

1 GULF OF MEXICO FISHERY MANAGEMENT COUNCIL **Tab B, No.12(b)**

2
3 AD HOC REEF FISH HEADBOAT ADVISORY PANEL

4
5 Gulf Council Office Tampa, Florida

6
7 MAY 3-4, 2016

8
9 **AP MEMBERS**

- 10 Pam Anderson.....Florida
- 11 Randy Boggs.....Alabama
- 12 Clifton Cox.....Florida
- 13 James Green.....Florida
- 14 Chad Haggert.....Florida
- 15 Mark Hubbard.....Florida
- 16 Charles Paprocki.....Florida
- 17 Eric Schmidt.....Florida
- 18 Skipper Thierry.....Alabama
- 19 Dustin Trochesset.....Mississippi
- 20 John Williams.....Texas

21
22 **STAFF**

- 23 Assane Diagne.....Economist
- 24 Ava Lasseter.....Anthropologist
- 25 Charlotte Schiaffo.....Research and Human Resource Librarian
- 26 Carrie Simmons.....Deputy Director

27
28 **OTHER PARTICIPANTS**

- 29 Ken Anderson.....FL
- 30 J.P. Brooker.....Ocean Conservancy
- 31 Pamela Dana.....GMFMC
- 32 Sue Gerhart.....NMFS
- 33 Tim Hobbs.....Washington
- 34 Brittany Levine.....NMFS
- 35 Rich Malinowski.....NMFS
- 36 Jessica Stephen.....NMFS
- 37 Andy Strelcheck.....NMFS
- 38 Mike Travis.....NMFS
- 39 Daniel Willard.....EDF

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PAGE 118: Motion that Alternative 2, Option a in Action 7.2 be the preferred alternative. The motion carried on page 124.

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3 alternative in Action 9. The motion carried on page 133.
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6 preferred alternative. The motion carried on page 136.
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12 preferred alternative. The motion carried on page 157.
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18 Preferred Alternative. The motion carried on page 178.
19
20 PAGE 178: Motion to support cost recovery as required by the
21 Magnuson-Stevens Act. The advisory panel would like the
22 council's input on the cost recovery to the extent required.
23 The motion carried on page 180.
24
25 PAGE 184: Motion that AP recommends that the headboat component
26 be managed by establishing an IFQ program to be implemented by
27 referendum vote deemed necessary by the Magnuson-Stevens Act and
28 the Gulf Council, with a one federal permit, one vote status.
29 The motion failed on page 187.
30
31 PAGE 189: Motion have Alternative 1 in Action 1 be the
32 preferred alternative. The motion failed on page 193.
33
34 PAGE 198: Motion to add a new action with Alternative 3 as the
35 preferred alternative to allow a provision for new entrants. At
36 the beginning of each calendar year, vessels with valid federal
37 Gulf for-hire reef fish permits that are not participating in
38 the headboat survey vessel program are eligible to apply for an
39 endorsement to the reef fish for-hire permit or for a reef fish
40 headboat permit, whichever is established in Action 4, if the
41 vessels are selected to participate in the Southeast Region
42 Headboat Survey. This would be limited to vessels that carry
43 over forty-nine passengers. The motion carried on page 203.
44
45 PAGE 206: Motion to request the council reconvene the AP once
46 they have had time to go through this document to consider any
47 changes that might come with the council meeting. The motion
48 carried on page 207.
49

1 The Ad Hoc Reef Fish Headboat Advisory Panel of the Gulf of
2 Mexico Fishery Management Council convened at the Gulf Council
3 Office, Tampa, Florida, Tuesday morning, May 3, 2016, and was
4 called to order at 9:00 a.m. by Chairman Randy Boggs.

5
6 **ADOPTION OF AGENDA**
7

8 **CHAIRMAN RANDY BOGGS:** Council staff are Assane and Charlotte.
9 Notice of this meeting was provided to coastal newspaper
10 throughout the area, the Marine Extension Service, the National
11 Marine Fisheries port agents, and published in the Federal
12 Register. Notice was also sent via email to subscribers of the
13 council's press release email list and it was posted on the
14 council's website.

15
16 Today's meeting will begin with the adoption of the agenda and a
17 review of the charge to the panel. The following items will be
18 reviewed: Summary of the April 2016 Council Meeting, Management
19 Goals and Objectives for the Headboat Component, Review of
20 Management Alternatives, Recommendations to the Council, and any
21 other business that might come before the panel.

22
23 **MS. PAM ANDERSON:** Mr. Chairman, I would like to add something
24 under Management Goals and Objectives, please, so that I can
25 have a little bit of discussion about that. I will have a paper
26 about it.

27
28 **CHAIRMAN BOGGS:** Okay. I will read the charge to the group
29 today. The charge for the Reef Fish Headboat Advisory Panel is
30 to make recommendations to the council relative to the design
31 and implementation of flexible measures for the management of
32 reef fish for the headboat component of the for-hire sector.
33 Let's start with an introduction of who is here. Randy Boggs,
34 Reel Surprise Charters, Orange Beach, Alabama.

35
36 **MR. MARK HUBBARD:** Mark Hubbard, Hubbard's Marine, Tampa Bay
37 area.

38
39 **MR. SKIPPER THIERRY:** Skipper Thierry, Dauphin, Island, Alabama.

40
41 **MR. CLIFTON COX:** Clif Cox, Destin, Florida, Sweet Jodie Fishing
42 Boat.

43
44 **MS. ANDERSON:** Pam Anderson, Captain Anderson's Marina and the
45 Captain Anderson Deep Sea Fishing Boat.

46
47 **MR. JOHNNY WILLIAMS:** Johnny Williams, luckiest man in the
48 world, Galveston, Texas.

1
2 **DR. ASSANE DIAGNE:** Assane Diagne, council staff.
3
4 **DR. PAMELA DANA:** Pam Dana, Gulf Council.
5
6 **CHAIRMAN BOGGS:** In the audience, we'll go with the
7 introductions, starting with Andy, please.
8
9 **MR. ANDY STRELCHECK:** Andy Strelcheck, National Marine Fisheries
10 Service.
11
12 **MS. SUSAN GERHART:** Susan Gerhart, National Marine Fisheries
13 Service.
14
15 **DR. JESSICA STEPHEN:** Jessica Stephen, National Marine Fisheries
16 Service.
17
18 **MS. BRITTANY LEVINE:** Brittany Levine, National Marine Fisheries
19 Service.
20
21 **MR. RICHARD MALINOWSKI:** Rich Malinowski, National Marine
22 Fisheries Service.
23
24 **DR. MIKE TRAVIS:** Mike Travis, economist, National Marine
25 Fisheries Service.
26
27 **DR. AVA LASSETER:** Ava Lasseter, council staff.
28
29 **DR. CARRIE SIMMONS:** Carrie Simmons, Gulf Council staff.
30
31 **MR. J.P. BROOKER:** J.P. Brooker, Ocean Conservancy.
32
33 **MR. DANIEL WILLARD:** Daniel Willard, Environmental Defense Fund.
34
35 **MR. TIM HOBBS:** K&L Gates.
36
37 **CHAIRMAN BOGGS:** Then we need to move on to the Adoption of the
38 Agenda.
39
40 **DR. DIAGNE:** Yes, and I think Ms. Anderson offered a
41 modification to the agenda.
42
43 **CHAIRMAN BOGGS:** Okay, and so do you have paperwork to --
44
45 **MS. ANDERSON:** Yes, I have some paperwork to share under
46 Management Goals and Objectives.
47
48 **DR. DIAGNE:** So a motion to adopt the agenda as modified.

1
2 **CHAIRMAN BOGGS:** We need a motion to adopt the agenda. We've
3 got a motion by Pam Anderson to adopt the agenda and a second by
4 Mr. Charlie Paprocki. The agenda is adopted and we will move
5 forward. The next thing we're going to do is a Summary of the
6 April Council Meeting, and Assane is going to do that for us.

7
8 **SUMMARY OF THE APRIL COUNCIL MEETING**
9

10 **DR. DIAGNE:** Thank you, Mr. Chair, and good morning. Thank you
11 for coming. I will give you a quick summary of what it is that
12 the council discussed when it comes to this amendment. As you
13 all know, Amendment 42 is still in its beginning stages, and so
14 what we've done, during the April council meeting, was to
15 present to the council a summary.

16
17 Essentially, we talked about the purpose and need, as written,
18 and we discussed the main actions and the management
19 alternatives included in the amendment to date. You will have
20 an opportunity to go in detail and look at those management
21 alternatives later today, if not tomorrow. That is part of our
22 agenda.

23
24 The main decision that the council has taken was to approve a
25 control date and set the control date at December 31 of 2015, to
26 be able to clearly define the universe of participants in this
27 program that you are in the process of helping the council
28 develop.

29
30 I will talk more about that when we come to discussing the
31 management alternatives. The council is looking forward to
32 hearing your recommendations, to be able to advance the
33 development of this amendment.

34
35 They discussed certain things, such as cost recovery, very
36 briefly, as well as the distribution of future or potential
37 quota increases, and so that's all I'm going to offer right now
38 as a summary, until we get into the discussion of the management
39 alternatives and looking at specific actions.

40
41 There, we will delve more into the discussions. Thank you. If
42 you guys have questions or maybe something that, perhaps, for
43 example, Sue Gerhart would like to add, and she was the council
44 meeting also, or Dr. Simmons or Ava. If not, we can move to the
45 next agenda item.

46
47 **CHAIRMAN BOGGS:** Seeing no questions, we will move on the
48 Management Goals and Objectives for the Headboat Component.

1
2 **MANAGEMENT GOALS AND OBJECTIVES FOR THE HEADBOAT COMPONENT**
3

4 **MS. ANDERSON:** On this sheet that I handed out to you, this is
5 information that I've gathered over the last few months, and I
6 want to just bring attention to this, because I think that this
7 is very important for us to realize where this is headed if we
8 continue down the path that we've been talking about.

9
10 I want to review this. First of all, the purpose and need is to
11 reduce management uncertainty, but what is needed beyond what
12 we're doing now, and I think that we're going to limit ourselves
13 way too much if we continue down the path we're going.
14 Management now has access to satellite data, to know where
15 anglers are fishing, and to count them without us having a VMS,
16 and so that is something that you need to know.

17
18 Improve economic conditions for headboat owners, by doing that,
19 we need to increase the number of days available to harvest the
20 favorite species of our customers. We need to eliminate 30B and
21 407(d) if we want more access for our customers. We need to
22 consider the science that's been provided by the states to show
23 there is more biomass than NOAA data shows and act on it by
24 increasing the overfishing level.

25
26 When we have gone from a fishery in 2000 where we were able to
27 harvest 30 percent of what was said to be the biomass at that
28 time to now, having under 6 percent, that's significant, and I
29 think that we need to be taking a look at that and ask NOAA to
30 take a look at that.

