

1 GULF OF MEXICO FISHERY MANAGEMENT COUNCIL
2
3 SHRIMP MANAGEMENT COMMITTEE
4

5
6 Marriott Beachside Hotel Key West, Florida
7

8 June 10, 2015
9

10
11 **VOTING MEMBERS**

12 Corky Perret.....Mississippi
13 Leann Bosarge.....Mississippi
14 Roy Crabtree.....NMFS, Florida
15 Dave Donaldson.....GSMFC
16 Myron Fischer (designee for Randy Pausina).....Louisiana
17 Harlon Pearce.....Louisiana
18 Lance Robinson (designee for Robin Riechers).....Texas
19

20 **NON-VOTING MEMBERS**

21 Kevin Anson.....Alabama
22 Martha Bademan (designee for Nick Wiley).....Florida
23 Doug Boyd.....Texas
24 Jason Brand.....USCG
25 Pamela Dana.....Florida
26 Dale Diaz (designee for Jamie Miller).....Mississippi
27 John Greene.....Alabama
28 Campo Matens.....Louisiana
29 John Sanchez.....Florida
30 Greg Stunz.....Texas
31 David Walker.....Alabama
32 Roy Williams.....Florida
33

34 **STAFF**

35 Steven Atran.....Senior Fishery Biologist
36 Assane Diagne.....Economist
37 John Froeschke.....Fishery Biologist/Statistician
38 Doug Gregory.....Executive Director
39 Karen Hoak.....Administrative and Financial Assistant
40 Morgan Kilgour.....Fishery Biologist
41 Ava Lasseter.....Anthropologist
42 Mara Levy.....NOAA General Counsel
43 Emily Muehlstein.....Fisheries Outreach Specialist
44 Charlene Ponce.....Public Information Officer
45 Ryan Rindone.....Fishery Biologist/SEDAR Liaison
46 Bernadine Roy.....Office Manager
47 Charlotte Schiaffo.....Research & Human Resource Librarian
48 Carrie Simmons.....Deputy Director

1
2 **OTHER PARTICIPANTS**

3 Pam Anderson.....Panama City Beach, FL
4 Steve Branstetter.....NMFS
5 Shane Cantrell.....Galveston Charter Fleet, TX
6 Martin Fisher.....FL
7 Sue Gerhart.....NMFS
8 Richard Gomez.....Key West, FL
9 Frank Helies.....Tampa, FL
10 Scott Hickman.....Galveston, TX
11 Judi Jamison.....FL
12 Bart Niquet.....Panama City, FL
13 Chris Niquet.....Panama City, FL
14 Kelli O'Donnell.....NMFS Contractor, Summerland Key, FL
15 Bonnie Ponwith.....SEFSC
16 George Sedberry.....NOAA
17 Rick Turner.....Marathon, FL
18 Daniel Willard.....EDF, Austin, TX

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20
21 The Shrimp Management Committee of the Gulf of Mexico Fishery
22 Management Council convened at the Marriott Beachside Hotel, Key
23 West, Florida, Wednesday morning, June 10, 2015, and was called
24 to order at 9:11 a.m. by Chairman Corky Perret.

25
26 **ADOPTION OF AGENDA**
27 **APPROVAL MINUTES**
28 **ACTION GUIDE AND NEXT STEPS**
29

30 **CHAIRMAN CORKY PERRET:** I would like to call the Shrimp
31 Management Committee to order. Perret is here and, Mr. Pearce,
32 are you still with us?

33
34 **MR. HARLON PEARCE:** I am here, dude. I am here.

35
36 **CHAIRMAN PERRET:** Thank you, sir. Ms. Bosarge is here and Dr.
37 Branstetter and, Mr. Donaldson, are you here? Yes. Mr. Fischer
38 is around somewhere and Mr. Robinson is here and so the first
39 item of business is Adoption of Agenda and that's Tab D-1. Any
40 additions or modifications to the agenda? Any opposition to
41 adopting the agenda as presented? Hearing none, the agenda is
42 adopted. Morgan, there you are.

43
44 The second item is Approval of Minutes, Tab D, Number 2. Any
45 modifications to the minutes? If not, I will entertain a motion
46 for approval.

47
48 **MS. LEANN BOSARGE:** Make the motion to approve.

1
2 **CHAIRMAN PERRET:** It's moved by Ms. Bosarge and seconded by Mr.
3 Donaldson. Any opposition to approving the minutes? Hearing
4 none, so ordered. The next item, Dr. Kilgour, is the Action
5 Guide and Next Steps. We have a couple of issues to discuss and
6 so, Dr. Kilgour, do you want to take that?

7
8 **FINAL ACTION SHRIMP AMENDMENT 15 - STATUS DETERMINATION CRITERIA**
9 **FOR PENAEID SHRIMP AND ADJUSTMENTS TO THE SHRIMP FRAMEWORK**
10 **PROCEDURE**

11
12 **DR. MORGAN KILGOUR:** Sure. If we could just go through the
13 action guide as we come upon them in the agenda, that would be
14 helpful. The first thing on the agenda for me to discuss would
15 be Amendment 15. We have added a new alternative under Action
16 1.3 to have an MSY-based overfished threshold and I would like
17 the committee to review that and decide if --

18
19 **EXECUTIVE DIRECTOR DOUG GREGORY:** Excuse me, Morgan. We need
20 more quiet in the audience. If you want to talk, go outside,
21 please. The sound just echoes through the room. Thank you.

22
23 **DR. KILGOUR:** If I could just delve into Amendment 15, then we
24 can review that alternative, if that would be all right with
25 you, Mr. Chair.

26
27 **CHAIRMAN PERRET:** Morgan, that was the technical work and you
28 and the Center and whomever else, the Regional Office shrimp
29 people, worked out, right?

30
31 **DR. KILGOUR:** Correct. At the last meeting, you guys looked at
32 some MSY-based alternatives and we didn't have one for the
33 overfished threshold yet and we do have one now and so I wanted
34 to present that to you. You've already selected preferred
35 alternatives for all the other actions, but you might consider
36 looking at this new alternative and if you wanted to change it
37 to an MSY-based alternative, we could do that.

38
39 **CHAIRMAN PERRET:** Okay, but on the previous two actions, we've
40 already selected preferred alternatives and so unless someone
41 wants to make a suggested change, we don't need to go to Action
42 1, which is modify stock status. Action 1 is modify MSY and
43 we've got a preferred and so is everybody satisfied with the
44 preferred? Okay.

45
46 The second one, 1.2, modify overfishing threshold, we have a
47 preferred and does anybody want -- Okay. So then we get to
48 Action 1.3 and so go ahead, Morgan. This is the new one, right?

1
2 **DR. KILGOUR:** Right and I can give the *Reader's Digest* version
3 of the first three alternatives, since you've already seen them
4 multiple times. The first one is leaving it status quo, which
5 isn't consistent with the current model.

6
7 The second one is using the model, but we're using an MSST value
8 with a buffer or a 95 percent confidence limit and not a buffer.
9 The third one doesn't incorporate the confidence limit and,
10 again, that's just based on the MSST value out of the model and
11 the fourth alternative is the new alternative and I will go
12 through that one.

13
14 It's basically an MSST based on the spawning stock biomass at
15 MSY and they're using the same years as we've used in all the
16 other alternatives and so it's 1984 to 2012 and the values will
17 be updated every five years through the framework procedure
18 unless changed earlier by the council.

19
20 Currently, the Stock Synthesis Model produces the following
21 values for spawning stock biomass at MSY and that's brown shrimp
22 at just over six-million pounds of tails and white shrimp at
23 just over 365-million pounds of tails and pink shrimp at just
24 over twenty-three million pounds of tails.

25
26 **MS. BOSARGE:** Morgan, we had a lot of discussion on this one at
27 the last committee meeting and Alternative 4 seems to encompass
28 everything that we discussed. Now, I know we did have a
29 preferred alternative as Alternative 2, but it looks like we
30 need to shift that now, based on the technical reading of
31 Alternative 4, to be our preferred alternative now and is there
32 any committee feedback on that?

33
34 **CHAIRMAN PERRET:** That's what I think too. Morgan, do you want
35 to comment on Ms. Bosarge's --

36
37 **DR. KILGOUR:** I think I probably would need a motion, right?

38
39 **MS. BOSARGE:** I would like to make a motion that Alternative 4
40 on Action 1.3 be our preferred alternative.

41
42 **MR. PEARCE:** I will second.

43
44 **CHAIRMAN PERRET:** You have heard the motion and Mr. Pearce
45 seconds and you've heard some discussion. Is there any
46 additional discussion on making Alternative 4 under Action 1.2
47 the preferred?

48

1 **MS. MARA LEVY:** I just wanted to clarify or ask a question. In
2 the other actions when we had the MSY Alternative 4 added, there
3 was some discussion below the alternatives about how Alternative
4 4 wasn't really comparable to the other ones because of the
5 difference in the way it's calculated and I'm assuming that the
6 same thing applies here, but that same explanation isn't there
7 and so I just wanted to make sure that was correct.

