of vessels
landing red snapper and how that decreased initially after the
program started, and it is now increasing, and that is partly to
do, we believe, with the movement of red snapper into the east,
and so vessels are obtaining allocation to account for bycatch,
and so further reducing overcapacity may not be desirable. You
may recognize this as a positive trend of what is happening
right now, that additional vessels are obtaining allocation and
bycatch, hopefully, is being reduced.

Then the next section, again, the grouper/tilefish program
goals, and similar information is provided for your background.
If we go to page 14, we have the two sections here. One is
evaluating the existing goals, and then the next one is
considerations for modifications to the goals.

Again, we will be making a presentation at the August meeting on
the grouper/tilefish five-year review, although the studies that
have already come out, as I said, support -- They’re very
similar to the red snapper goals, and so it is possible that the
council will decide that capacity should be increased even to
account for these vessels that are fishing for red snapper or
landing red snapper as bycatch and obtaining allocation for
that.

Is there any discussion on how the council feels about these
goals? Have they been addressed? Should a capacity be defined?
I am going to stop there for just a moment and see if there’s
any discussion.
CHAIRMAN GREENE: Thank you. Is there discussion? Mr. Anson.

MR. ANSON: I don’t know if it’s appropriate here, but one of the issues that I have been thinking about, and it was brought up earlier in the document that you reviewed today, is the issue of more fish, more red snapper, now showing up in the eastern Gulf and that, historically, just prior to the implementation of the IFQ program, that wasn’t necessarily the case and that there was a lot more snapper available in the western Gulf.

In order to address bycatch issues and such, we ought to -- In my opinion, we ought to try to develop mechanisms that get some of those historic fishing, if you will, if they start transitioning out of the fishery, get some of that fishing effort that was normally in the western Gulf, potentially, and, if that’s where a lot of the pounds are going now in the eastern Gulf, as far as leasing and that type of thing, that we ought to try to look at mechanisms that do that.

I think -- I don’t know how specific you want these goals to be, Ava, or they need to be, but it’s kind of highlighted a little bit in the document, as to that’s an issue, and that’s something that could potentially be addressed.

As we go through the individual action items, or options, those are, I think, areas that we could further clarify as to what direction we intend to go or how we might go about doing those things, and so, again, I think what you provided here, in my mind, kind of identifies those things, but, if others have any comments, certainly they can talk about it.

CHAIRMAN GREENE: Thank you. Is there further discussion? Ms. Bosarge.

MS. BOSARGE: As far as the goals, when I read that purpose and need, and I think back to some of the discussions that we had had around the table about tweaking this program, I hope that we will have some specific input from the council on -- In the purpose and need, one of the goals says to address social and economic issues, and I think, if we could really pinpoint what we feel our biggest heartache is, some social inequity issue or an economic inequity issue, with the program as it stands today, I think that would really help point us in the direction of what action items we need to focus on and what alternatives should be in those.

Maybe we can have that discussion as we go through the different
possible alternatives, but I think, from a broader perspective, we need to hammer out what are those specific social issues that we’re looking to address here, and, once we know that and we put that forward for staff, then they could probably better craft a document to meet those.

**CHAIRMAN GREENE:** Ms. Bosarge.

**MS. BOSARGE:** For example, so that maybe we can have some feedback here, for example, I have heard a lot of negative feedback about the possibility that the way the program is set up right now that you could have essentially middle men in the program. In other words, somebody who owns no shares and who -- In other words, somebody that wasn’t given an initial allocation, somebody that has no boat and nothing like that. Essentially, all they’re doing is flipping.

They come in at the beginning of the year and buy up a certain amount of allocation, and they know exactly what they want to make per pound on that allocation, and they turn around and resell it, right, just like flipping a house, okay?

If that’s something we want to address, then I bet staff could get us an action item that would address that specific social issue with the program, because the program is functioning well, as far as the biology of the stock and the fish are concerned, and so we’ve got to pinpoint what it is that we’re trying to fix, socially and economically, and make sure that that’s what we focus on.

**CHAIRMAN GREENE:** Thank you. Mr. Walker.

**MR. WALKER:** I just was going to add, kind of what to Kevin had mentioned in the eastern Gulf -- I guess the west coast of Florida has had some increase in some snappers. I think the little small fish are starting to show up, but also, in the western Gulf, there has been a huge increase in the biomass there as well, and so, I mean, we know the stock is healthier in the western Gulf right now.

I am hearing they’re getting closer and closer into Galveston. I’ve heard some discussion of that from fishermen, but I think a lot of the increase in that has been people in the eastern Gulf have been asking for allocation, and we’ve had a few new entrants that have come in that were not participants in the fishery and came in and started leasing some fish from folks from wherever, probably from the western Gulf, but I am just -- The fish is getting healthier, especially in the western Gulf,
and everyone around here knows that, and there are certain areas
that I’ve seen some depletion of them, but it sounds like the
western Gulf is getting stronger every year.

CHAIRMAN GREENE: Further discussion? Okay, Dr. Lasseter.

DR. LASSETER: Thank you, Mr. Chairman. Just to kind of
summarize what I heard, I heard themes here of addressing
bycatch, potentially addressing bycatch, as a direction that a
goal could go in and, in terms of participation, active
participation, which would need, of course, to be defined more
thoroughly, but maybe we’re getting some themes here that we can
start to return to as we go through the document. Then the next
section is --

CHAIRMAN GREENE: Hold on one moment, please. Ms. Levy.

MS. LEVY: Just to comment on the bycatch. I think, if you look
back at Appendix B that has the paragraph about the purpose of
the red snapper IFQ program, it is very broad, when it says to
reduce overcapacity and eliminate, to the extent possible, the
problems associated with derby fishing, but, if you look more
closely at the discussion, I think some of the anticipated
benefits of reducing overcapacity dealt with bycatch and bycatch
mortality and regulatory discards.

Maybe that was the broader goal, but there was also a bycatch
thing, and maybe it’s just a matter of recognizing that it did
that, to some extent, but, because the stock is expanding, it
didn’t necessarily address that piece, because you weren’t
anticipating that would happen, necessarily, or it wasn’t
happening at the time, and so it seems like it’s built in there,
and so maybe something to think about is honing in on that
piece, and it’s not necessarily a new goal, but it’s just sort
of recognizing that the overcapacity issue didn’t address all of
the bycatch issues that we’re now seeing as the fishery expands.

CHAIRMAN GREENE: Okay. Thank you. Dr. Lasseter.

DR. LASSETER: Great. Thank you. Let’s go back to page 14, the
bottom half of page 14, which is the second section. In
addition to evaluating, which we didn’t quite get into the issue
of whether you feel that overcapacity has been met or needs to
be further reduced, but we’ve already started discussing these
considerations for potential new program goals.

The actions taken to modify the programs that might be
accomplished through this amendment should have a purpose that
is supported by the program goals, as we’ve stated, and, given
the suite of actions that are proposed here, we’re looking for
more guidance on these, and so I’ve got a couple of themes that
we’re starting with here, but, if you read through the rest of
this section, there are some more ideas that are kind of touched
on that staff has been able to glean from some of your past
discussions, and there is a citation for a paper that I’m going
to go into in a moment that also attempted actions like this,
and their intent was to address active participation, is how
they framed it, and so that sounded very similar to what Ms.
Bosarge was talking about.

I will just take one more moment. Is there any more discussion
on goals, or would we like to just further discuss it as we go
through the proposed actions?

CHAIRMAN GREENE: Yes, I think that would be the right way.

DR. LASSETER: Okay. Sounds good. Chapter 2 includes our
potential actions, and it begins on page 16. The first one we
have labeled “Program Participation”, and there is three
potential sub-actions with this, and also this potential action
includes two of the items that you were interested in exploring.

You expressed interest in reconsidering the requirement for
shareholders to have a commercial reef fish permit and also to
consider restricting the amount of shares and/or allocation that
may be held by a shareholder without a commercial reef fish
permit, and so we saw those as related, and, also, this number
two is touching on a later item that you wanted to look at of
restrictions on share and allocation transfers, and Dr. Crabtree
has previously asked whether this initial section on requiring a
permit might get at some of those issues, and it’s this second
item that really kind of ties those together.

The beginning of this section is kind of a history of the permit
requirement, and so, for the first five years of each of the
programs, shareholders were required to have a commercial reef
fish permit to obtain shares.

At the end of five years, any U.S. citizen or resident alien
could buy shares and participate in the program by opening an
account and transferring shares. Prior to the opening of each
of these programs to this public participation, the council did
discuss whether or not they wanted to allow this public
participation or to modify that provision, which was in each of
the amendments implementing these programs, and, ultimately, the
council did decide to allow the programs to open up to public
participation, but, for each of the programs, the council did request that NMFS publish a control date, which they did in the Federal Register, that notified program participants that the requirements for participation may be modified in the future, and so you had discussed this before, and did not take action at the time, but you had made notice to shareholders that participation may change in the future.

If we go down to the bottom, we have a kind of currently statement, and this would be equivalent to what our Alternative I would be. It's basically our -- I'm sorry. I will pause for just a moment.

CHAIRMAN GREENE: Mr. Diaz.

MR. DIAZ: Ava, while you're talking about that, did the council -- Was there any rationale given of why they wanted, at that time, to allow public participation? What was the rationale behind that line of thought? Do you know, from reading the record?

DR. LASSETER: I may let Dr. Crabtree speak to this further, but I do remember somebody said that that was agreed to when the programs were each respectively implemented. The shareholders did vote in the referendum and allow the program to go forward with that as a caveat, that anybody would be able to own shares, and so the feeling seemed to be that they should go ahead and stay with that agreement. Dr. Crabtree, do you have any different memories of what the rationale was?

DR. CRABTREE: Well, there was a big debate about that that went on over a number of meetings, and I guess, when I read back through it, those who were arguing to not put any restrictions on who could acquire shares and who could be a shareholder, it seemed to be a philosophical thing with them, as to why should there be any constraints on this.

There were concerns on the other side of it, and it went on for many meetings, and, finally, this five-year sunset came up as a compromise, to move the program forward. Generally, it was the recreational folks on the council that were opposed to putting any restraints on who could acquire shares, but it's difficult for me, having looked back at it, and the motivations aren't all that clear.

CHAIRMAN GREENE: Thank you. Mr. Walker.

MR. WALKER: I was actually on the ad hoc panel that helped
develop the profiles for the red snapper, and we did not want it opened up. We wanted to keep it in the commercial fishery. We didn’t want to open it for five years, but it was you can get it this way or you’re not going to get it at all, and so we had to go along with the five years.

We didn’t want it opened up. We wanted it to stay in the fishery, with the fishermen, and that’s just the way it came about, and then there’s a lot of fishermen who have bought in since then, and so I just wanted to make sure that everyone knew that, that the commercial industry did not, and then the assumption was, and I think some of the comments that people heard, was there was the hopes that the recreational fishery could just buy out the commercial industry at the end of five years, and that’s when the control rule or whatever came out saying that they could buy them, but they couldn’t do anything with them.

CHAIRMAN GREENE: Thank you. Mr. Boyd.

MR. BOYD: I read down just a little bit further, and it said “potential alternatives”, and just a question on process here. Are we going to structure this where we have alternatives and sub-alternatives, like we do in any other document, or is this document going to continue with potential?

DR. LASSETER: As an options paper, we did not structure it formally with actions and alternatives. This is still exploratory, and so, with the guidance that we get from the council, if we feel like enough of these actions -- If we have some guidance to start constructing actions and alternatives, we will start moving from this draft even into an amendment, and then it won’t say anymore “potential actions”. It will say “management actions”, and so, really, this was just to be a little more fluid, as is typical of an options paper. It’s more your initial considerations, and so it’s a little easier. Rather than writing out all of these formal alternatives, it’s just kind of some bulleted lists to let you review, and maybe you want to add some, or maybe you don’t even want to consider some, but this would be your opportunity to just provide us guidance on which of these items and sub-actions you would be interested in pursuing.

MR. BOYD: Thank you.

CHAIRMAN GREENE: Mr. Anson.
MR. ANSON: Just a question to agency staff, Jessica, potentially you. If we were to proceed with a requirement reversing our decision to not requiring a commercial reef fish permit, and we changed our minds and required a commercial reef fish permit for shareholders, leaseholders, those that are actively in the fishery, who are going to be using the shares or allocations to fish, that is not a -- Although it could be a burden, it is not an overwhelming burden that you could not identify those individuals who may be fishing or using shares, not have the -- Can that be established and a reef fish permit given back to an individual who may have relinquished it, for one reason or the other, when there was originally the IFQ shares were established, and, if they don’t have one now, could a permit be reissued to them, even though it may be a temporary permit or a historical fishing permit, that would stay with that individual and not be able to be transferred?

DR. STEPHEN: Okay. I think you’re asking a couple of different things. I will start with it’s an entirely online program, and so we track who had a permit and made landings and, if share transfers or allocation transfers were done, if there was a permit currently connected to that. That information, we can backtrack.

It is a limited access permit, and so, when a permit isn’t renewed, it terminates, and, currently, all permits are owned, and so I don’t foresee any mechanism where we could create more permits for that purpose.

DR. CRABTREE: I mean, what you’re talking about is changing the whole permitting status and reissuing permits, and so, I guess, if you amended the plan and set up a process for that, you could do it.

MR. ANSON: My question was relative to the option that we’re discussing in the document. I want to make sure that the agency can actually do that. If we chose to require reef fish permits, that the agency can go back, and I’m talking specifically to those that were initially identified as eligible for shares. If they don’t have one now, and we needed them to have a permit, and let’s just call it a permit and not a reef fish permit, unless you need to call it that, but can those be identified and reissued or given a permit, even though we’re under a moratorium?

Because, as you stated, those permits are owned, and that means we would have to have eminent domain and take over those permits from those individuals, if they don’t want to relinquish them.
voluntarily.

DR. CRABTREE: If you really wanted to go down that path, we could look at it. I suspect it would be complicated and have a lot of issues. I have assumed, if we want to reinstate the permit requirement, that those folks who own shares and don’t have permits would have to go out and buy a permit from somebody and not that we would just issue them one, but --

CHAIRMAN GREENE: Dr. Stephen.

DR. STEPHEN: I will just add to it. We can identify what accounts were initial shareholders, and, if you wanted to do some kind of grandfathering in, where they didn’t need a permit, and it’s complicated, probably, to do, but I would assume that we could go around and do that.

The one thing to keep in mind is that it’s the specific permit holder at the time, and so, for example, if John Smith had a permit and he later added his wife, that new account wouldn’t qualify. It would have to go back to the John Smith account, which he probably transferred all of his shares and allocation out of, and so there are little caveats that can make this extremely complicated.

DR. CRABTREE: Just to follow up, bear in mind too that the -- It’s not just a permit. They’re going to have to buy a boat, because you have to have a vessel to put the permit on, and then the vessel is going to have VMS and all the other things that are required on a commercial fishing vessel, and I suspect that is a much larger expense and endeavor than just acquiring a permit would be.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: I appreciate those remarks, and this might need to be further fleshed out in the goals, depending upon motions that may come up, but, you know, the IFQ program, part of that program was to assist and provide better business opportunities, in addition to a variety of other things biologically for the stock, but it was to assist those that were actually engaged in fishing.

Maybe it was perhaps a little shortsighted, but, as we’ve gotten ten years down into this program, we’re starting to realize that there are some issues involved with some of the social issues and economic issues in the fishing communities, that fishermen will retire and they won’t be engaged in fishing, and they are
no longer an active fisherman in the fishery, and so those are
some issues, I think, that are higher up that might need to be
further fleshed out in the goals, as Ava was trying to get at
earlier, but that’s where, potentially, I see that we can
address several things related to that particular aspect. Yes,
it would require, potentially, people to buy a boat, if they’re
not using their shares and going out and fishing currently.

DR. CRABTREE: Just one last thing. I think it would be
helpful, in the course of this meeting, if these are things you
want to look at, to give us a list of things that you want to
look at and questions with respect to it, and then we could go
back and look into all of this more thoroughly and report back
to you at the next meeting.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: Would that be appropriate for that list, to have it
as a motion in the options document, or do we have to just say
here is our list and then we come back, depending upon your
answers, to put it as an option in the options document?

DR. CRABTREE: Well, I would think you would need to have some
agreement among the council as to these are the things we want
to look at, and so I guess, at some point, some sort of a motion
would be good.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: Kevin, this is kind of for you. I appreciate your
comments, because I think this is going to hone in on what we
think the social issues are. My question is you were talking
about that now we have some older fishermen that maybe aren’t on
the water anymore, and so which social issue are we wanting to
try and get at?

Are we wanting those individuals back on the water? Is that
what we’re wanting, more active fishing, or is it more I don’t
want them leasing their shares and I want, somehow, new entrants
to come in and own that share and be on the water? I guess I am
trying to hone in further on where we’re headed with that. What
is the social issue that you really want to get at with those
fishermen?

MR. ANSON: The social issue I would see is to positively affect
the fishermen, and, again, I would define a fisherman as that
person who is able and active in going out and engaging in the
fishery, and so they have a boat, and they’re on the boat, and
they’re catching their fish.

Now, there is several ways that you can go about further defining that fisherman, relative to how much shares they lease and such, and identify thresholds or a minimum percentage that they would have to fish each year, and some of those concepts are being developed in Amendment 41, relative to charter boats and some of the ways of distributing access.

I think those could be further fleshed out, as far as options, if a motion were to go forward that would identify those, but I am thinking of potentially both of those, and then, in that way, you would then be able to, potentially be able to, distribute or get those fish to those fishermen, and then you can minimize the hardship, if you will, for those that have current shares, and, as they aren’t able to go out on the water, that you have some sort of time period that you would have like a cyclical redistribution, where each year they lose a little bit.

They maintain their shares, but they lose a certain percentage and, over a certain period of time, that they would divest themselves of the shares, but those shares would be redistributed.

There is other issues relative to resource rent too that we could be addressing in the document relative to how we redistribute those shares and whether or not they go through an auction program or auction methodology, in order for the government to earn some money from those fish, and so we’ll be going through, and, as we get into the sections here, I guess, we can talk about those things, or motions can be offered.

CHAIRMAN GREENE: I have Dr. Frazer and then Mr. Boyd.

DR. FRAZER: Thank you, Mr. Chair. When I was thinking about this, as this document has developed, and you have alternatives and you have options, and I appreciate what Kevin is saying. Anytime you make a change or a decision, because, in part, this program was set up to stabilize an industry, and so there will be socioeconomic consequences of any decision, and so I’m thinking, as you kind of roll through this document, and there is a discussion section for each of those action items and the alternatives and the options, that I would like to see, in that document, what some of those socioeconomic consequences are in the discussion section right there. Otherwise, this becomes very difficult to evaluate whether or not it’s a good decision or a bad decision.
CHAIRMAN GREENE: Ms. Levy, is it to that point?

MS. LEVY: Just a comment. I think part of the issue with developing this right now is that the first thing we talked about were the goals and objectives, right, and whether you thought the ones that were articulated when this went in place are met or they need more work or are there other goals or are there tweaks to the goals that you want.

Then, the way this is structured now as potential alternatives, it’s because I don’t think staff knows exactly what you’re trying to achieve, and they’re trying to give you sort of options for alternatives or actions that may or may not achieve the current goals or objectives or modified goals or objectives that you’re looking at and then honing it down into actually what types of goals you want to achieve and what actions and alternatives you think will achieve those goals, and then, it seems to me, it would be easier to get into an analysis.

I am not saying not to do an analysis, but I feel like one of the issues here might be that there are just too many things. Like to have an economic or social effects analysis of all the different types of potential alternatives that are listed here seems like it might be an issue. I mean, I guess I would leave that to staff, but it doesn’t seem at the place right now where it’s really feasible to do a good effects analysis.

CHAIRMAN GREENE: Thank you. Mr. Boyd, thank you for your patience.

MR. BOYD: Sure. I think I will hold my comment, because I was going to make a comment on Table 2.1.4, and we’re going to get to that in a few minutes. It’s relevant to the complexity of going back to shareholder only, and so I will just wait.

CHAIRMAN GREENE: Okay. Thank you. Is there further discussion? Okay, Dr. Lasseter.

DR. LASSETER: Thank you, Mr. Chairman. I am going to get into these -- There is actually three potential sub-actions, the way the document is outlined right now, and, just as an overview, the first one is going to address what shareholders can or can’t do if they have a permit. The second one will address who needs to have a permit, and then the third one proposes some potential exceptions to the requirement to have a permit. That’s just kind of an outline of the three potential sub-actions.

The first one, and, again, we’re at the bottom of page 16, is,
status quo right now, our current situation is that shareholders are not required to possess a valid or renewable commercial reef fish permit to open an account, to obtain, retain, or transfer shares, or to transfer, which includes buying and selling, allocation to other shareholder accounts, and I will point out that it is still required to have a commercial reef fish permit with, of course, the attending vessel, in order to land allocation, and so that remained in place. That is a constant.

For the potential alternatives to our current situation, it could be to require shareholders to possess a valid or renewable commercial reef fish permit to do various things in the online IFQ system. The first one, potential, would be to even open an account, and then the remaining ones are to maintain shares that they are already holding, require a permit just for those to keep, require the permit for shareholders just to obtain additional shares, and so they could keep the ones that they currently have, but they would need a permit if they’re going to increase their shareholdings.

Require the permit to do anything with shares, to transfer them in or out, to buy or sell shares, and then the same thing with allocation. Just require a reef fish permit in order for that IFQ account to be able to obtain, get more allocation, or to do either, to buy and sell allocation.