31
32 The need is to prevent overfishing while achieving optimum yield
33 from the harvest by taking headboat into account and allowing
34 for variations among fishery resources and participants.
35 According to Gil McRae of FWRI, he says the data they need for
36 successfully achieving optimum yield from the headboat harvest
37 is already in place. The only step that might be considered is
38 an observer program, in addition to what we were doing.

39
40 As we go through these alternatives, we must consider how much
41 faith in considering the best interests of our business and what
42 our responsibility is and what we might be putting into somebody
43 else's hands who will have authority over our businesses and who
44 might take their places, also.

45
46 From NOAA's Southeast Regional Electronic Monitoring and
47 Reporting Regional Implementation Plan, SERO and SEFSC are also
48 interested in expanding the use of VMS. VMS is already used,

1 and so they are talking about this behind the scenes, whether we
2 make that decision here or not with our headboat plan. While
3 the VMS is a tool that can be used in monitoring and law
4 enforcement, for those of us who do not want the significant
5 added expense, other applications should be available.

6
7 A VMS should be used in cases where a permittee is found not in
8 compliance with the regulations. Therefore, they would need
9 that. The law enforcement would need that to keep track of
10 those that don't comply with the law, and so I just wanted to be
11 sure that we went through these things ahead of time, because I
12 think that it's important for us to realize the steps we're
13 taking are going to affect us for maybe the rest of our lives in
14 these businesses, and so that's -- I wanted to be sure that you
15 had this information. I've put several -- Access to several
16 things on the internet that you can read yourselves, so that
17 you're more informed about what's going on behind the scenes.
18 Thank you.

19
20 **CHAIRMAN BOGGS:** Thank you, Ms. Pam. Assane.

21
22 **DR. DIAGNE:** Thank you, Mr. Chair. Just a very quick point. I
23 think in the opening to this meeting that the Chair read the
24 charge to the AP, and so the one point that I would make is to
25 request, if possible, for this group to stay away from
26 discussions relative to stock assessments and data and their
27 validity, or lack thereof, and so forth.

28
29 Really, the charge to this AP is to devise a program that works
30 for you. How reliable stock assessments and so forth may or may
31 not be, perhaps that will be useful for us, at least in the
32 first part of this meeting, to stay away from it. In discussing
33 your goals, overall goals, and specific objectives, a lot of the
34 points that you offered, I believe, you could put them back on
35 the table and, as a group, you guys could perhaps make motions
36 for the council's consideration. Thank you.

37
38 **CHAIRMAN BOGGS:** The information that Ms. Anderson has provided
39 is provided by her and not by the council and not by staff, and
40 it's here for discussion. It's very open and very welcome to be
41 discussed, but it's not from the National Marine Fisheries.
42 It's from other sources that I don't know where it came from.
43 Valid or not valid, it's here for discussion points, and that's
44 what it's here for, and you have to take that for what it's
45 worth.

46
47 I'm sure it's based in science and it's given as meant to be
48 fact, but it's here for discussion points, and that's what it

1 should be used for. With that, would you like to comment, Pam?

2
3 **MS. ANDERSON:** Okay. As I was in the meeting a couple of weeks
4 ago with the Gulf Angler Focus Group Initiative, Dr. Crabtree
5 was presenting information about how fish tags would work for
6 the private anglers.

7
8 What he said at that time was if -- In 2015, if fish tags were
9 in place for the private anglers, there would have been about
10 422,000 tags available for private anglers, because they would
11 be using a seven-pound average fish for those tags, which means
12 that even though the headboat EFP used five pounds, now the size
13 of the fish has increase to seven pounds. Therefore, we will
14 have fewer tags if we go that direction.

15
16 That, I think, is a very important point, but this is the way
17 that management could reduce our access to the fishery, by
18 increasing the poundage on those tags. I just want you to be
19 aware of that, and I think that it's important and that that
20 came from Dr. Crabtree, that the seven-pound average would have
21 been in play in 2015. He did not say it was in play in 2016,
22 but he said that as we go along that it will probably increase,
23 is what his statement was.

24
25 As far as the information from Gil McRae, they are working with
26 that private angler survey in Florida, and they are trying to
27 get in place something for the state charter boats. I just sat
28 with him and asked him, what other information do you need to
29 make this better, to lessen the uncertainty in the data, and
30 that's what he told me, and that's in this paper.

31
32 **CHAIRMAN BOGGS:** Yes, ma'am, and I'm very aware that the tagging
33 program is out of the \$10 million that Senator Shelby got for
34 stock assessments, and this is one of the tools that they're
35 wanting to use on the recreational side, but what we're here
36 today to do is in the -- Going back and looking at the Headboat
37 Collaborative Plan, that those tags that were used in that were
38 ae receipt. Not necessarily a fish tag, but they were used to
39 show that an angler participated in a boat that was under an
40 exempted fishing permit.

41
42 If they took their fish away from the boat to be cleaned, they
43 could prove where they came from and that they were -- It was
44 not the tagging program in the same sense as this. It was a
45 called a tag, because we had it made by a tag company, but it
46 was actually proof that you were on a vessel and the fish were
47 harvested under an exempted fishing permit. It's a different
48 kind of tagging program, and we have plenty of room to discuss

1 that as we move on, and so we'll go back to the document and
2 start working our way through it.

3

4 **DR. DIAGNE:** Thank you, Mr. Chair. As you read the amendment,
5 in it's current form, and I'm sure you guys had a chance to look
6 at it, but if you look at the purpose and need section, which is
7 fairly short, maybe it seems like three or four overall goals
8 could be extracted from that.

9

10 I think one would be reducing management uncertainty. Another
11 one would be improving economic conditions for the businesses
12 and so forth. Another one may be offering flexibility to the
13 operators, and, finally, one would be, perhaps, increasing
14 fishing opportunities for the anglers that you guys carry on
15 your vessels.

16

17 Essentially, for this agenda item, what we are looking for is to
18 find out whether you guys are satisfied with that set of overall
19 goals. If not, what would you like to add to it or subtract, as
20 the case may be, and, if yes, what are some of the specific
21 objectives that you would like to rely on to achieve these
22 goals? Perhaps that is what we are looking for in this agenda
23 item. Thank you.

24

25 **CHAIRMAN BOGGS:** Just for clarification today, I am going to
26 read the purpose and need. The purpose of this action is to
27 reduce management uncertainty, and everybody knows what
28 management uncertainty is, and improve economic conditions for
29 Gulf reef fish headboat operators/owners, and provide
30 flexibility by increasing fishing opportunities for their
31 anglers.

32

33 The need for this action is to prevent overfishing, while
34 achieving, on a continuing basis, the optimum yield from the
35 harvest of reef fish by headboats, taking into account and
36 allowing for variations among fishery resources and
37 participants.

38

39 That's the purpose and need that we're here for today, and so we
40 need to look at what kind of management -- Are we satisfied that
41 we want status quo? Do we want to go to an IFQ program? Do we
42 want to go with something completely different? We need to
43 figure out where we want to go with our fishery, because
44 obviously we wouldn't be here if we were all satisfied with what
45 we have.

46

47 **MR. THIERRY:** I was looking through the motions that this panel
48 passed last time, and our goals and objectives were to recommend

1 to the council to develop a management approach that provides
2 year-round fishing opportunities for headboat businesses and
3 anglers, stability in business, safety at sea, improved data
4 collection, reduced discards, and accountability to catch
5 limits. That motion carried eleven to one, and that pretty much
6 covers it.

7
8 **CHAIRMAN BOGGS:** I agree. I think we're there. I think that's
9 what our goals are. I don't think it has changed. With that
10 being said, I think we need to just move on to the management
11 alternatives that are in the document and start working our way
12 through it.

13
14 **REVIEW OF MANAGEMENT ALTERNATIVES AND RECOMMENDATIONS**

15
16 **DR. DIAGNE:** Thank you, Mr. Chair. I think we have a short
17 presentation, just to support your discussions, and this
18 summarizes the actions that are in this amendment. After each
19 one of these, we will just stop and you will have an opportunity
20 to discuss.

21
22 As you know, the council is developing two amendments, Amendment
23 42, which is for essentially this group, the headboat component,
24 and Amendment 41, which looks at the charter/for-hire vessels.
25 For this amendment, we are considering a vessel to be a headboat
26 if it has obviously a federal reef fish for-hire permit and if
27 the vessel has landings in the Southeast Survey, and we are
28 talking about sixty-seven vessels in 2015.

29
30 When all is said and done, presumably this program will be
31 designed for the sixty-seven known headboats that we have that
32 meet the criteria that we laid out. In Amendment 41, all
33 remaining vessels, which is about 1,247, will be the charter
34 vessels.

35
36 During the last council meeting in April, as we mentioned
37 earlier, the council decided to set a control date, and the date
38 picked was December 31 of 2015. Essentially, by that date, a
39 vessel has to have landings recorded in the survey to be able to
40 be considered as a headboat, based on this definition.

41
42 If not, it could be the case that let's say you develop the
43 program. Let's say in 2017, Beaufort adds a new vessel to the
44 survey, let's say. That vessel would have met all of the
45 criteria, but then we wouldn't have anything to give them, if
46 you would, because presumably fish would have already been
47 allocated to the folks already in the program. The control date
48 really solidifies, if you would, the definitions and clearly

1 separates the two subcomponents.

2
3 The purpose and need, the Chair has just read it, and we were
4 reminded of a motion that you passed as a group, but I will not
5 really say much about it. It is the same one that you've just
6 seen, and so let's start with the actions. These are just
7 summaries of the actions and alternatives as written in the
8 document, and just to help us and perhaps support your
9 discussion.

10
11 The first one would look at the type of management approach that
12 you would envision for the headboat component. We have a no-
13 action alternative, and obviously if you took no action, that
14 means that Amendment 42 would go away. Then you can go back to
15 having season lengths, size limits, bag limits, and so forth.
16 Then there wouldn't be any need for this amendment.

17
18 Alternative 2 would implement or establish an IFQ program, an
19 individual fishing quota program, and Alternative 3 would
20 establish a permit fishing quota program, a PFQ. As you
21 discussed last time you met, the distinction between these two
22 is the fact that essentially, for a PFQ, the shares will be tied
23 to the permit. One would not be able to sell a portion of their
24 shares, let's say to address a problem in another part of the
25 Gulf, for example, and that sort of thing.

26
27 An IFQ would allow one to have their shares and dispose of them
28 and fish or do other things, as one sees fit, and so I will stop
29 here first and have the Chair lead your discussion, and then
30 we'll go to the next action. Thank you.

31
32 **CHAIRMAN BOGGS:** Thank you, Assane. We have another member of
33 our panel that just joined us, if he will state his name and his
34 affiliation, so that we know he's here.