8
9 **DR. KILGOUR:** Yes, the same thing applies here, where you can't
10 really compare the previous two alternatives that were presented
11 with this one, because this one is based on an average over the
12 -- This is based on a summation over the year for pink and white
13 shrimp and for brown shrimp, it's a seasonal export from the
14 SSB, but if that's not in the discussion then it should be and
15 so I will make sure that that language is added.

16
17 **MS. BOSARGE:** I think on page 16 of the document, the first
18 paragraph on the page, I think it does address that in
19 Alternative 4 and it says that these values are not comparable
20 to Alternatives 2 and 3, as those are based on minimum monthly
21 outputs of the Stock Synthesis Model.

22
23 **MS. LEVY:** Right. It just was in the other ones and it was like
24 right under the alternative and so it was very clear why they
25 were so different and so that's fine. My suggestion would just
26 be to keep it the same and add the same explanation right under
27 the alternatives.

28
29 **DR. KILGOUR:** That's fine. I will do that.

30
31 **CHAIRMAN PERRET:** Any other discussion on the motion? Do I have
32 to read that whole thing?

33
34 **EXECUTIVE DIRECTOR GREGORY:** Technically no. It's on the board
35 and everybody can see it.

36
37 **CHAIRMAN PERRET:** Okay. The motion is in Action 1.3 that
38 Alternative 4 be the preferred alternative. **All in favor**
39 **signify by saying aye; opposed like sign. The motion passes.**

40
41 Next on the agenda, and I know we'll take it up after and see if
42 there's any discussion on the codified text and that's next.
43 There probably will be very little or none, but the next item is
44 4(b), the codified text. Does anybody have any comments on the
45 codified text? Mara.

46
47 **MS. LEVY:** I will just note that it's in your briefing book and
48 actually really the only thing that's being changed in the

1 codified text relates to the framework language, because we
2 don't codify the MSYs and the overfished and the overfishing
3 level and so that's not going to be in there, but there was an
4 action that addressed the framework language and so that's what
5 is in the codified text.

6
7 **CHAIRMAN PERRET:** Thank you, Mara. Any other discussion on the
8 codified language or proposed codified language? Okay. Now we
9 will entertain a motion to recommend Amendment 15 as necessary
10 and appropriate with editorial license and authority given to
11 staff and final approval authority given to the Council Chair
12 and so does someone want to make that motion?

13
14 **DR. STEVE BRANSTETTER:** So moved.

15
16 **CHAIRMAN PERRET:** Dr. Branstetter moved that we provide
17 Amendment 15 as necessary and appropriate with editorial license
18 and authority to staff and final approval authority given to the
19 Council Chair. Do I have a second?

20
21 **MR. LANCE ROBINSON:** Second.

22
23 **CHAIRMAN PERRET:** Second by Mr. Robinson. We've got a motion on
24 the floor for final approval. Any discussion? Okay. Ready to
25 vote? **All those in favor signify by saying aye; opposed like**
26 **sign. The motion passes.** Thank you.

27
28 We are now next going to Draft Options Paper for Amendment 17,
29 Addressing the Expiration of the Shrimp Permit Moratorium. We
30 do not have to select preferreds at this time and it's up to the
31 committee of whatever you want to do. We will have a public
32 hearing draft coming out later and so if you want to wait until
33 then to make the preferreds, that's up to the committee. With
34 that, Morgan, do you want to take us through Amendment 17,
35 please?

36 **OPTIONS PAPER FOR SHRIMP AMENDMENT 17 - ADDRESSING THE**
37 **EXPIRATION OF THE SHRIMP PERMIT MORATORIUM**

38
39 **DR. KILGOUR:** Sure. I have a presentation that's kind of a
40 little bit of a cheat sheet for me and so the first step is to
41 review the purpose and need. The purpose of this document, and
42 I just bulleted it, but it's basically verbatim from the
43 document and it's to prevent overcapacity of the shrimp fishery,
44 promote economic efficiency and stability, protect the
45 federally-managed Gulf shrimp stocks, and determine if the royal
46 red shrimp endorsement is still necessary.

47
48 The need was to maintain increases in catch efficiency while

1 preventing overfishing and to obtain the best available
2 information to manage the fishery. I will just kind of stop
3 there if there are any additions or if there's anything about
4 the purpose and need that the committee doesn't like.

5
6 **CHAIRMAN PERRET:** Anybody have any suggestions relative to
7 purpose and need at this time? I have one suggestion. It seems
8 to me we want to ensure or maintain catch per effort efficiency
9 or something relative to catch per effort, which we've been
10 experiencing in the last few years. The boats are doing better
11 on a per effort basis and it seems like that might be applicable
12 and so keep that in mind, Morgan.

13
14 **DR. KILGOUR:** Okay.

15
16 **CHAIRMAN PERRET:** Anything else on purpose and need? Okay.
17 Morgan, thank you and go ahead.

18
19 **DR. KILGOUR:** Okay. Action 1 addresses the expiration of the
20 federal permit moratorium. The first alternative is no action,
21 which means that the permit moratorium will expire on October
22 26, 2016 and the Gulf shrimp permits will be open access again.

23
24 Action 2 extends the moratorium and we have two different
25 options under this, either for five years or for ten years. The
26 ten years would be equivalent to the current moratorium and the
27 five years would be a shorter time period, to see if maybe the
28 number of permits level off.

29
30 Alternative 3 would make the moratorium permanent and I have
31 "permanent" in quotation marks, because nothing is permanent,
32 but it's basically extending the moratorium indefinitely and so
33 we had to rephrase it as calling it a limited access system,
34 because that's what it essentially would be. If you don't
35 currently have a Gulf shrimp permit, you won't get one unless
36 you buy it from somebody who already has it. Those are the
37 three alternatives and were there options that the committee
38 would like to add or to remove from this? Now would be the time
39 to let us know.

40
41 **CHAIRMAN PERRET:** Are you satisfied with these three or is there
42 any comments relative to additions of any other alternatives?
43 Morgan, do you have a preference for a preferred now or should
44 we wait until we get the public hearing draft and come up with
45 preferreds for the public hearing draft?

46
47 **DR. KILGOUR:** That's really up to the committee, but if you know
48 now that you're not interested in extending the moratorium for

1 five years or ten years, then we could eliminate those options
2 now or if you know now that you're not interested in even
3 exploring this, then we could eliminate Alternatives 2 and 3 and
4 so it's really up to you on what you would like to do.

5
6 **CHAIRMAN PERRET:** With the purpose and need of wanting to
7 maintain high efficiency in the fishery and keep bycatch down
8 and that sort of thing, I suspect, and this is me talking, the
9 alternative will probably be to extend the moratorium for X
10 period of time. I would assume, unless somebody has a different
11 opinion, but, anyway, we can proceed and we don't need a
12 preferred if the committee doesn't want to do that now.

13
14 **MR. PEARCE:** Mr. Chairman, I agree with you. I think that
15 Alternative 2 right now looks like the best alternative in this
16 action and we've got to be cautious how we approach this
17 amendment, because we've got a lot of problems with -- We don't
18 want to have any overcapacity like we had in the past, but
19 Alternative 2 looks the best to me.

20
21 **CHAIRMAN PERRET:** Thank you. Ms. Bosarge.

22
23 **MS. BOSARGE:** I agree with Harlon. I think that in talking to
24 industry that is one thing that we seem to have a consensus on,
25 is that we do definitely want to extend the moratorium. Maybe
26 on some of these other action items that we'll get to we have a
27 little more discussion still and we don't have a consensus as of
28 yet, but the ten-year extension is essentially what I've heard
29 so far from industry and that's what I would support as well.

30
31 **CHAIRMAN PERRET:** Thank you, Ms. Bosarge. Anybody else? Any
32 motions? None at this time?

33
34 **MS. BOSARGE:** Myron is not here and I don't like to make a
35 motion -- He's here. Okay. He's here and good, because I know
36 Myron and I sometimes are on opposite sides on things. **Myron,**
37 **we had some discussion on extending the moratorium and I would**
38 **like to make a motion that at this point we could possibly pick**
39 **a preferred on this action to extend the moratorium for ten**
40 **years.**

41
42 **CHAIRMAN PERRET:** So your motion is for Alternative 2 to be the
43 preferred, which extends the moratorium on the issuance of Gulf
44 commercial shrimp vessel permits and Option b, the moratorium
45 would be extended for ten years.

46
47 **MS. BOSARGE:** Correct.

48

1 **CHAIRMAN PERRET:** That's the motion. Do we have a second? We
2 need a second.

3

4 **MR. ROBINSON:** Second.

5

6 **CHAIRMAN PERRET:** Second by Mr. Robinson. Is there discussion?
7 Ms. Bosarge, do you want to offer any discussion at this time?

8

9 **MS. BOSARGE:** I'm not sure Myron heard what we were talking
10 about earlier, but Harlon has obviously talked to the industry
11 and he feels comfortable with that and I've spoken to a good
12 many shrimpers and most definitely they want to see this
13 moratorium extended. There's a little hesitancy on making it
14 permanent, but they don't want to see it go away and they
15 definitely like the ten years versus the five and so that's why
16 I chose this alternative and we can definitely have some more
17 discussion on it.