I will point out that, in the online system, what the accounts are doing is transferring, is moving shares or allocation back and forth. The arrangement between the two people making this transfer within the system, they’re engaged in a transaction that’s outside of the system, and that’s where we use the term, or fishermen are using the term “leasing”.

When they say “lease”, that’s not going on inside the system. The transfer of that allocation is moving, but that financial transaction is incurring between those individuals outside of the program.

However, they are to put the amount, for shares or allocation, and there is a place to list the price, if there was one, for that transaction, and so that’s just a little difference there of the terminology. Are there any questions on that, or should I go through all three of these? I think perhaps it might make a little more sense. Okay. Seeing nothing at the moment, let me go through the other two.

The next one addresses who would need a permit to do the preceding things, and so, currently, again, there is public
participation in the programs. You need the reef fish permit to
hand the allocation, but anybody can open an IFQ account and
make transfers within the system with shares and allocation.

Some potential alternatives would require all shareholders to
possess a permit or all shareholders who enter the program after
that control date was set, after the five years, and so allowing
the participants from that first five years, if they have
surrendered their permit, if they have sold their permit, allowing them to continue to remain shareholders and not have a
permit.

Then the next one is the same, but for the grouper/tilefish,
when the grouper/tilefish date opened. To all shareholders who
entered the program after January 1, 2015, they must possess a
permit, and, again, that is allowing then for the people that
participated in the first five years, initial recipients, people
that bought a permit within those first five years, but then
have since sold it, to not have to obtain a new permit.

Then, finally, all shareholders who enter the IFQ program
following implementation of this amendment, and so, essentially, going forward, if you wanted to just make this requirement from
the date of this amendment going forward. Any new shareholders
would be required to obtain a permit. Those are some potential
alternatives, and, again, for any of these sub-actions, you
could recommend adding additional ones for us to look at, or, if
there is agreement to remove ones completely, we would
appreciate that guidance.

Let me go through the last one, which addresses exceptions to
the requirement to have a permit. Currently, again, shareholders who do not possess a permit may or may not be
directly involved in the fishing activity, but some of these
shareholders directly involved in the fishery may be non-vessel-
owning captains and crew members, and so they’re fishing on a
vessel that has a permit, but they themselves do not have a
permit, and so you want to consider, well, they’re small
entities, they’re building up into the fishery, they’re buying
some shares as they go along, and it could be difficult for
those individuals to have to get a permit and the attending
vessel, when really they’re working as crew on an existing
vessel, and so that’s an example of a potential exception that
you may want to consider.

Currently, fish house owners and dealers have been buying
permits. Some of the results of the grouper/tilefish study,
many fishermen did not seem to have a problem with that. Other
fishermen did, because they felt that it required them to -- If they bought allocation from them, then it required them to land at that place for that price, and so there is pros and cons to having fish house owners and dealers be required to have a permit or allowing them to not have a permit. That’s another example.

Of course, we would have to clearly define all of these participation roles, and so some potential alternatives here would be -- The first one is shareholders that are individuals, and they’re not businesses or corporations, and I’m going to come to that in just a second, but individuals who can demonstrate direct participation in the fishery may not be required to possess a permit or to retain shares or obtain additional shares.

This is similar to the idea of the not businesses or corporations. The Alaska halibut and sablefish IFQ program, which is involved in that Fishery Finance Program, tried to make modifications to their program. Their council was interested in addressing some of these very similar issues that the council here is discussing, and so they had an amendment to require the next -- Instead of saying “new entrants”, they say “next generation”, which I think is a very good term.

To require the next generation of shareholders must be individuals that are fishing actively on the boats and not corporations, and that was their way of operationalizing that distinction. In the Gulf, many owner-operated vessels still incorporate their vessels, and I don’t know that that specific requirement would be the direction to achieve the goal that you may be wanting to address, but, as an example, that is what another council attempted to do.

Now, they ended up finding mixed success with that, because what they found was, since it was only going forward, people with existing shareholdings that were not fishing on the vessels continued to hold onto their shares, and the council ended up ultimately modifying that provision.

That is just one way to look at it, is that these individuals, this next generation, could be those that are crew members, that are hired captains, that do not own the vessel or permit, but are hired to work on that vessel, and they are the ones buying, incrementally, shares, as time goes on, potentially with the goal to be the vessel owner one day.

Another approach for these alternatives could exempt how much
shares, how many shares, shareholders are allowed to possess without having a commercial reef fish permit, and, again, this could be the situation for the same groups, crew members, hired captains that are buying small amounts of shares, and so shareholders that hold less shares than some amount of shares, which we would define in a reasonable range of alternatives, allow them to be exempt from the requirement to possess a commercial reef fish permit.

There would need to be a qualifier in there, in terms of provided they’re not related to another shareholder entity. Again, this section goes further into related accounts. A lot of IFQ program participants, for various business reasons, are separating their shares and putting their allocation in different accounts. Basically, they’re using the structure of the program to organize their business, and so there are accounts that may have small amounts of shares, but they’re held by the same entity, or overlapping entities, and there is additional information in this section for that.

I am going to pause there for a moment. Those are the three sub-actions, and that’s a lot of material, and I will see if there’s any discussion or questions.

CHAIRMAN GREENE: Mr. Boyd.

MR. BOYD: Another procedural question. One of the potential alternatives will always be no action, and that will be put in, won’t it, at some point? We don’t have to make motions and do things like that?

DR. LASSETER: Absolutely. Everywhere where we have the bolded “currently”, that’s essentially what’s going to become the Alternative 1. In order to analyze, we always start with what we have at present and then have our reasonable range, to analyze against what the current status quo is.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: Yes, and because some of these alternatives would require fishermen, or shareholders, to probably go out and purchase a permit, a boat, and a VMS and get it all hooked up and have it all ready, will there be some sort of phase-in associated with some of these, like some options for us to have a one-year phase-in after implementation, or a two-year phase-in? I mean, that’s just not something you run out to the store and get. That’s not a dozen eggs. You have to have a little time to do that.
DR. LASSETER: Actually, that is the next section, and so that would lead us right into that. I can go ahead and review that real quick, and then we can talk about all of this together. Let’s take a look at page 28.

We separated this, because those preceding three sub-actions just address who needs a permit and what they can do with or without the permit, and so that is a very good point, that it is likely that implementing this requirement -- The cost of permits would likely go up, and what would happen if shareholders who would now be required to have a permit and what happens if they can’t get one?

Currently, since they’re not required to have a commercial reef fish permit, that would be no action alternative, but, in the event the council requires them to possess a permit, a range of alternatives are provided there, such that a commercial reef fish permit must be obtained and linked to the shareholder accounts, and here are some timeframes.

At the time of the final rule implementing this amendment, and I am imagining that it’s going to take us a while to get to a final version of this document. We are at the options paper phase. Provide one, three, or five years. Those are our preliminary proposals for alternatives for time periods. I will pause there for discussion.

CHAIRMAN GREENE: Is there discussion? Mr. Anson.

MR. ANSON: This might be the appropriate section to bring up or further discuss what I had brought up earlier relative to creation of new permits, because, yes, it will be an additional hardship for those to try to go out and acquire a reef fish permit for those that were originally provided shares, if they have released the permit, and so, Jessica, it sounded like you said that it could be a little burdensome, cumbersome maybe, but you could -- You do have the records to go back and identify those individuals who had a permit and were provided initial shares that do not have a permit linked to the accounts now, correct?

DR. STEPHEN: Correct. We can identify all the initial shareholders.

MR. ANSON: All right, and so we might want to add here, and, Ava, I am looking to you, but to add an additional alternative that the agency create a legacy permit, let’s call it, and that
would be available to those who met the qualifications regarding having initial shares at the implementation of the IFQ program who no longer have a commercial Gulf reef fish permit.

DR. LASSETER: Okay, and so is that -- I am trying to think where that would go. I am going to let Mara address this.

CHAIRMAN GREENE: Just one second. We’re trying to decide on an options paper, and if you want this in a motion or how --

DR. LASSETER: A motion, please.

CHAIRMAN GREENE: A motion, please. Okay, Ms. Levy.

MS. LEVY: So it seems to be getting at -- I am not sure where it’s appropriate to put it in the scheme of the document, but it seems to be getting at sort of a larger action, meaning it’s not just an alternative, but it’s are you going to provide some sort of separate permit for folks who had shares at some point in time and no longer do, and, if you’re going to look at this, I would suggest not just limiting the alternatives to initial shareholders, right?

There may be shareholders that came in a year later that had a permit, that then got rid of their permit, and so, if you’re going to be looking at giving some sort of what you called a legacy permit, maybe it’s an action with alternatives that looks at who would qualify for that type of permit.

CHAIRMAN GREENE: Mr. Anson, to that point?

MR. ANSON: Potentially, Mara, and we’re in kind of a -- It’s kind of a throw it at the wall and see if it sticks kind of phase, but I was thinking more in tune of -- Trying to think of limiting participation, because that’s one of our goals, is to try to kind of cap the effort, and that it would only pertain to those that were provided the initial distribution and do not currently have a commercial Gulf reef fish permit now, and I heard about the motion and such, and I can certainly offer that, but I think it just applies to this, because it’s another -- It just deals with the requirement to have the reef fish permit, and so it would be another alternative. Now, whether it passes and goes to action, it might be better to have it as a separate action than the rest of these alternatives, but that’s all.

DR. LASSETER: Just for further clarification, this idea of those people who would qualify for a legacy permit, would then
then be exempt from acquiring an existing valid or renewable
commercial reef fish permit? Is that what you’re referring to?

MR. ANSON: Yes, that’s where I was going, because, again, they would have to spend the extra money to go and acquire a permit, and I believe, as Leann stated, that the prices would probably go up if this were to go down that road, and so that’s even more of a burden, and so I was trying to minimize the burden to those that were historical participants.

DR. LASSETER: To that point then, I am wondering if, rather than creating a legacy permit, if it wouldn’t just be an alternative under those to exempt from the requirement to have a permit, and so not requiring this legacy permit, but just those participants who held a permit at the time of initial apportionment, if I understood that, would be exempt from the requirement to hold a commercial reef fish permit, and is that what you’re getting at?

MR. ANSON: Well, I don’t know. I don’t know what’s easier for the agency to have, if they have an actual permit out there or that people have a little piece of paper that says this allows me these privileges or if they just have it on their paper, internally, and then enforcement stops them, and, again, I was thinking of those types of things.

DR. CRABTREE: Remember anyone that enforcement stops on the water has to have a reef fish permit now. What bothers me about what you’re bringing up is it’s not clear to me why someone who was in on the initial allocation and then sold his permit -- Why should he get a free permit, but someone who got in the fishery a year later and then sold his permit is going to have to buy a permit, and it’s not clear to me why we would favor one of those over the other. That is what I am having a hard time with.

CHAIRMAN GREENE: To that point, Kevin? Then I will get you, Martha.

MR. ANSON: Thank you, Chairman Greene. Again, we could have it as the initial transfer, or the initial share distribution, or we can have it as an option that includes those that bought it from another person and then sold it at some point after the IFQ program started, but I was looking at trying to provide some protection, security, to those that had the initial distribution of shares, and so that they were a fisherman, and then, for some reason or another, they may have gotten out, or, because there was no requirement to the permit, they decided to make a few bucks and sell it, and so I was just thinking of those initial ones, but we can certainly include others, but I was also trying
to minimize it, so that -- The effects that the additional permits have for effort.

DR. CRABTREE: So it seems to me though that we looked at some of the potential alternatives earlier, and there were alternatives that only required folks who entered the program after a date certain to get the permit, and so it would essentially grandfather the initial applicants and the people who got in early out of the requirement, and so it seems to me that’s a more straightforward way of doing what you’re talking about. Now, you can argue why is that even fair, but it seems simpler than what you’re talking about, if that’s what you’re trying to do.

MR. ANSON: I guess I may have misinterpreted it, but I saw that a commercial reef fish permit must be obtained in order for it -- Again, they would have to go to the expense of someone voluntarily wanting to sell them the permit and then paying the price that they want to sell them at. I am trying to avoid that initial burden for those initial participants, for those initial individuals that were provided the shares, and that’s all that I was attempting to do, and add it as an additional alternative.

CHAIRMAN GREENE: Thank you. Ms. Guyas.

MS. GUYAS: I was kind of waiting maybe to see if a motion was going to be dropped, but I guess, if we’re going to go down this road and potentially think about getting these guys permits, these people that have either transferred their permits away or whatever, I think we need to be mindful that the reef fish permit is for more than just IFQ. I mean, there’s a lot of people, like from the Keys, for example, that have a reef fish permit, and they’re not part of this.

Then, of course, people that are catching IFQ species are using it for IFQ, but also taking other things that are not IFQ, and I just don’t want us to lose sight of that and think about the bigger picture of how these permits are used.

CHAIRMAN GREENE: I’ve got you, Mr. Walker, in just a second. Mr. Boyd.

MR. BOYD: Just a comment. I want to go back to Table 2.1.4 in a second, but this is obviously a very complex issue, because it’s taken ten pages of this document to just talk about the possibility of going back to a shareholder-only kind of permit, and, to further complicate it, whether it was intended or not, the system has created a secondary market, a financial market,
and, when you go back and you try to undo a market that is in
the public domain and is complicated in itself, it makes it even
more difficult. Try to undo the stock market, or try to undo
the bond market at this point. This is much smaller, I agree,
but, still, you’re getting into the financial world with
decisions you’re making about permits.

I just wanted to point out, which I was going to do a while ago,
if you look at this table, in 2007, we had 596 accounts, and
eighty-eight of those were what’s called public participants, or
primary accounts. In 2016, we have 964 accounts, of which 331
are public participants. The related accounts go from twenty-
four to 512, and I think that says something to the complexity
of this whole process and this whole ability to fish in the IFQ
program and what’s possibly happening in that secondary
financial market, and that’s my comment.

CHAIRMAN GREENE: Okay. Thank you. Mr. Walker.

MR. WALKER: I was just going to add that these permits that
Kevin was talking about, where the permit was either sold or it
to expire, and so, if you issue them another permit, then they
can just sell that permit too, and so I don’t think that’s where
we need to head to, but I do appreciate some of the passion that
we’re getting here on the commercial IFQ program, and I would
like to see some of that in the private angler when we get to
that point, because a lot of these things the commercial
industry is not asking for, but I would just like to mention
that I would like to see that enthusiasm when we get along with
that.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: I was going to make a motion. Let me try to get
back to where I was in the document. Ava, what page are we on?

DR. LASSETER: Page 17 has the potential alternatives that I was
thinking could have -- While I have the microphone, if I could
just respond to Mr. Boyd for a moment. One of the effects, as I
mentioned, of this could potentially dramatically increase the
cost of a permit, but, also, because there is a finite number of
permits, it would be expected, I would assume, to consolidate
those related accounts, and so, rather than people separating
their assets with those related accounts, people aren’t going to
obtain a permit for each and every one of those, and they may
reduce that number of related accounts.

CHAIRMAN GREENE: To that point?
MR. BOYD: To that point. Don’t quite a few of those accounts not have permits?

DR. LASSETER: Yes.

MR. BOYD: They hold shares, but they don’t have permits? That is just a question. I’m not sure.

DR. LASSETER: Yes, and we do have information on that. Jessica has provided this analysis, and so I’m going to let her answer this.

DR. STEPHEN: Sure. If we go to Table 2.1.5, the next table there, you look at we kind of -- We kind of looked at the public participant accounts, and I’m going to use 2016. There were 331 of those. There were 512 related accounts, and so then I looked into how many of the related accounts were actually also public participant accounts, and it was 248.

Our truly public participant without a relation, direct relation, to another account is -- I think I calculated about eighty-three accounts, and so it’s a much smaller number that we’re thinking about. Most of the ones that are related and public participant will most likely move their shares into an account with a permit, and that’s the way they’re going to solve that issue if we go down that route.

Then it’s probably not in here, but, in the IFQ annual reports, we look at how many accounts are public participant with no shares and no allocation, and give me a second to pull that up here on my screen, and, in 2015, we only had ten of those accounts, of those middle men, just to give you a little broader perspective of the participation, and my recollection is that a lot of those are dealers.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: Kevin, for some of these initial shareholders -- I am trying to figure out the demographic, because you’re obviously trying to make sure that we don’t harm anybody, and I am trying to figure out the -- If what you want is active participation, and part of me says, well, the easier you make it to get a permit, the less of that element that’s not actively participating you’re going to weed out, right?

The harder it is to get the permit, get the boat, get the VMS, and to jump through all the hoops you’re going to have to jump
through to now either lease or own or whatever, the more people you’re going to probably have say, you know what, it’s not worth it anymore and I’m getting out of this.

This demographic that you’re looking out for, is this essentially people that maybe were initial shareholders, kept their shares and allocation, and maybe are still fishermen, but are not reef fish fishermen anymore?

I am trying to figure if this guy still has a boat and a VMS and so, therefore, if we sort of do some sort of legacy permit for him, he can put that permit on that boat that he’s already fishing and he’s okay, because, if they don’t have the boat and the VMS and all of that -- If they don’t have the boat, then that permit is not going to help them much. They’re still going to have to put a six-figure investment in something.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: Leann, I don’t know the answer to that question. I suspect there will be some that may be fishermen, but not reef fish fishermen, to go to Martha’s point earlier. If they’re landing other species of reef fish, then they should have a reef fish permit, and so, for those folks, it’s probably not much of an issue, but, for those that, for whatever reason, they have relinquished their permit, and I would assume, if they relinquished their permit, they’re not at least in that particular fishery, in the reef fish fishery, for red snapper or grouper/tilefish, and that they may have to go out and purchase a boat if it’s their intent to keep their shares.

Now, I have got a program in mind, or what I think the program should morph to, but, whether or not we get there or not, I don’t know, but this is one piece of the puzzle, in order to get to that program, and we’ll be talking about that as we go through the document.

To the extent that the agency or the council can provide the least amount of burden to those, if it’s selected that a legacy permit is established for those, again, historical participants that were provided the initial shares, that that could just be issued to them, and then they renew it as often as they need to, but, as they get out of the fishery for good, they can’t pass that permit on. There is no monetary value. There is no transferability with the permit, and it just goes away.

Again, it’s only a mechanism. I thought, in my mind, as Dr. Crabtree pointed out, that you need a piece of paper when you’re
stopped on the water, and so this would not be a reef fish permit, which would provide those privileges that are assigned or the ability to transfer and everything, but it would just stay with that individual until that individual is permanently out of the fishery and it’s no longer renewed.

CHAIRMAN GREENE: Thank you. Is there further discussion? Andy Strelcheck.

MR. ANDY STRELCHECK: I have not been at the last couple of council meetings and privy to previous discussions, but, in sitting here listening to the group and hearing what Roy had to say a little bit earlier, I feel like the council is really struggling with what are we trying to address here and how is it best to address, and, whether it’s a legacy permit or a reef fish permit requirement, I still don’t think it’s getting at the crux of what I have heard this council talk about as a major concern over the last few years, which is leasing of shares by participants in the program.

Yes, a reef fish permit or a legacy permit will provide that kind of additional bar or hurdle to overcome, but it still doesn’t get a crux, I think, of your major concern with the program, and so I think, going back to what Roy had to say earlier, it would be really helpful for the council to think about kind of the key questions, or the key issues, that you’re trying to resolve and then maybe take that back to staff to think about and bring back kind of pros and cons as to how best to address this, and I think staff has started to attempt to do that, but we don’t want to second-guess, obviously, the council’s intent and really the issues that you’re trying to address with the program.

My main concern is with the actual issue that needs to be addressed that will improve the program versus a perceived issue that might modify the program and actually be detrimental to the program, and there’s a fine line there, in terms of where that balance might exist, and so that’s my advice, and it would be helpful to kind of really define the problems you’re trying to address, and we maybe can come back with some better answers for you the next council meeting.

CHAIRMAN GREENE: Thank you, Andy. Is there further discussion? Mr. Anson.

MR. ANSON: I thought, Andy, that our discussion here, as part of the procedural process for this document, was that the Council Chair had asked that we go with motions to further
define what it is that the council’s desire is, so that staff can provide the appropriate analysis and discussion in the document, and, further, to your comment regarding leasing, yes, that might be something that comes up, but there are other sections in the document, and it might be just because we haven’t gotten to those points in the document yet, but I think this is our opportunity to go ahead and try to provide further clarification in the document.

To that end, if we could scroll back to page 17, I make a motion to add another alternative under Section 2.1, an alternative which requires initial shareholders to possess a permit to be established by NOAA.

CHAIRMAN GREENE: Thank you, Mr. Anson. Does that reflect your motion? Okay. Do we have a second for this motion? Seconded by Mr. Matens. Is there further discussion? Ms. Levy.

MS. LEVY: Just some clarification. The permit would be required to do what, meaning is it to fish, to possess the shares, just to be more specific about what it would be either required for or allowing folks to do.

MR. ANSON: It would be required to do all of the things that the current commercial reef fish permit would allow them to do or as they get fleshed out in the document.

CHAIRMAN GREENE: Ms. Levy.

MS. LEVY: I just want to make sure -- Are we talking fishing? So we’re talking fishing, and are you envisioning it having the same requirements as the current reef fish permit, meaning VMS and all of that other stuff, reporting requirements? It’s all the same as the reef fish permit, except it’s a subset, or it’s called something else, other than the commercial reef fish permit?

MR. ANSON: That’s correct.

CHAIRMAN GREENE: Thank you. Dr. Lasseter.

DR. LASSETER: Okay. I am going to tie back to Andy. In terms of goals and objectives, one of your current goals and objectives of the program is to reduce overcapacity, and so I just wanted to point out that this would create additional permits, which is conflict, I would say, with that goal.