35
36 **MR. JIM GREEN:** I apologize for running a little bit behind. I
37 had some personal issues. My name is Captain Jim Green. I've
38 from Destin, Florida. I'm the Vice President of the Destin
39 Charter Boat Association, the Vice President of the Charter
40 Fishermen's Association, and I appreciate being here. Thank
41 you.

42
43 **CHAIRMAN BOGGS:** Alternative 1 consists of three things.
44 Alternative 1 is no action. Alternative 2, to kind of condense
45 it down, is to establish an individual fishing quota, IFQ.
46 Assane, the last time we met, the PFQ, as far as I know, didn't
47 exist when we first met with the first meeting here. We had
48 discussed an IFQ. I think that came at a later date and was

1 added into this document. Is that right, guys?
2

3 **AP MEMBER:** We didn't discuss PFQs. That came up at another
4 time.
5

6 **DR. DIAGNE:** Yes, and part of the things that we have to do is
7 to look around and bring and offer a reasonable, and I put that
8 in quotes, range of alternatives. If we know that there is an
9 alternative out there that is reasonable, it is part of our, I
10 guess, obligation to add it to the mix and present it, so that
11 the council can evaluate it, take your advice, and then move
12 forward.
13

14 **CHAIRMAN BOGGS:** I am going to ask, because I'm not sure. I'm
15 sorry, Pam, but I'm going to address my question first, and I'm
16 asking for clarification. I'm going to try to explain this. A
17 permit fishing quota, if a boat is allocated fish under a
18 system, it will come to your permit. If you have a reef fish
19 permit, you will get allocated fish, and those fish will
20 continuously be tied to that permit and can't be separated from
21 the permit. If you sold the permit, it's either an all-or-
22 nothing deal. Is that the correct definition of a PFQ?
23

24 **DR. DIAGNE:** That's absolutely correct. If you sold the permit,
25 the share will travel or go with the permit. You are selling
26 the whole thing. As you put it, it's all-or-nothing, and that's
27 really the fundamental distinction here.
28

29 With an IFQ, assuming that you have transferability, because
30 that's a separate action that we will discuss later, there is an
31 opportunity to perhaps transfer a portion of the shares. Let's
32 say, for example, it happens -- It is not for example, but it's
33 a fact that red snapper are more abundant around the Panhandle.
34 Someone from down here that has a little bit may see it fit to,
35 for example, give or transfer part of those up there, and vice
36 versa for other species. The PFQ, perhaps that opportunity
37 would not exist.
38

39 **CHAIRMAN BOGGS:** I am going to recognize Ms. Anderson, but I'm
40 going to sneak one more question in, for a point of
41 clarification. Under a PFQ system, if you sold the fish or sold
42 it, it would be tied to the permit, and it's to be determined
43 later in the document, under a PFQ, if you can lease fish.
44

45 **DR. DIAGNE:** Yes, it will be determined later, but a point I
46 think that was made, I'm not sure here, but in discussions maybe
47 during the council meetings, if not this one than the previous
48 one, is that whatever it is that at the end of the day you want

1 to do -- You could start, for example, with an IFQ and put the
2 restrictions that you see fit in terms of transferability and
3 put the flexibility that you see fit.

4
5 As a starting point, it may be the case that starting with an
6 IFQ and putting the restrictions that you want, the specific
7 restrictions, would be potentially more helpful to you guys than
8 saying, okay, all or nothing here, but that's a decision or a
9 recommendation that you have to make, and the council would make
10 the ultimate decisions, of course.

11
12 **CHAIRMAN BOGGS:** I didn't mean to take liberties as Chair. Ms.
13 Anderson.

14
15 **MS. ANDERSON:** No, that's fine. I would like to make a motion,
16 and then I will explain it if I can get a second, please. I
17 **move that an additional alternative be that the council requests**
18 **staff to analyze benefits and costs of an observer program for**
19 **headboats as an additional type of recreational management**
20 **program for the headboats.**

21
22 **CHAIRMAN BOGGS:** Ms. Anderson has made a motion for the advisory
23 panel, which is us, to recommend to make an additional
24 alternative for staff to analyze the benefits and costs of an
25 observer program for headboats as an additional type of
26 recreational program. It's open for discussion after we get a
27 second.

28
29 **MR. GREEN:** I'm going to give it a second, just because I wanted
30 to -- I have a question. Is this for validation or -- I mean to
31 analyze the benefits and the costs of the observers, is that to
32 validate the headboat data?

33
34 **MS. ANDERSON:** Yes, it would be. I think that -- I know that
35 with a VMS or AIS that the other people in the industry can find
36 out where you're fishing. With an observer, that wouldn't be
37 the case, and so it's a type of validation without giving away
38 your fishing spots. If the purpose is to validate and be sure
39 that you're doing it right, as far as law enforcement, if an
40 observer program is just as effective and it's cost effective, I
41 would say that would be the better way to go for the headboat
42 operators. I would like to ask some questions on it, if I may.

43
44 **CHAIRMAN BOGGS:** I'm going to the panel for questions and
45 comments. We have a second from Jim Green.

46
47 **MR. HUBBARD:** I am curious. Out of us all, how many of you all
48 have some kind of program going on on your partyboat, a show of

1 hands? It could be for FWC, National Marine Fisheries, NOAA,
2 local science organizations. More than half currently have --

3
4 **DR. DIAGNE:** This is an observer program that you're talking
5 about?

6
7 **MR. HUBBARD:** Currently, we have multiple organizations on our
8 partyboats, and so just it came to mind that it's already
9 happening. We already have observers onboard. I mean I have
10 FWC, sometimes three of them, onboard and Mote Marine Laboratory
11 and the University of South Florida. I mean I had to kick them
12 off the boat, we had so many people. I had to make them start
13 paying, but that's a valid point that Pam makes.

14
15 Would that information validate what we're looking for through
16 the VMS, if we were to go to an IFQ or a PFQ, to eliminate the
17 VMS component of those? I guess that's where you're going with
18 this, Pam?

19
20 **MS. ANDERSON:** Actually, without the PFQ or IFQ, because I don't
21 think that that's necessary either. I think that what we're
22 doing now is adequate. According to Gil McRae at the FWRI, what
23 we're doing is adequate, and the only thing missing is the
24 validation, and the observer program would accomplish that, and
25 so they already know, and he also went on to say that if the
26 same program was given to the charter boats in their electronic
27 reporting that it would be what they needed also. Can I ask a
28 couple of questions for the Science Center? They may have to
29 get back to us on this.

30
31 **CHAIRMAN BOGGS:** Sure. For a point of discussion, I have no
32 problem with it.

33
34 **MS. ANDERSON:** I wanted to ask the Science Center what
35 additional criteria would they need to reduce uncertainty
36 besides that that's already on the headboat survey, because,
37 according to Gil McRae, it would be none.

38
39 Then I would ask the Science Center, without substantial funding
40 directed for processing real-time data, how quickly are they
41 able to process the data from the existing headboat survey, and,
42 without additional funding, could it be more quickly than
43 weekly, than it is now, because I believe the answers to those
44 are no, that they don't have the funding or the computer
45 programming or the scientists to operate that process.

46
47 Then, if it is for law enforcement and possible prosecution, the
48 validation through an observer would certainly take care of

1 that. For those that they found breaking the law, something
2 like the VMS could be imposed. Thank you.

3

4 **CHAIRMAN BOGGS:** I am going to look over and recognize Andy
5 right no and then Clif Cox.

6

7 **MR. STRELCHECK:** I can't speak specifically for the Science
8 Center. In terms of catch share programs, one of the
9 distinctions is that the Regional Office manages catch share
10 programs and not the Science Center. With our commercial catch
11 share programs, that IFQ data is available in real time, and so
12 I think that gets to your first question about headboat data and
13 the time lag of one week versus having it even sooner,
14 potentially on a daily basis, updated each and every day.

15

16 When we conducted the headboat pilot program, we weren't
17 generating weight estimates on a daily basis, but we were
18 generating landings in numbers on a daily basis and conducting
19 daily audits of the landings data, to ensure everything was
20 reported, and so it was a very real-time system in that regard,
21 and I would envision that, if you move down this path of an IFQ
22 or permit fishing quota program, that that could be done with
23 the Regional Office.

24

25 In terms of observers, I think there is two components to
26 validation. There is the on-the-water validation, which
27 observers are typically involved with, and that's a lot of the
28 landings, but also bycatch estimation. There is also the
29 dockside component of validation, which you're familiar with, in
30 which you're intercepted at the dock and your catch is sampled
31 and you're interviewed by the headboat survey program.

32

33 VMS, although it might have some initial costs that are
34 considerably higher, I would expect, long-term, that it would be
35 considerably cheaper than an observer program. Certainly we
36 would want to work with the Science Center to generate some
37 estimates of that.

38

39 I don't think there's anything that binds you though to using
40 VMS either, and so if there's components of this program that
41 would address your concerns about potential geographic locations
42 of fishing being identified, you could have other hail-in and
43 hail-out procedures that wouldn't necessarily have that real-
44 time, on-the-water component to identifying geographic
45 locations.

46

47 I guess just think more broadly, in terms of the beyond VMS,
48 that might be supported by the panel as a whole, but there are

1 other options there, and that's certainly one of the charges of
2 the technical subcommittee coming at the June meeting for
3 electronic reporting, is to look at other avenues for reporting
4 beyond just VMS.

5

6 **CHAIRMAN BOGGS:** Clif Cox.

7

8 **MR. COX:** Andy kind of touched on it, but, as far as an observer
9 program, and I guess this is directed at Pam, but are you
10 talking about 100 percent every trip, every headboat, and having
11 an observer on there?

12

13 **MS. ANDERSON:** I'm speaking of whatever is necessary to get the
14 validation they need, but I would say that if we are reporting
15 information on a daily basis, if that's what was required, and
16 they need to have an observer program occasionally or every
17 trip, but I would like to know what they actually need.

18

19 All this nine years that I've been doing this, we never get an
20 actual list of what the Science Center needs to get this done,
21 and that's why I'm trying to press this forward, is because we
22 don't have we need this information and we need that information
23 and we need the other information.

24

25 We don't get that, and so we're kind of in the dark, and so
26 we're going in here and saying, well, somebody mentioned a PFQ
27 and so maybe that will work or an IFQ, maybe that will work, or
28 a VMS, maybe that will work, but does it really and is that the
29 most cost-efficient way and is that going to get our passengers
30 back on the water? Those are the questions that I need to have
31 answered, and I think that we're not getting all the information
32 we need to make the decisions.

33

34 **CHAIRMAN BOGGS:** Johnny.

35

36 **MR. WILLIAMS:** Pam, I have a question for you. Talking about
37 this observer program, I guess the reason that you're suggesting
38 this is for validation. You think some people are being a
39 little disingenuous with what they're really catching. Are you
40 suggesting that we have basically people under cover, agents out
41 there doing this, because if you think people are being
42 disingenuous -- When they know an observer is on the boat,
43 they're going to play by the rules.