18

19 **CHAIRMAN PERRET:** Thank you. Any others? Mr. Fischer.

20

21 **MR. FISCHER:** Thank you, Mr. Chair. That's correct what Leann
22 said and we don't want to make it permanent at this time. We're
23 not prepared to have a permanent catch share or even just a
24 permanent moratorium. Ten years allows the fishery to
25 stabilize, but what else happens in ten years is the council can
26 come to the table anytime in that second to tenth year and
27 restructure it and so it gives stability until something comes
28 up and there's a need to restructure this entire plan.

29

30 **CHAIRMAN PERRET:** Thank you, Mr. Fischer. Dr. Branstetter and
31 then Mr. Boyd.

32

33 **DR. BRANSTETTER:** To Myron's point, the council can come in at
34 any point and change the moratorium and so whether you pick five
35 years or ten years or in perpetuity, you can always change it
36 and so I'm not sure that there's a real difference in any of
37 these.

38

39 **MR. DOUG BOYD:** That was partly my question. I have two
40 questions. One is where is this document, in the public hearing
41 process or the scoping process? That's the first question.

42

43 **CHAIRMAN PERRET:** We're in the scoping to develop the draft for
44 a public hearing document and is that right, Morgan?

45

46 **DR. KILGOUR:** We're in the options and so the next step would be
47 the public hearing draft.

48

1 **MR. BOYD:** Okay. Is it appropriate to choose preferreds at this
2 point?
3

4 **DR. KILGOUR:** The committee can. We don't have a lot of the
5 effects analysis done, but that will be in the public hearing
6 draft and the committee can always change their preferred
7 alternatives at any time.
8

9 **MR. BOYD:** My second question is along the lines of Dr.
10 Branstetter for our attorney. If a moratorium is established by
11 this group, can it be modified at a later date by another
12 council, by this council at a later date?
13

14 **MS. LEVY:** Yes, the council can always change what's in the
15 plan. What the moratorium does is forces you to look at it in
16 five or ten years or let it expire, whereas the permanent one
17 would be there permanently unless you take action and so it's
18 kind of like when we talked about the sunset option. It forces
19 some reconsideration in some period of time or it goes away.
20

21 **MR. BOYD:** All right and so if a moratorium is approved by this
22 body and they came back a year or two from now and said we want
23 to change that and we don't want a moratorium, they could make
24 that motion and approve it?
25

26 **MS. LEVY:** Yes and I mean you would have to do more than a
27 motion. You would have to prepare a document to actually change
28 that. It wouldn't just be a motion and you would have to go
29 through the whole process.
30

31 **MR. BOYD:** Yes, I understand. Thank you.
32

33 **CHAIRMAN PERRET:** Thank you, Mr. Boyd. Mr. Donaldson.
34

35 **MR. DONALDSON:** Thank you, Mr. Chairman. I am kind of hesitant
36 to choose a preferred now without having gone out to public
37 comment, but according to Leann and Harlon, it seems like this
38 is what industry wants, but -- And Myron and I guess we can
39 always change it too and I mean it's not like it's --
40

41 **CHAIRMAN PERRET:** Again, this is one step in the process and we
42 have a motion to make a preferred at this time and so we can
43 vote it up or down, but you see what the preferred is. Myron,
44 do you want to comment?
45

46 **MR. FISCHER:** Sure and at the stage of where this document is,
47 we're -- Am I correct that this is just going out for scoping
48 and so it's the very inception of the document and typically we

1 don't have preferreds when we go out to scoping.
2
3 We can let industry see the direction we're going into and so
4 whether we choose a preferred now or choose it later after we
5 hear the comments, but we still have time to revisit it after
6 the options paper, which is probably the more appropriate time
7 to have preferreds, but I do think it's wise to let the public
8 know some of the direction the council is going into up at the
9 scoping, but I don't think the intent of scoping is to be -- I
10 think it's to ask the public what they want at that stage and by
11 us having a preferred, we're not asking them what they want and
12 we're more or less dictating to them. I do feel negative
13 sometimes of having preferreds in a scoping document.
14

15 **CHAIRMAN PERRET:** This is the options paper now, Myron. This is
16 the options paper. Any other comments on the motion that in
17 Action 1 to select Alternative 2, Option b as the preferred?
18 Any other discussion? Are you ready to vote? **All in favor**
19 **signify by saying aye; opposed like sign. The motion carries.**
20

21 **MR. FISCHER:** While I'm in the process of embarrassing myself,
22 you can say whoa.
23

24 **CHAIRMAN PERRET:** I don't want to ever cut you off, Myron. I
25 want you to make a bigger -- Dr. Kilgour, proceed, please.
26

27 **DR. KILGOUR:** Okay. Just about the number of permits, so when
28 the moratorium started, it was -- The first permit moratorium
29 permit was in March of 2007 and so there were 1,933 permits and
30 it has declined ever since then and now we have a total number
31 of permits of 1,470 and that was as of December 31, 2014.
32

33 We also have the number of surrendered permits and the number of
34 terminated permits and then the cumulative number and so that's
35 additive for every year and so that's a little bit of the permit
36 history.
37

38 **MR. FISCHER:** I do have one question. This is since the
39 moratorium was in effect, but prior to the moratorium, do you
40 have an indication of when it was open permits how many permits
41 were out and maybe even what the universe of the fishery looked
42 like decades ago?
43

44 **DR. KILGOUR:** Right and so I might punt that one to Sue, because
45 the permit status before the moratorium was a bit messy and I
46 think there was a switch in databases and so there was an
47 estimated number of permits that I think was about 2,600 before
48 the moratorium was instituted and then the document was created

1 and a lot of analyses were done and at the time of the
2 moratorium, the number of permit holders that were eligible for
3 a moratorium permit were 1,933, but as far as the exact number
4 of shrimp permits, I don't know if we have the answer to that
5 question, because of database issues, but Sue or Steve might be
6 able to clarify for me.

7
8 **MS. SUE GERHART:** The 2,600 was over the course of however many
9 years that we had open access and so it's not that there were
10 2,600 at any one point and it was that over the course of that
11 time that's how many permits.

12
13 Because they were open access, they aren't tracked the same way
14 as when you have a number and a moratorium or a limited access
15 or something like that and so someone could have a permit and
16 let it expire and then six months later buy a new one and it
17 would appear as if two different permits versus the one and so
18 it's really hard to track that in those years, but 2,600 was a
19 number that was in Amendment 13 or somewhere around there as to
20 how many maximum there were over the course of those five years
21 or whatever while it was open access.

22
23 **CHAIRMAN PERRET:** Thank you. Myron, one of the problems prior
24 to was all the states had their own licensing system and when
25 the shrimp, the original shrimp, plan was put in and the Texas
26 closure thing, it was -- If I remember in the plan, NMFS said
27 there were something like over 3,000 offshore vessels, shrimp
28 vessels, and some of us questioned, but it wasn't a hard number,
29 because we just didn't know, because the licensing system was by
30 the states and you know you license everything from the twelve-
31 foot boat that wants to fish inside to the big slabs.

32
33 **MR. FISCHER:** Sure and decades ago, during this timeframe, we
34 heard anecdotal information when the Carolina and the Georgia
35 boats came around that there were outrageous numbers in the Gulf
36 and some even cited 5,000 to 7,000 and so at one stage, this was
37 a very large fishery.

38
39 **MR. PEARCE:** You know you look at the year 2007 and you look at
40 permits valid that particular year and you look at permits that
41 were 2,600 or 3,000 or whatever before that and I think there's
42 one important thing you have to remember, that in 2005 -- The
43 word "Katrina" in Hebrew means purge and so I think we had a
44 pretty good purge when Katrina hit of some boats that really
45 didn't belong in that fishery in the first place.

46
47 A lot of the number drops were a situation where we had some
48 natural events that changed the course of the shrimpers numbers

1 moving into the future and so a lot of those old numbers really
2 aren't as valid as we have now new numbers and remember that we
3 were at overcapacity in a lot of those numbers too, but after
4 2005, things definitely changed.

5
6 **CHAIRMAN PERRET:** Thank you, sir. Any other comments at this
7 time? Morgan, go ahead. Go ahead, Ms. Bosarge.

8
9 **MS. BOSARGE:** Morgan, on one of these alternatives, I was
10 wondering -- Because essentially what we're looking at in this
11 alternative is trying to pick a level where we think these
12 permits should be and what's efficient and what's sustainable
13 for the future and me as somebody on the boat side, the guys
14 that go out and catch these shrimp, what I look at is how many
15 boats are out there right now harvesting shrimp offshore in
16 federal waters, the EEZ. That's what this permit allows you to
17 do.

18
19 Because I know that whatever that number is, essentially we're
20 breaking even or barely getting by right now at whatever that
21 number is and can we get some more information on what that
22 number is, because, to me, that's a threshold of some
23 significance that I know what we can survive, hopefully, at the
24 number that are actually out there shrimping right now and not
25 the number that -- Not the 1,470 that we have on the books, but
26 how many of those are shrimping in the EEZ?