CHAIRMAN GREENE: Mr. Anson.
MR. ANSON: Yes, and that capacity issue, in my mind, is not a traditional sense of capacity, when you have an open fishery. This is a closed fishery, in a sense, and now bycatch notwithstanding, and I understand that, but, since we have basically a cap on the number of pounds, and we have a cap as to who owns those pounds, inasmuch as the pounds that are harvested, that won’t change.

It’s harvested by somebody, but it’s just that it’s going to be harvested now by the individual who was initially provided the shares versus someone else who may have a reef fish permit, but they’re leasing those, to have access to red snapper. I don’t see the harvest changing much. Potentially the bycatch may increase, but that is what I envision.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: Kevin, I am just trying to read this wording here, and I think what you’re trying to do is say that these initial shareholders would get some kind of new created permit, but, just reading this at face value, to me, it just means that they may have to go buy a permit. The creating a permit part is not apparent to me. I am just trying to -- A month from now, when I’m trying to go through this and trying to figure out what happened, I am trying to make sure that I’m going to know.

MR. ANSON: Well, if people feel that I need to change it to make it more clear, I certainly will attempt to do that, but it just says to possess a permit to be established by NOAA, and there’s not an indication as to whether or not it costs money or doesn’t cost money, but it’s just to be established by NOAA at this point, just for discussion purposes, and something to get something for potential review in the document.

CHAIRMAN GREENE: Okay. Thank you. Dr. Lasseter.

DR. LASSETER: I just want to say that I wasn’t suggesting that it not be an alternative to include, but I was providing an example of perhaps this would be a reason why that goal of reducing overcapacity may no longer be one of your goals. That may be a goal that you would want to remove, through a motion and through further discussion.

CHAIRMAN GREENE: To that point?

MR. ANSON: I talked a little bit earlier about it, and that is that, maybe after we get done with -- We may not -- We can leave
it as is, I guess, as a goal, unless it’s just totally
counterintuitive to the direction of the document, but we can
come back and I think clear up those things, depending upon what
gets included in the document.

CHAIRMAN GREENE: Ms. Levy.

MS. LEVY: I think this is correct, but just initial
shareholders that don’t currently possess a commercial reef fish
permit, right, and so it’s not just all initial shareholders are
going to get this new permit? Okay.

CHAIRMAN GREENE: Mr. Strelcheck.

MR. STRELCHECK: I am going to go back to what is this helping
us to resolve? If we’re essentially giving them a permit to do
exactly what they’re currently doing, I am not sure how that
helps us.

I guess my other concern is are these reef fish permits, and are
they transferable? Are they going to be authorized for use to
harvest non-IFQ reef fish species? There’s a lot of details to
this that are not, obviously, explained at this point.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: Well, yes, it goes -- It is for initial shareholders
that currently do not possess a commercial reef fish permit. It
would provide them all the privileges that are assigned a reef
fish permit, minus the ability to harvest those other reef fish
species, and that’s all.

CHAIRMAN GREENE: Dr. Stephen.

DR. STEPHEN: Just to clarify, again, would these be the initial
shareholders that still have shares or the ones that who have
also sold everything?

MR. ANSON: That’s a good question. I didn’t think about it
that far, but I would say that it would be those that still have
shares.

CHAIRMAN GREENE: Ms. Levy.

MS. LEVY: Could we, if you agree, modify the motion a little
bit to capture some of this stuff, because I have a concern,
kind of like Martha, that we’re going to see this motion in the
summary and we’re not going to understand exactly what it means,
and so requires initial shareholders who currently possess
shares, but no commercial reef fish permit, right, to -- But no
commercial reef fish permit to be issued a -- I am going to call
it an IFQ permit, but you don’t have to say that, but created by
NMFS or something like that, and feel free to tweak that however
-- I want it to capture what your intent is.

CHAIRMAN GREENE: Okay. We’re working on the motion. I guess
the concern I have would be that, if someone has a permit now
and decides to sell it today so that they can qualify for this
next one, that’s a bit of concern as well. Mr. Anson.

MR. ANSON: We have already established a control date, and that
would be tied into this. If I need to -- Mara, Johnny had a
question about people who may qualify as being an initial
shareholder that currently have a reef fish permit today, and
that they could sell that reef fish permit and then apply for
this, and so that’s not my intent.

It was only to try to get those folks that don’t have the reef
fish permit back at a place that could allow them an opportunity
to go fishing with that permit, and so -- But I thought that it
would be tied into the control date. If that’s not the case,
then tell me. If it is the case, do I need to add some verbiage
in here relative to the control date?

MS. LEVY: We might want to say then who currently possess
shares, but no commercial reef fish permit, as of whatever that
date was. Was it January 1, 2012 or something like that?

DR. LASSETER: The control dates were set such that people were
notified at the five-year point, and so after five years had
gone by. The participation could be changed, but you’re talking
about initial shareholders and not anybody within that first
five years, and so the control rule addressed future public
participation by people who enter after the first five years of
each program, and the dates would be January 1, 2012, or 2015,
for red snapper and grouper/tilefish respectively.

MR. ANSON: Yes, unless, administratively or legally, that we
can’t use that control date, I think it suffices for the
situation that Johnny brought up, relative to today a commercial
reef fish permit holder that also has shares and if -- Using
that control date, that they can’t go out and sell that permit
and then apply for this. I guess if that’s -- If you’re able to
do that under this scenario.

CHAIRMAN GREENE: Mr. Diaz.
MR. DIAZ: Kevin, would you consider putting the word “non-transferable” before “IFQ”?

MR. ANSON: I would be more than happy to add “non-transferable”. Thank you.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: All right. So what about the initial shareholder who didn’t have a reef fish permit on January 1, 2012, but he bought one on January 2, 2012? You’re going to issue him a free reef fish permit?

MR. ANSON: If he has one currently, he’s --

DR. CRABTREE: That’s not what this motion does. Aside from -- Kevin, it’s just what is this -- What are you trying to do with this? Why do you want these guys to have permits? What is it that you’re trying to do, and why are you doing it? Is it your intent that this would be coupled with an overall requirement in the fishery that everyone has to have a reef fish permit and you’re trying to grandfather some of the initial people in?

MR. ANSON: That is correct. There are other sections in the document that will address that, and I was waiting for that, and so this is an important part of that, and so I guess we could just wait until we get to that and see if that motion passes and then come back to this section and address it, and that might be clearer, or it might be easier for everyone to understand at that point, but, yes, that -- Again, I had a vision, and it may not be a very good one, very blurry, but I had a vision as to what changes could be made to the IFQ program that would address some of these items that we as a council have discussed and members of the public have brought up that they’re dissatisfied with.

I guess I could withdraw the motion and we could come back to this section, but I was just trying to -- Because everyone was thinking about permit requirements, that it would be best to put it here.

CHAIRMAN GREENE: Okay. We’re coming up on lunchtime here, and we seem to have bogged down. We have a motion on the floor. Mr. Anson, is it -- Based off of your previous comment, is your desire to withdraw, or would you like to send this to a vote? Mr. Anson.
MR. ANSON: I will withdraw it for now.

CHAIRMAN GREENE: Thank you. With that, just sitting here listening to all the conversation, it sounds like there is certainly a desire to go back and understand that, in the first five years, you had to have a permit. After that five years, it was opened up, and it sounds like the council may have an idea that they want to go back and change that to be that you have to have a permit to have shares.

It seems like that’s kind of where Kevin is getting at, and it seems like there’s a little bit of support with that, and so I’m just trying to kind of keep everybody glued in here, as best we can, and I know it’s getting up to lunchtime, and I know we’ve kind of bogged down, and we have done very well on our agenda items, and we still have a half-day to get through a couple of other things, and we will take whatever time necessary to get through those accordingly, and so, with that, I will turn it back over to Madam Chair Bosarge for a few announcements.

MS. BOSARGE: I am in agreement with you, Chairman Greene. Let’s get some food in our stomachs and chew on these thoughts right here over lunch, and let’s come back and have, before we delve too far into it, an overarching discussion of where we want to see this program go. Anyway, we’ll get into it then. We’re going to go to lunch until 1:30. That gives you an extra ten minutes over what you were scheduled, I am proud to announce, and so we will recess for lunch, and I’ll see everybody back here at 1:30.

(Whereupon, the meeting recessed for lunch on June 6, 2017.)

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June 6, 2017

TUESDAY AFTERNOON SESSION

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The Reef Fish Management Committee of the Gulf of Mexico Fishery Management Council reconvened at the Naples Grand Beach Resort, Naples, Florida, Tuesday afternoon, June 6, 2017, and was called to order by Chairman Johnny Greene.

CHAIRMAN GREENE: I think everybody is here, or pretty much in the room, and so we had a pretty spirited debate there before we left for lunch, and I know it seemed kind of confusing, but I
think we were actually --

**MS. BOSARGE:** All right, guys. If you’re having conversations in the back of the room, if we could get you to maybe just take them outside the door, so that everybody around the table can hear what Chairman Greene is saying. Thank you.

**CHAIRMAN GREENE:** Okay. Thank you. We didn’t quite get the momma voice yet, but it was coming, and I don’t have that voice. That’s probably the reason I have lived as long as I have, and so, with that being said, we had a pretty spirited debate earlier, and I appreciate that debate, and I think it’s something that’s been coming for a while, and I think that there are times that we just have to sit down and hash our way through something to ultimately get to where we’re going. With that, we’re going to pick back up our discussion on this particular item. Chairwoman Bosarge.

**MS. BOSARGE:** Right. Before we get too far back into the document, Ava, I would like to have a broader discussion about where we’re going with the ultimate changes that we make to this program, and I guess I will try and say the stuff that doesn’t seem to want to be said, and it’s not to say that I agree with the comments that I am going to make or disagree, but this seems to be what we’re dealing with.

In a traditional commercial fishery, as fishermen either age or for whatever reason they come to the point where they’re ready to leave the fishery, they do, right, and so there is some excess capacity there, and I guess you called them new generation fishermen, but they step up, and they start catching those fish, but they still have to work for it. I mean, you’re still going to have to probably be a deckhand or a captain on somebody else’s boat for a certain number of years, maybe your daddy’s boat or whatever, and learn what you need to learn and save your money and buy your own boat.

There is a whole economics there that is still present, even in the IFQ system. That is still happening, right? It seems the thing that perplexes certain people, both inside and outside the industry, is that, with the IFQ system, there is one more step to it.

If you want to be an owner, you also have to buy shares, right? You can still go in and lease some shares and fish in that fishery and be active participant, but you don’t have that ownership in it, and so one thing that’s happening, and, again, I don’t necessarily disagree with it or agree with it, but one
thing that we see happening is that sometimes the older fishermen are -- Not even older.

They may just be moving into a different part of the industry. They may become dock owners and start unloading, and so that’s just a different aspect of the industry, but, for whatever reason, they’re not on the water anymore, right, and so the new generation fishermen are coming in, and they’re going out there and fishing that, but maybe they’re having to lease that from that previous fisherman that used to be on the water catching it himself, right? That, I think some people have a qualm with.

So we need to decide, around the table, what it is we’re trying to fix and what we have qualms with and what we’re okay with and what we accept as, all right, that socially, to us, is okay, and focus in what we really want to change and really want to fix, and I guess one thing that I threw out there earlier, as something that I would like to see fixed, in my opinion, is that middleman aspect that there is an opportunity for right now in the system, where you have no ownership or activity in the fishery at all.

You are simply coming in, and you’re leasing fish for a certain price. Then, at some point later on, you’re turning around and leasing those fish back out for a higher price, and so you’re not a shareholder. You don’t have a fish house. You have no ownership. You’ve got no skin in the game. You’re just flipping those shares.

That might be something we could probably all rally around that that’s not necessary to make this program function, but, other than that, we’ve got to figure out where we’re going, because what we’re doing really does have ramifications.

If we’re really wanting to focus on that next generation fisherman and finding some ways to make that ownership hurdle easier for them, then that’s what we need to focus our efforts on and really think hard about the decisions that we’re making, permit-wise and what’s going to be required, to make sure that, as we make each of those decisions, they are having the outcomes and the effects that we really want for that next generation fisherman.

I just want to have some conversation about what is it that we really think needs to be tweaked or fixed or made better or improved, however you want to look at it. What’s wrong with the program? What is it that we’re aiming for here?
If our focus is on that next generation, then let’s focus on that and see what we need to do to improve that, but, if our focus is not really on that next generation, if it’s on something else, if it’s on the middleman like I’m talking about, or if it’s -- Whatever it is, we need to figure it out, so that we don’t make a whole bunch of changes that don’t have an ultimate vision attached to them, but that definitely are going to have ramifications for everybody involved, because, no matter what we do, we’re probably going to hurt some people and help others.

There is going to be negative consequences to anything we do, because it’s an established system. There is people participating in it, and so I think we really need to focus in and figure out what we want to fix.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: Thank you, Leann. I was given some comments and feedback to what I was trying to do through my motion and some of my discussion prior to lunch, and that was -- A comment that was made to me is to be a little bit more explicit, I guess, as to what it is that we are attempting to do with the document, and so you had mentioned it earlier, just now, about trying to help the fishermen, and, quite frankly, the IFQ programs were set up to help the participants.

As we go through time, that definition or that makeup of a participant and who is a participant changes, and so I think we have to look at the participants that are here today in the fishery, and we have to keep an eye on those that are the next generation, or the ones that are thinking about it, or potentially could find themselves getting into the fishery at some date future.

I think that’s what I was trying to get at earlier with some of my discussion and my motion, was to try to get at a point where we could address that issue, and it’s a big issue, and that’s where a lot of folks, as you said, both within the industry, those that don’t have shares and have to lease them, as well as those that are spectators and they own the fish that are in the water, at least as citizens of the country, and they feel like the current system doesn’t quite capture the way they want that system to be managed.

I think that’s something that we should start with, is how we look at defining access to participants to the fishery, and where do we get from a point that we have a situation where
shares are held with an individual who is identified as being a
historical participant and provided some of those initial
shares, looking at those individuals and transitioning to a
point where we have those shares that are able to be distributed
to the new participants, or the current participants, as well as
those future participants, and so that’s where I think that this
document should go, is to try to address those particular
issues, in a larger sense.

CHAIRMAN GREENE: Thank you. Is there further conversation?
Dr. Crabtree.

DR. CRABTREE: I think those are all fair points, and I’ve heard
from fishermen too about some of the concerns, but I would just
make a couple of comments. It’s a complicated program, and it’s
been around for a good while now, and we just need to be
careful.

Generally speaking, this program works well. It’s very
efficient at catching the fish and getting them into the
marketplace, and, as we try to make these adjustments to it, we
need to be very careful that there aren’t going to be a lot of
unintended consequences.

Some of the things we’re talking about are probably unintended
consequences of decisions that were made sitting here a decade
ago, and so we just need to be careful and really think it
through.

You know, I think, in the Gulf, we talk a lot about fishermen
being out on the water, but it seems to me, in commercial
fishing in the Gulf of Mexico, there has been a long history of
vessel owners who own multiple fishing vessels, and they hire a
crew to fish those vessels, and so the notion somehow that
everybody who owns fishing vessels is out there on the water
every day, I don’t think that’s really true in the Gulf of
Mexico.

Now, there is no question that, to get into the fishery, red
snapper fishery, under the IFQ system, it requires more
investment by a fisherman who wants to get in. You’re either
going to have to buy shares or you’re going to have to lease,
and so you’re going to have to put more money in. It’s not just
buy a boat and buy a permit.

There is more to it than that, but I think, if you look at the
economic performance of this fishery, the benefits of being in it
and the rewards for being in it are a lot more than they
would, and the guys, when you get in it, it’s more profitable than it used to be, and so, yes, there is a higher upfront cost to get into it, but it’s a more valuable fishery and business once you’re into it, but I think we just need to be careful, and we need to think really hard about what’s the problem we’re trying to fix and how big of a problem it is and is the cure worse than the disease. That would be my advice, is just we need to be careful.

CHAIRMAN GREENE: Thank you. Is there further discussion? Mr. Sanchez.

MR. SANCHEZ: It’s almost like a lot of the things that have been created as this evolved, mechanisms to get shares around to different people, they’re there now. Whether we shouldn’t have taken that approach early on, but it’s almost like an irrelevant point.

To do away with some of those transferring mechanisms now would cause probably undue harm to a lot of people, and there is so many -- As you try to develop some catchall, fix-it-all program, there is so many scenarios, little nuances that surface, that you couldn’t even foresee coming, that it almost begs to take a -- All right, you kind of leave that the way it is in the past and you do something from this point forward, to try to prevent it from just perpetuating this, but I don’t see how you can undo some of the things that are there right now.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: The concern I have with the whole situation and the IFQ system in commercial is one of more of a personal concern. As a fisheries manager, I share what Roy said. It’s an extremely efficient way to manage. We know how many fish are being caught, and we can count them. It works well.

The thing that disturbs me about the whole discussion surrounding this is not that it’s not important. I think this is an important issue for us to deal with, but what it’s done is it has captured our attention and our time and our efforts and moved it away from a segment of this fishery that needs our full attention, and that’s the recreational fishery.

I think we all would like to have this particular program tweaked in some fashion, and that’s probably appropriate, but I am not so sure that it’s the most pressing need for this council right now, and I think the more time we spend on things like this without fixing the other sectors that need fixing, it seems
to me that it’s a distraction that we shouldn’t allow to occur for us.

We need to fix the sector that doesn’t seem to be working very well and accept that this is working very well from a fisheries management standpoint. Maybe not from a personal or a philosophical standpoint for all of us, but, from a fisheries management standpoint, this system is working, and it’s efficient. Let’s put that to the side and let’s fix the parts that are not working, and then we can come back and see how to tweak this so that it meets a lot more of our personal and philosophical feelings and that of some of the people out there.

Thanks.

CHAIRMAN GREENE: Thank you. Is there further discussion? Mr. Walker.

MR. WALKER: I would just add too that it’s a very efficient program, and I have mentioned before, for every action you take, there’s going to be a reaction, and so there’s not much in here that’s going to really affect me, but there are a lot of people in this industry that it will affect in a negative way, whether you like it or not, and so they have learned to adapt, to where this fishery has evolved and how we had to work.

We got some things we didn’t want, but we got around it. Fishermen got around it, and they did what they had to do to make this program work. They never wanted it open in five years, but that’s what I am more concerned about, and there could be some tweaks, and I would like to hear some public testimony. Maybe we can get some public testimony from the industry.

CHAIRMAN GREENE: Thank you. Is there further discussion? Mr. Anson.

MR. ANSON: I am sure that we’ll get some comments during public testimony tomorrow, but the IFQ program for red snapper has been in place for nearly ten years, and we had an IFQ review, as required, and so it’s our job to deal with this, as a council, to look at the program and see where it is and where things need to be changed and identify those things as a council, as to body, as to whether or not we deem them to be important enough.

We will go through the process, and we will develop a document that will have plenty of opportunity for the public to comment on, and we’ll develop the document under a process within Magnuson and be guided by counsel as to whether or not certain
motions will be appropriate to go forward, and we’ll just kind of see where things go.

CHAIRMAN GREENE: Mr. Boyd.

MR. BOYD: Ava, is this document that we’re putting together the final step in the five-year review?

DR. LASSETER: No, the five-year review is a completely separate document, and so this is an amendment. Just like under the red snapper program, you received an actual document that was the red snapper five-year review. You approved it in 2013, I believe. There is a link to it in the appendix.

Then you began Amendment 36, which is an amendment to address the actual regulatory changes, and so the review is just an analysis, a summary of all the studies that are done to look at the program performance, but they’re completely separate documents.

MR. BOYD: I understand they’re separate documents, but these actions that we’re talking about came out of the review, and is that correct or not?

DR. LASSETER: No, these items came from -- I believe it was in 2013, shortly after you received the red snapper five-year review, and you were interested in addressing some changes, and you came up with a list of things that you wanted to consider exploring.

Mara then took that list, and, through NOAA GC, made an evaluation of those items that you could continue to explore that would not trigger the referendum requirement. Remember that red snapper has the two changes, or the two referenda. You have to have the initial one, before the program is designed, and then one for approval. Only a final one is required for grouper/tilefish.

The council came up with this list, plus a couple of the recommendations came from the red snapper five-year review. That was to address those non-activated accounts, and so one did come from that, and then one other item from Amendment 36 came from something that Roy wanted to address, but, otherwise, all of these items in this document came from you guys, came from the council.

MR. BOYD: Thank you.
CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: Speaking of five-year reviews, what is our timeline for the grouper one, because I know that’s coming soon.

DR. LASSETER: I believe all of the studies that the Science Center contracted out have been received and reviewed. The SSC has also received presentations on those, and the IPT is now in the process of developing the five-year review. We will at least make a presentation in August on the five-year review.

CHAIRMAN GREENE: Is there further discussion? Madam Chair, does that do what you had hoped that it would do and we can continue back on?

MS. BOSARGE: Yes, I think we actually had some pretty good discussion there and some good overview, and we still have to go through part of the document, right? Okay.

CHAIRMAN GREENE: Yes, ma’am. Okay. Thank you. Dr. Lasseter, I guess we’ll just pick up where you left off, and we will just move forward from there. Mr. Anson.

MR. ANSON: While we’re at this point in the document, and considering the conversation that was just had relative to the goals moving forward with addressing those things that are perceived to be an issue in the fishery, I want to go back and revisit my motion, but not the actual motion. I want to put a new motion in.

The new motion would be to grandfather in those fishermen with initial shares, and I might need some help here, but a permit, a Gulf reef fish permit, that provides them the privileges associated with the Gulf reef fish permit.

CHAIRMAN GREENE: Mr. Anson, does the motion on the board reflect what you were after?