44

45 If they're not on the boat, there is no reason for them to play
46 by the rules if they don't play by the rules anyway, and so I
47 think it's kind of like a waste of time and money, unless you
48 just put somebody undercover on there.

1
2 I have one partyboat that carries up to eighty-three people, and
3 there are some that are larger than mine in Galveston. There's
4 one that carries up to a hundred, and I mean you would have to
5 have somebody undercover trying to count every fish and this and
6 that and the other. I don't know if it would be very accurate.

7
8 Like I say, if people are going to be disingenuous, they're
9 going to be disingenuous when the observer is not on the boat
10 and not when the observer is on the boat, and so I think it
11 would pretty much be a waste of time, unless you had somebody
12 undercover on there.

13
14 **CHAIRMAN BOGGS:** Assane.

15
16 **DR. DIAGNE:** Thank you. Just a quick question, perhaps, to
17 understand this. This motion looks at costs and benefits of
18 having an observer, but Action 1 in this amendment looks at the
19 type of management program that you want. Are you suggesting
20 then Alternative 1, status quo, meaning no IFQ and no PFQ, and
21 do an observer program under the traditional management
22 approach?

23
24 **MS. ANDERSON:** Yes.

25
26 **DR. DIAGNE:** Okay, because there is the two issues here. One
27 issue is the type of management program that you want to
28 implement, and the second one, which is the one you are speaking
29 towards, is how is it that you are going to monitor and validate
30 that, and so that's what I wanted to understand. Really, your
31 motion is then, in Action 1, to adopt status quo, Alternative 1,
32 and have an observer program to essentially look at the catches
33 and so forth.

34
35 **MS. ANDERSON:** That's correct, and the reason I want to do this
36 is because we have been -- We have been told that we are going
37 to pay cost recovery fees. We are all business people sitting
38 around this table, and so, as a businessperson, I don't have an
39 insurance man come to me and say this is the bottom line and I'm
40 not going to tell you what you get until you open the package
41 after you've paid me. I want to know specifically what I'm
42 paying for and what the result is going to be before I say yes,
43 this is preferred for my business.

44
45 **DR. DIAGNE:** That's a good point, and cost recovery fees will be
46 one of the items that you will discuss. It's, I believe, Action
47 Number 14 in this document. We will get there, and I will not
48 say more about it until we get to that action. Thank you. I

1 just wanted to understand that. I mean your motion is really
2 status quo, Alternative 1, and have an observer program.

3

4 **MS. ANDERSON:** Should I change that for the record?

5

6 **CHAIRMAN BOGGS:** I am going to recognize Skipper and then I want
7 to speak. Skipper Thierry.

8

9 **MR. THIERRY:** I just had a question, maybe for Assane or maybe
10 for some of the staff. I didn't know that there was any -- I
11 thought that the Beaufort survey was a really well-respected and
12 well-validated -- I don't know what I'm trying to say, other
13 than I thought it was a good survey that was sound and everyone
14 agreed that it was sound, and I don't really see why additional
15 validation is necessary if it's already being validated. I mean
16 maybe there's some problems that I'm not aware of, I guess is
17 what I'm asking, with the Beaufort survey.

18

19 **DR. DIAGNE:** Yes, and perhaps Jessica, Andy, or Sue want to
20 speak to that, but my understanding is it's a, as you said, a
21 well-designed and well-functioning survey, and that is providing
22 fairly reliable estimates of what it is that the headboat
23 component catches. On top of that, it has provided and is our
24 sole source for catch histories for individual headboat permits.
25 That is my understanding, but I will let them -- Maybe someone
26 wants to add to it.

27

28 **MR. STRELCHECK:** I think that's a fair assessment. The
29 compliance rates are very high in the headboat survey. It's not
30 quite a census, but very close, because there are some small
31 adjustment factors. As I mentioned earlier, the observer data
32 would benefit the headboat survey, as well as any other
33 programs, in terms of bycatch discard information, and that's
34 probably the biggest limitation of the headboat survey, is the
35 accuracy of discard estimates, given you're operating a very
36 large vessel with lots and lots of anglers onboard. We only
37 have a small observer program, and it's very hard just to
38 generate estimates of discards, given that large number of
39 anglers.

40

41 **CHAIRMAN BOGGS:** Okay. I am going to address part of what Ms.
42 Anderson said. Part of the concern seems to be with the VMS and
43 giving away locations. I have operated with a VMS and
44 commercial fleets operate with a VMS, and at no time has there
45 been a breach, that I know of, with the VMS, where anybody was
46 actually able to tell where anybody else was fishing.

47

48 It doesn't happen. They can't steal your spots. They can't

1 steal your coordinates and they can't steal your locations.
2 That information is so closely kept that there is no way of
3 that.

4
5 Then the other thing, to address that, is you mentioned the AIS
6 system. The AIS system is a collision avoidance system that's
7 coming from the Coast Guard that's going to be eventually
8 required on all of our multi-passenger boats, and it does
9 broadcast your position and it does tell you where you're at.
10 There is no avoiding that, and so the VMS would be far more
11 secure than the AIS system.

12
13 This year, you had to have a NMSI number on your boat, and
14 you're required now, on all multi-passenger boats, to carry a
15 radio with a DSC, which is digital selective calling, which if
16 you broadcast on that radio, it too gives away your position and
17 broadcasts it to anybody else, and so the concerns of that --
18 Then, to address the observer program, state observers are state
19 observers, and that information is used for state data.

20
21 In the headboat program, we have federal observers and dockside
22 intercepts, and for it to be validated by the Science Center,
23 from what I've seen, it has to be a federal government
24 validator. In the crab fishing programs, the halibut fishing
25 programs, and the cod fishing programs in the Atlantic and in
26 Alaska, the average cost is \$500 a day for an observer, and that
27 cost is absorbed by the vessel, to have a federal government
28 observer.

29
30 Then observers are extremely problematic, because even if the
31 Headboat Collaborative Program, I had a boat out of Destin that
32 caught a really big grouper. The same observers were sent down
33 to Florida, and the observers were in Florida, and they were
34 claiming that the boat captain who caught the big fish was
35 outside of the hundred-fathom curve or whatever it was, however
36 many feet you could fish, and they were telling that to captains
37 down there.

38
39 The observer program, from my personal experience, is really
40 problematic with crew, and then you absorb the liability for
41 having a federal government observer on your boat. Your
42 insurance has to cover him, and some of the boats, like Johnny's
43 and Skipper's, who operate right at their capacity, then you
44 have to be willing to give up a paying passenger in order to put
45 a federal observer on there.

46
47 A lot of the concerns and problems with the VMS and the observer
48 program will be transferred over, and the cost recovery for this

1 has to come from us if we vote this in. That being said, we're
2 going to open it up for one more round of questions. If we
3 don't have any more, we will call the question and vote it up or
4 down. Charlie.

5
6 **MR. PAPROCKI:** I've got a question about the AIS, if that could
7 be an option, if you already have to have it, regardless. I
8 know it gives out more information, but I guess Johnny and I and
9 some other vessels, we have to have it anyways, and if that
10 could be an option in place, because of the cost effectiveness
11 and such.

12
13 **CHAIRMAN BOGGS:** The AIS system is a Coast Guard system that
14 doesn't have anything to do with fisheries management. This is
15 my opinion and from what I understand. It's a collision
16 avoidance system, and it doesn't report to the National Marine
17 Fisheries Service, and it doesn't give you the ability to report
18 your fish, your catch, or any of that stuff.

19
20 **MR. PAPROCKI:** There's an app out there, and I believe what it
21 is, anybody public can go on there and track any boats that are
22 on AIS. I think there's an app out there to do it. Not the
23 fish or anything, but the location of those vessels.

24
25 **CHAIRMAN BOGGS:** You're right. The ability to hide is being
26 taken away from us, but, right now, the VMS has been the gold
27 standard of fisheries monitoring, because -- Not only that, and
28 I'm not -- I was very skeptical of this VMS program to start
29 with, but it's also a back-up system that's redundant to your
30 VMS. It works with your weather system. You can get weather
31 capabilities on it, and I mean there's a lot of advantages to
32 having this.

33
34 **MR. PAPROCKI:** I'm not saying not to have it, but the boats that
35 already have the AIS, if it's an option, because we don't have a
36 choice. We have to have it.

37
38 **CHAIRMAN BOGGS:** Right, but I think that the problem with the
39 AIS system is you're trying to take a steering system and make a
40 pot-hauler out of it, because it's made for collision avoidance
41 systems and not made to report -- You would have to redesign the
42 whole system here that receives the VMS information, in order to
43 -- Now, that's opinion. That's not fact. That's opinion.

44
45 **MR. PAPROCKI:** I was just seeing if it was an option or
46 whatever.

47
48 **CHAIRMAN BOGGS:** Mr. Green.

1
2 **MR. GREEN:** I know you touched on it, but I was going to touch
3 on what Charlie was asking, but you had it.
4
5 **CHAIRMAN BOGGS:** Anymore -- Do we want to call the question?
6 Let's vote this thing up or down. We've had adequate
7 discussion?
8
9 **DR. DIAGNE:** Yes, Mr. Chair.
10
11 **CHAIRMAN BOGGS:** I think we've adequately discussed it. Let's
12 have a show of hands. **All in favor.**
13
14 **DR. DIAGNE:** Three for.
15
16 **CHAIRMAN BOGGS:** Three for. **Opposed.**
17
18 **DR. DIAGNE:** Six. **The motion fails three to six.**
19
20 **CHAIRMAN BOGGS:** Okay. Let me get my focus back, and we will
21 get back on the agenda.
22
23 **DR. DIAGNE:** We don't have to do this today, but just to make it
24 so that you are aware that these are the three alternatives that
25 the council is considering. If you wanted to indicate a
26 direction that is preferred by this group, you could do that,
27 but you don't have to. If you want to move to Action 2, you
28 could do that, as you see fit, really.
29
30 **CHAIRMAN BOGGS:** Mr. Green.
31
32 **MR. GREEN:** What I wanted to bring up, now that we're back to
33 Action 1 here, is, as somebody who developed the term and helped
34 be in part of the discussion of a PFQ, a lot of that had to do
35 with generational transfer and being able to move them. I know
36 Assane and staff first heard about it during our 41 advisory
37 panel, when we started talking about it and stuff, at a more
38 detailed level.
39
40 **DR. DIAGNE:** Yes, and it is used elsewhere. I have to mention
41 that.
42
43 **MR. GREEN:** Yes, and it was an idea to kind of remove the
44 individual ownership and have it tied to the permit, so the
45 permit could be traded through the generations, and not
46 necessarily where you buy a boat and a permit and have to buy
47 fish, and it's all part of the package, or have a business
48 partner for the rest of your life.