27
28 Because we do have a lot of smaller boats that shrimp in state
29 waters, but they hold a Gulf permit. They've got one and
30 they're holding it and there's not a problem with that, but I
31 need to know how many boats are actually landing shrimp from
32 federal waters and is that something that we can work on
33 getting, because I would like to see that as our threshold maybe
34 in some of these alternatives.

35
36 **DR. KILGOUR:** That's a pretty complex question and we've been
37 discussing this in the IPT and it's really virtually impossible
38 to distinguish offshore EEZ landings versus offshore -- Federal
39 waters versus state waters.

40
41 In the document, we talk about offshore landings, but that is
42 anything that's basically from the mouth of bays out to the 200-
43 mile marker, because being able to distinguish where those
44 shrimp were actually caught is impossible. The 1,470 is just
45 the number of permits that have a federal permit, but --

46
47 **CHAIRMAN PERRET:** They don't necessarily have landings.

48

1 **DR. KILGOUR:** They don't necessarily have landings and if that's
2 something the committee would like us to investigate, we can
3 look at latent permits, but, again, at the last meeting we
4 discussed that some of those latent permits are there because
5 industry might need to trawl after removing a platform or a rig
6 and so they need to have that shrimp permit, but we could
7 actually figure out that number if that was something that the
8 committee would like and Sue probably has more to add to that.

9
10 **CHAIRMAN PERRET:** I think it would be interesting to see how
11 many of those 1,470 are actually harvesting shrimp.

12
13 **MS. GERHART:** Just to follow up that that is a number we're
14 working to get to. Dr. Travis in our office is working on that
15 now and that's why we have three highlighted areas that say "to
16 be determined". It is a tricky number to get at. It is
17 offshore rather than just in federal waters, but we hope to have
18 that for you by August and bring that back in front of you, but
19 we just couldn't get it together in time for now, but we hope to
20 have numbers to fill into those three alternatives which rely on
21 that active number of vessels rather than the number of permits.

22
23 **MS. BOSARGE:** Thank you. I appreciate that. I think it is an
24 important number and the closer we -- It doesn't have to be
25 exact and down to the penny, but if we can get closer to that,
26 that would give us a good idea, because essentially the 1,470
27 that are on the books right now, if every one of those boats
28 went shrimping in federal waters right now, then we would have a
29 fleet that was back in the position that it was before, where
30 there is too many pieces of the pie. The pie is being split up
31 too many ways with all of the hurdles that we have in the
32 industry in these days.

33
34 It's much more expensive and it gets more expensive every year
35 to go and catch that shrimp and we won't even get into the price
36 that you get for it, but just these expenses to go out and get
37 it and so we need to see that number and I think that's very
38 important.

39
40 The other thing I wanted to bring up, and I bring this up
41 because I know that we seem to have different opinions around
42 the table as to should these number of permits go down or should
43 they go up, and I was trying to find a way to possibly do
44 something that could encompass both of those in this action.

45
46 I know that's a crazy thing to think about, but what I've come
47 up with, with a little help, is all of these actions -- Myron,
48 this is for you and so give me your feedback.

1
2 All of these actions set a hard floor in place and they say,
3 okay, after we reach this number of permits we create a pool and
4 from then on we will have those permits in the pool and so if
5 somebody wants to come into the industry, they can do that.
6 Then we have this big debate on, well, but should we go back and
7 create more or would that harm the industry? Should we let it
8 go down farther and how much farther and would that harm the
9 industry or where is the good point?

10
11 This is my train of thought here. If maybe we could find out
12 how many vessels are actively fishing right now in offshore
13 waters and make that number or we can have some debate on what
14 the number is, but make it a soft floor and not a hard floor, so
15 that what it does is trigger us, when we get to that level of
16 permits on the books at NOAA/NMFS, we will go back and look at
17 these permits and say, all right, we hit that threshold that we
18 were looking at, that target, and where is the industry at?

19
20 Have we gone too far now? Do we need to add some back? Is it
21 at a good level? Does it need to go down further? I don't
22 know, because I don't know when we'll hit that target, but it
23 would trigger us to go and look at it again at that point in
24 time and have the option again to go back up, rather than right
25 now trying to hit this perfect number of permits when the
26 industry really is still at a break-even, on a precipice, in my
27 opinion. What are your thoughts on that?

28
29 **MR. FISCHER:** We would still like to have permits in a pool and
30 not at some point in the future, but sooner rather than later.
31 When you look at Table 2.2.1 in coordination with this table
32 that's up right now, after 2006/2007, we started getting a much
33 higher CPUE. Our landings are stable. The landings are busy
34 and they're all over. They bounce from a hundred million to
35 this past year it was seventy-six million and everywhere in
36 between.

37
38 The landings are busy and the CPUE is sort of stable.
39 Everything is stabilized, but when you come back and -- I don't
40 know how many permits were in 2006, but I suspect that that's
41 2,800 or 2,900 number and dropping to 1,933 and so we have
42 omitted people from the industry, but the CPUE has not gone up
43 and the landings haven't gone up, meaning we could take those
44 people back in the industry and let them make a living.

45
46 Do I suspect it's going to be a grave number of boats? No, I
47 don't think it's going to be that many boats at all, but the
48 present situation with a moratorium prevents new entrants and

1 that's what we're trying to do, is allow new entrants into the
2 fishery if they choose to make that investment, to allow them
3 into the fishery.

4
5 What we hear is a man has a boat and he's going to pass it down
6 to his son and that all sounds good, but if the captain is
7 forty-five years old and his son is twenty-five years old and
8 the son wants a boat of his own, he's got to wait twenty more
9 years for his dad to get out of it. It sounds good in
10 conversation and it doesn't really work at times in the real
11 world. I really, really feel we need new entrants in this
12 industry and that's what our state has been crying for.

13
14 **CHAIRMAN PERRET:** Thank you, Mr. Fischer. Let me just give you
15 another piece of data to look at. In D-5 -- I think you've just
16 got the alternatives document you're looking at, but we've got
17 another thing that we need to consider and in the document, the
18 graph, Figure 2.2.1, we've got a target level of shrimp effort.

19
20 If we go over that target level, then we've got to start closing
21 areas of the EEZ, because of the red snapper bycatch and all
22 that other good stuff. So it's like we're working with a wall
23 on each side or on top and bottom and if we go over whatever
24 that level is, we've got some other factors we have to consider,
25 but Dr. Crabtree had his hand up.

26
27 **DR. ROY CRABTREE:** Yes and the figure Corky referenced is just
28 with respect to the red snapper rebuilding plan and you have
29 another effort trigger in the biological opinion related to
30 turtle takes and we're already in court trying to defend that
31 and I can assure you if you let a large number more permits into
32 this fishery that it will significantly complicate all of that.

33
34 I think Leann makes a good point, because what we determine is
35 the target number of permits today is almost certainly not going
36 to be the level of permits that we would calculate a decade from
37 now and so it does seem to me that it's reasonable to have some
38 alternatives in here that would set that as -- I think she
39 called it a soft target, but one that triggers a council review,
40 but doesn't prescribe a set action that's going to happen,
41 because we may get to that point and decide that circumstances
42 have changed or price structures have changed or economics have
43 changed.

44
45 Maybe turtles are recovered and we are harvesting them by then
46 and so we don't have to worry about them and I don't know and I
47 think also for the sake of NEPA and analyzing a reasonable range
48 of alternatives, I think what Leann suggested is certainly a

1 reasonable alternative and so I think it does make sense to put
2 in or structure the alternatives in a way so that these are just
3 triggers so the council would come in and decide what to do, but
4 they don't fire off some pool that takes place at that point and
5 that seems to make sense to me.

6
7 The other concern is if you look at the CPUEs, Myron, that
8 you're talking about, they are stable, but they're more than
9 twice as high of what they historically were when effort was so
10 much higher at this point and my concern is if we get a lot more
11 vessels come in to the fishery that it's almost certainly going
12 to push those CPUEs down and right now to make -- For this
13 fishery to be profitable, we need high CPUEs. Otherwise, I
14 don't think with the price structuring of shrimp that you can
15 really have a viable fishery.

16
17 **CHAIRMAN PERRET:** Thank you, Dr. Crabtree. I am certainly
18 pleased to see that you're with the Gulf Council today and
19 obviously things happening here are much more interesting than
20 what's going on down the street. Mr. Fischer, did you have your
21 hand up?

22
23 **MR. FISCHER:** Yes, Mr. Chair, and I understand both sides. Do
24 remember the red snapper stats are based on ten fathoms to
25 thirty fathoms and the boats we anticipate in the industry are
26 fishing right off the beach and they are not in ten fathoms of
27 water. Those are the ones who have been coming to us with the
28 need for permits and they are outside of our state waters and
29 they're following the shrimp that are going out in the passes
30 and I don't have the answer if it's more subsidence or more
31 erosion, but we have much more water flow and the shrimp are
32 pushing much further out on the outgoing tide than they've ever
33 done and these boats are in federal waters, because they're
34 following the shrimp.