MR. ANSON: Yes.

CHAIRMAN GREENE: Thank you. We have a motion on the board. Is there a second to this motion?

MR. MATENS: I will second it for discussion. I want to see where this goes.

CHAIRMAN GREENE: It’s seconded for discussion by Mr. Matens. Is there discussion? Mr. Anson.
MR. ANSON: We had some conversation before lunch, and I might amend my motion here, but, again, in the context of addressing problems that exist relative to participants in the fishery, and so, again, we have a variety -- We could institute multiple options within the rest of the document that would require some provisions of either fishing with a certain amount and catching certain amounts of shares, and that would require a permit, or we might go down avenues that wouldn’t necessarily require a permit, but it would, in light of the cyclical distribution thing, where they basically just have an opportunity to record landings or not, and, if they choose not to get a Gulf reef fish permit, then, over time, the shares go down, and so a period over five years and you lose 20 percent each year type of thing.

I am trying to go back to some of the conversation that we had relative to the Gulf reef fish permit and establishing that and whether or not it was required. I thought maybe some of the agency staff said that maybe it wasn’t necessary to establish the permit itself, but just grandfather them in without a permit, just for the purposes -- Just for the purposes, if they did want to fish, that they would have the ability to do so.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: I am sorry, Dr. Crabtree, would you want it to be a non-transferable permit, like you did before?

MR. ANSON: I would, yes.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: So you want to issue a non-transferable Gulf reef fish permit to everyone who was an initial shareholder? I am trying to just understand what you’re doing and what the motion means.

MR. ANSON: Again, thinking ahead in the document of some potential ways that we could get at the issue of redistributing shares for participants that were initial shareholders that no longer fish those and are just leasing those, that we have a mechanism in there that transfers those shares back into a quota bank or some other mechanism that would reallocate those shares among those that do fish, whether they be shareholders or leaseholders, that type of thing, but yet, if we have the fishing provision attached to it, then they will need to have a permit to go out and actually catch part of those shares, and so that’s what I am trying to -- As far as providing as much
flexibility as possible, that this would need to be here, rather than just --

DR. CRABTREE: I am asking exactly what the motion does, because the word “grandfather” -- We are not grandfathering them in. We’re giving them a permit, right? I think that’s what you mean, and we’re going to give everyone who was an initial shareholder one of these, even if they already have a permit?

MR. ANSON: No, and, again, this would be for those that --

DR. CRABTREE: Well, that’s why I am trying to get the motion so it’s clear.

MR. ANSON: So about then we change “grandfather” to “issue”. Could you scroll up to the previous motion? Could you copy “requires” down to “permit”, and we might have to copy the rest too here in a second, and then put that in place of “to grandfather in those fishermen”, and copy over that? Could you remove “to require”? Then, after -- Could you add “IFQ” before “permit”? I am trying to figure out where to insert -- In front of “initial”, “NMFS will provide to initial shareholders”, and let’s do that.

CHAIRMAN GREENE: Well, I’m not sure how to move forward here, because we have modified the motion, and the seconder has left. There he is. I didn’t see him. Mr. Anson.

MR. ANSON: Before Camp -- One more change. Could you take out “with initial shares”? Thank you.

CHAIRMAN GREENE: Okay. We have a motion on the board, and, Mr. Anson, is that your motion?

MR. ANSON: Yes.

CHAIRMAN GREENE: So the motion reads: National Marine Fisheries will provide to initial shareholders who currently possess shares, but no commercial reef fish IFQ permit, a non-transferable Gulf reef fish permit that provides them privileges that are associated with a Gulf reef fish permit. Mr. Matens, you seconded this motion. Are you fine with the changes that have been made? He agrees.

Okay. We have modified the motion significantly, and we’ll have some discussion about it as modified. Dr. Mickle, and then Ms. Guyas.
DR. MICKLE: Thank you, Mr. Chairman. Just for clarity, Mr. Anson, are you identifying initial shareholders as the shareholders in the very beginning of the program, and so people in year two and year three are excluded from this? Is that correct?

MR. ANSON: That’s my intent with this motion, yes.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: Another clarifying question. I assume this means they would get privileges that are associated with the Gulf reef fish permit that would pertain to the IFQ that they’re holding and not necessarily harvest of non-IFQ species.

MR. ANSON: Maybe, to clarify that then, is to remove the “IFQ” reference and put in, after the first “Gulf reef fish”, and so it’s a commercial reef fish permit that would allow them to participate in the IFQ Gulf reef fish plan.

CHAIRMAN GREENE: Okay. Ms. Guyas, are you good with -- I had you on the list, but I think you just spoke. Mr. Sanchez and then Mr. Boyd.

MR. SANCHEZ: I still don’t know why we’re doing this. I mean, I am at a loss. It seems to me that we’re trying to give back some sort of non-transferable permit to somebody or an entity who probably originally had one, and, for whatever reason, they chose to get rid of it, and now we’re trying to bring this back around.

I mean, if I could hear, I guess a -- Dummy it down and give me an example of who exactly are you trying to benefit with this. Give me a hypothetical scenario, because I just can’t get my arms around this.

CHAIRMAN GREENE: To that point, Mr. Anson.

MR. ANSON: Again, I talked a little bit about it before lunch, and I was hoping to improve clarity and reduce confusion, but I may not have been successful. Again, seeing that we’re at this point in the document, where we’re trying to identify those who may need permits in order to access the fishery and identify what those permits and the entitlements or requirements that are provided them, relative to other points in the document, there may be motions that are brought up, and there may be things that are already in the document that would require someone to have a permit in their possession if they were on the water with an IFQ.
species, and so that’s what this was an attempt to do, was to get this on the board, but it may be best to just move forward and do those motions, or make sure that that is a requirement that we would have to just come back later to this section of the document and put in this type of verbiage or this type of motion.

CHAIRMAN GREENE: Okay. Mr. Boyd, Mr. Banks, and then Dr. Crabtree.

MR. BOYD: Thank you, Mr. Chairman. Kevin, this is going in as what we’re calling potential alternatives, and we’re not choosing preferreds or anything else, but my question is what is the reason that people don’t have those permits now, if they had them before?

If it’s because they sold them, the logic is they received some value at that point in time. If they want to get back into the fishery, let them use the value they received at that point in time and buy back into the fishery. I don’t know why we would have to give them a right that they ended up profiting from in some way.

CHAIRMAN GREENE: To that point, Mr. Anson?

MR. ANSON: Well, I don’t know exactly all the reasons why someone would give up a commercial reef fish permit, but they were able to do so and able to maintain their shares, and so a lot of them will lease them, or they could sell them, and so this would be an opportunity, as part of the discussion, is to just make that so it would be a free permit to them, not getting into the issue as to whether or not it should cost them or not, but that’s what my motion is, is just to -- Since it may be a requirement, if they’re going to go out and fish those shares now, they will need a permit to go on the water, and so this would be a non-transferable permit for them to have access to the fishery, to go out on the water and actually harvest those fish, until such time in the future that they will no longer -- That they don’t want to harvest those fish, and so it will be just they can have that permit until they no longer need the permit to go and fish.

CHAIRMAN GREENE: Okay. Mr. Banks and then Dr. Crabtree, and then we’re going to vote it up or down and move on.

MR. BANKS: Kevin, the only rationale I can see for this is if you’re alluding to something later on in the document. It makes me think that you’re going to -- At some point, you’re hoping
that we will require that anybody that holds shares must participate in the fishery, and certainly, if that did get voted up or down, they couldn’t do so without having a permit, and is that where you’re going?

MR. ANSON: That’s where -- Again, I was just looking where, at this point of the document, people would kind of have their brains kind of geared into permit requirements. Granted, if you read it in advance and kind of knew all of those things, the nuances, it may not particularly pertain, but there may be some discussion that’s brought up relative to that, again, as a discussion, as an option item to discuss in the document or have for discussion in the document, that we could further discuss at a future meeting or meetings.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: It just seems, to me, that we’ve gotten out of a logical sequence here. If the reason for this is because, at some future point, we’re going to decide that people have to go and fish the shares, it seems to me that we ought to get to that decision and make that decision. Then, if that’s what we’re going to do, come back to this, and so it just seems out of sync.

The other thing that would probably keep me from supporting this is I just don’t see why the initial shareholders should be treated as a privileged class. I mean, there probably is someone there who bought shares nine years ago, and wasn’t an initial shareholder, but invested and got in and has been in this fishery for a long time and doesn’t have a permit, and it’s just not clear to me why he has to pay for it, but the initial ones get it for free. It just seems inherently unfair, to me.

It seems, to me, if you want to give them permits for free, you would give everybody a permit. They’re all in the fishery, and they’re all playing by the rules, and it just seems, to me, to give some free ones and not others, is the problem. I think the bigger decision is are we going to require people to fish their shares or not, because, if we decide we’re not going to do that, then I am not sure what this accomplishes.

CHAIRMAN GREENE: Okay. We’ve had a lot of discussion about this. We need to move on, and so we’re going to vote this up or down. All those in favor of the motion on the board before you, please signify by raising your hand; all of those opposed, like sign. The motion fails.
Dr. Lasseter, if you will try to remind us where we were in the
document and pick up and carry on.

DR. LASSETER: Absolutely, Mr. Chairman. I am just going to
rehash one little part there. So, in addition to the initial
couple of themes that I heard that could lead towards potential
goals, what I heard was maintaining active participation,
进一步 addressing bycatch, potentially, and this last
discussion, one main one that I heard was possibly assisting
entry for the next generation, and so I just wanted to check in
with you guys again on that.

Moving forward to the next potential action, it begins on page
28. Actually, we covered the one on 28. This was the phase-in
time periods for obtaining a commercial reef fish permit. We
reviewed that, and so let’s go on to the following page, page
29.

This potential action addresses your item that was a quota
redistribution or quota set-aside. Should you pursue this,
there is going to be several issues that you’re going to need to
address. First is how much quota would be set aside or
redistributed, from which share categories, who would be the
recipients of the quota, and what would be the method of
redistribution, or how would you provide access to the quota,
and so there’s a lot of decisions to make, and you would
definitely need to define all of the different entities as a
part of this.

Currently, annual allocation is distributed to shareholders by
January 1 of each year, or, if there’s a quota increase midyear,
at the time of that in-season quota increase. Some potential
alternatives that we think support the direction you’re headed
here is, first, we would need, again, to determine the share
category to which this is going to apply.

Set a threshold is another option, set a threshold of quota
above which this redistribution or set-aside occurs, unless you
were going to do it 100 percent, but I envision, the way you
discussed this, to be some proportion of the quota, for example,
potentially future increases to the commercial quota above what
they are currently for each share category, the quota at the
time the program was implemented, each program was implemented,
the largest quota within a selected time period, and so there’s
many ways that you could define at what level, what size of
quota, above what you would want to redistribute or set aside.

I will just note on the following page, Table 2.3.1, we have
provided a table there of the quotas for, beginning in 2004, and so three years before the red snapper program started, and for each of the other share categories, and so you see, when I say “share category”, what we’re referring to, and you can see how the quotas have changed, and I will point out, for red snapper, while it has greatly increased since the program started, the first year of the program was a substantial drop from the previous year’s quota.

Let’s go back up to the potential alternatives on page 29. Carrying on, another possible sub-action would be to determine the recipients of the quota that is to be redistributed or set aside. Also, determine whether shares are what you’re going to redistribute or allocation only, and then there would be many different ways to do that as well.

You would have to define, for example, if you wanted the recipients of quota to be small shareholders, new entrants, and both of these you considered previously under 36A, when you were looking at redistributing shares from the non-activated accounts, and we did have an action where you were working on defining that, and that earlier got put to Considered but Rejected in Amendment 36A, and so we could pull that back for you to review as well.

I did note that, the way the North Pacific Council considers these groups collectively, small shareholders and new entrants, they refer to the next generation, and so we may want to even move towards that, and that might be a better approach.

Another one is allocation-only account holders with a commercial reef fish permit and landings in 2015 for that share category. This one, again, is one of your alternatives for redistributing to the non-activated accounts, and that was in the document until you took final action, and you did move that to this document, which we will touch on in just a moment. It’s the next action.

The next decision to make is how you would need to determine the method of distribution and specify whether the shares themselves or just the allocation would be distributed, and the method could be equally among all eligible recipients, however you should define those eligible recipients, or a quota bank, and we’ve received a presentation on quota banks. That’s another approach.

There is an idea for an allocation clearinghouse, which we would need to explore in much greater detail, but the idea is that all
allocation transfers would be made anonymously through a
centralized market rather than as private transactions between
individual shareholders or allocation holders, and, finally, a
lottery is another potential alternative.

The rest of the discussion here, again, is just providing
different information, ways to look at the information, and
there is one separate section here. You also had an item called
Lease-to-Own Provision, and so this section starts on page 31.

We interpreted that as a form, a way, of redistributing quota,
which is why we’ve put it underneath this section, and so there
is discussion here about it. I will note that there was a GAO
publication that noted this concept and cited that Iceland was
trying to do this. However, there, it would be crews of small
vessels that would be able to purchase the quota, but it was
purchasing the quota directly from the government, in which case
it would be from NMFS and whatever bank is provided for for
holding these shares.

It may be difficult to implement. It would be very challenging
to implement a lease-to-own provision that requires shareholders
then -- That monitors their leasing activity and then takes
their shares away. They would be disincentivized to be leasing
those shares then.

We do hear that there are private transactions between fishermen
that are engaged in this for this next generation, and so a
fisherman with shares may be currently having this kind of an
arrangement, such that, after some period of time of a fisherman
leasing his shares, they may be able to get these shares. I
have heard a story of that. That is this item, and let me turn
it over there for discussion.

CHAIRMAN GREENE: Thank you. Is there discussion? Mr. Boyd.

MR. BOYD: I would like to offer another potential alternative,
and, staff, I sent an email this morning, and I don’t know if
you all got it all or not, with a motion, since we’re doing
motions.

My motion is to add to Amendment 36B, Draft Options Document, an
option to distribute allocation based on 4.65 million pounds,
which was 51 percent of the 9.12 of the original allocation.
Any commercial ACL available above 4.65 million pounds would be
available to other shareholders and non-shareholders each year
through an auction program. If I can get a second, I will
elaborate.
CHAIRMAN GREENE: Okay. We have a motion on the floor, and it’s been read into the record. Is there a second for this motion?

MR. MATENS: I will second it.

CHAIRMAN GREENE: It’s seconded by Mr. Matens. Is there discussion? Mr. Boyd.

MR. BOYD: Thank you, Mr. Chairman. We have talked a lot about how to make additional quota available, whether it’s been in the unused portion of the fishery or whether it’s in the current portion, and we’ve talked a lot about the underutilized quota in the commercial industry and how to do it.

This would be a way to distribute fish to fishermen, and anybody else who wants to buy them, through an auction. It would also allow the American people to participate in the financial portion of the industry, as I have tried to do before. I think that, if you want to call it a resource rent or an auction, whatever you want to call it, I would like to get that back in there.

This would help with new entrants. They could buy their way back in, or buy their way in, and it would also help with those who have leased and want to buy and can’t buy shares at this point and several other reasons.

CHAIRMAN GREENE: Thank you. Is there further discussion? Ms. Guyas.

MS. GUYAS: Doug, I have a question for you. Are you thinking that -- I mean, there has been some conversation around the table about somehow requiring shareholders to have a reef fish permit, but you’re thinking maybe if that wasn’t -- That wouldn’t necessarily be the case, and anyone could just buy in one of these auctions, or, if we went towards the route of having to have a reef fish permit to own shares, or what are you thinking with this?

MR. BOYD: It’s a good question. I was basing this on the way we currently stand, which is that anybody can buy or sell quota without a reef fish permit. They can’t fish it, but they can buy it and sell it, and so that’s the context that this is in, to what we’re doing today.

CHAIRMAN GREENE: Thank you. Ms. Levy.
MS. LEVY: When we first started the process of looking at things that the council wanted to consider changing or looking at changing with respect to the red snapper IFQ program, the council put together a list of action items that they were thinking about, and I went back to my office and looked at that list, and I looked at the referendum requirements for red snapper, and I'm assuming this applies to red snapper, even though it doesn't say that, but, given what the quota is, that's my guess.

After looking at that list that had fairly specific items in it, the one thing that I advised that would require a referendum was setting up some sort of auction system, and red snapper requires two referendums under 407. It requires a referendum before you start preparing the plan amendment and then before submission, and so the whole reason for submitting the list before you started working on it was to see whether there were any items on that list that would require a referendum before you started working on it.

The reason that an auction has not been included in this document is because of that prior advice that that was the one thing on that list that would trigger the requirement, and so, I mean, I am just going to repeat that prior advice. I haven't gone back and reevaluated it, and I haven't looked at anything else other than what was on that list, really, except one other question that came up, and so, when you start tweaking things about what you want to add here, it could require that we go back and look at the referendum requirements and whether such a thing would trigger it.

CHAIRMAN GREENE: Thank you. To that point, Mr. Boyd?

MR. BOYD: To that point. The motion is speaking to the quota above the 4.65 that was originally allocated and not the original allocation, if that makes a difference.

CHAIRMAN GREENE: Ms. Levy.

MS. LEVY: Well, so the reason that the auction provision was the one thing that stood out was because that the provision in 303A that gives the authority to set up an auction program talks about, in establishing the program, that the council consider and may provide, if appropriate, an auction system or other program to collect royalties for the initial or any subsequent distribution of allocation.
You see there is the initial and any subsequent distribution, and so the reason that that is different is that it implies that, at that beginning of the program, you are supposed to look at whether you are going to require auctions for any initial or subsequent distributions, and what you’re talking about here, from what I can tell, is some sort of subsequent distribution.

The only thing I am going to say is that, if you pass it, I am probably going to have to reconvene with my office and figure out whether this actually triggers any requirement with respect to the referendum provision.

CHAIRMAN GREENE: Thank you. Dr. Lasseter.

DR. LASSETER: I just wanted to let you know how staff is going to interpret this. In the potential alternatives that I just reviewed, there were essentially four separate decisions, which we would set up as sub-actions, and I see in here three of the four, and so this would be spread across those.

For the second one, set a threshold of quota, and your threshold is established there, and the recipients of the quota are other shareholders and non-shareholders, and I would imagine that we’ll have to elaborate on that a bit further. Then, finally, the determine method of distribution sub-action, you have provided an additional alternative there, and so I would ask -- The only other one that’s missing, as Mara pointed out, was the share category, which we’re assuming red snapper, since that was the quota, and so perhaps we could add that to the motion.

MR. BOYD: I would be happy to add “red snapper”. That was my intent.

CHAIRMAN GREENE: Okay. So, the motion on the board, please add “red snapper”. It would be distribute red snapper allocation based on --

DR. LASSETER: Perhaps any commercial red snapper ACL.

CHAIRMAN GREENE: Okay. Mr. Walker.

MR. WALKER: I am just going to add that the 51 percent and 49 percent is of the ACL, and the ACL has changed to like twelve-point-something million or whatever, but it’s -- I can’t speak in favor of this. This looks more like some type of reallocation, and so I would -- I am opposed to this.

CHAIRMAN GREENE: Ms. Bosarge.
MS. BOSARGE: Just out of curiosity, Mara, if something like that happened and went through an auction program, and if it’s purchased by somebody, it still has to be landed with a federally-permitted dealer as commercial quota that’s being purchased, and so, in order to be landed, you would have to still -- To catch it, to actually catch it and land it, you would have to have your federal reef fish permit, you would have to have a boat with a VMS and hail-in and hail-out, and land it at a federally-permitted dealer?

MS. LEVY: Well, I guess that would be my assumption, unless you all changed whatever standards are required for these folks as opposed to other folks, although I can’t see the basis for doing that. I mean, you’re ultimately the ones that come up with the requirements to land fish and catch fish and do all of those other things.

DR. CRABTREE: I see this -- It is a reallocation, but it’s a reallocation among the commercial shareholders, but I don’t see, inherent in this motion, that it changes any of the other provisions of the IFQ, and so you would still have to have a reef fish permit to fish it, and you would have to abide by all of the other provisions in it.

The sticker with all of this is the referendum thing, and, if you guys really want to pursue auctions or something like that, I can request GC review the meaning of that language again, and what makes it especially awkward is we still have this old language in Section 407 that was set up back in the 1990s and requires the two referenda take place, and so, if that does apply, then, really, we would need to stop work on this amendment and conduct a referendum among the shareholders, using the vote weighting that’s in the statute, and that doesn’t really seem productive to me, and so I think, at this point, the question would be to check with GC again about how solid the view of the auction triggering a referendum requirement is, because, if it does, then I just don’t see how this is a very productive avenue to go down.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: Just to be clear, I wasn’t speaking in favor of the motion. I just wanted to make sure, if there was a different goal in mind, that we were clear on how that quota had to be used and landed.

CHAIRMAN GREENE: Ms. Guyas.
MS. GUYAS: I think this is a Mara question, and so, if we move towards this and we did have to do a referendum for this, would we be doing a referendum just on this issue or the whole 36B, like all the different ideas that we have in there? I assume all of it, right?

MS. LEVY: I mean, I would assume so, given that we’re going to add this to 36B, meaning -- I guess if you wanted to do a referendum for a separate amendment, before you started work on it, that addressed that, then you could leave it out of 36B, but the motion is to add it to 36B.

CHAIRMAN GREENE: Mr. Swindell.

MR. SWINDELL: In order to be a shareholder, do you have to previously have a permit? In order to be a shareholder, before you become a shareholder, do you have to have a reef fish permit?

DR. CRABTREE: No, that requirement expired five years after the program was created, and so anybody can become a shareholder now and have an account, but you can’t fish the shares without having a reef fish permit.