1
2 Also, I wanted to add about PFQs is that, in that one, we talked
3 about no transferability, because that's what the charter fleet
4 across the Gulf was really pushing for. I think that a PFQ, as
5 you said also, Assane, could be really tailored or an IFQ
6 tailored with the restrictions or the PFQ tailored for
7 transferability and stuff like that, and so I just wanted to
8 make sure that, before anybody made any motions and discounted
9 the PFQ on face value, we can definitely -- A lot of what's in
10 this document is what came out of the 41, and nothing against
11 that, but I just wanted to point that out. Thank you.

12
13 **CHAIRMAN BOGGS:** Ms. Anderson.

14
15 **MS. ANDERSON:** I just have a question about the PFQ and IFQ in
16 the voting for one or the other. When we are in council
17 meetings, often we have a lot of folks who have written in by
18 email saying that they would vote against certain issues, and
19 the only issues that seem to be the -- The only vote that seems
20 to be taken is that of the consensus of those who are in the
21 audience, and it's the people who can afford to be there, who
22 are being paid to be there.

23
24 In this situation, are we going to be -- Is the council or SERO
25 going to be sending out information to all of the sixty-seven or
26 sixty-eight boats in this program, requesting their views on
27 these issues, or are they going to be only counting those who
28 come to the meetings?

29
30 **DR. DIAGNE:** That's a good point. In fact, the Magnuson Act
31 would require that if this is the direction that you go and
32 then, at the end of the day, you design a limited access
33 privilege program, that cannot be implemented without a
34 referendum, and that referendum -- I will mix the two terms, I'm
35 sure, but someone will tell me.

36
37 The people that have substantially fished for the species or
38 group of species in question are the ones that are going to be
39 voting for the referendum. Depending on how the council defines
40 that, most probably it is going to be all sixty-seven headboat
41 vessels in this program. It says substantially fished or
42 substantially participated. It's fished, and so it's not going
43 to be limited, by any means, to those, as you put it, that can
44 afford to come to council meetings.

45
46 **MS. ANDERSON:** Okay, and so just a follow-up question then. On
47 substantially fished, that hasn't been decided yet? Is that
48 right?

1
2 **DR. DIAGNE:** Yes, that is for the council to decide. If we look
3 at the -- The only examples that we have here would be the
4 commercial IFQs that were implemented in the Gulf, and I believe
5 there was a low threshold of landings aggregated for the grouper
6 and tilefish, and anybody that had that amount of landings would
7 be eligible to vote.

8
9 If, for example, this avenue here is something that you would be
10 interested in, maybe as a group you could recommend to the
11 council that, no matter how they define "substantially fished",
12 that all sixty-seven headboats be allowed to vote for this
13 referendum and vote this whole program up or down, as the case
14 may be.

15
16 **MS. ANDERSON:** Can I make a motion to that, or will it come
17 later?

18
19 **DR. DIAGNE:** At your discretion, but perhaps it will come later,
20 and, quite frankly, the referendum issues were not really part
21 of this whole discussion. We were just looking at the program,
22 some of the design elements, but, at your discretion, you could
23 say that, if this group designs a LAPP, then it is recommended
24 that all sixty-seven headboat vessels be allowed to participate
25 in the referendum, or something along those lines.

26
27 **CHAIRMAN BOGGS:** Before you make the motion, can I make a motion
28 and see if this will cover both of what we would like to do?
29 **The motion I would like to make is to recommend to manage the**
30 **reef fish species in the headboat management program by**
31 **establishing an IFQ program to be implemented by referendum vote**
32 **of the sixty-seven headboats that participate in the Beaufort**
33 **Headboat Reporting Program in the past thirty-six months on a**
34 **one-permit, one-vote status.** That's the motion I'm offering up.
35 It's open for discussion. I'm looking for a second on the
36 motion. I have a second from Clif Cox. Skipper.

37
38 **MR. THIERRY:** I would just like to say I think -- I don't know
39 if at this point -- I mean some people are in favor of an IFQ
40 and some are in favor of a PFQ. To me, they're about an eyelash
41 apart, and so whatever you call it, the program that we design -
42 - I mean if you have a PFQ, but then you allow some
43 transferability, isn't that, by definition, really an IFQ? It
44 doesn't matter what you call it at this point. It's really
45 irrelevant, I think.

46
47 **CHAIRMAN BOGGS:** Would you like me to change it to a PIFQ?
48 Charlie, I'm going to recognize you and Mark, and I'm going to

1 look at Ava.
2
3 **DR. LASSETER:** I just wanted to clarify that the key difference
4 is the entity to which that quota is associated, permit or an
5 individual, and just keep that in mind, that that's the key
6 difference. Then, of course, as Randy has pointed out, you can
7 design it beyond that in all different ways.
8
9 **CHAIRMAN BOGGS:** You can put all the lipstick you want to on a
10 pig and it's still a pig. It don't matter. I am just offering
11 something to move us forward, guys. That's all I'm trying to
12 do, and to make sure that we're comfortable that whatever we do
13 will be equally voted on by a referendum. Charlie.
14
15 **MR. PAPROCKI:** That was my question. Everybody will have an
16 equal vote, regardless of history, of catch history?
17
18 **CHAIRMAN BOGGS:** No, I can't say that, because of what was said
19 by staff. They have to have -- What was it?
20
21 **DR. DIAGNE:** What you said is one permit and one vote,
22 essentially. That's fine, regardless of catch history. That's
23 what you said in this motion, but the substantially fished was
24 the entry ticket of who is going to be allowed to vote, but what
25 you are saying here is that everybody would be allowed to vote.
26
27 **CHAIRMAN BOGGS:** But I don't think I can do that, because I'm
28 circumventing what the Magnuson says, am I not?
29
30 **DR. DIAGNE:** It all depends on how you define substantially
31 fished. If I said substantially fished is anybody who caught a
32 pound of one of the five species in this program, then everybody
33 is in.
34
35 **MR. PAPROCKI:** Just add that to your motion.
36
37 **DR. DIAGNE:** No, you don't have to say that, because your intent
38 here is to have everybody participate, and so you just make your
39 intent clear, and then the council is going to decide,
40 essentially.
41
42 **MR. PAPROCKI:** Randy, you can change this and just take out the
43 "IFQ" and put whatever we decide here. Whatever the referred
44 alternative is is what would be done by a referendum. That way,
45 it covers IFQ and PFQ. Status quo wouldn't require anything.
46
47 **CHAIRMAN BOGGS:** The reason that I picked IFQ is we have status
48 quo, which is do nothing, and we have a PFQ or an IFQ, and I am

1 going to speak on the PFQ. We have a lot of design work to do,
2 and we can call it a PIFQ or we can call it anything you guys
3 want to call it, but, later on down the road, it all comes down
4 to do you want the fish transferred to you or do you want the
5 fish to go to the permit?

6
7 If the fish are with you and somehow or another something
8 happens -- I've seen lots of people eliminated from the fishery
9 because they didn't renew their permit and they missed the one-
10 year date. I mean I've seen a lot of negative things that
11 happened because of the permit, and I think that transferring it
12 to -- First, I think it doesn't matter to me what we call it.

13
14 This is the motion I've offered up, is an IFQ, an individual, a
15 permit, and tying it to a permit -- If whoever owns the fish
16 owns the permit and owns the IFQ, if they want to tie it to
17 their permit, they just won't sell their permit without it, but
18 you take a boat that carries a hundred passengers. If that boat
19 sinks and it's gone and that owner is out of the business, then
20 it's going to be virtually impossible for that owner to sell
21 that amount of fish for what it's worth if he can't separate it.

22
23 I mean imagine what it would cost to buy a boat with a hundred-
24 passenger quota of fish. It would be an astronomical amount of
25 money, if you tie it with a PFQ. I am just afraid that we're
26 tying our own hands. I am going to accept a question from
27 Charlie.

28
29 **MR. PAPROCKI:** What if you just put "program" and decide that
30 later, to make it easier? They still get a vote, regardless of
31 whatever program you're using, whether it's an IFQ or a PFQ, or
32 is that not specific enough?

33
34 **CHAIRMAN BOGGS:** I'm going to stick to my gun on the IFQ. The
35 reason why is, with the PFQ, I see so many problems down the
36 road. You die and you don't renew your permit and the fish are
37 lost. If you've got somebody that's got 90,000 fish and 90,000
38 fish times -- That's 700,000 pounds of fish.

39
40 If you sell those fish at twenty or twenty-five, there's nobody
41 that can buy that, and those fish eventually -- The boat is
42 gone, the fish are not being used, and eventually it's going to
43 roll back in, and all that resource is going to be lost. That's
44 one scenario that I can think of, sitting here, and I'm sure
45 that down the road there's going to be so many other things that
46 come into play, but that's kind of where I'm at here.

47
48 **MR. PAPROCKI:** Just, whatever program we use, everybody gets a

1 vote, and so that's all.

2

3 **CHAIRMAN BOGGS:** Johnny and then Clif.

4

5 **MR. WILLIAMS:** I was just going to make the point that my vision
6 is that we won't have just a single species and that it will be
7 a multispecies program, and, that being the case, you said if
8 somebody is not substantially a part of the fishery that they
9 may not get to vote or whatever, but I mean if somebody is not
10 catching red snapper, red grouper, gray triggerfish, amberjack,
11 or gag grouper, what are they doing as a headboat anyway? What
12 are they catching?

13

14 I think pretty much that's going to enable everyone to have a
15 vote anyway, because, if we're talking about multispecies -- If
16 you're a headboat operator, you've got to be catching one of
17 these five species and have a pretty substantial catch in that
18 five, or you're not in the -- I mean, what are you doing in the
19 business? That's just my point. Thank you.

20

21 **CHAIRMAN BOGGS:** I had Clif next, but we have one of our panel
22 members that just joined us. Eric, if you don't mind, if you
23 will key the microphone and tell us who you are and who you're
24 with.

25

26 **MR. ERIC SCHMIDT:** My name is Eric Schmidt. I run headboats in
27 Fort Myers. I run the Sea Trick, and I work for Captain Speedy
28 Hubert on the Captain Speedy. I've been associated with the
29 council in the past. I was a member of the Reef Fish Advisory
30 Panel for about seven years.

31

32 **CHAIRMAN BOGGS:** Welcome. I have looked at your website and
33 seen your boats and stuff, and we're glad to have you here.
34 Thank you very much.

35

36 **MR. SCHMIDT:** Thank you.

37

38 **CHAIRMAN BOGGS:** Clif, did you have --

39

40 **MR. COX:** It just seems like the council is wanting a direction
41 to move, and while we're not really -- There's three
42 alternatives, and I think we just need to decide on one of those
43 that were listed and move in that direction. It seems like
44 they're wanting us to tell them which direction to move in, and
45 it just seems like we're making it more ambiguous, and it should
46 be fairly simple.