35
36 The CPUE, I don't want to go back to the era where the CPUE was
37 half, but the CPUE in 2006 was higher than it is today with more
38 boats and it's really been flat-lined, if you graph it, from
39 that time on. All we're doing is talking about going back a few
40 years for those amount of permits and not going back to the
41 inception of the moratorium.

42
43 **CHAIRMAN PERRET:** This is a great discussion, but let me just
44 remind you that we're dealing with an option and we have seven
45 alternatives under this option and what I've heard Leann -- What
46 did you call it, a cross something or other?

47
48 **MS. BOSARGE:** A soft floor trigger.

1
2 **CHAIRMAN PERRET:** Anyway, that's the possibility of another
3 alternative and, Dr. Crabtree, was your hand up?
4
5 **DR. CRABTREE:** Yes and I just was going to say you're right
6 about the red snapper trigger, but the turtle trigger is at
7 least as much of a concern as that and those turtle takes are
8 actually higher in those near-shore areas than they are well
9 offshore in deeper water.
10
11 **CHAIRMAN PERRET:** Morgan, you had your hand up, right?
12
13 **DR. KILGOUR:** Yes and I just wanted to review that this is the
14 catch per unit effort graph I think that Dr. Crabtree was
15 referring to and I still haven't reviewed the alternatives for
16 the second action and so we can go over those as well if you
17 wanted to do that.
18
19 **CHAIRMAN PERRET:** (The comment is not audible on the recording.)
20
21 **DR. KILGOUR:** No problem and so this little graph is something
22 that has the effort, the offshore catch, and the catch per unit
23 effort. That dotted line is when the implementation of the
24 commercial shrimp permit moratorium, which was in 2006, but the
25 actual first permit I don't think was given out until March of
26 2007 and so that 2007, right after that, that's the first year
27 of permit moratorium permits and you can see that catch per unit
28 effort kind of wobbles, but it's a lot higher than before the
29 permit moratorium and that the effort and offshore catch --
30 Offshore catches kind of remain stable and it slightly declined
31 if you put a trend line through it, but not significantly and
32 the effort has really decreased.
33
34 These are just to look at the number of landings per vessel and
35 the effort per vessel and so you can see the blue is the
36 landings and they've increased over time and the effort per
37 vessel has decreased over time and that's not in your document.
38 That's something I did kind of back-of-the-envelope for you to
39 see and if this is something you would like us to investigate
40 more, we can do that for sure.
41
42 Action 2 encompasses two actions and one would be to set a
43 target and possibly create a permit pool and Action 2.2 would
44 establish the eligibility for the permit pool. Both actions are
45 only valid if Alternative 2 or 3 is selected in Action 1 and so
46 since you've pretty much directed that your preferred will right
47 now be Alternative 2, then we should proceed with Action 2.
48

1 Just to make it a little bit shorter, the Action 2.1 sets a
2 permit target, which is what everyone has been discussing, and
3 creates a shrimp vessel permit pool, if that's what you so
4 desire.

5
6 The first alternative would be no action and no reserve pool
7 would be created and so if the permit moratorium was extended
8 then if you don't renew your permit in the time allotted, you
9 would still lose it.

10
11 Alternative 2 sets the number of permits necessary to attain the
12 aggregate MSY and that number hasn't been determined yet, but
13 that would basically be the number of permits that are
14 calculated to be needed to achieve MSY. It should be noted that
15 the fishery has been operating well below MSY for a long time
16 and so we haven't reached MSY in a very long time.

17
18 Alternative 3 sets the number of permits based on the beginning
19 of the moratorium, which was an option that was requested at the
20 last council meeting, and that would be 1,933 permits.
21 Alternative 4 would be the number of permits based on the number
22 at the end of 2014. This was an AP recommendation and that
23 would be 1,470 permits.

24
25 Alternative 5 would be some number of permits in the future and
26 so at the end of the moratorium on October 26, 2016 if you do
27 not have a valid or renewable permit then this would be the
28 number of valid or renewable permits on that date and so that
29 would be something that we would have to calculate later.

30
31 Then Alternative 6 would be a biologically-based number of
32 permits and so this would be the number of permits needed to
33 maintain gains in catch per unit effort and Alternative 7 is
34 another biologically-based alternative which would be the number
35 of active permits when vessel landings were highest during the
36 moratorium in the area monitored for red snapper juvenile
37 mortality and I believe that number -- We're still working on
38 it, but I think it might have been sometime in 2009 and I could
39 be wrong on that, but that seems to be the number when the
40 highest effort was.

41
42 **CHAIRMAN PERRET:** Thank you, Morgan, and if I recall, the Shrimp
43 AP, their recommendation was Alternative 4?

44
45 **DR. KILGOUR:** Yes and so their recommendation was the number of
46 valid or renewable permits as of December 31, 2014. Some
47 considerations were the most recent biological opinion for the
48 shrimp fishery was based on effort in the 2009 season and that

1 was with regard to turtle bycatch and exceeding this could
2 result in additional bycatch reduction requirements. Increases
3 in effort could, in certain statistical zones, such as those
4 monitored for juvenile red snapper, could result in closures if
5 the effort is thought to have juvenile red snapper bycatch
6 mortality increase above the limit.

7
8 Three alternatives are date-based and so the start of the
9 moratorium, the December 31, and the end of the moratorium.
10 Three alternatives are management marker-based and so catch per
11 unit effort, MSY, and the biological closures. I am sorry. The
12 effort as being highest during the moratorium.

13
14 All of these analyses were based on the offshore fishery and so
15 that includes effort in state waters if you had a federal permit
16 and so, like I said earlier, we can't differentiate between
17 offshore landings if you have a shrimp permit in state and
18 federal landings.

19
20 **CHAIRMAN PERRET:** Thank you, Morgan. Can you back up one,
21 please, with the 7? Alternative 7, 6, 5, 2, to be determined
22 and so that's information that you all are working on to be able
23 to supply for the future?

24
25 **DR. KILGOUR:** Correct and the only one that we wouldn't
26 potentially be able to give you until -- It's Alternative 5,
27 which would be the number of permits based at the end of the
28 moratorium and so we won't know that number until October 26,
29 2016. We just won't know it, but all the others we should be
30 able to calculate.

31
32 **CHAIRMAN PERRET:** Okay. Thank you. Comments? Anybody?

33
34 **DR. CRABTREE:** So how would you suggest -- Is there a way to
35 structure this to accommodate Leann's suggestion of having these
36 targets just trigger council review rather than triggering -- I
37 am not sure how the best way to structure it is, but there seems
38 like there would be some way we could put a subalternative or
39 something in here that would do that and I think we should do
40 that.

41
42 **CHAIRMAN PERRET:** Or just add an alternative if Leann can give
43 us a little bit of an explanation. Alternative 8 would be what
44 she expressed a little bit earlier.

45
46 **MS. LEVY:** I have a question. Right now, each one of these has
47 this cutoff and then establishes this pool and so the pool is
48 attached to each one and is the suggestion to have an option for

1 either a pool or a soft target or did you want to get rid of the
2 pool and just have the soft target? You could structure it
3 either way. It could be here are the different things and then
4 what are you going to do and a is to have a pool and b is to
5 have a -- Or if you just wanted the soft target, you could get
6 rid of the pool, I guess.

7
8 **DR. CRABTREE:** I would defer to Leann, but yes, that's my
9 desire, is to have it set up in a way to where if we choose that
10 the target is a soft target then there is no pool and that goes
11 away. I think -- I would be okay with getting rid of the option
12 for a pool now, but I don't know if the majority of the
13 committee members would be willing to go to that place.

14
15 **CHAIRMAN PERRET:** Leann, you started it and do you want to try
16 and offer us a little more explanation?

17
18 **MS. BOSARGE:** I guess there is a couple of ways that it could be
19 done. I don't think that Myron would be okay with getting rid
20 of a pool. I might be comfortable with the getting rid of a
21 pool and so maybe we could structure it where we have
22 subalternatives.

23
24 **CHAIRMAN PERRET:** Excuse me, Leann. Just remember we are still
25 very early in the process and we're trying to come up with as
26 many viable options that the council will want to consider in
27 the future and so whether we get rid of something today or get
28 rid of it later or add it today or add it later, but we're at
29 that stage where I think we're trying to be as inclusive as we
30 can.

31
32 **MS. BOSARGE:** Then I guess the suggestion that I would make, and
33 we'll get feedback from Mara and Sue on this, but like on
34 Alternative 4 and let's just take that for example, since that
35 was the AP preferred.

36
37 Number one, I did ask for the active offshore vessels and so
38 that would be a tweak to it, but as far as this soft target,
39 there would be subalternatives underneath it and essentially the
40 first one would say when the number of permits hits whatever we
41 decide this active number of vessels is, then, boom, a pool is
42 formed and any permits that fall off after that point in time go
43 into that pool.