MR. SWINDELL: Another question is why an auction? What’s the purpose of an auction?

CHAIRMAN GREENE: Mr. Boyd.

MR. BOYD: To reimburse the American public for the resource.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: Just to be clear, an auction -- We’re going to get clarification from GC, but, as the motion is on the board, as it stands, but an auction would trigger a referendum, but, if an auction weren’t in the document, we would go through all of the things, as long as it didn’t pertain to an auction, and then, whatever we develop as a plan is what we perceive to be changes for the fishery, and that’s going to go to the original participants, the historical participants, for review? That’s what I thought I heard Dr. Crabtree or Mara say.

DR. CRABTREE: If there’s not a referendum, then it doesn’t, but, if there is a referendum, and if it’s conducted as laid out in Section 407, then only a person who held an annual vessel permit with a red snapper endorsement for such permit on
September 1, 1996 and vessel captains, et cetera, et cetera, et cetera, would be allowed to vote, and there is a formula that would have to be used to weight the votes based on the landings between 1993 and 1996.

Now, I don’t even know if we could figure out how to apply that language today. That is what we used in 2005 or 2006, when we did the original referendum, and I don’t know how many of those initial permit holders are even left to vote, honestly.

CHAIRMAN GREENE: Okay. Thank you. I had Mr. Walker.

MR. WALKER: He said this was to reimburse the nation, but what is the recreational -- What are other sectors reimbursing them? Are they collecting 3 percent or paying 3 percent? We are paying for running this operation, and it’s successful. It’s not a failure. It’s been successful for the American public. They are getting access year-round now.

CHAIRMAN GREENE: To that point, Mr. Boyd?

MR. BOYD: David, we’ve had that discussion before around this table. Just theoretically, every other commodity that the U.S. government has is either in an auction or a lease of some sort. You have oil leases, and you have mining leases and grazing leases. This is the only industry that consumes an American resource that the people don’t have to compensate for, and, yes, you are paying 3 percent, and that’s to administer a program. It doesn’t cover the entire cost of the program, but you are paying to help administer that program.

CHAIRMAN GREENE: Mr. Walker.

MR. WALKER: To that point, there’s been a lot of land in this country that’s been given to folks, and they have resources on those lands. Are you suggesting that they give that land and those resources back to the federal government? I mean, there’s a lot of things that we can sit here and argue about, but this has been a successful program, and why do you want to add some tax to it to something that’s been good? You all ought to be rewarding folks for that.

I mean, we have got to come together, and we worked hard on this, and we want to work hard with the recreational sector to help them, too. We’re not up here opposing you, and we’re not up here voting against the recreational sector to form an AP to work on solutions. If you look at the records, and you can pull the minutes and the records and all of it, and you can look at
the commercial industry has not been attacking the recreational industry.

CHAIRMAN GREENE: Okay. Dr. Crabtree, and then we’re going to - -

DR. CRABTREE: I understand your argument, Doug, but I think just the reality of it right now, it appears to me that we need legislation in order to get to where you want to get to, because if the NOAA Office of General Counsel’s view on this stands, we’re just stuck.

Now, Congress may reauthorize the Magnuson Act sometime in the next couple of years, and they may or may not address this, but, right now, we have some seemingly insurmountable hurdles to get to royalties or auctions with this fishery, because of these requirements and the language in the statute in Section 407(d). Regardless of the merits of the argument, I am just not sure how to get around that.

CHAIRMAN GREENE: Mr. Boyd, I will give you the last --

MR. BOYD: I would say let’s pass this and let’s ask General Counsel to review it and determine whether a referendum is required. That’s a simple thing to do. Over the past six years that I have been here, we have thrown out referendum time and time again, and we don’t have a definitive ruling on whether a specific request or a motion triggers a referendum or not, and this would be that, and so I would say let’s pass this. Let’s get an opinion, and then we know what we’re dealing with.

CHAIRMAN GREENE: Okay, Mr. Walker.

MR. WALKER: I was just going to mention that, my very first meeting, this came up, and Mara went over this and told us that -- Even Roy went over this, and we’ve already been down this road. This has already been brought up, but, you know, it’s -- How many times are you going to keep beating the same old drum? It’s just I thought this has already been explained one time, and it was on my very first meeting on this council.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: Well, I would suggest, Doug, a better way to proceed on this, rather than this motion, might be to pass a motion and write a letter to the Fisheries Service requesting a more formal opinion on the referendum requirements associated with auctions and royalties in the red snapper fishery, and it
seems to me, if that’s what you want, then ask for that, and then, once you have that, you can come back and make a decision.

CHAIRMAN GREENE: Okay. Any further discussion? Mr. Diaz.

MR. DIAZ: Real quick, I am probably going to vote against this motion, because I think we’ll spend a lot of time, and, basically, the people that have shares will be voting to give half their shares to repurchase them or something, and I think, in my mind, we’re probably going to waste a lot of time that we can’t afford to waste.

I do approve of the concept of trying to do some type of redistribution, especially the people that are small shareholders that are having to constantly lease at these high prices. If we can look at some options to do something to give some relief to folks, especially in areas where we have a lot of discards that would benefit the fishery, and so part of the concepts I agree with, but I just think, right now, where we’re at with this, it’s going to waste too much time. Thank you, sir.

CHAIRMAN GREENE: Thank you. All right. We’re going to go ahead and vote this up or down. The motion has been read into the record, and it was seconded. All those in favor of the motion on the floor before you, please signify by raising your hand; all those opposed like sign. The motion fails. Okay.

Mr. Anson.

MR. ANSON: I am just wondering, Doug, as Dr. Crabtree had stated, that that motion -- From what I heard from Mara, it would have potentially triggered a referendum and stopped work on the document and the whole nine yards, and so that might not have been the best approach, but, to get some clarification on the issue, because this is, I think, a little subtlety to the whole introduce an auction to the entire portion of the ACL, and so I’m just wondering if you wanted to revisit that.

CHAIRMAN GREENE: Mr. Boyd.

MR. BOYD: To that point, I don’t have a problem at all asking for an opinion, but I don’t think you can get an opinion that is nebulous without -- You will get one that’s nebulous without specific facts like are in this motion, and so, if we wanted to do a letter to GC asking for an opinion, I would want that letter to have specifics like this in it that they have to address and not just a general question about what constitutes, because we can read that and we can see that, but it’s open for
interpretation.

CHAIRMAN GREENE: Thank you. Is there further discussion? Okay, Dr. Lasseter.

DR. LASSETER: Thank you, Mr. Chairman. I did just want to check in on time. Since we do have three more sub-actions, and one of them might be lengthy, am I good to carry on or do we need to move on in the agenda? Okay.

Carrying on, Section 2.4 starts on page 33. This action should look very familiar. This was the action that you moved to this current document at the time that you took final action on Amendment 36A, and so, in 36A, you decided to close the accounts with the non-activated shares and return those shares to NMFS. NMFS will be holding those shares until you make a decision on how to distribute those shares through Amendment 36B.

This is essentially the same action from 36A, and, hence, we have maintained the alternative structure, because it has already been developed to that extent.

Alternative 2 was your preferred in Amendment 36A, and, from what I remember of Dr. Crabtree’s conversation, that was -- Moving away from that was part of your reason for delaying action on this at that time. You were discussing the Alternative 4, and my sense was that you were wanting to further develop that alternative in that direction.

Finally, the other potential alternatives, at the bottom, I brought in -- We brought in the modes of distribution from the previous section that we just discussed. You could add the shares to a quota bank or the allocation from those shares to this allocation clearinghouse idea, and I apologize that this is one that I put in here, and I meant to speak with Mara, and I did not before, but I was not sure of, with this small amount of reclaimed shares, since this was not be redistributed, if an auction was a possibility or not, and so distributing through a lottery or auction, and I had not verified that with Mara, and I am thinking the answer now is no, and so my apologies. That would be -- I take the blame for that one. Okay. Is there any discussion on this action?

CHAIRMAN GREENE: Thank you. Is there discussion? Okay. I am not seeing any, Dr. Lasseter.

DR. LASSETER: Thank you, Mr. Chairman. The next section, Section 2.5, starts on page 38. This is your item that you
wanted to look at restrictions on share transfers and restrictions on allocation transfers, and, the last time, when we brought you the presentation about this, we were requesting some further guidance on what types of restrictions, what did you want to do here, and staff has really struggled with this item.

We were requested to just bring you some information for different ways to look at transfers, and so this section consists mostly of information, mostly from the annual reports, the grouper/tilefish and red snapper annual reports, that shows you landings by share status, for example, those with shares and without shares.

It’s the same for grouper/tilefish, and then there are separate sections for restrictions on share transfers and restrictions on allocation transfers, each of which is followed by several tables that also provide information on the number of such transfers and various ways to look at each one of those.

On page 40, we had the Section 2.5.1, restrictions on share transfers, and so, currently, there are not restrictions on the transfer of IFQ shares, as far as we understood what you mean. You must be a U.S. citizen or permanent resident in order to obtain them, and so that is -- If you want to consider it a restriction, but it’s more of a requirement, I guess.

Otherwise, IFQ program participants may transfer shares between accounts, as long as the account is not in an inactive status, and so there’s not really a restriction on a quantity or to whom you can transfer them to, and so there’s where we were really struggling with what types of restrictions we wanted to consider.

Potential alternatives, we would need some further guidance on placing restrictions on the transfer of all IFQ shares. Some potential ideas, perhaps, of where you were going was to restrict the transfer of IFQ shares by shareholders not actively engaged in fishing and restricting the transfer to allow only those entities that possess a permit, reef fish permit, to receive shares.

This one and the following one, which is more specific, they must possess a permit and make IFQ landings in some defined time period. Both of these would really overlap with the decisions that you make in the first section on permits, and so, if that’s the direction you’re thinking, we would incorporate that kind of restriction, if that’s what you want to call it, more into that
program participation action and sub-actions.

Really, it’s the same as the last one, to restrict the transfer of IFQ shares to allow transfer only to entities defined as -- Here, we had small participants, but, again, we’re conceptualizing this more as the next generation, but, again, that could be somehow couched in some of those sub-actions of the first action. Let me turn it over there for discussion. There’s a lot of tables that we can discuss further, but let me see if there is any discussion first.

CHAIRMAN GREENE: Is there discussion? Carry on, Dr. Lasseter.

DR. LASSETER: Okay. Restrictions on allocation transfers begins on page 44. Again, as far as we’re understanding restrictions, there are no restrictions on the transfer of IFQ allocation. IFQ program participants can transfer them between shareholder accounts. Of course, always the allocation must be harvested on a vessel with a commercial reef fish permit, and that does not change.

Again, we’re struggling with these potential alternatives and what kind of restrictions are you considering that you want to explore on the transfer of IFQ allocation. Again, if you’re restricting it just to shareholders, not allowing ones that are not actively engaged in fishing, that would mean they should have a permit, we assume, and so, again, this whole section we think we would be lumped into the earlier section on program participation, and, again, the third one there was restrict the transfer of IFQ allocation to allow transfer only to those possessing a permit. Again, that would be subsumed in that first section.

Then, thereafter, there are several tables, a few pages of tables, for both the red snapper and grouper/tilefish program, looking at the quantity of accounts with and without shares and with and without permits, just to provide you with information on how you can -- Maybe you can look at this and try to identify what is the problem that you’re trying to solve with restrictions, and then perhaps that could help us better understand what potential alternatives there could be, and so I will stop there for discussion.


MS. BOSARGE: On restrictions on allocation transfers, one idea that I had was almost like a -- If you’re going to lease your
allocation out, it would be a concept that would be kind of like lease to land. In other words, to land the fish. You lease your shares so somebody can land them, and that being me trying to get rid of any middlemen that are in there that may be just trying to lease at a low price and then turn around and lease it back out at a higher price, to make that margin on it.

Now, one thing that I thought may be a negative unintended consequence is I don’t know how that -- I know that the one group has that quota bank, and I know people donate certain quota to the quota bank, and then that quota is turned around and leased out to fishermen for bycatch purposes, so that they can land that bycatch instead of throwing it back dead, and so maybe that’s an unintended consequence there, but, anyway, that was just an idea I had and maybe something we can flesh out.

CHAIRMAN GREENE: Tom.

DR. FRAZER: Along those lines, I guess you could just restrict the number of times that you would transfer a share, for example, just put a cap on it.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: You’re talking allocation and not shares, right? The downside I see with the lease one time and then you have to fish it is if a fisherman leases an amount of allocation and then, for whatever reason, something happens and they’re not fishing, and those fish just won’t be caught, and that’s a loss of seafood and everything else, and it doesn’t make sense, to me, why it wouldn’t be better for that fisherman to be able to transfer that allocation to someone who will fish it.

I guess I don’t have the problem with middlemen. This world is full of middlemen, and they serve a function, and I guess it doesn’t cause me that much heartache, but this is one of those unintended things.

If we start restricting it, then you’re going to end up with fish not getting caught and somebody getting stuck holding the bag, because they became ill or their boat sank or they just got a better job doing something else.

CHAIRMAN GREENE: Thank you. Is there further discussion? Mr. Walker.

MR. WALKER: I was just going to add one thing. I understand what you’re communicating about, and maybe it’s a fish house and
he leases fish from someone and he leases those fish to someone who fishes for him, or his own vessel. Maybe you get to the end of the year and you’ve got some fish left over and you broke your leg and you can’t go, and so you want to lease that allocation, to maximize the benefit for the nation, and then, of course, you’ve got, in order for a disaster -- I can remember, during the oil spill, they kept closing areas up and closing areas, and so they just moved us to Apalachicola. That’s just something to take into consideration too, if you’re thinking about that.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: All good comments. Thanks. I always appreciate the feedback, and I think that’s the kind of discussions we have to have as we go through this. We throw out an idea and pick it apart and see if it’s going to fly or not.

CHAIRMAN GREENE: Thank you. Is there further discussion? Okay, Dr. Lasseter.

DR. LASSETER: Okay. Thank you, Mr. Chairman. Our final section is 2.6, and that begins on page 52. This addresses allocation caps, caps on the amount of allocation. Now, there are share caps. There’s a share cap on the red snapper program, and there are share caps for each of the share categories in the grouper/tilefish program.

In the grouper/tilefish program, there is an allocation cap already in place. There is not an allocation cap currently in place for the red snapper program. You are not required to establish a cap for red snapper, but this action is provided for you to consider whether you do wish to do so.

Some potential alternatives for this would be capping the amount of red snapper IFQ allocation that can either be landed by a single vessel, cumulatively over a year, or amount of allocation that can be held by an account over the course of the year or held by an account at any point during the year, and so these are three different ways that could be measured within the IFQ online system as a way on which an allocation cap could be set.

Then, on the subsequent pages, there are some tables that show you the allocation caps for the grouper/tilefish program, and that is the final action here, and I will turn it over for discussion.

CHAIRMAN GREENE: Thank you, Dr. Lasseter. Is there discussion?
Okay. Mr. Anson.

MR. ANSON: I wonder if we can go back to Section 2.3. We talked about this earlier, when we came back from lunch, both Leann and I, and that is, again, looking at a program that identifies one of the perceived problems, and one of the perceived problems is trying to make sure the fishermen that are fishing can have access to the resource.

I think this would be an appropriate area, and, Ava, you can tell me if I’m wrong, but we talked a little bit about it before lunch and after lunch, but, in Amendment 41, there’s an adaptive management redistribution method for those that are inactive or no longer fishing, and so I was thinking that it would go here under this option, 2.3, that it would go here, adaptive management, and would that be the best location?

DR. LASSETER: If I understand, you are suggesting the cyclical redistribution, and so that would be, if there was some amount of quota that was set aside, this would be a potential method of distribution, and so I am thinking that you’re going to ask to add an alternative to that last section there.

MR. ANSON: Yes, and is 2.3 the right section?

DR. LASSETER: I would believe so.

MR. ANSON: Okay. I would like to make a motion, and that is add an alternative to 2.3 an adaptive management redistribution method based on cyclical redistribution which depends on fishing participation.

CHAIRMAN GREENE: Okay. We have a motion on the board. Kevin, is that --

MR. ANSON: I think it is.

CHAIRMAN GREENE: Okay. Is there a second for this motion? It’s seconded by Dr. Frazer. Is there discussion? Mr. Anson.

MR. ANSON: This is something that was brought forward in Amendment 41, and we’ll be discussing that amendment here shortly, but we had talked about it at a prior meeting, and, basically, that identifies those permit holders who are not fishing, and so those folks who demonstrate over a period of time, and that could be determined here in the document later, but basically it depends on their fishing and their participation in the fishery, and, if they don’t fish over a
certain period of time, a certain percentage of their shares would be distributed, or redistributed, back to a quota bank or through equally among all eligible participants.

I mean, we have a suite of options there that we could do, but, basically, it’s, again, trying to get those shares to fishermen, to people that are participating in the fishery, and this would be potentially another way to do that, and it would be a step-wise redistribution, where, over time, if, for whatever reason, the fishermen cannot fish those, that they would still maintain, for a short period of time, those shares, but, eventually, they would be migrated back into fishermen.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: So it’s essentially a use-it-or-lose-it provision.

MR. ANSON: Essentially, I guess, if you want to put it that way, yes.

DR. CRABTREE: If you’re a shareholder, because it’s not permit holders, right, because they don’t have permits, but, if you’re a shareholder and you lease everything, then, at some point, we’re going to start reducing your shares, and that’s what you’re getting at, I take it.

MR. ANSON: Yes, if you don’t fish them, and so you could lease them or you could not lease them, but it’s just that those shares are not being utilized.

DR. CRABTREE: If you don’t lease them, then presumably you’re fishing them.

MR. ANSON: Presumably, yes. I mean, that’s under the current, but I don’t want it to be restricted just to leasing. It’s just that, again, the idea is to get the allocation associated with the shares on the water and the fish brought back to the dock.

If someone decides to lease 100 percent of their allocation over whatever time period, a two-year time period or a single year or three years or what have you, then a percentage of those -- Those shares that they have, they would go back into a quota bank, or they would be distributed equally among the other shareholders. I mean, there is a variety of other mechanisms, but, over a period of four or five years, if 20 percent of your shares get redistributed, then you have five years, essentially, if you don’t fish them anytime during those five years, as an
example.

CHAIRMAN GREENE: Okay. Thank you. Is there further discussion? Mr. Walker.

MR. WALKER: This seems more like a reallocation, and it seems to me like it might trigger a referendum, but when you refer to it as something that was like in Amendment 41, which is another amendment, and so I would speak in opposition. It seems like a use-it-or-lose-it to me, and it could cause some unintended consequences with the way the industry is operating now. Of course, I would like to hear some public testimony on it, too.

CHAIRMAN GREENE: Thank you. Is there further discussion? Okay. Seeing no further discussion, we have a motion on the board, and it has been seconded. I have already heard opposition against the motion. All those in favor of the motion on the floor before you, please signify by raising your hand.

EXECUTIVE DIRECTOR GREGORY: Eleven for.

CHAIRMAN GREENE: All those opposed, like sign.

EXECUTIVE DIRECTOR GREGORY: The motion passes.

CHAIRMAN GREENE: Okay. Is there further discussion? Okay, Dr. Lasseter. We’ve had a lot of discussion. Are you good on everything Okay. That will wrap up that particular discussion. Mr. Boyd.

MR. BOYD: Thank you, Mr. Chairman. Pursuant to our conversation a while ago about my motion and taking into consideration Dr. Crabtree’s recommendation, I would like to put forth a motion to ask National Marine Fisheries Service General Counsel to determine if an auction for red snapper commercial quota above the initial quota distribution of 4.65 million pounds would require a referendum. If Dr. Crabtree wants to help me wordsmith that, I would appreciate it.

CHAIRMAN GREENE: Let’s make sure that we get it on the board first.

DR. CRABTREE: Just wordsmithing, I would just suggest that you instruct staff to write a letter to NMFS and ask for a determination, and, when I get the letter, I will then ask the NOAA Office of General Counsel to provide me with such a determination.
MR. BOYD: Okay. Can we change that?

DR. CRABTREE: Direct staff to write a letter to NMFS requesting a determination. Doug, I would suggest that you send the letter to me.

EXECUTIVE DIRECTOR GREGORY: Correct. Now, the motion -- The word “of” in the last line should be “above”, correct?

MR. BOYD: Yes.

DR. LASSETER: That was not the initial -- That was not the 2007. That was the year before, and so I would recommend just removing the word “initial”, because I think you have just -- I don’t know that the word “initial” is important, but the initial distribution was 2.986.

CHAIRMAN GREENE: Mr. Boyd, does that accurately --

MR. BOYD: I am trying to read it. We’re talking about commercial red snapper quota, and, Ava, why is the 4.65 not accurate? Isn’t that the 51 percent of the initial distribution?

DR. LASSETER: In the first year of the program, the quota decreased, and so, according to Table 2.3.1 that provides you the quotas, from 2004 to 2006, possibly before, that was the commercial quota, 4.65. For the initial year, the initial distribution, it was based on 2.986. That was the first year of the red snapper program, and the quota dropped substantially that year. I am going to turn it over to Roy.

DR. CRABTREE: No, she’s right, but I don’t think the magnitude of the quota is relevant to the issue. It’s really whether putting an auction in place triggers the referendum requirement or not, and I don’t see anything in the language that Mara is quoting that has anything to do with the magnitude of the quota.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: Doug, 4.65, isn’t that -- That’s 51 percent of the 9.12 million pounds, and so I think that was basically the TAC that the fishery, during most of the time to which the landings were used to determine the initial shares, that was -- It was 4.65 million pounds was 51 percent of 9.12 million pounds, and so that was kind of the historical fishery, the benchmark, if you will, and so aren’t you trying to get above what was kind of the historical benchmark? Is that why it’s important to put the
4.65 in there?