47

48 **CHAIRMAN BOGGS:** When you get this many boat captains together,

1 it's not going to be easy, whether we're deciding where to go to
2 lunch or whether we're not, but it's the whole thing here, and
3 I'm going to offer this up, and then I'm going to call my own
4 question on this. The whole thing I'm offering up here is a
5 name. That's all I'm doing, is a name, and the way that we'll
6 decide about how this goes forward.

7
8 How we design the IFQ or the PFQ -- You know, when we get into
9 transferability later in the meeting, we can decide that you
10 cannot transfer half your thing, and then it turns into a
11 partial PFQ with just the IFQ name on it, but that can come
12 later in the program, but let's just call the question and vote
13 this thing up or down and move on. I have staff.

14
15 **DR. TRAVIS:** I have one clarification and one question and one
16 comment. First of all, the first question is, and this may be
17 best directed to Assane, is can we definitively say that there
18 were sixty-seven headboats who participated in the headboat
19 survey during the last thirty-six months?

20
21 **DR. DIAGNE:** That's a very good point. In fact, from the
22 motion, it will be helpful to strike it and just say "from the
23 headboats that participate in the program", period, and leave it
24 at that. At the end of the day, if the tally comes to sixty-six
25 -- That's a good point, Mike, and if Mr. Chair agrees, we could
26 take out the sixty-seven from it. All I can say is right now,
27 when we are looking at it, our best estimate is sixty-seven.

28
29 **CHAIRMAN BOGGS:** I would love to modify it that way. I am going
30 to let you dictate it to her.

31
32 **DR. DIAGNE:** No, Mike Travis should do that, because he brought
33 it up. Charlotte, if you would like to say: Establish and IFQ
34 program to be implemented by referendum vote of the headboats
35 that participate in the program. Maybe take all of the
36 Southeast Reporting Program out.

37
38 **DR. TRAVIS:** Yes, and that actually goes to my other
39 clarification, which is the past thirty-six months. Is the
40 intention to refer to 2014 to 2016?

41
42 **CHAIRMAN BOGGS:** How about if we did something with the closing
43 date that the council put on it of December 31, 2013, within --

44
45 **DR. TRAVIS:** 2013 to 2015 would account for the control date.

46
47 **CHAIRMAN BOGGS:** Okay. I forgot what year it was, and so yes,
48 that's fine.

1
2 **DR. TRAVIS:** Wasn't it December 31, 2015, correct? You probably
3 want it 2013 to 2015, to account for the control date.
4
5 **CHAIRMAN BOGGS:** Yes, and so does that work?
6
7 **DR. TRAVIS:** I think so. Then just the other point that I
8 wanted to make is, because there are different referendum
9 requirements, the Magnuson, as far as the Gulf goes, it's
10 majority vote. Let's say if it was sixty-seven, then thirty-
11 four yes votes and it's in.
12
13 **CHAIRMAN BOGGS:** Okay. We have a modification. I'm going to
14 read it, and then I will call on you, Ms. Anderson. The AP
15 recommends that the headboat component be managed by
16 establishing an IFQ program to be implemented by referendum vote
17 of the headboats that participate in the program with a one-
18 permit, one-vote status. That is the motion we have, and I'm
19 going to call on Ms. Anderson.
20
21 **MS. ANDERSON:** It's not specifying the Southeast Headboat Survey
22 Program, and I think that that's extremely important, because
23 you don't know which program you're talking about.
24
25 **DR. DIAGNE:** It says "IFQ program", and the person participating
26 in the program means in that IFQ program. Initially, your
27 definition was that, with the control date and all, that this
28 program is for those vessels that have the permits and
29 participate in the survey and have landings recorded by December
30 31, 2015. All of that is embedded, if you would.
31
32 **MS. ANDERSON:** Okay. It doesn't specify the Southeast Headboat
33 Program, and so that does not include all of the sixty-seven or
34 sixty-eight boats if you're only choosing those who want an IFQ
35 program.
36
37 **DR. DIAGNE:** No, the vessels that participate in the program is
38 -- You have already defined the criteria that would allow one to
39 participate in the program, and that was those three things.
40
41 **MS. ANDERSON:** What program?
42
43 **DR. DIAGNE:** This IFQ program or PFQ or whatever, but, in the
44 motion here, it just happens to be an IFQ. It says establishing
45 an IFQ program to be implemented by a referendum vote of the
46 headboats that participate in this program, essentially, and, to
47 participate in this program, you have to have a federal reef
48 fish permit, you have to have catch histories at the Beaufort

1 Southeast Survey by December 31, 2015. You guys can put it back
2 in, of course, to make it clear, but all of that has already
3 been established, if you would.

4
5 **MS. ANDERSON:** I think that it can be taken a different way if
6 the Southeast Headboat Survey is not in there, and that's the
7 reason why I'm bringing up the point, because it could mean the
8 program be just the IFQ, which could be those who want to go
9 into the IFQ program of the Headboat Survey Program, and just a
10 portion of them. It may not be everyone.

11
12 I think that -- I'm actually going to vote against this, simply
13 because it has the IFQ program in there, but I think that it's
14 extremely important that everybody who has been a part of the
15 Southeast Headboat Survey deserves to have a vote in whatever we
16 do, and I saw this happen in the grouper fishery a while back,
17 and it brings me to tears every time I see this seventy-five-
18 year-old couple who got knocked out of the grouper fishery, the
19 commercial fishery, because they weren't substantially fished.

20
21 All they did was support their own little market in Crystal
22 River and their own little restaurant, and it wasn't considered
23 substantially fished. If there's a headboat operator that's in
24 that same situation, I don't think he should be left out.

25
26 **CHAIRMAN BOGGS:** Mr. Green had a question, but, to that point,
27 if they don't participate in this program and they still have
28 their reef fish permit and they keep their permit up, just
29 because whether they did or didn't fish in this, they're not
30 going to be eliminated. They will be in the recreational
31 fishery, and so it's not going to eliminate anybody from the
32 fishery. That's not the intent of this at all. This is not to
33 eliminate anybody from the fishery or take it away from anybody,
34 but I'm going to let Mr. Green speak.

35
36 **MS. ANDERSON:** Okay, but that's not what was said though in the
37 council meeting. What was said in the council meeting is if
38 they don't agree to work in these programs that they're not
39 going to be allowed to fish in federal waters for red snapper.

40
41 **MR. GREEN:** That was the recommendation made in 41, that we were
42 not going to allow charter boats to operate in a season outside
43 of whatever plan we're managing, in 41. The commercial snapper
44 IFQ doesn't have an alternate management system, and that's how
45 we set up 41, in this very same room two months ago, was that
46 there wasn't going to be this you get to opt out. You don't get
47 to have a separate management system than what we're developing
48 right here. Sorry to interrupt.

1
2 **CHAIRMAN BOGGS:** No, you're more than welcome. My intent with
3 this is to name this and move forward, and my intent is not to
4 eliminate anybody from the fishery.
5
6 **MS. GERHART:** I would just like to recommend that you put "Gulf
7 headboats" in there somewhere, because there are South Atlantic
8 headboats that are in the survey program, and you don't want
9 those voting.
10
11 **CHAIRMAN BOGGS:** Yes, that's exactly right. I have a permit in
12 the Atlantic too, and so at least I would get that, and so I'm
13 good with that.
14
15 **MS. GERHART:** A second thing, if I could. Federal permit,
16 because there are non-federally-permitted vessels in the program
17 as well.
18
19 **CHAIRMAN BOGGS:** Mr. Green, and then I'm calling my own
20 question. I've said that before, but this is the last one, and
21 then we're going to vote on it.
22
23 **MR. GREEN:** I appreciate that, Mr. Chairman. As far as the IFQ
24 and the PFQ are concerned, the idea of the PFQ was to remove the
25 individual ownership, and I'm not going to say that I would be
26 against transferability, because I'm in the headboat. I'm not
27 against the idea of a certain amount of shares you could part
28 ways with with that. I mean there's ways of developing it.
29
30 The big thing with the PFQ is that the biggest black-eye the
31 last time that we had something so divisive come up in our
32 fishery, which was the commercial red snapper, the way that went
33 down, the IFQ program, and, playing on what some of what Ms. Pam
34 is talking about, there was a lot of heartache over some things.
35
36 The idea was to remove the individual ownership. It's not to
37 remove the flexible part of it. The whole idea of a PFQ was to
38 have the complete flexibility of an IFQ, but without the
39 individual ownership, and it's just looking back in the past and
40 seeing what really was the biggest black-eye of that program,
41 even though it's very successful science-wise.
42
43 Whether you agree with me or not, Assane, I'm just telling you
44 that, in our town, it was a black-eye, because it tore families
45 and friends apart, and so I'm not saying it was unsuccessful,
46 because it is. It's very successful. It has helped rebuild our
47 fishery, and it's very sound science, and it's a very good
48 conservation fishery.

1
2 I am not saying that, but when we're trying to sell something
3 and we're trying to design something that nobody has done
4 before, and we're blazing our new trail, it's just a different -
5 - It's a twist on an idea, and it's not to screw anybody out of
6 anything. It's not to give anybody an extra benefit. All it is
7 is to try and look back in the past and see a program relative
8 to this and find a flaw in it and try to fix that. I appreciate
9 it, Mr. Chairman.

10
11 **CHAIRMAN BOGGS:** Okay. We've called the question, and we're
12 going to have a show of hands. **All in favor;**

13
14 **DR. DIAGNE:** **Seven for. Opposed, two. The motion carries seven**
15 **to two.** Are we taking a break, Mr. Chair?

16
17 **CHAIRMAN BOGGS:** No. We will take a break here shortly, but
18 let's try to get through this next one, because this one, I
19 hope, is fairly not a problem. Species to include in the
20 headboat program, we have -- I am going to read all the
21 alternatives.

22
23 Alternative 1 is status quo, no action, do not define reef fish
24 species to include in the management program. Alternative 2 is
25 to include red snapper and gag in the management program, and
26 the preferred alternative by the council that was sent to us is
27 to include red snapper, gray triggerfish, greater amberjack,
28 gag, and red grouper in the management program.

29
30 **That's what we have up here, and I am going to make a motion**
31 **myself to accept the preferred alternative of Alternative 3 and**
32 **to send that back to the council, that we agree to include the**
33 **red snapper, gray triggerfish, greater amberjack, and gag.**

34
35 I would have liked to see vermilion snapper in this, but I found
36 out that there's no recreational whatever on vermilion snapper,
37 and so it can't be done. I am going to make a motion, and look
38 for a second, to include Alternative 3, that that be our
39 preferred also, along with the council.

40
41 **MR. WILLIAMS:** You have a second.

42
43 **CHAIRMAN BOGGS:** We have a second with Johnny Williams, and I
44 will open the floor for discussion. Seeing no discussion -- Ms.
45 Anderson.