44
45 The next subalternative, b, would say when the number of permits
46 on the books at NOAA reaches that number that we come up with
47 that was actively fishing in 2014, then that triggers the
48 council to evaluate the number of permits that we currently have

1 and see if we're at a good level or do we need to go back and
2 add more permits into the fishery or do we need to allow it to
3 keep losing permits, if that's what it's still doing, but we'll
4 evaluate it at that point and so that would be your two
5 subalternatives, to trigger a vessel pool to be established
6 right then or to trigger an evaluation.

7
8 **DR. BRANSTETTER:** Ms. Bosarge has asked for what the number of
9 active permits are and we got a request a couple of years ago
10 for a very similar type of thing and I got some information from
11 Dr. Nance and this comes with lots of caveats, but there was
12 about 450 vessels that had less than 10,000 pounds of landings
13 and about a thousand vessels that had between 10,000 and 300,000
14 and it was fairly stable between two and three years, but that's
15 kind of a rough ballpark, but there's lots of caveats with that
16 with Louisiana licensing nets and not vessels and that kind of
17 stuff, but that kind of gives you a rough ballpark for what
18 you're looking at and what Dr. Travis is going to come up with
19 is going to be somewhere in that neighborhood.

20
21 **CHAIRMAN PERRET:** Any other comments? I saw some heads shaking
22 yes relative to Leann's possible two options and so is that --
23 That's doable I assume and so just as an example, under
24 Alternative 4, we could have an Option a and b and is that what
25 you're suggesting, Leann?

26
27 **MS. BOSARGE:** Yes, under Alternative 4 for sure and I guess you
28 could do it for 5, 6, and 7 as well.

29
30 **MS. LEVY:** I think we would just do it under each one and so
31 under each alternative as to what the cutoff is you would have
32 the option to establish the pool or to have the council
33 reevaluate.

34
35 **CHAIRMAN PERRET:** We certainly are not going to do it under one,
36 but, anyway, staff and Mara and the people that are going to
37 work on this understand the direction we're trying to go and is
38 that okay? Myron, do you want to comment, please?

39
40 **MR. FISCHER:** Sure and do remember under Alternative 3 that it's
41 not solely either accept it and it's 1,933 automatically. It
42 could be any range between the 1,400 and 1,900 and so we have to
43 give a range there also.

44
45 **CHAIRMAN PERRET:** Is the committee comfortable with that? Staff
46 is going to be able to develop what we've discussed or try to
47 develop it and come up with some information.

48

1 **DR. KILGOUR:** Right and so I can create subalternatives under
2 all of these. It would probably not make sense under
3 Alternative 3, since we are already below 1,933 permits, but for
4 all the rest of them we can have those subalternatives and I can
5 just do the subalternative for creating a pool under Alternative
6 3 if that's okay with the committee. We are already below 1,933
7 and so triggering a council review would be immediate.

8
9 **CHAIRMAN PERRET:** Okay. Are committee members satisfied with
10 that?

11
12 **MR. FISCHER:** No, I think under Alternative 3 that we just want
13 to show the public that we're going to have other choices other
14 than 1,933. That's not to trigger council review, but that
15 would be if -- Give them an opportunity to view their voice on
16 an additional amount of permits in a pool.

17
18 **CHAIRMAN PERRET:** Okay. Morgan, you look perplexed.

19
20 **DR. KILGOUR:** I guess I'm confused, because that's a -- That
21 target was based on the initial -- So we would have a
22 subalternative to look at some range between 1,933, because
23 that's a different -- That would be a different alternative, I
24 think, than what we currently have in the document, which is
25 kind of a hard number at the beginning of the moratorium.

26
27 So I guess we should have that trigger council review so that if
28 you decide that that's the alternative you want, what is the
29 number that would be appropriate?

30
31 **MR. FISCHER:** No trigger council review and try to establish a
32 number somewhere above the present 1,400, but below the 1,900.
33 We might look at, if 2009 was the last opinion, we might like
34 the number of permits in 2010 and give us some room, with a
35 reduced amount, and it may -- It may put another 175 permits in
36 a pool.

37
38 I am still -- I don't want to omit the pool from the theory and
39 I don't think any of us will go to 1,933 permits. I think it's
40 going to be somewhere between 1,400 and 1,900.

41
42 **MR. KEVIN ANSON:** I was just thinking -- I think Dr. Kilgour got
43 Myron's point, but I was just going to suggest maybe combining
44 Alternative 3 and Alternative 4 into one alternative of which
45 you would have this suboption of 1,933 down to 1,750 or 1,500 or
46 whatever and you would just combine the two alternatives is all
47 I was going to suggest.

48

1 **DR. KILGOUR:** We can add a new alternative that has some range
2 therein. I would like to point out that we tried to give you a
3 range and some of these numbers may be in between that 1,933 and
4 1,470 once we get the analyses completed and so just because the
5 number is to be determined -- That Alternative 7 is definitely
6 going to be a number in between 1,470 and 1,933, because that's
7 based on the highest landings for the moratorium and it also --
8 If we look back in the graph, it will also already be there. If
9 you look there, the effort was a little bit higher than the past
10 couple of years and so that's built into the alternatives, but I
11 can for sure do another alternative where we have the options,
12 but that means that we would have to do the analyses for pretty
13 much every year, I'm guessing, or do we just pick some random
14 numbers between 1,933 and 1,470? I guess I'm looking for a
15 little bit more direction on how many alternatives or options
16 under that new combined alternative you would like me to
17 include.

18
19 **CHAIRMAN PERRET:** Ms. Bosarge, have you got any suggestions?

20
21 **MS. BOSARGE:** Yes and we had a little discussion on this at the
22 last meeting and there was some discussion from the committee
23 that they wanted to see a number higher than where it currently
24 was and I think we said, okay, well, we weren't going to do
25 every single year back to the beginning, but pick a number.

26
27 Pick where you think you're wanting to be at and put that in
28 there and then we can get some feedback from the public when we
29 go out to public hearings, but not to have every single year in
30 there and that was the tough part, because we don't know which
31 year is the right year to pick and so what we did instead -- We
32 did go all the way back to the 1,933, but then the rest of the
33 alternatives say, okay, here is some basis for the other numbers
34 that we may choose and so we do have our range in there, but it
35 just is from Alternative 1 to Alternative 7, as opposed to every
36 year from 2007 to 2014.

37
38 **DR. KILGOUR:** I guess I'm not making myself -- They don't go in
39 range from highest to lowest is what I'm trying to say.
40 Alternative 7 is going to be some midlevel and Alternative 6
41 we're not sure what the number is. It could be in between our
42 current number and 1,933.

43
44 We're not sure and so the discussion has a lot of "may" and
45 "could" because we don't have those numbers yet, but now I have
46 a little bit clearer of an idea of what I need to provide to the
47 committee for the next draft.

48

1 **CHAIRMAN PERRET:** Sue, did you have your hand up? Did you want
2 to say something?

3
4 **MS. GERHART:** I just want to clarify what Dr. Kilgour just said
5 and that is that we did try to put them in order from the
6 highest number to the lowest number, but because we don't have
7 those numbers, we don't know that they're exactly in that order,
8 but we do anticipate that Alternative 2, for example, will be
9 the highest, because MSY is so much higher than the current
10 landings.

11
12 We did try to go through a range and we focused not on the
13 number itself, but on a rationale for that number and so we will
14 need to analyze specific numbers for economic analysis, for
15 example, and so we can put those two numbers out there and you
16 can look at a difference and if you want something else, we can
17 do that.

18
19 **CHAIRMAN PERRET:** You people will be able to generate some data
20 for us for the next iteration of this document? Okay. Great.
21 Is the committee comfortable with this at this time? Any other
22 discussion? Okay. Morgan, would you proceed, please?

23
24 **DR. KILGOUR:** Sure. Corky has already pointed this out, but I
25 just wanted to reiterate that the target shrimp effort level is
26 based on the 67 percent reduction from the 2001 to 2003 shrimp
27 effort and that was I think in Amendment 14 that that was
28 established and so right now, since the permit moratorium, we've
29 been -- The shrimp fishery has been operating below the target
30 shrimp effort level and it looks like in 2011 it got kind of
31 close, but that's another consideration for setting the number
32 of target permits.

33
34 Action 2.2 is establishing eligibility for a reserve permit if
35 the permit pool is created and so if the permit pool is not
36 created, then Action 2.2 goes away.

37
38 If it is created, there are three alternatives and the first
39 alternative would be no additional requirements and if you were
40 eligible for a shrimp fishing permit then you're eligible for a
41 shrimp fishing permit.

42
43 Alternative 2 would create the reserve permits are available
44 once a year and it would be a on a first-come-first-served
45 basis. You could establish conditions like you must be a U.S.
46 citizen or a business and you might have a vessel length
47 requirement or it might require a U.S. Coast Guard
48 certification.

1
2 It should be noted that the Shrimp AP wanted the U.S. citizen or
3 business and they had a vessel length in there, but they didn't
4 -- They had a vessel length requirement in there, but they
5 couldn't come up with a set vessel length without additional
6 analyses and so they left that blank and so these are some
7 options that you might consider if you're going to do a permit
8 pool.