MR. BOYD: Yes, and the intent is to talk about the quota above the initial allocation to the commercial fishermen and not their allocation that they received, but anything that has happened since then, or whatever the number is in a given year above that initial allocation, and I think that is a legal point.

CHAIRMAN GREENE: Okay. We’re going to get back on procedure here. We have a motion, and it has not been seconded. We need to make sure that it is correct as written, and then we will seek a second, and then we will have further discussion. Mr. Boyd, are you comfortable with the motion?

MR. BOYD: Yes, let’s go with that.

CHAIRMAN GREENE: Okay. The motion is to direct staff to write a letter to National Marine Fisheries Service to request a determination if an auction of commercial red snapper quota above 4.65 million pounds would require a referendum. Is there a second for this motion? It’s seconded by Mr. Matens. Now, is there further discussion? Mr. Walker.

MR. WALKER: I would just add that, Doug, are you going to offer a similar motion for the recreational sector? Maybe, since there’s no referendum, maybe you could offer up an auction for the recreational fish? Maybe, while we’re at it, we’ll just go ahead in the federal waters, the freshwater fish and all the fish, and we’ll just throw all of those in.

CHAIRMAN GREENE: Okay, David. I think that’s getting a little bit out of the scope of this motion. Anybody have any relative comments to the motion on the board before you? Okay. Seeing no discussion about the motion, is there any opposition to the motion on the board before you? Seeing no opposition, the motion carries. Anything else before we leave Amendment 36? Dr. Lasseter.

DR. LASSETER: I would just ask, very politely, if everybody could continue to think about the goals and objectives. I am going to really harp on this, in terms of would you like to revise existing goals, would you like to add new goals, and so I will end with that plea. Thank you very much.

CHAIRMAN GREENE: Okay. Thank you. Good job, guys. That is a very sticky situation, and I appreciate all of the spirited conversation around the table. I know it’s tough to get through, but we have succeeded with that.
It is 3:11, and we’re going to take a fifteen-minute break, and then we’re going to get through 41 and 42 before we leave here tonight, and so, whatever it takes to get done, we’re going to be here until it happens.

(Whereupon, a brief recess was taken.)

CHAIRMAN GREENE: Find your seats, and take your conversations outside. We’re going to get into Revised Draft Amendment 41, Allocation-Based Management for Federally-Permitted Charter Vessels. It’s Tab B, Number 12(a) and (b), and we’re going to be working with Dr. Freeman and Dr. Stephen. With that, I will turn it over to Dr. Freeman, or whoever is going first.

REVISED DRAFT AMENDMENT 41 - ALLOCATION-BASED MANAGEMENT FOR FEDERALLY-PERMITTED CHARTER VESSELS

DR. MATT FREEMAN: Thank you. As a reminder from the April council meeting, we had two motions in relation to Amendment 41, the first being adding an action item to include cyclical redistribution of red snapper and the second to add the additional species of gag grouper, gray triggerfish, greater amberjack, and red grouper as annual catch limit allocation action items.

The second motion wound up taking the form of two actions in Amendment 41, and so I will cover the second motion, and then Dr. Stephen will discuss the first motion, regarding the cyclical redistribution.

Our new Action Number 3, Species to Include, the Alternative 1 is simply no action, to not define reef fish species to include in the management program. Alternative 2, for which there is a note that more than option may be selected, simply includes a suite of options, 2a being red snapper, which was originally in 41, and then 2b through 2e are including the four additional species of greater amberjack, gray triggerfish, gag, and, lastly, red grouper.

Our new Action 4, Alternative 1 is no action, do not allocate a percentage of the recreational ACL to the charter vessels. Alternative 2, and I should note the remainder of the alternatives are now mirroring what is in Reef Fish Amendment 42, in particular given that red snapper is involved. That way, if 41 and 42 proceed, the council could look at those time series in conjunction with one another.

Alternative 4 allocates the percentage with 50 percent based on average landings from 2011 to 2015 and the other 50 percent based on average landings from 2004 through 2015, again with options of using all years, excluding 2010, excluding 2014, or excluding 2014 and 2015.

Lastly, Alternative 5, which takes the time series of the preferred alternative from Amendment 40, is based on 50 percent of the average landings from 1986 through 2013, with 2010 excluded, and 50 percent of the average landings from 2006 through 2013, with 2010 excluded.

At this point, I will let Dr. Stephen talk about the action regarding the cyclical redistribution. Following that, if you all would like, there is tables at the end of the presentation that corresponds with each of these alternatives, which is also in the new Amendment 41.

**DR. STEPHEN:** I am going to go over the adaptive catch shares. You might remember that before we were calling it cyclical catch shares, but the cycle is only one part of it, and so we have changed the name to be more reflective of what the entire concept is of the adaptive catch shares.

The point behind adaptive catch shares is to continuously redistribute some portion of the shares to participants who are landing species within that share category on some kind of set timeframe, some kind of set cycle, and the aim is to have those distributions make the fishery more representative in the shares and allocations of the people who are actually harvesting, to have a match between those two.

The reason that we came up with this type of concept was to address some concerns about the newer replacement fishermen coming in and also concerns that are often brought up about the fact that catch shares have an initial distribution that’s one time only, based on only one set of history, and so this goes away from those two concepts that we’ve seen in catch share programs before.

There are three major components to creating a type of adaptive catch share. There is the cycle length, which is how long of a
cycle before you do something, and the reclamation percentage, which is the amount of shares that you will be bringing back, and then the redistribution method, how you redistribute those shares that you reclaimed.

At any point in time within a cycle, the program operates the same way that a typical catch share program operates, and a cycle can be more than one year, and I will get into that a little bit more later. The adaptive part only occurs at the end of the cycle, prior to the start of the new cycle.

Here is just a little graphic to kind of help walk everyone through the way it works, and so, in this example, we have a cycle that is containing three years, and, at the very first cycle of it, we have distributed shares, initial shares, based on whatever methodology was picked at the time. Allocation is distributed from those on January 1, and harvest or fishing occurs throughout that year.

At the start of the next year, similar to a typical catch share program, those who have shares get annual allocation, and they harvest. The same thing works with year three. Now, at the end of the year three which is the end of the first cycle, this is where we have the adaptive management occurring.

At this point, we reclaim a portion of shares from all accounts that have shares. We calculate what the landings were, and so who had harvest during those three years in that cycle, and then redistribute the shares.

At that point, we start our second cycle. The second cycle, again, people have shares, some of what they originally had, and then, whatever is redistributed to them, that gives you annual allocation, harvest occurs, and then, for the next two more years after that, it functions like a typical catch share program, and then you have adaptive management, again.

Now I am going to kind of get into the actions, now that I’ve described the concept of the adaptive management program, and so the first part is the cycle. Alternative 1 in all of these is basically to not to have that adaptive management aspect to the program.

In Alternative 2, what we had is the cycles are occurring on some type of set cycle, and so we’ve done 2a as one year, and that’s shown in the graphic below, where you see one year continuously. 2b is two years, and, again, seen in the graphic below, or you can do 2c, pick whatever number of years is most
appropriate for it to go forward. This is the same set cycle all the time for the program.

It differs a little bit from Alternative 3. Alternative 3 is where the cycle is progressive, and so you start off with say a one-year cycle, and then you’re making the cycles longer by years as you’re going along.

3a has a one-year cycle, and then it increments by one year continuously until you hit three years within the cycle. For example, you would have one year in the first cycle. The second cycle would be two years, and the third cycle, and the cycles thereafter, would be three years.

Alternatively, you could start with an initial two-year cycle, as shown in 3b, and increment, again, by one year, until you hit some amount of years. Option 3c allows you guys to set the initial cycle, how many years you want to increment by, and what years you want to hit to where you’re at a stable percentage.

Some thoughts when you’re thinking about what the cycle lengths are, and so short cycle lengths might have a tendency to magnify localized or personalized events, and so, if you think about it, if a cycle is one year and you break your leg and you’re not fishing, that might have an undue impact on one person versus the rest in the fishery.

Similarly, you could have some localized events, like red tides or hurricanes, other things that may affect you if you have a short cycle length. On the other hand, a benefit to a short cycle length, particularly when you’re not sure about the historical landings and distributions initially, is that it allows for very rapid management in that short cycle, and so you can more quickly get to what you think would be representative of the fishery.

On the other hand, just looking at long cycles, long cycles could be negatively influencing your new replacement fishermen, because it’s going to take longer for them to have the chance to get shares based on their harvest. It also could be a disproportional effect to people who come into the fishing cycle at a different point in time.

If you have say a five-year cycle and someone joins in year three, the average landings that they’re taking, depending on your distribution method, they only have three of those five years, versus someone who has been in the entire time, and so these are things to think about further as you decide if you
want to do this and what type of lengths you want.

The other thing that I showed you guys was the set duration versus a progressive duration. Set durations are something that is known, and it’s constant. Someone can plan out from here to forever, knowing that, every two years or three years or whatever, something is going to happen where they’re going to lose a portion of their shares.

This could be an appropriate idea if you have a very stable industry in relation to your participants and how the shares and allocation are distributed. On the other hand, the progressive durations, while it’s still known in advance when the cycles will occur, you have shorter time periods initially, which might mean a little bit more uncertainty in the stability of the program initially before you hit a more constant cycle.

Again, this one might be more appropriate if you don’t know your initial distribution really well and you think it might be skewed or not representative of what is currently happening.

The next part of adaptive management is the reclamation of shares. Alternative 1 is not to reclaim any shares. In Alternative 2, and this would be by each share category, and so, as Matt mentioned earlier, you guys now have the option to consider more species. Each one of these adaptive management would be within a share category just for one species.

Within a share category, you would reclaim a set percentage of shares from the shareholder accounts. We have given some ideas of 2a at 10 percent for every cycle, and 2b is 25 percent, and 2c allows you to have a choice of some other value.

Similar to the cycles, we can also have a progressive reclamation percentage, and this is where the amount being reclaimed from them is progressively decreasing, in this case, over time. In here, in Option 3a, we did a cycle with 40 percent in the first cycle, and the second cycle was 30 percent and then 20 percent and then 10 percent and remained at 10 percent thereafter, and that was put in there mostly as an idea for you guys to have numbers going through it. 3b allows options for whatever values the council feels might be appropriate.

Just thinking about how the reclamation percentage works, it’s a mechanism that, again, helps the new replacement fishermen obtain shares, because you’re gathering shares back from the industry and redistributing, and it’s also a method to reclaim
shares from what we can call latent permit holders, or the people who aren’t fishing, whether they’re not fishing at all or not fishing for that particular share category, and so you could have someone latent in red snapper, but not latent in gag.

The percentage that should be chosen should work with the program’s goals and objectives without creating any type of barrier to the business practices, and so, for example, you want to retain sufficient shares in everybody’s account so that they can have future planning, but still have some amount of percentage coming back to allow for those new entrants and to reclaim from latent permit holders.

Low reclaimed percentages will provide a little bit more stability, but it will also take longer to get those shares redistributed representatively. A high reclaimed percentage will get you to turnover shares more quickly, but it might create instability, and so those are things to consider when choosing a share percentage.

The last part of adaptive management is how you redistribute those shares. Alternative 1 would be not to redistribute them. Alternative 2 takes the redistributed shares and divides them equally among all the participants who had landings in that share category. Therefore, the person who had one pound, versus the person who had 5,000 pounds, equally would receive the same amount of shares.

In Alternative 3, those shares that are reclaimed are redistributed to those based proportionally among the landings within that cycle, and so an individual’s percentage of landings out of the total landings within the cycle, and, therefore, someone who harvests more would, in theory, get more shares back to them than someone who didn’t harvest as much.

Some thoughts on this. Equal redistribution, again, you could redistribute shares to those who are not landing it, and, therefore, not necessarily accomplishing the goal of the adaptive management. You might not redistribute enough shares to the people who need them.

Proportional redistribution, you do have a greater proportion going to those with greater landings, and that might also be a concern, depending on how the industry shapes up over time. You would increase the reclaimed shares to those who do encounter the fish more often and are more likely to land it.

Kind of the final thing that I want everything to think about
with this is that these three components work together, and so, if you choose a different cycle length with a different reclamation, you might get different results, and so you have to think of them kind of in combination to each other.

These different combinations of cycle length, percentage, and redistribution will affect the speed of the adaptive management portion of this, and the last point I want to make is that, in order for those new entrants to gain by this system, you need to have allocation transferable, and so they need to be able to have allocation transferred to them in order to harvest, so that they then get some reclaimed shares redistributed to them. At this point, I will take any questions.

CHAIRMAN GREENE: Okay. Thank you. Are there questions? Okay. I am not seeing any questions, and so I guess we will go back to Dr. Freeman.

DR. FREEMAN: Thank you, Mr. Chair. Again, we do have the revised Amendment 41 as the next tab, and I believe it’s 12(b). I will note that Amendment 41 is still undergoing revision by council staff, and so, primarily, we would appreciate feedback from the council on these three new actions, so that we’ll better know how to incorporate those into the language of the amendment. That way, it will reflect the updates. If anyone has any comments on those new actions, please feel free to chime in.

CHAIRMAN GREENE: Okay. Mr. Sanchez.

MR. SANCHEZ: Mr. Chairman, on some of these items that we’ve been discussing for a while, I would like to kind of revisit them and perhaps pick some preferreds, and would that be appropriate right now? Are we there in this presentation?

DR. FREEMAN: Certainly. We can go through certain actions that you would like to address. I will note that there may be one or two that may refer to materials from a previous action that, because of the inclusion of new actions, may need to be updated, but I can let you know if that occurs.

MR. SANCHEZ: Okay. I’m sure we can work that out as we progress. With that, Mr. Chairman, I guess, when it comes to Action 1, I would like to make a couple of motions, as it relates to Action 1.

That would be that we go ahead and pick as a preferred Alternative 2, Option 2b, which takes this in the orientation of
a PFQ type of program, and that would be my first motion.

CHAIRMAN GREENE: Okay. I was trying to get to Chapter 2, Action 1, which is on page 19 of the document. I know some of you are trying to get there, and that’s where we’re at. Mr. Sanchez, does that accurately reflect -- Does what’s on the board accurately reflect what you’re after?

MR. SANCHEZ: Yes, Mr. Chairman.

CHAIRMAN GREENE: Thank you. In Action 1, make Alternative 2, Option 2b the preferred. Alternative 2 is establish a fishing quota program that provides participants with shares and annual allocation. Option 2b is a permit fishing quota (PFQ) system. Is there a second for this motion? Seconded by Mr. Walker. Is there discussion? Okay. Seeing no further discussion, we will go ahead and vote on it. Any opposition to the motion on the floor before you? Seeing no opposition, the motion carries.

MR. SANCHEZ: Mr. Chairman, also in Action 1, there were some action items referencing harvest tags, and I would like to move them to Considered but Rejected. If I can get a second, I will elaborate a little bit on that.

CHAIRMAN GREENE: We have a motion going up on the board for, in Action 1, to move Alternative 3 to Considered but Rejected. Alternative 3 is to establish a harvest tag program that provides participants with annual allocation distributed in the form of harvest tags. Annual allocation be calculated -- Then there was two options, accordingly. We have a motion on the board. Mr. Sanchez, is that motion correct? Okay. Mr. Walker seconded the motion. Any discussion about the motion on the board? Mr. Swindell.

MR. SWINDELL: John, the harvest tags, are you against harvest tags in general, or do you believe that they’re already going to be supplying enough information, the charter boats will, that harvest tags are just kind of a water of additional time?

MR. SANCHEZ: I think that would be a characterization. In general, I am not opposed to the concept of harvest tags. I just think, in this application, since it’s for-hire, as opposed to individual persons, it’s just not suited for this application, and I think there would be a lot of problems in ironing out the wrinkles with administering that, and so I would rather just as soon not see us spending an inordinate amount of time evaluating it if it’s really probably not going to go anywhere.
CHAIRMAN GREENE: Thank you. Dr. Stunz.

DR. STUNZ: John, we have had this discussion a lot around this table, and so I would speak in opposition to this motion, because I think there is still some viability to have at least some type of tag option in place, to have a wider range of alternatives to still consider, and so it would be my opinion that we leave this alternative in the document.

CHAIRMAN GREENE: Is there further discussion? Okay. Seeing no further discussion, and hearing opposition, we will go ahead call for a vote on this. All those in favor of the motion on the board before you, please signify by raising your hand.

EXECUTIVE DIRECTOR GREGORY: Five.

CHAIRMAN GREENE: All those opposed, like sign.

EXECUTIVE DIRECTOR GREGORY: Nine. The motion fails five to nine.

CHAIRMAN GREENE: Thank you. All right. Is there further discussion? Okay. All right. That takes care of Action 1. Is there any further items that we want to cover? Do you want to -- Mr. Sanchez, I am getting the feeling that you’re wanting to go through this item-by-item. Okay. That’s no problem. I just want to make sure I’m on the same page with you there, and so I guess we’ll go on to Action 2, and we’ll try to figure out what page we’re on and get there. Action 2 is program participation.

MR. SANCHEZ: For Action 2, I would make a motion that we choose Alternative 1 as the preferred, the no action alternative.

CHAIRMAN GREENE: Okay. We have a motion going up on the board to choose the no action,Alternative 1, and that would read do not establish a voluntary red snapper management program for charter vessels. The red snapper management program applies to all charter vessels with a valid or renewable Gulf charter/headboat permit for reef fish. I am sure they will get that up there on the board pretty quickly, but I just read it into the record to try to keep things moving forward here. Is there a second for this motion? It’s seconded by Mr. Walker. Is there discussion? Ms. Levy.

MS. LEVY: Just to clarify that this is one of those actions that needs to be updated to reflect the fact that we have action
that addresses five species, I’m assuming, because, right now, it’s very red-snapper-specific, but then we have the other actions, and so we just haven’t had a chance to update that language.

**DR. FREEMAN:** Correct. We would need to -- Where it says “red snapper”, in both of those senses -- I believe, and, Mara, please feel free to chime in, but, if we put “do not establish a voluntary reef fish management program”, would that be adequate, or do we need to refer specifically to the action where they would select each species?

**MS. LEVY:** I think if you just use the language from Action 1, which is allocation-based management program, something like that, but we can talk about it.

**CHAIRMAN GREENE:** Dr. Crabtree.

**DR. CRABTREE:** I think I will support this motion. If you look at the cyclical management, adaptive management, options that Jessica took us through, which seems to be where this is heading, I think this would make it almost unworkable if it was a voluntary program, where vessels could go in and out, and so it’s hard for me to see how that is workable.

**CHAIRMAN GREENE:** Ms. Bosarge.

**MS. BOSARGE:** Just for clarification, I don’t think we necessarily need to do any wordsmithing to the motion. I think we understand that that’s the alternative as it’s written in the document right now, but that the document still is under revision to reflect other species. We’re just picking a preferred, and so I think that’s fine.

**CHAIRMAN GREENE:** Thank you. Is there further discussion? Mr. Sanchez.

**MR. SANCHEZ:** Given that this is an evolving document, in some instances, I totally give staff all the editorial license in the world to make these necessary kinds of obvious adjustments.

**CHAIRMAN GREENE:** Okay. Is there further discussion in Action 2? Seeing no further discussion, we have a motion on the board before you, and is there any opposition to the motion? Seeing no opposition, the motion carries. Dr. Crabtree.

**DR. CRABTREE:** John, given that there was no opposition to that, I would make a motion that we move Action 2 to the Considered
but Rejected appendix.

CHAIRMAN GREENE: Okay. We have a motion to move Action 2 to the Considered but Rejected section. Is there a second for this motion? It’s seconded by Dr. Frazer. Any discussion? Mr. Matens.

MR. MATENS: I just wonder if there is any value in just leaving it in, just to have it in the document. Do we know whether there is any interest in charter guys pursuing this?

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: It just presents a lot of extra work on staff and slows getting the document down, and, as I said, I don’t see how making it voluntary works with all these cyclical ideas that we’re having, but it’s up to you, but it is a workload issue.

MR. MATENS: No, that’s fine. I was just looking for clarification. Thank you.

CHAIRMAN GREENE: Thank you. Is there further discussion about the motion on the board? Seeing no further discussion, is there any opposition to the motion on the board before you? Seeing none, the motion carries.

Per Mr. Sanchez’s request, I guess we will go to the next action, Action 3. Mr. Sanchez.

MR. SANCHEZ: Thank you, Mr. Chairman. I make a motion that we remove the species of gag grouper and red grouper from Action 3. That would be -- They were Option 3d, gag, and 3e, red grouper. That is Alternative 2, to be specific.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: I think what you want to do, John, is to choose Alternative 2, Option 2a, 2b, and 2c as your preferred.

MR. SANCHEZ: Okay. Let’s do that.

CHAIRMAN GREENE: Okay. We’ll take just a second to get it up here on the board. Mr. Sanchez.

MR. SANCHEZ: A point of clarification. It was my intent then to have that with the three species, sans the groupers, to make that the preferred, and do I need to do that in separate actions, or can we do this in one swoop? What would be the best
way to approach this?

CHAIRMAN GREENE: Ms. Levy.

MS. LEVY: I just wanted to be clear that it was 2a, 2b, and 2c, to make those three the preferreds.

CHAIRMAN GREENE: Okay. Mr. Sanchez, does that reflect your intent?

MR. SANCHEZ: Yes, it does. Thank you, Mr. Chairman.