46
47 **MS. ANDERSON:** I wrote a lot of notes on this one. The only
48 reason that this helps our group of boats is that these

1 management changes is the set percentage of allocation as a
2 whole to the group of headboats. As it's set, whether the
3 overall ACL goes up or down, we have a set percentage, and so
4 that is a good thing.

5
6 In the grand scheme of things, if we have to have sector
7 separation, it is a good thing that we have a set percentage.
8 The downside is when the ACL goes down, which could very well
9 happen, as it did in 2006 and 2007 with the commercial guys,
10 that's when they eliminated half of their boats, almost, in the
11 next couple of years.

12
13 We have to consider that that may be something that comes up,
14 but we need to keep in mind that separate management of
15 headboats for red snapper would not exempt us from 407(d), and
16 it's a very important fact, because if do have our permit quota,
17 if we do have our IFQ, and we do not use that quota before the
18 Administrator deems that it's projected to be met, the quota is
19 going to be met, then we've lost all of what we might have
20 saved. I think that we need to always -- In all of this, we're
21 making our business model here, and so we need to keep that in
22 mind.

23
24 **CHAIRMAN BOGGS:** Thank you, Ms. Anderson. That's a very valid
25 point. Mr. Green.

26
27 **MR. GREEN:** I just wanted to say that I am going to vote to
28 approve this motion. This is a very select species, and, as far
29 as 407(d) is concerned, I mean I know we're developing a
30 business plan here, but I'm not -- That's a lot of what-if, and,
31 in the last year or two, we've seen a lot of cohesion from --
32 Other than red snapper, we've seen a lot of cohesion between the
33 states and the federal government concerning gray triggerfish in
34 our area. They are working together and, within a year or so,
35 they're coming to have similar management, seasons, and I speak
36 in favor of this motion.

37
38 **CHAIRMAN BOGGS:** Charlie.

39
40 **MR. PAPROCKI:** In 2014, I think we had nine days of red snapper
41 for the headboats, federally I guess it was, but I think the
42 fishing exempt program still got to catch them. How did that
43 work?

44
45 **DR. DIAGNE:** Because they had an exempted fishing permit, and
46 that gave them special permission, and I put that in quotes, to
47 be able to carry it out. They were not, in effect, part of the
48 regulations during the exempted fishing permit. They were able

1 to fish around, and so I will let Sue talk to that.
2
3 **MS. GERHART:** They weren't exempt from 407(d). The 407(d) says
4 that if the quota is met, and the quota was not exceeded, and so
5 there wasn't that trigger that stopped the fishing for the
6 collaborative people.
7
8 **DR. DIAGNE:** No, I meant the distinction between the nine days
9 and the time that they fished and not 407(d), because his
10 question was we had nine days, but they had more days than us.
11 407(d) is locked in. When it's met, everybody stops,
12 absolutely.
13
14 **CHAIRMAN BOGGS:** The reason that the collaborative got to
15 continue to fish after the nine-day season was that you had the
16 State of Texas, the State of Florida, the State of Alabama,
17 Mississippi, and Louisiana that were non-compliant. All of that
18 data from the state catches had to be compiled in order to
19 determine when the total ACL had been reached.
20
21 Generally, the ACL calculations -- Texas may have gotten their
22 stuff in by now for last year, but Texas is typically three to
23 four to five months, and so, a lot of times, the reaching of the
24 ACL is not even announced, and we don't even know where we were
25 on the ACL until sometime in the following year.
26
27 **MR. PAPROCKI:** I've asked that question I don't know how many
28 times, and I never did get a real good answer to that, why those
29 other vessels got to fish and we were shut down. That was
30 pretty strange, and so I guess they can't use that data though
31 in the history. That's later on down the road that we're going
32 to get there, but that was --
33
34 **CHAIRMAN BOGGS:** Mr. Charlie, I can't -- The reason that the
35 headboats in the collaborative program got to continue to fish
36 is because the calculations of when the ACL had actually been
37 reached -- If I'm not correct in those years, it was not
38 actually ever reached. We actually came in under quota as a
39 recreational sector altogether.
40
41 **MR. PAPROCKI:** Then we shouldn't have gotten closed down then.
42
43 **CHAIRMAN BOGGS:** It could have been a --
44
45 **MR. PAPROCKI:** It doesn't make any sense.
46
47 **CHAIRMAN BOGGS:** For expediency's sake, and my eyes are
48 beginning to turn yellow here, I am going to call my own motion

1 and let's vote this thing up or down. **All in favor, nine;**
2 **opposed, one.**

3
4 **DR. DIAGNE:** It's nine to one.

5
6 **CHAIRMAN BOGGS:** We're going to take about a ten-minute break.
7 Try to be on time and come back.

8
9 (Whereupon, a brief recess was taken.)

10
11 **CHAIRMAN BOGGS:** The Headboat Vessel Survey Program, the
12 alternatives are no action, all headboat survey vessels as of
13 December 31, 2015 must participate in the program. Alternative
14 2 is all headboat survey vessels as of December 31, 2016 may
15 choose whether to participate in the program selected in Action
16 1 at the onset of the program. Vessels choosing not to
17 participate must notify the National Marine Fisheries Service by
18 October 1 of the year before implementation of the program.

19
20 Vessels not in the program will be managed under the federal
21 recreational regulations for each species selected in Action 2.
22 Alternative 2 gives the option to opt in or opt out at the
23 beginning of the program. That's where we're at, and so we'll
24 open the floor to discussion.

25
26 **DR. DIAGNE:** Perhaps a little bit of context. We have this
27 action here, Action 3 in the document, because, as you recall,
28 during a previous council meeting, a council member suggested
29 that this amendment needed to include an option for folks to opt
30 in or opt out, essentially, and this action provides that.

31
32 The part here, the opting in and opting out, as mentioned by the
33 Chair, it is going to happen at the beginning of the program,
34 once it's implemented, and whoever feels that they want to opt
35 out essentially would be, as far as red snapper is concerned,
36 rolled into Amendment 41, which is being developed for the other
37 holders of federal for-hire reef fish permits and, for all the
38 other species, of course, then those vessels would fish under
39 whatever regulations we have at the time for the remainder of
40 the recreational sector.

41
42 **CHAIRMAN BOGGS:** Ms. Anderson.

43
44 **MS. ANDERSON:** What you're saying is if we decide not to opt
45 into 42, to the headboat program, we will fall under Amendment
46 41 and the charter boat program, but, in the charter boat
47 program, they're saying that if you choose not to be in that
48 program that you do not fish for red snapper in federal waters.

1
2 **DR. DIAGNE:** So essentially you have another decision point to
3 consider. If you opt out of this, 42, then you are rolled, for
4 red snapper only, as you mentioned, rolled into 41. Then you
5 can make another decision there to say do I want to be in this
6 or not, and, obviously, if you don't want, you would be subject
7 to whatever provision is adopted under 41, and that is yes, to
8 not fish in federal waters.
9
10 **MS. ANDERSON:** Okay, and so what we're saying is, in all of
11 these amendments, no matter what, we either opt into what you
12 all are planning or we don't get to fish in federal waters for
13 our customers, even though we hold a federal permit. is that
14 right?
15
16 **DR. DIAGNE:** I would not characterize it that way. I think you
17 would have to opt in or opt out in whatever it is that we all
18 are planning, because I don't see this as being "you all" are
19 planning. That's why you guys are sitting here, I guess to give
20 the council advice as to what type of program you want.
21
22 **MR. SCHMIDT:** My question would be, and perhaps I missed this,
23 since I arrived late this morning, but what criteria or what
24 cutoff defines a headboat from a charter boat from a certified
25 charter boat? You have a lot of boats that are inspected boats
26 that carry fourteen people or twelve people. Are they going to
27 categorized as a headboat or at what point does carrying more
28 than six passengers define a headboat?
29
30 **CHAIRMAN BOGGS:** For the terms of us being here today and for a
31 referendum, the boats that are in the Gulf that participate in
32 the Beaufort Headboat Survey are the ones that get to
33 participate in this program. According to the National Marine
34 Fisheries Service, and this is doing it from memory and this may
35 not be perfect, but any vessel that carries more than fifteen
36 persons and their predominant method of pay is person qualifies
37 under the headboat. The decisive issue in this was whether or
38 not that boat participated in the Beaufort Program.
39
40 **MR. HUBBARD:** Just for a point of order, I have a twenty-two-
41 passenger, forty-foot vessel that I tried to participate in the
42 partyboat preferred system, but I was denied, and they're
43 actually saying that no, that's a charter boat. I keep saying
44 it's over fifteen passengers, but I am caught in that charter
45 boat criteria, and that's just a -- I don't know if any of the
46 rest of you guys are, but it's a little annoying, but at this
47 point I can't do anything about it, because there's no catch
48 history on that vessel prior to the cutoff date.

1
2 **CHAIRMAN BOGGS:** I too have had two vessels, a thirty-eight-foot
3 boat that I ran that way and was turned down, and I also have a
4 twenty-two-passenger boat that's sixty-five feet long that did
5 participate in the Headboat Survey in Louisiana. When I moved
6 it to Alabama, the State of Alabama decided that it was a
7 charter boat and would not let it back in the headboat program
8 either, because it could have been a windfall to us, and so
9 you're not the only one in that, and so we're looking for
10 options here, guys. Somebody decide what we want to do.
11 Skipper.

12
13 **MR. THIERRY:** I would like to make a motion that this AP
14 recommend Alternative 1 as our preferred alternative.

15
16 **MR. GREEN:** I'm going to give it a second, but because I want to
17 discuss and not so much that I agree with it. We've had a -- I
18 know that we had a couple of vessels from Mississippi, and maybe
19 Dustin can talk about this some, but that actually got put into
20 the headboat survey this past year, and they have no catch
21 history, and it's a big concern of theirs, from what I heard
22 from a guy who represents that fleet.

23
24 It was a big concern that they were going to get lumped into a
25 headboat program with absolutely no catch history, and so I
26 would err on the -- Alternative 2 still sets the standard for
27 what we're doing, but it also gives those owners of those
28 permits and boats to be able to have the time to delineate
29 whether or not they want to be part of this or they want to go
30 to a different side.

31
32 **CHAIRMAN BOGGS:** Mark.

33
34 **MR. HUBBARD:** This leads right into what Pam was discussing
35 earlier and what you had said earlier about moving into a new
36 management system and how some people get left out. That's a
37 perfect example of that.

38
39 They could even, even if it's with a referendum, vote no, but if
40 the majority votes yes, they're screwed, and that's just not
41 right, and so we definitely need to be sensitive to those
42 actions, and I hope that on the charter/for-hire sector that
43 there's some provision for that, to where then they could at
44 least utilize the charter/for-hire, because, at this stage of
45 the game, they're -- They started after the drop-dead date, and
46 so, really, they need to drop back to the charter/for-hire
47 sector with those partyboats.