9
10 Then the third alternative would be similar to Alternative 2,
11 except for instead of it being on a first-come-first-served
12 basis, the applicants would be selected by lottery and so if you
13 submit your application and everything is complete and then you
14 would be eligible for a permit only by lottery.

15
16 **CHAIRMAN PERRET:** Can we have lotteries? Can the government do
17 a lottery, Roy? Is that allowable?

18
19 **DR. CRABTREE:** As far as I know it is.

20
21 **CHAIRMAN PERRET:** Okay. Thank you. The committee has heard
22 Morgan's explanation of Action 2.2 and possible alternatives
23 that would be considered and is there any discussion on this at
24 this time? Any discussion? Morgan, again, this is all -- It
25 depends on what the council will do with the other action item
26 and so I guess at this time there is really no action we need to
27 take on this other than if anyone has got suggestions for
28 additions or deletions.

29
30 **DR. KILGOUR:** Well, you could, even if you're not sure if you're
31 going to create a permit pool, decide whether or not you're
32 going to have eligibility requirements at this time and I should
33 note that Alternatives 2 and 3 are only in effect if the number
34 of permits falls below the target set in Action 2.1 and you
35 could also add other options in here if you wanted to for
36 eligibility.

37
38 I forgot to go over -- Right now, in Method 1, that's how the
39 large and small vessels were differentiated in previous
40 amendments, but if you wanted to make vessel length an
41 eligibility requirement, these are the proportion of vessels
42 that are currently in the shrimp fishery that have federal
43 shrimp permits and what the percentages are.

44
45 **CHAIRMAN PERRET:** What is the -- Leann.

46
47 **MS. BOSARGE:** If you have a question related to that, go ahead,
48 Corky.

1
2 **CHAIRMAN PERRET:** I just wanted to say I definitely think they
3 should be a U.S. citizen and vessel -- Again, I sat through the
4 AP meeting and they really struggled with vessel length and
5 Coast Guard certification. They want something, but, again,
6 like me, they were not able to pick specific things, but go
7 ahead, Leann.

8
9 **MS. BOSARGE:** Morgan, on that Alternative 2, both Alternative 2
10 and 3 say they would be available once per year and on
11 Alternative 2, is it -- If the committee is amenable to it, is
12 it possible to remove that language of once per year and instead
13 it would just read "the reserved Gulf shrimp vessel permits will
14 be available from NMFS and will be issued to eligible applicants
15 in the order in which the applications are received"?

16
17 Otherwise, if it's just once per year, it's still almost going
18 to be a -- I don't understand why if you were ready to move into
19 the industry and you're going to get one of these permits that
20 the only time you can do it is -- I don't know, but December 31
21 or something or January 1 and can you not go and get the permit
22 when that fisherman is ready to enter the fishery?

23
24 **MS. GERHART:** I will address that. We talked about that quite a
25 bit and the problem is with the fairness of the application
26 process and so, first of all, how would someone know there even
27 is a permit available in that pool? Would they know because
28 someone told them that they were giving up their permit and then
29 that wouldn't particularly be fair to other people who might
30 also want that permit?

31
32 If someone puts in an application just hoping there is one
33 available and there isn't, how long is that application valid?
34 Can it sit there and wait until one becomes available or is it
35 still on a first-come-first-served basis that way? Can someone
36 just constantly have an application there waiting for a permit
37 to become available? There are issues to consider if you wanted
38 to do it that way beyond just letting it go there. It becomes
39 more complicated the more we talked about it, but it's not
40 impossible, but it involves addressing these other issues.

41
42 **MS. BOSARGE:** I know that probably made Roy's life more
43 complicated, but I would rather address those issues. I think
44 it would work better that way. I mean it's kind of like being
45 on a waiting list. I don't think we'll ever get to that point
46 where we have a waiting list to get into the shrimp fishery, but
47 I would rather see it happen that way that a man or woman
48 submits their application and they want a permit and their

1 application does stay on file and when one becomes available,
2 they get it.

3
4 Now, as far as the if somebody was to give them inside
5 information that they're about to surrender their permit, I
6 would think that at that point it would just -- That would be a
7 transfer that would end up taking place outside of NOAA/NMFS and
8 they would just get together and that man would buy that permit
9 from the guy that wants to give up his.

10
11 Maybe we can put some timeframes on how long it would sit there
12 and that there's an expiration date after so many years and you
13 would have to reapply again or something like that, but once a
14 year, as far as doing business, it seems like a little bit of a
15 constraint.

16
17 **DR. CRABTREE:** Well, my worry is that we're going to find that
18 creating this pool and doing this is very complicated and there
19 are all kinds of decisions that have to be made and we need to
20 have something implemented by October of 2016 and by tying the
21 pool to the permit moratorium, we're, I'm afraid, going to run
22 out of time to figure it all out.

23
24 Maybe it won't turn out to be so, but you know things like if
25 we're going to put a vessel length in here on the pool -- Well,
26 there is no vessel length though on the permits that are out
27 there now and so it's easy to figure out games to play to work
28 around all that kind of thing and then there's fairness.

29
30 If we already have vessels under twenty-five feet among the
31 holders now, why do the pool people have to have bigger vessels
32 and so I think there's a lot of things in the pool and we can
33 see how this develops, but it seems to me we've only got a few
34 more meetings before we're going to need to vote this amendment
35 up and I'm guessing we probably would want to vote this up in
36 January or April and is that kind of the timeline we're on?
37 April?

38
39 So there is a lot of things to figure out as to how to do this
40 and to complicate it, we have never created a pool before and so
41 we're treading new ground here.

42
43 **MS. LEVY:** Just a comment that the idea that we're somehow
44 making this eligibility linked to being a U.S. citizen or
45 business just raises red flags for me and so it's something that
46 I'm going to need to look into.

47
48 We issue these to vessels and under the Act, the council can

1 require vessel permits for vessels of the United States, which
2 is not the same thing as saying you have to be a U.S. citizen
3 and that also excludes permanent resident aliens and things like
4 that and so it's just something that I feel like I would need to
5 look at further if that's something you really want to pursue.

6
7 **CHAIRMAN PERRET:** Something that seems so easy is not. It's
8 not. Roy brought up an excellent point and I thought definitely
9 there should be a vessel length cutoff, as an example, but when
10 you've got 2.8 percent that are under twenty-five feet, we let
11 them in initially and why are we going to change the rule in the
12 future? We went through the immigrant thing relative to some
13 other fisheries years ago and so I guess nothing is easy in this
14 fishery management scheme. Put the current options you've got
15 up there now, please, on this one. Go ahead, Morgan.

16
17 **DR. KILGOUR:** I would just like to clarify the alternatives are
18 kind of stand-alone and then there's options below them that
19 would be eligibility, which you may choose not to use. You may
20 just choose to make a first-come-first-served permit or a
21 lottery permit and that would be enough and not have these
22 eligibility requirements if you think that's going to be too
23 complicated.

24
25 Those were options that were not built into the alternatives,
26 but were below, because I didn't think you might -- We weren't
27 sure if you would want all of those options included in the
28 alternatives.

29
30 **CHAIRMAN PERRET:** Do committee members have preferences at this
31 time? Something as simple as U.S. citizen or U.S. corporation
32 is not that simple, Mara, but you will check on that, please?
33 Thank you. Any comments relative to this particular action and
34 proposed alternatives? Anything else? Morgan, have we got
35 anything else or is that it?

36
37 **DR. KILGOUR:** We have one more action.

38
39 **CHAIRMAN PERRET:** Go ahead.

40
41 **DR. KILGOUR:** The last part of this draft options paper would be
42 to address the royal red shrimp endorsement and so our
43 Alternative 1, the no action, would be to continue to require
44 the royal red shrimp endorsement.

45
46 Alternative 2 would eliminate the royal red shrimp endorsement
47 and Alternative 3 would require some previous landings to
48 maintain an endorsement and so if you look at the -- The

1 endorsement was created to help collect data from the royal red
2 shrimp industry. There wasn't a lot of data when it was
3 implemented and it helps create some economic data about the
4 industry.

5
6 There has been a little over 300 endorsements since the
7 implementation of the moratorium, but the number of active
8 vessels landing royal red shrimp I think in the last ten years
9 or so have been less than twenty and usually below ten and so
10 this is something that the committee can decide whether or not
11 this is an action that they would like to address in this
12 document or if you wanted to remove alternatives that don't make
13 sense, that would be okay too.

14
15 **CHAIRMAN PERRET:** Thank you. Action 3 is on the board with the
16 various alternatives. Ms. Bosarge.

17
18 **MS. BOSARGE:** I would like to have some committee discussion
19 about this one, because the fishermen that I've talked to, they
20 essentially would be Alternative 1, to continue to require the
21 royal red shrimp endorsement with no landings requirements or
22 anything like that on it.

23
24 There's just a handful of these out there, these endorsements
25 out there. It's a small fishery and sometimes they fish it and
26 sometimes they don't, but they keep it in case they want to move
27 back into that fishery and I don't think a landings requirement
28 would be appropriate at all, especially for that small fishery.
29 I think Alternative 1 would be a good choice on this.