CHAIRMAN GREENE: We have a motion on the board that, in Action 3, Alternative 2, Options 2a, 2b, and 2c, to make that the preferred alternative. Option 2 is include the following species in the management program. Option 2a is red snapper, 2b is greater amberjack, and 2c is gray triggerfish. Is there a second for this motion? It’s seconded by Dr. Crabtree. Is there further discussion? Ms. Guyas.

MS. GUYAS: I kind of liked the motion the way it was before, to pull the groupers out. The comments that I’ve gotten from a lot of the Florida charter guys is that they really don’t want to have the groupers in here. They are generally happy with the seasons and management that’s going on now, and they don’t necessarily want to get wrapped into this amendment. They kind of feel like they have a good deal as it is, and so this motion doesn’t really do that anymore, and so I guess, depending on where this goes, maybe I will make a motion after to pull those out of the document again.

CHAIRMAN GREENE: Dr. Crabtree, to that point?

DR. CRABTREE: I think that is what this motion does. As I read it, the only three that would be included in this management program would be red snapper, greater amberjack, and gray triggerfish.

CHAIRMAN GREENE: Ms. Guyas, to that point?

MS. GUYAS: Yes, but if the intention is to not even consider that, the groupers, then why wouldn’t we just take them out of the document and save staff a bunch of time in having to analyze all the different allocation options and all that. Do you see what I’m saying?

DR. CRABTREE: Yes, I hear what you’re saying, and I guess that just depends on how certain we are that that’s what we want to
CHAIRMAN GREENE: Okay. Mr. Banks.

MR. BANKS: I think that the question has been answered. Thanks.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: At first, I was kind of with Martha, to make it clear, and I would probably support her motion, but I think I could support Mr. Sanchez’s motion as is, and we’re in Florida, and so this would be a great opportunity to hear from them tomorrow, and we’ll get a more definitive answer and maybe address that later on, Martha.

CHAIRMAN GREENE: Mr. Diaz.

MR. DIAZ: This question is for Mr. Sanchez. I am just curious as to your rationale for pulling them out. I know we had -- The last time we took this document up, I think we added those four extra species. Anyway, I’m just curious what your rationale is.

CHAIRMAN GREENE: Mr. Sanchez.

MR. SANCHEZ: As far as background and rationale goes, it’s kind of -- I made the motion to add them, and I heard about it, and it was folks in Florida that were saying, listen, right now, as opposed to the other three species up for consideration besides the groupers, that are overfished or experiencing overfishing, and the groupers are not.

We have seasons that are intact, and, to get onboard with this, for one, you’re going to incur a radical change in number of fishing day opportunities. It’s a very regionalized situation here in south Florida and Florida, and it’s different than the other couple of species that are more widespread throughout the Gulf and experiencing overfishing and are, in some cases, overfished.

They said that we support what’s been going on in Amendment 41, but I don’t want to put words in people’s mouths. You will probably get to hear some of that from testimony, and perhaps you have received some letters, with the exception of the groupers. We need to take them out. They just don’t seem to fit the need right now.

MR. DIAZ: Thank you.
CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: I guess this would probably be the appropriate time. I did receive an email from one stakeholder that fishes for those species out of south Florida, and, essentially, he said that he was in favor of removing those groupers from Amendment 41, mainly because they are mostly found in the Florida area, and, if we leave them in there and go with some of the distribution and the cyclical distribution options that we have, essentially you’re going to spread them out all over the place and then take several years for them to end up coming back to where they’re really being caught, just because it is something, like John said, that’s not Gulf-wide, per se, like some of the other species. I am just laying out what was sent to me, so that it would be on the record for everybody to consider.

CHAIRMAN GREENE: Thank you. Is there further discussion? Mr. Diaz.

MR. DIAZ: I think that’s probably true for the other species, too. I mean, if we take them one-by-one, triggerfish is generally caught in the northern Gulf, more, I believe, than anywhere else, and it’s going to be the same thing happen there. It’s just different people. To a certain extent, it’s the other two we’ve got on here, and so, I mean, that’s a common problem.

CHAIRMAN GREENE: Thank you. Is there further discussion? Okay. We have a motion on the board, and it was seconded. Seeing no further discussion, is there any opposition to the motion on the board before you? Seeing no opposition, the motion carries.

Is there further discussion before we leave this action item? Okay. Seeing none, I guess we will move on to the next action item, which it should be 2.4, Action 4, if that’s correct. Mr. Sanchez.

MR. SANCHEZ: Thank you, Mr. Chairman. Action 4, I would make a motion that we pick Alternative 5 as the preferred for Action 4.

CHAIRMAN GREENE: We have a motion in Action 4 to make Alternative 5 the preferred alternative. Alternative 5 is allocate a percentage of the recreational ACL for each species to the charter vessels based on 50 percent average of the landings from 1986 to 2013, 2010 excluded, and 50 percent average of the landings from 2006 to 2013, 2010 excluded, the
time series of the preferred alternative from Amendment 40. Is there a second for this motion? It’s seconded by Dr. Crabtree. Is there discussion? Ms. Levy.

MS. LEVY: Maybe just some discussion about why you decided to pick this as preferred, just so we can get that on the record.

CHAIRMAN GREENE: Mr. Sanchez.

MR. SANCHEZ: Okay. As referenced in the document, this is some of the time series used in Amendment 40, and, also, it does mimic some of the history of some of the charter boats, I guess, participation, particularly for snapper, back before regulations started to get more intensive, like 2008-ish, and so this time series gives you a little bit of that pre, from 1986 to 2013, as well as a little bit of post, sans BP in 2010, and so that was the rationale. There is some track record for it.

CHAIRMAN GREENE: Thank you. Ms. Guyas.

MS. GUYAS: I have a question. Is this one of the actions that maybe would be edited? It kind of seems like there could be scenarios where we would want to choose different allocation schemes for different fisheries based on the dynamics of those fisheries, the fish themselves, and then effort shifts between private recreational and headboats and charter boats, but, the way it’s structured now, it’s kind of you choose your allocation and it applies to multiple species, assuming that we keep this a multispecies document.

CHAIRMAN GREENE: Okay. Any further discussion? Mr. Diaz.

MR. DIAZ: We had a calculator where you could put in a boat, and it would spit out how many fish you get. I am just wondering, which alternative did the calculator use, because we got an email from one of the charter boats from Panama City this week that said that they caught what they would basically get in a whole year in four days, or close to it in four days, and I am just trying to get my head straight what that was referencing, which alternative here, and so does anybody know which one of these alternatives we were using in that calculator?

CHAIRMAN GREENE: I am sure we can figure it out and get with you, Dale. I don’t see anybody that -- Mr. Anson.

MR. ANSON: Martha, you bring up an interesting point. I am just trying to think how we would flesh out or describe why we would pick one time series over another. Granted, there are
geographical, I guess, differences in catches to one species over another, but that might be the reason why, but, as John said, and it’s in the document, that we used, at least for red snapper, in Amendment 40, that one time series. I am just trying to think of rationale that would give justification for us applying a different one for the other species.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: I don’t know that there would be one, but maybe that comes back to a bigger point here, is that -- At least I don’t know that I’m ready to be at a place to choose a preferred alternative for this, because I feel like we’ve haven’t really talked about these a lot.

CHAIRMAN GREENE: Dr. Stephen.

DR. STEPHEN: Just to answer the earlier question, I think you’re referring to the decision tool that we had at the AP meetings, and that was just red snapper, and it did have a lot of different options, where you could pick more than one of these scenarios. The 50/50 was slightly different in the model than the one in Amendment 40 that went through to 2015, and it excluded 2010 and 2014, and so slight differences, but, in that model, you could pick any percentage, and so you could pick the percentages out of this and put it into the model, but, again, it was just to red snapper, and we can work up other species, if that’s required.

CHAIRMAN GREENE: Thank you. Is there further discussion? Mr. Matens.

MR. MATENS: Thank you, Mr. Greene. I was looking at some of these, and there’s a lot of numbers here. I was looking at some of these numbers, and I really don’t think that I’m prepared to vote for something like this without further analysis of these numbers, and I would propose that we would not pick a preferred here.

CHAIRMAN GREENE: Okay. Is there further discussion? Mr. Anson.

MR. ANSON: Jessica, how difficult would it be to have decision tools created for the other species?

DR. STEPHEN: The biggest time constraint will probably be if
you guys want to see Florida divided up into three regions, like
we did for red snapper. That requires a request down to the
Science Center for them to compile the numbers for us.

CHAIRMAN GREENE: Is that a month-long process or a year-long
process or can you give us some idea, roughly? I am sorry, but
I just don’t have any idea.

DR. PONWITH: Let me check with staff on this. It’s a
challenge, because it’s the same people who are working on
materials for SEDARs, and so it’s less of how long will this
take by itself, but how long it takes in light of all the other
things that they’ve got on their agenda.

CHAIRMAN GREENE: Okay. We will look forward to hearing back
from you on that. Ms. Guyas.

MS. GUYAS: For what it’s worth, I think we would want that
breakdown for the three different regions within Florida. I
mean, again, with the groupers, there are very different
percentages coming out of each of those regions, and I don’t
know off the top of my head.

I suspect, for probably triggerfish, and probably amberjack as
well, that there are pretty significant regional differences,
and so perhaps another reason to remove the groupers, to
simplify the data request to the Science Center, if we’re not
going to go that route, but, yes, we would definitely want to
break out Florida, I think.

CHAIRMAN GREENE: Thank you. Mr. Anson.

MR. ANSON: I am wondering, Jessica, if you know, or maybe
someone out in the audience that’s here knows, but I suspect --
I am a little fuzzy, I guess, on greater amberjack, but wouldn’t
the landings, proportionally, be similar within each of the
three regions, Martha, as far as triggerfish, greater amberjack,
and red snapper? Wouldn’t they be kind of primarily
concentrated, or dominated, in the Panhandle for those three
species?

MS. GUYAS: Red snapper is probably, yes, the majority
Panhandle, and I would assume that for triggerfish as well.
Amberjack, I am not as sure, and I don’t know how different the
percentages would be, but, yes, red snapper is strongly
Panhandle, for sure, but it’s also changed through the years
too, and so I don’t know how much triggerfish and amberjack have
fluctuated throughout the years.
CHAIRMAN GREENE: Thank you. All right. We’ve had pretty good discussion, and we’ve got about forty minutes left on our time for the day, and I am not trying to sway anybody to not talk or not make a motion, but I am going to go ahead and move on with this. I have heard opposition for this motion. With that, all those in favor of the motion on the floor before you, please signify by raising your hand.

EXECUTIVE DIRECTOR GREGORY: Three.

CHAIRMAN GREENE: All those opposed, like sign.

EXECUTIVE DIRECTOR GREGORY: Ten. The motion fails three to ten.

CHAIRMAN GREENE: Okay. The motion fails. With that, I assume that Mr. Sanchez will want to go on to the next action item, if that is still your intention.

MR. SANCHEZ: I will tell you what. I’m going to bounce around, maybe, and I will give you a heads-up, being that I am gathering that, for some of these items that are probably newer to this document, maybe it might be a little premature to pick some preferreds, but I will take a stab at some of things that I think that are either, dare I say no-brainers, or things that we have already probably been discussing for a while and see if we can’t gain some ground there. If you think that’s appropriate, rather than going this for every single item, then I would like to proceed with that approach.

CHAIRMAN GREENE: Personally, I have no problem, at any point, picking a preferred to show the intent of the council to the public, and so I don’t have any issue with that, but, seeing that, if you want to move on through the document, we can, or we can just try to cover those newer agenda items that were put in and have discussion about those. Ms. Bosarge.

MS. BOSARGE: John, before you go on, I voted for that, mainly so we would have a preferred, so maybe we could get some feedback from the audience, because, as was noted during the discussion, we haven’t had a lot of discussion on where we’re going with that allocation.

There were some comments around the table of would we want to see that decision tool, and then that led to a discussion of, well, we may need some information from the Science Center in order to do that, and, if we want to go down that route, do we
need to write a letter and formally request any information, Martha, on some things and partitioning out, or can we get the decision tool just off the conversation that we just had? I want to make sure that we have whatever information we need to spur our discussions going forward.

**DR. STEPHEN:** I think we’re good with the discussion we’ve had. We didn’t request it when we did red snapper that way.

**CHAIRMAN GREENE:** Okay. I guess, at this point, Dr. Freeman, let’s pick up with the three new items that you had and you were looking for some feedback on, and so if you will us through those items, and we will see where we end up.

**DR. FREEMAN:** Certainly. I believe we have addressed Actions 3 and 4, which were two of the three new actions, already, and so, if the council would like, I would suggest looking at Action 6, which is the adaptive management, and addressing the sub-components there, in terms of potentially preferreds or suggestions for new items for inclusion.

**CHAIRMAN GREENE:** Mr. Sanchez.

**MR. SANCHEZ:** Thank you. This is one that I guess that I will take a stab at and see where we’re at. Adaptive management, we’ve heard some presentations, and we’ve heard the industry request this. I will make a motion that we look at Alternative 3, Option 3a, and make that the preferred, and I will give some rationale if I can get a second.

**DR. FREEMAN:** I believe it would be 6.1, I believe.

**CHAIRMAN GREENE:** Dr. Crabtree.

**DR. CRABTREE:** Shouldn’t we define what the X years -- Is the X years the sub-option?

**CHAIRMAN GREENE:** I was waiting for them to get it up on the board before I read it into the record and asked for a second. The motion is, in Action 6.1, to make Alternative 3, Option 3a, the preferred alternative. Alternative 3 is the cycles for adaptive management will occur at an increasing progressive range, starting at one year, and incrementing by one year until three years. Thereafter, cycles will be three years in length. I believe I read that correctly. Is that right, Dr. Freeman?

**DR. FREEMAN:** It is.
CHAIRMAN GREENE: Let’s change “X” to “one”, because I want to make sure that we get this correct in the record. Ms. Levy.

MS. LEVY: The way that the alternative is written, it’s written that way because a, b, and c -- Well, ignore c. Options a and b refer back to X and Y in the beginning, and so I don’t think that you need to change what the lead-in is, because the option is telling you what X and Y are, but maybe, when you’re done with this motion, you can decide whether you want to keep the c or put numbers in there or do something with those.

CHAIRMAN GREENE: Okay. I will read it again. In Action 6.1, make Alternative 3, Option 3a, the preferred alternative. Alternative 3 is the cycles for adaptive management will occur at an increasing progressive range, starting at X year, and incrementing by one year until Y years. Thereafter, cycles will be Y years in length. Option 3a is one year incrementing by one year, until reaching three years. Cycle one is one year, cycle two is two years, and cycle three plus is three years. Is there a second for this motion?

MR. MATENS: Second for discussion.

CHAIRMAN GREENE: We have a second for discussion. Is there discussion? Mr. Sanchez, some rationale, please.

MR. SANCHEZ: Yes, and the rationale here would be -- Obviously we’re talking about doing something, and so, cycle one, boom. You come out in the first year and you do your first distribution. Then, being that we know we don’t have some hard, quantifiable numbers, like we do for say the headboats, where there is some recorded landings, you don’t want to, in my mind, march too quickly, hastily, with these cyclical redistributions. You want to spread them out over a longer period of time.

Thus, you stagger that second one a little bit, and then the third one a little more, and then that addresses several things, the uncertainty from the starting point and possible hardship scenarios that were mentioned earlier. This kind of balances a little bit of all of those approaches to this within the toolbox of cyclical redistribution, and that’s kind of why I like this one.

CHAIRMAN GREENE: Okay. Is there further discussion? Mr. Matens.

MR. MATENS: Thank you, Mr. Greene. Let me make sure that I understand this, John. We put this in progress, and we have a
one-year cycle. The next year, how long is the cycle?

MR. SANCHEZ: My understanding, and I am not going to pretend to not let Jessica chime in, but you’re going to wait two years for the second one.

MR. MATENS: Okay. So, year one, we have a cycle. Year two and three is a cycle.

MR. SANCHEZ: I am not sure that I know what you mean by two and three. They take a couple of years as you go. The first one comes the first year, right away, once it’s implemented, and then you wait a couple of years for the second one, and then it’s incremental as it goes. You are spreading this out over a possible maybe six-year period.

MR. MATENS: Can you help me, Dr. Stephen?

DR. STEPHEN: What you want to do, your first cycle is composed of one year in that cycle, and so it’s a pretty rapid cycle. The next cycle is composed of two years, and so, by the end of cycle two, you’re three years into the program, and then every cycle thereafter is three years in length. This was, in the presentation, that progressively-increasing cycle length, where you’re doing that initially, in order to turn things over, and then you’re trying to stabilize that turnover at some kind of set amount of time. Did that help?

MR. MATENS: Yes, ma’am, it did, and, to that point, I had a long conversation with the President of the Louisiana Charter Boat Association last week about this, and he has a high level of concern about these hardships, and his organization is opposed to any kind of cycle. I recognize that he’s not here to speak for himself, but he actually had surgery today, and he asked me to bring this up to the council. Thank you.

CHAIRMAN GREENE: Thank you. Is there further discussion? Ms. Guyas.

MS. GUYAS: I kind of have some mixed feelings about this. One part of me says that, yes, we need to do some kind of -- If they’re going to do this, do some kind of cyclical redistribution, but another part of me also says that, at some point, we probably need to come back and look at this and see if it’s working, and we need to have the flexibility to fix it or adjust it or whatever.

If we go with this route, then really, to get through a full
cycle of the cycles, we’re six years in before we even stop to probably look and see what happened. I don’t know. I guess it’s just because this is new territory for me, and I am just unsure about it.

CHAIRMAN GREENE: Well, obviously it’s new to all of us, and we’re trying to get our heads around it, but I think I remember -- During the presentation, Dr. Stephen said that we can come in and set that at any specific point that we want to have a stop and reevaluate it at this point, that we can do that.

I think that, as a council, we can come in at any point and say, hold on, wait a minute, and I believe -- I am not trying to speak for you, Dr. Stephen. If you want to take it from here and run, but I believe that was the idea. Is that correct?

DR. STEPHEN: Yes, that’s correct. You guys can change things at any point in time, and, of course, any catch share program has a mandatory five to seven-year review, which is kind of an automatic trigger for you guys looking at things, but it doesn’t stop you from looking at it prior to that point in time.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: I too am a little concerned about the time schedule. I mean, I certainly realize the importance of identifying those vessels that won’t have landings and trying to redistribute those fish.

I guess I am thinking in terms of a finite season too, if weather or something impacts one region versus another, but this would be spread out over a longer time period, I suspect, and so potentially that would be minimized, but I’m just a little leery.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: Camp brought up a good point, and I am trying to figure out how we could deal with a hardship situation in this. I understand where John is going, that he feels like spread out over this six years can allow us to deal with a hardship, but I’m not so sure.

I mean, if the hardship comes in year one, the fellow has no landings, and then it seems like, to me, that he loses out on some of his share. If he’s diagnosed with a sickness and is out all year, or he gets called into the National Guard and gets sent away, and I’m just concerned about that, from a hardship
standpoint. Could there be some sort of an appeal worked in, to where they could appeal a hardship? I don’t exactly know how, but, anyway.

CHAIRMAN GREENE: Ms. Levy.

MS. LEVY: It seems like, if you’re concerned that a year for the first cycle is too short to address any hardship, then you would go with another option, like the 3b has the first cycle being two years, or there is 3c, which has X years, which was for you all to see whether you wanted something else. So, if a year doesn’t seem like enough for the first cycle, then it doesn’t have to be a year.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: This isn’t my wheelhouse, but just to also note that the next item, the next action item, that is in the document says, all right, well, after that first year -- You know, say it is somebody that, heaven forbid, had a hardship and there is not an appeal process, we’re going to determine, in the next action item, what percentage of that quota or whatever that they didn’t use that we take back.

It might be 10 percent of their overall share, or it might be 25 percent, or whatever number we pick, and so, I mean, I guess we could go with 100 percent, but I would venture to guess that we probably wouldn’t, based on the options that are listed there now, and so that’s just another factor to consider, but an appeal process is a very good idea.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: That’s a good point, Madam Chair, but I still feel like a fellow who is under a hardship -- I mean, to take any of his share seems, to me, to be unfair. I recognize that we could choose something very, very small, but it just seems unfair.

CHAIRMAN GREENE: Ms. Levy.

MS. LEVY: I suggest dealing with whatever hardship issues you think may occur or that you want to address through the three different components of the adaptive management, right, and so, in that last slide, there was the whole idea that they worked together to address the different things, and I don’t know what you would be appealing, or it doesn’t seem to me like a hardship appeal would work for something like that.
I mean, we didn’t even do hardship appeals when we did initial IFQ distribution type of things, and, to come up with standards, it just seems like it’s going to be really messy, and I’m not sure how it would work.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: Yes, I agree. When we have had appeals of things in the past, it’s been that you can appeal that the numbers are wrong or there is a mistake, but it’s never been -- We have always excluded hardship as an appealable thing, and so, if you want to go to a longer time period, then you can switch to Option 3b. The downside with that is there is no redistribution, and they have to wait two years for it, and so it’s kind of a balancing act there.

CHAIRMAN GREENE: Okay. Thank you. Is there further discussion? Dr. Stephen.

DR. STEPHEN: I just kind of want to reiterate what Leann said. Remember this works in combination with other actions you choose, and so, in taking a shorter or a longer time period, you might want to see how that works with the percentage that you are reclaiming, and keep that in mind as you’re going through.

CHAIRMAN GREENE: Thank you. Is there further discussion? Seeing no further discussion, we have a motion on the board. Is there any opposition to the motion on the board before you? Two in opposition, and the motion carries. Okay. Dr. Freeman.

DR. FREEMAN: Certainly. So, moving forward, if we could address Action 6.2 next.

CHAIRMAN GREENE: Okay. We’re looking for some direction here on 6.2, as we talked about just a few minutes ago, and is there discussion? Dr. Stephen.

DR. STEPHEN: What we would probably like is some more ideas of some other percentages that the council might feel is appropriate, especially in Alternative 3, where we have it progressively decreasing the reclaimed portion.

CHAIRMAN GREENE: I am not seeing anybody jumping up and down, and so the intent of Alternative 3 is to, in the first year, cycle it kind of quickly. Then, as it progresses over time, to kind of smooth that out, if I understand that correctly. Mr. Banks.
MR. BANKS: I may be missing some details, but I’m trying to figure out why we would start big at the beginning and then go smaller and not the other way around, and can somebody help me with that? It seems like, to me, that we would start small and then move larger, but --

CHAIRMAN GREENE: Dr. Stephen.

DR. STEPHEN: I am just going back to some of the slides I had there, and, when you think about how much you want to reclaim, what you want to think about is how right did you get the initial distribution initially, and that’s one concern in setting the percentage.

If you feel that you didn’t get it very representative, or there is a lot of latent permits out there, you might want to set that percentage higher, so you could rapidly move those shares to the people who encounter the fish.

One of the other considerations is also your new entrants coming in and how much you want to give them the ability to kind of work their way into the system by harvesting and getting shares back from it.

If you reclaim a higher percentage, there is a higher amount that can go to those new entrants. In a more stable fishery, you probably have new entrants coming in at a smaller point in time, and, once you stabilize out, you might not want that high percentage, because remember a higher percentage creates more uncertainty for the fishermen in their industry. They are booking trips out a year in advance or more, and they need to know that they have a set amount that they’re going to get and then anticipate what they will get back through the redistribution, and so those are kind of the thoughts on the reclamation. Did that help?

CHAIRMAN GREENE: Thank you. Is there further discussion? Ms. Guyas.

MS. GUYAS: Again, I feel like there could be -- You could maybe want to choose different percentages for different fisheries, depending on how right or wrong we think we’re going to do the initial allocation. I mean, I’m not trying to make this more complicated, but it might be appropriate to have different options for different species, but we would have to really dig into it and kind of, again, I think really understand where we’re going to be able to make that determination, but I don’t know. It’s hard to choose percentages here, I think.
CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: I think, in theory, that makes sense, but, in practice, I don’t think we have any basis to believe that we would get one species allocation more right than we would get the other, and so I don’t think we practically have any basis to know why one species would be different than another, or at least I can’t think of any.

CHAIRMAN GREENE: Ms. Guyas, to that point.

MS. GUYAS: Just as a theoretical example, say there is one species on our list that is caught very heavily in a particular region and we end up allocating shares across the Gulf. It’s going to take a while for those shares to get back to actually be where they’re caught, and that may not be the case across the board for the three or however many species go in here, and so, in that kind of case, maybe you want to choose a different percentage for a different species, and that’s kind of what I’m thinking, but I don’t know, but, once we really dig into this, maybe we would know if we needed to break this out species-by-species.

CHAIRMAN GREENE: Thank you. Is there further discussion? Mr. Gregory.

EXECUTIVE DIRECTOR GREGORY: Thank you. We brought this document back to the council prematurely, at the request of a council member. If it had been up to staff, we would have waited until August, and so, with that said, that’s why some of this stuff hasn’t been fully fleshed out.

I think simulations like you’re talking about are really good. The other thing that I would be interested in seeing is if there is a boat that never catches a species and never does catch a species, how quickly does that boat go to zero, and that’s the other part of this, but I just wanted to point out that we recognize this is not a fully-fleshed-out document, but it will be by August, or much better.

CHAIRMAN GREENE: Thank you. Is there further discussion? Mr. Matens.

MR. MATENS: Thank you. Mr. Gregory, do you intend to bring this back in August?

DR. FREEMAN: That is our intent. Again, part of presenting
this, at the moment, is, in general, just to get feedback from
the council on these three new actions and have some direction
going forward, to the August meeting.

MR. MATENS: To that point, are we going to see this document in
August just as it is?

DR. FREEMAN: Not as is. There will certainly be some
revisions, again, to reflect the three new actions, weaving that
more into the document, as well as taking into account some of
the motions that have been made by the council.

MR. MATENS: Again, to that point, I guess, sir, we will see the
new-and-improved version?

DR. FREEMAN: Exactly. Amendment 41.2, I guess.

CHAIRMAN GREENE: Ms. Levy.

MS. LEVY: Thinking about what Martha said, it might be
difficult to sort of analyze what you would like as preferreds
for this whole adaptive management without looking at how you’re
initially distributing, because you have a whole action with
what you’re going to consider for the initial distribution
amongst these vessels, and maybe you need to think about that
before you decide what the appropriate percentages are and
stuff.

I think, for this version of the document, or when it comes
back, what is helpful for these three actions are filling in the
blanks or tell staff that you don’t want the options that have
the X’s in them, because they sort of threw out some numbers for
you in these three different new adaptive management actions and
then put an option in there that said, hey, let us know if you
want something else, and, if you don’t want it to come back with
the X’s in it again, the suggestion would be to either give a
suggestion for that X or say you just don’t want that option in
there.

CHAIRMAN GREENE: Okay. I understand. What they’re looking for
here is in, for example, Alternative 2, Option 2c, they have an
X. 2a, they’re saying that they’re going to reclaim a
percentage of the shares of 10 percent, 25 percent, or what
other number would you guys feel comfortable with?

Then, in 3b, they did the same thing with cycle one, two, and
three, and so think about it like this. They distribute 100
percent, and then they’re going to reclaim. They’re going to
take back a percentage that year, and then they’re going to redistribute them accordingly, and so, for example, Option 3a, the first year they issue 100 percent, and then they’re going to take back 40 percent of those, and then it’s going to be redistributed accordingly. Is 40 percent a fair number?

As she mentioned, for people booking trips in advance, they know they’re going to have at least 60 percent of what they had to work off of in advance, and so they may have 40 percent, et cetera, et cetera, and so just understand that, in the reclamation of this, that these are the shares that are turned back in, that will be redistributed, for new entrants, new people that are coming in, as well as latent permits that didn’t fall under that category.

It kind of goes in hand with what we just did, is what level do we want to take back from the fishermen to make sure that the fish are moved geographically, spatially, from one place to the other and then latent permits, et cetera, and so I am trying not to steer you in one way or the other, but what they’re asking for is are we comfortable with this type of percentages or do you want something different? Ms. Levy.

MS. LEVY: Also, I didn’t want to -- I think I suggested that you needed to do something. I mean, if you want the X’s there because you’re not sure and you may want to add things -- I mean, obviously, that is your choice, but I think that’s kind of what we were looking for. Are you still ambivalent and kind of want to leave the uncertainty there for now, just to see if you want to put a different value in there, or do you know that you might want to see something higher than 25 percent or not?

CHAIRMAN GREENE: I am not trying to sway anybody, but I am just trying to help explain it, as best as I understand it, and so, if you don’t want to make a change, you don’t have to. If you want to do something different here, we can. This is our opportunity to do that. Obviously we’re going to see this several more times. I know we have picked some preferreds, trying to show our intent, and I don’t think we need to get into picking preferreds, and I’m not suggesting that at all, but I’m just saying that this information is here before you. Mr. Sanchez.

MR. SANCHEZ: A lot of this stuff is new, and so I think some of the preferreds that were picked that didn’t ensue the kind of debate that we’re seeing now, as we get into these newer items and they’re a little harder to get your hands around.
I will withdraw from trying to pick preferreds for some of these newer items, from that approach, but there are a lot of good things here, and they do kind of build on each other, and so it can get confusing, and obviously, but there is a lot of tools here where we can look at how we start to look at this, from not only an equal share allocation distribution, however you want to call it, perspective, but give it some weight to historical, regional, carrying capacity.

There is all these things in there to kind of balance out some of these concerns, and it was a good attempt by staff to put these things in there, and so I would just ask that maybe we hear from the public and we listen and then we just foster the evolution of this thing as time goes on.

CHAIRMAN GREENE: I agree. Nobody can accuse of not thinking outside the box on this one, and so, Ms. Guyas.

MS. GUYAS: To go back to what Doug said, I think it would be cool, at some point, down the road with this document, to have some kind of like decision tool, where you can simulate these distributions and see what happens, and that would be really awesome. I know that’s not an August item, I’m sure, because I think it would be a lot -- It would be, probably, a big effort to build that, but it would be cool.

CHAIRMAN GREENE: I agree, and, if we’re going to build that, then we’re need to kind of hone in on some of this stuff and make sure we’re comfortable with what’s there, and we may go in and say, okay, we want to go this way and maybe we have to come back and modify it, because it may not lead in that direction. Mr. Banks.

MR. BANKS: Thank you, Chairman Greene. I am hearing what you’re saying about the latent permits, and that’s understandable. We certainly want to get those shares to the people who fish as soon as we can, but I just don’t know how to want to do that, but still protect the guy who has undergone a hardship, and so, if we can just all think about somehow to protect those hardship guys as we’re trying to move these shares to people who are actually fishing.

CHAIRMAN GREENE: Lieutenant Commander Danaher.

LCDR LEO DANAHER: Just an observation from the discussion and from the material that’s being presented. Down the road, I can see the pros and cons, but, from an enforceability standpoint, one of the major concerns that I already see, right off the bat,
is you’re going to need some kind of real-time update when you’re reclaiming and redistributing these shares, because the last thing I want to do is kind of wrongfully gig somebody out there for fishing for something that, based on the records they have, they maybe shouldn’t be fishing for, or maybe they do have permission to fish for it, but they don’t have the updated paperwork.

I mean, you’re going to need some kind of real-time update. Otherwise, we’re taking the -- We’re issuing out violations against the owner, when it’s really more about the system.

CHAIRMAN GREENE: Thank you. Dr. Stephen.

DR. STEPHEN: I don’t see that as being a large concern. We will probably build this in the same system we have the commercial, which is a real-time, online system.

With the redistributed shares coming back, the only thing I see building into it is that you might get your shares minus what was reclaimed on January 1 and allocation from it, and we might need a little bit more time to distribute the rest of those shares within that first month or first quarter, depending on how much work and effort it goes into, but, once you get those, you would then get the allocation for that, and so I think the allocation in hand with them will be the same as it is with enforcing the commercial IFQ.

CHAIRMAN GREENE: Interesting. I hadn’t thought about that point, and so thank you, Lieutenant Commander. All right. Is there further discussion? Okay. Dr. Freeman.

DR. FREEMAN: Certainly. Thank you. The last item is Action 6.3, and so, again, simply to get feedback from the council on Alternatives 2 and 3, with regards to equal redistribution versus a proportional redistribution, or if council members have any additional suggestions that they would like for us to consider.

CHAIRMAN GREENE: Okay. I am sorry, Dr. Freeman. I was in a conversation, and will you please repeat that?

DR. FREEMAN: Certainly. Again, we’re looking just for some guidance from the council members, particularly with Alternatives 2 and 3, which look at equal redistribution of those reclaimed shares versus a proportional redistribution, and, lastly, if the council members are fine with those or if they have any ideas for an additional alternative.
CHAIRMAN GREENE: Okay. So that’s the proportional distribution by species, I am assuming. Yes, that’s right. Okay, committee, how do you feel about what he is asking? Do you all have any preferences here or any guidance that we can offer to staff? This ties back into what we saw earlier, to a degree, and that was just a percentage, but this is by species, correct, and that’s the difference?

DR. FREEMAN: Earlier, it was dealing with the shares that were reclaimed, and this is, once those shares have been reclaimed, how they go back to the fishermen, and so are they redistributed back to the fishermen equally or is it done proportionally based on the landings of that given species?

CHAIRMAN GREENE: Okay. Dr. Crabtree.

DR. CRABTREE: Well, since we’re trying to get the fish to the people who are actually fishing for the species, it seems, to me, that it would go back proportionately. It seems, to me, if it goes equally, that’s self-defeating to the goal of getting the fish to the people who are fishing for them, and so it seems, to me at least, that it certainly should be Alternative 3, proportional.

CHAIRMAN GREENE: Thank you. Anna.

MS. ANNA BECKWITH: As I listen to you guys talk, I also see a third option, which would be 50 percent of each type of redistribution, because, if you’re only giving back fish to the people that are catching them, you’re also sort of giving — You’re not giving folks an opportunity to grow into it, and so if there could be an additional alternative that would consider 50 percent, sort of equally distributed, and 50 percent distributed proportionally, that might be something worth discussing.

CHAIRMAN GREENE: Okay. Thank you. Is there further discussion? Dr. Freeman.

DR. FREEMAN: Just to address that item, Dr. Stephen mentioned this during her presentation, and I believe it was the last slide. A preferable move by the council would be to allow transfer of allocation, and so, if a new entrant had allocation and were able to have recorded landings, then, at the end of that cycle, they would receive some of those reclaimed shares, and so that would be built into the system already.
CHAIRMAN GREENE: Okay. Thank you. Is there further discussion? Okay. Dr. Freeman, does this wrap up what you need for Amendment 41?

DR. FREEMAN: It does. Thank you.

CHAIRMAN GREENE: Okay. Dr. Crabtree.

DR. CRABTREE: One last thing for you to think about, and I know we’re running out of time, and so we may want to come to this at Full Council, is timing. We still, at some point, need to talk about the referendum and voting procedures, and so the question for you to think about, I guess for Full Council, would be do you want to ask staff to bring in some suggestions for voting procedures at the next meeting? We already brought that and worked that out for Amendment 42, but we don’t have that, and some guidance to staff as to how you might want to weight the votes would probably be useful.

CHAIRMAN GREENE: Mr. Sanchez.

MR. SANCHEZ: I would agree. We have that for 42, and I think we should start to develop that for 41, and basically identify those that substantially participated and who would be voting and how we’re going to do that and start to put that together, like 42.

CHAIRMAN GREENE: I guess, if that’s the direction you wish to go, Mr. Sanchez, we would probably need to put that in the form of a motion.

MR. SANCHEZ: I would make a motion that we create options similar to --

CHAIRMAN GREENE: Hold on.

DR. FREEMAN: We, I think, had discussed bringing it to the August meeting, but, if the council would like to pass a motion specifically requesting it, that would be fine.

CHAIRMAN GREENE: I’m sorry. I’m just trying to make sure that I get it right.

MR. SANCHEZ: Thank you.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: Okay. So you can have that ready by the August
meeting, because I know I pushed you all really hard for this meeting, but you’re good with that for August? I just want to be clear, and so you’re going to bring us referendum criteria for 41 in August? Is that correct? Since we don’t have a motion, I just want to be clear.

DR. FREEMAN: Certainly. Let me look to some of the SERO staff and see what their thoughts are. I think they’re having a conversation right now with regards to that.

MS. BOSARGE: Dr. Crabtree and Dr. Stephen, is an August timeframe to present referendum criteria possibilities to the council doable for everyone, all staffs involved?

DR. CRABTREE: I think we could bring in some options at the August meeting. I don’t know that it will be complete, but we can bring a start in.

CHAIRMAN GREENE: Thank you. I was looking for direction from the Council Chair and Executive Director, and so, with that, we are going to continue on into Draft Amendment Number 42 and move through it accordingly, and so I guess the staff lead with that is going to be Dr. Assane Diagne.

DRA"F'T AMENDMENT 42 - FEDERAL REEF FISH HEADBOAT MANAGEMENT

DR. ASSANE DIAGNE: Thank you, Mr. Chair. I think we will not use the time going through the actions and alternatives, because you have seen it, and we have discussed it during a previous meeting.

Amendment 42 still includes the fifteen actions that you decided to look at, and so the few things that we would like to discuss would be, one, the allocation of the resource, if you would, between the sub-component, and, by that, I would mean the headboats, the charter/for-hire, and the private anglers. In some cases, it will be the private anglers and the charter/for-hire together, if that species is not included in the allocation-based management system.

Right now, we have the exact same allocation action and set of alternatives in both Amendments 41 and 42, and so the first question, perhaps, and you can give us guidance, is if you would like for us to maintain the allocation action in one of the amendments alone, given that we are allocating the same resource at the end of the day, and so, if there is, I guess, a suspicion that 42 would go slightly faster than 41, then perhaps we could withdraw the allocation action from 41 and leave it here in 42,
because the numbers are exactly the same, and, again, we are allocating the same resource. I will stop here and perhaps get some feedback and some guidance from you before proceeding.

CHAIRMAN GREENE: Thank you. Is there discussion? Mr. Anson.

MR. ANSON: Just clarification from Mara. If this goes faster and we voted to approve it and 41 is still waiting to be approved, would you do a -- Is there a referendum then for just the headboats, and would everybody get to vote? I am a little unsure, and that’s to Mara or whoever.

MS. LEVY: Well, I mean, there would be a referendum for this amendment, for those permit holders that substantially fished the species here, and then there will be a referendum for the permit holders who substantially fished the species in 41, but I guess I am not quite sure how that -- Are you getting at the fact that, if you take it out of one of the documents, then you would have a referendum on a document that has the allocation decision in it, but not in the other -- So the referendum for the other document wouldn’t include the allocation decision between the private, charter, and headboat, and is that what we’re getting at?

MR. ANSON: That’s kind of what I’m getting at. I guess the distinction of the permit holder, and so you have -- It’s the same permit for headboats and charter boats, but the headboats are the ones that have been participating in the Beaufort Southeast Headboat Survey, and so they had the same permit, but they’ve been reporting two different methods, and so is there a distinction -- You are looking at a distinction then for there being essentially a headboat permit, even though it’s a Gulf reef fish permit that just happens to be participating in a different survey, reporting survey, that classifies them as a headboat?

MS. LEVY: The referendum is for the plan or amendment that creates an individual fishing program, and so it’s a majority of those eligible permit holders, and so each document has its own eligible permit holders, and so they would be voting for their program, and so it goes with who is eligible to participate in the program, and then only those ones who substantially fished the species are supposed to be voting in the referendum.

MR. ANSON: Okay.

CHAIRMAN GREENE: Mr. Gregory.
EXECUTIVE DIRECTOR GREGORY: At risk, Mara, I guess the allocation decision is not something that has to go to referendum, and so the allocation decision could be in whichever document gets implemented first, and it’s not really related to the referendum.

MS. LEVY: I mean, I don’t think it’s not -- It’s a decision point, but I don’t think that particular piece requires a referendum. I have to think about it a little bit, just because it’s complicated by virtue of the fact that you have two programs being established simultaneously, and a decision point in both of them is how you’re going to split the quota between the different sub-groups, and so it’s about the program, and so I hadn’t really thought about which actions require the referendum, but more that the approval of the program requires the referendum, but I can look into that and think about that and see whether it really is going to make a difference or not.

CHAIRMAN GREENE: Thank you. Is there further discussion? Mr. Anson.

MR. ANSON: So we don’t need a motion to ask for counsel review of that allocation and a referendum trigger?

MS. LEVY: Well, are you okay with me just going back and looking into it and reporting back or -- I think, if you want some sort of -- I think the reason for the motion in the other case was sort of the idea that you wanted a more official, written kind of communication back and forth. If you just want me to go back and look into it and then come back with an answer, I can do that without a motion.

MR. ANSON: I guess I am fine with it, but are the other people? Are you fine with it, Johnny? Doug, are you fine with it?

EXECUTIVE DIRECTOR GREGORY: Yes, sir.

CHAIRMAN GREENE: Yes, I don’t have any problem with that. Okay. I don’t see anybody else with any heartburn or jumping up and down about it, and so, Dr. Diagne.

DR. DIAGNE: Thank you, Mr. Chair. The second thing that we planned on discussing and bringing to your attention, and Dr. Crabtree touched upon it, but it has to do with the referendum criteria.

If you recall, the last time we discussed this program, I believe in August of 2016, we did bring a referendum eligibility
criteria, defining those that substantially fished, and so the
question that we have would be perhaps if that is something that
you would like to reconsider in August, so that we can bring
those alternatives, and, if you wanted to pick a preferred, so
that we can proceed and make progress. I will stop here.

CHAIRMAN GREENE: Thank you. Is there discussion? Okay. I
don’t see any discussion, Dr. Diagne.

DR. DIAGNE: Do I take it as yes or something that would be
further discussed during Full Council?

CHAIRMAN GREENE: I think, at this point, I don’t know that
we’re going to get much more out of the committee, and so I
think, if there is somebody that’s going to have an issue, it
will be at Full Council, at that particular point. Staff is
asking for direction. Does anybody want to weigh in? Dr.
Diagne, please repeat again what it is that -- Your question,
what it is that you’re asking us. I’m sorry.

DR. DIAGNE: Up to this point, I guess we’ve developed the set
of actions and alternatives that you think would be needed for
this program, meaning the headboat allocation-based management
system.

In August, we presented alternatives that would allow you to
define the eligibility requirements to go to the next step,
meaning to conduct the referendum, but, at the time, the council
did not select a preferred alternative, essentially, and so my
question to you is would you like to have those presented to the
council in August, to give you the opportunity to perhaps pick a
preferred alternative when it comes to the eligibility criteria
for the referendum?

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: Yes.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: Yes.

CHAIRMAN GREENE: So there we go. All right.

DR. DIAGNE: Thank you. With that, then I think that would
conclude the presentation for Amendment 42, given the fact that
we have already discussed the fifteen actions, and we will make
it a plan to bring those alternatives to you in August, along
with the amendment. Thank you.

CHAIRMAN GREENE: Thank you. That concludes our schedule, as written, and we’ve taken care of Other Business. Is there any more business to come before the Reef Fish Committee? The Reef Fish Committee stands adjourned.

(Whereupon, the meeting adjourned on June 6, 2017.)