30
31 As far as eliminating it, why I didn't move towards that, we
32 just had a meeting a couple of weeks ago with the Coral AP and
33 there may be some new coral HAPCs or EFH that's lined out
34 somewhere in the Gulf of Mexico and there may actually be an
35 exemption for some of these royal red shrimpers to actually
36 transit/trawl within the box and so you would need to have your
37 endorsement on the boat though at that point and so that -- I
38 would say keep it and Alternative 1. Any feedback from the
39 committee?

40
41 **CHAIRMAN PERRET:** Dr. Branstetter had his hand up first.

42
43 **DR. BRANSTETTER:** Thank you, Mr. Perret. I think you and I
44 probably both remember that this was identified as a way to
45 identify the universe of royal red shrimp fishermen in the Gulf
46 of Mexico.

47
48 Obviously the endorsement does not do that. Not having an

1 endorsement -- Leann, I just don't think that having the
2 endorsement does anything. You can royal red shrimp with or
3 without an endorsement and it was intended to identify the
4 universe and get a better handle on who was doing it and how
5 much and the numbers are so small right now that they're
6 confidential.

7
8 **CHAIRMAN PERRET:** But we are getting the information that we
9 were trying to get from that royal red shrimp fishery by the
10 number of -- Even though it's a handful of participants, we are
11 getting that information, right?

12
13 **DR. BRANSTETTER:** But not because of the endorsement. We get
14 that information no matter what.

15
16 **CHAIRMAN PERRET:** If we don't have mandatory reporting, how
17 would you get it?

18
19 **DR. BRANSTETTER:** There is reporting for the shrimp fishery.
20 It's just not done --

21
22 **CHAIRMAN PERRET:** They do have to report. That's true.

23
24 **DR. BRANSTETTER:** Right. The port agents go, but they have to -
25 - It's still a permitted vessel and whether they are landing
26 pink or brown or red, those numbers are going to be collected.

27
28 **CHAIRMAN PERRET:** The requirement for the endorsement, is it
29 much of a burden for the agency insofar as the paperwork and so
30 on?

31
32 **DR. CRABTREE:** All these things pile up and to the extent we
33 have endorsements or things that don't have any real utility to
34 us, it doesn't make sense to keep doing them. You know when you
35 have three-hundred-plus endorsements and six to eight vessels
36 that are actually landing them, it's clear that lots of people
37 are just checking it and I think they pay a fee and they get it
38 and so it doesn't identify the universe and it doesn't carry any
39 explicit reporting requirements or anything else and it is hard
40 to see at this moment as to what it's doing for us.

41
42 **CHAIRMAN PERRET:** Morgan, refresh my memory. What did the
43 Shrimp Advisory Panel recommend relative to endorsements at the
44 last AP meeting?

45
46 **DR. KILGOUR:** I don't think they made a recommendation about the
47 royal red shrimp endorsements at the last AP meeting. They were
48 really focused on the permit pool and the eligibility

1 requirements and there weren't any royal red shrimpers in the
2 room and so there wasn't really a recommendation from the Shrimp
3 AP that I can recall.

4
5 **MS. BOSARGE:** On that note, Morgan, and it won't address the
6 action on the board and I think that's what Lance wants to do,
7 but there were a few things that, as you said, weren't addressed
8 on this Shrimp Amendment 17 and there are some things coming up
9 with coral that we're probably going to need to have another
10 Shrimp AP meeting on and just to put it out there when we have
11 this next Shrimp AP meeting, which I'm assuming probably should
12 be sometime after the public hearing draft, after you've revised
13 some of this, so that they can see it and work on the coral and
14 address this. Can we make sure that this does get addressed in
15 that next Shrimp AP?

16
17 **DR. KILGOUR:** The royal red shrimp endorsement?

18
19 **MS. BOSARGE:** Well, it would be the Amendment 17 in general.

20
21 **DR. KILGOUR:** Yes, that will definitely be on the next Shrimp
22 AP.

23
24 **MS. BOSARGE:** I would think that that meeting would be -- If our
25 meeting is in October, it would probably be late September,
26 because we're going to need some feedback on the coral as well.

27
28 **DR. KILGOUR:** I think on the timeline we had, because of the
29 analyses that were going to be required for the Shrimp Amendment
30 17, we were going to have a revised draft options to you in
31 August and a public hearing draft to you in October and so would
32 you like the Shrimp AP to weigh in before the public hearing
33 draft is available or after the public hearing draft is
34 available?

35
36 **MS. BOSARGE:** If they have a meeting right before our October
37 meeting, they ought to be able to see it, right, if it's late
38 September? Our meeting is early October, right? Because we
39 have to take final action in January and so I wouldn't want to
40 wait until January to get their feedback again.

41
42 **DR. KILGOUR:** Let me check on the timeline real quick to make
43 sure that I'm not misspeaking about the timeline, because I
44 thought that we needed to take final action in April of 2016.
45 We would have the public hearing draft in October and a meeting
46 in between and then the final draft for April, unless we have
47 the final draft ready for January, in which we're ahead of the
48 game, but we will still be on the timeline if the Shrimp AP

1 waits to meet until after the October council meeting.
2
3 **MR. ROBINSON:** Just a quick question to Leann or Dr. Kilgour.
4 Maybe you can help me and I should have asked it earlier, but
5 Table 2.3.1, just a question. In 2013, unique vessels actively
6 landing doubled from the six or seven previous years and then it
7 went back down and any idea of why that doubling occurred?
8
9 **CHAIRMAN PERRET:** Any explanation? Sue, do you -- Good
10 observation. I looked at it and didn't even notice that, but
11 you're right that they doubled for some reason. Mr. Williams.
12
13 **MR. ROY WILLIAMS:** I'm a non-committee member, but I've got a
14 question for Steve Branstetter. Steve, you said that you could
15 royal red shrimp, go shrimping, with or without a permit? Can
16 you legally fish for royal reds without a permit?
17
18 **CHAIRMAN PERRET:** They have to have the permit, right?
19
20 **MR. WILLIAMS:** The endorsement. Do you have to have the
21 endorsement to go royal red shrimping?
22
23 **DR. BRANSTETTER:** You do at this point.
24
25 **MR. WILLIAMS:** Did you not say that you don't?
26
27 **DR. BRANSTETTER:** If you didn't have the endorsement, you could
28 still go royal red as long as you have a permit.
29
30 **MR. WILLIAMS:** As long as you have a shrimp permit you could go
31 royal red shrimping?
32
33 **DR. BRANSTETTER:** If you didn't have the endorsement. If the
34 endorsement went away, you could still go -- Anybody could go
35 for royal red shrimp.
36
37 **CHAIRMAN PERRET:** The endorsement gives us a universe. Did you
38 have your hand up, Dave?
39
40 **MR. DONALDSON:** But right now, for you to catch royal reds, you
41 need this endorsement, correct? Right now, for you to catch
42 royal red shrimp, you have to have this endorsement?
43
44 **CHAIRMAN PERRET:** Yes. I was going to make a comment, but I'm
45 not. Okay. Relative to Action 3, royal red endorsement, any
46 other comments? Morgan.
47
48 **DR. KILGOUR:** I just wanted to ask, does the committee think

1 that Alternative 3 needs to be in this document? I have been
2 hearing some discussion about the previous landings being a
3 requirement for the endorsement and if the committee doesn't
4 feel that that's a necessary alternative, it would be okay to
5 remove it.

6
7 **DR. CRABTREE:** I think it would, because I think to try and turn
8 this into some kind of limited entry program is going to take a
9 lot of time and thought and I don't think this amendment is
10 where we want to tackle that and so would just leave it to be
11 continue it or eliminate it and if we decide we want to do some
12 sort of limited entry program, we ought to do that in another
13 amendment.

14
15 **CHAIRMAN PERRET:** Thank you, Dr. Crabtree. Any other comments?
16 So you just want to proceed with the document?

17
18 **MS. BOSARGE:** I will make a motion. **If you need a motion to**
19 **that extent, I will make that motion that we remove Alternative**
20 **3 in Action 3, Alternative 3, to considered but rejected.** Is
21 that how we need to word that?

22
23 **DR. CRABTREE:** Second.

24
25 **CHAIRMAN PERRET:** Dr. Crabtree seconds and so you see the motion
26 on the floor. Any discussion? **All in favor signify by saying**
27 **aye; opposed like sign. The motion passes.** Morgan.

28
29 **DR. KILGOUR:** I am just going to go back through the action
30 guide and make sure that I got everything and I did and so the
31 next step for this document will be to provide you with a
32 revised draft options in August and then we'll proceed with a
33 public hearing draft for the October 2015 meeting and so you
34 will see a new public hearing draft in October.

35
36 **CHAIRMAN PERRET:** Okay and the only thing I will add is I will
37 echo Ms. Bosarge's suggestion on a Shrimp AP meeting prior to
38 the October meeting to try and put that together. Thank you.
39 Anything else on the Shrimp Committee? My last committee
40 meeting and I finish ahead of time and thank you all very much.

41
42 (Whereupon, the meeting adjourned at 10:45 a.m., June 10, 2015.)

43
44 - - -