48

1 **DR. TRAVIS:** Just one point. If you could go back to the
2 alternatives, I think the year is wrong in one of the
3 alternatives.

4

5 **DR. DIAGNE:** Yes, put a "5" there. It's 12/31/2015. Thank you,
6 Mike.

7

8 **MS. GERHART:** Just to clarify as well that the sixty-seven
9 vessels that we've been talking about all had landings for 2015.
10 Some of them might not go back any farther than that, but they do
11 have landings in 2015. There may be vessels that were added
12 this year that wouldn't have those histories, but that's why we
13 put the control date at December 31, so that it wouldn't affect
14 the people who we know have landings in 2015. In a later
15 action, you will talk about what years to use for individual
16 landings, and there are options for dropping the lowest year and
17 things like that as well.

18

19 **CHAIRMAN BOGGS:** I would like to offer a friendly, I guess,
20 amendment to this, if we could, and I'm not sure how to
21 accomplish what -- This says that all headboats must participate
22 in the program, and I guess what I would add to it is it's the
23 recommendation of the advisory panel that no boats be eliminated
24 from the fishery by this action. Does that make sense?

25

26 **AP MEMBER:** If it can be done legally.

27

28 **CHAIRMAN BOGGS:** Yes, and I mean that's -- I'm trying to
29 accomplish what we all -- On my note, it's not our intention to
30 leave anybody out of this fishery, the guys in Mississippi or
31 anybody else. What happened is, after Hurricane Katrina came
32 through, they didn't have a state survey there, and they put
33 them in the headboat survey and let them get there.

34

35 **AP MEMBER:** I'm going to throw a wrench into this. One of the
36 previous discussions of this panel was the permit holders that
37 are just sitting on jet skis and that kind of stuff for years.
38 The idea was to require VMS with the control date, and so I
39 don't know how you all feel about that, if you still wanted to
40 have that discussion of the inactive permits that are out there.
41 This action will allow those inactive permits to have some kind
42 of access to the fishery, limited access, I would imagine,
43 unless there's some kind of a --

44

45 **CHAIRMAN BOGGS:** I'm going to modify that, that no boats that
46 actively participate in the fishery be eliminated from this
47 action. How's that?

48

1 **AP MEMBER:** I don't know.
2
3 **DR. DIAGNE:** This action really speaks to a fairly specific
4 issue, as well as you guys would have the opportunity, at end of
5 the day, to say I am in or I'm out. If I'm an inactive vessel
6 and I say that I'm in, it's obvious that, by the time we look at
7 your catch history, there is nothing to be in for, and so I
8 don't think that's a concern that we need to really spend too
9 much time on. That's the way I look at it.
10
11 **CHAIRMAN BOGGS:** I want to withdraw my amendment to this motion,
12 and then I'm going to call on Mr. Green and Ms. Anderson.
13
14 **MR. GREEN:** I was going to offer a substitute, but since you're
15 -- **I would like to offer a substitute motion for Alternative 2**
16 **to the preferred alternative in Action 3.** That pretty much gets
17 at what we're going at. It's got the same control date. It
18 just gives those vessels the ability to go to 41 if they don't
19 feel like they're -- I only think that the Mississippi boats
20 would really have that issue, per se.
21
22 The ones who don't have catch history or the newer entrants,
23 that would be the only ones that would opt out of this, in my
24 opinion, unless there is some other reason. As far as
25 allocation is concerned, that's what I would think, and that was
26 my concern, was the boats that don't have catch history or
27 haven't been in the program for very long, and so that's my
28 substitute motion, if I can get a second.
29
30 **CHAIRMAN BOGGS:** We've got the motion and a second, and Ms.
31 Anderson has a question.
32
33 **MS. ANDERSON:** We are talking about allocation of quota to the
34 headboat survey vessel program, right, Action 3?
35
36 **CHAIRMAN BOGGS:** Yes, ma'am.
37
38 **MS. ANDERSON:** Okay. Are these allocations going to be based on
39 overall pounds harvested of the annual catch limit each year?
40 Will those determining the amount of the headboat allocation
41 consider the percentage of harvest of the ACL at the time or
42 just the actual pounds? I say that, because, for instance, in
43 1986, the ACL -- Say it was 100,000 pounds and headboats got 25
44 percent. Well, the recent data shows anywhere from 5 to 15
45 percent, and so are we going to -- When we take those additional
46 years, if we were to do that, then that would be substantially
47 different.
48

1 **CHAIRMAN BOGGS:** That's a very valid point that's brought up
2 later in the document, in some further amendments to this, but,
3 to this, we have a substitute motion on the board. What you're
4 saying is very, very valid, and that's covered in another part
5 of this. Without bringing it into this, we'll stick with this
6 one right now.

7
8 We have a substitute motion and a second, and the motion is to
9 make Alternative 2, which says any headboat survey vessel, as of
10 whatever date, may choose to participate in the program, if
11 selected in Action 1, at the onset of the program. Vessels
12 choosing not to participate must notify the National Marine
13 Fisheries Service by October 1 the year before implementation of
14 the program. Vessels not in this program will be managed under
15 the federal recreational guidelines for each species selected in
16 this action. That's where we're at, and it's open for
17 discussion.

18
19 **MR. WILLARD:** Thank you for allowing me to speak. My
20 observation on this is that really both alternatives are
21 voluntary, and the distinction is that, even if it's Alternative
22 1, if you really don't like this, you can transfer away your
23 endorsement and your shares. In that case, you actually get
24 some compensation for leaving the fishery and the quota stays
25 among the Amendment 42 headboats.

26
27 **CHAIRMAN BOGGS:** A point of clarification. There has been --
28 It's been talked about of an endorsement. If we decide to go
29 down this road and you have a headboat permit and we vote this
30 thing in by referendum and you're in the program -- If we go
31 down this road and decide to have an endorsement on your reef
32 fish permit, you will get allocated your fish. When you get
33 allocated your fish, you can choose to use them during the
34 recreational season or you can choose to use them any time you
35 get ready to. If you don't like the program, there's a chance
36 that you could opt out of the program and move your fish back to
37 the recreational fishery.

38
39 You could opt into the program and keep your fish and
40 participate only during the recreational days. It will be up to
41 you to control your future and use your allocation and your
42 endorsement how you choose, or, at the time this thing comes
43 into effect, you could sell your endorsement and then move back
44 over to Amendment 41.

45
46 There's a million alternatives that we haven't gone down the
47 road to explore yet, but, for right now, we have a substitute
48 and a motion on the board. Ms. Anderson.

1
2 **MS. ANDERSON:** I think you misunderstood what I was saying a
3 minute ago, because what I'm trying to get at is this does apply
4 to this particular action, because if we're saying to allocate
5 quota based on landings from the most recent year -- If they're
6 allocating it according to the pounds, that's one figure.
7
8 If they're allocating it according to the percentage, that may
9 be the same number of pounds, but that's 2015's percentage.
10 It's not 1986's percentage, and so, therefore, I just want to
11 make that clear, because it is part of this action that we can
12 do, say Alternative 5 or an additional alternative. Thank you.
13
14 **CHAIRMAN BOGGS:** Then I need to read further into this.
15
16 **DR. DIAGNE:** We'll be talking about the allocation, to the
17 component as a whole, in Action 5, I think, and also to the
18 individual operators in Action 7 in this document. This really,
19 I mean the specific issue is do you think that once you design
20 the program that an individual headboat operator needs the
21 opportunity to say I am in or I'm out. That's all. The other
22 issue that you bring up, absolutely. Those, I think you can
23 discuss in Actions 5 and 7.
24
25 **MS. ANDERSON:** (The comment is not audible on the recording.)
26
27 **DR. DIAGNE:** No, this action is Action 3. It's the
28 participation at the onset of the program.
29
30 **CHAIRMAN BOGGS:** It's page 16, Ms. Pam.
31
32 **DR. DIAGNE:** Page 16, and so I think maybe you are ahead a
33 little bit. You are looking at a different action.
34
35 **MS. ANDERSON:** I think that that action is in my paperwork.
36 Maybe I got this too soon, but I am referring to something that
37 was dated January 2016, and so was there an update since then?
38
39 **DR. DIAGNE:** I will look it up. For Amendment 42?
40
41 **MS. ANDERSON:** Amendment 42, yes.
42
43 **DR. DIAGNE:** Yes, and so maybe I need to give you a copy of
44 this. It's dated, I think, March 25.
45
46 **MS. ANDERSON:** Okay. That's the reason why I'm --
47
48 **CHAIRMAN BOGGS:** Go ahead, Mr. Green.

1
2 **MR. GREEN:** I just want to add that we're talking about
3 allocation and we're talking about endorsements, which we're not
4 there yet, and those are what-ifs and unknowns, and that's why I
5 pushed for Alternative 2, is because if we get down that road,
6 it gives the flexibility of the operator to opt out of it. I
7 like the idea of an endorsement, and the allocation discussion
8 is going to bog us down and we haven't even got there, and
9 that's just a recommendation, and so I push that we pass
10 Alternative 2. It has a fail-safe for people involved.

11
12 **CHAIRMAN BOGGS:** I'm going to speak against this motion, because
13 if you push -- If you give them the option to opt out of this
14 and they opt back into 41, then they can either accept 41 or
15 they're out of the fishery, and that's not the intent. That's
16 not the intent.

17
18 I mean this puts a dead-end in place for people. If you
19 remember that we are controlling our business model and our
20 future, and if we all go into this and all the headboats vote
21 and we vote equally, if it does not suit you, you can either
22 relinquish -- We can design it in where you can relinquish it
23 and then go out and stay in another fishery or we can build in a
24 fail-safe ourselves to protect the people that don't want to be
25 in this fishery.

26
27 I will vote against this, and I will go back to the original
28 motion that it's an all-in, and we, as a group, need to build a
29 plan that will protect the headboats and protect the people here
30 and keep them in the fishery, because it is not my intent to let
31 anybody be eliminated from this fishery, and I don't want to see
32 them be pushed into 41, where they have no options, and so
33 that's where I'm going to speak. Skipper.

34
35 **MR. THIERRY:** Just a point. Sixty-seven boats is already a tiny
36 user group. Do we want that to -- We talk about fleet reduction
37 all the time, and do you want that to shrink to fifty boats or
38 forty-five boats? Do we become less significant if a lot of
39 boats happen to opt out? I mean that doesn't seem good to have
40 less in the smallest user group out there.

41
42 **CHAIRMAN BOGGS:** Dustin.

43
44 **MR. TROCHESSET:** Talk about making your own decisions and
45 running your own business, it doesn't seem like Alternative 1
46 gives you any option to run your business the way you want to.
47 You have to do something. That's the complete opposite of what
48 you just said about making your own decisions, isn't it?

1
2 **CHAIRMAN BOGGS:** No, it's not, because all we're talking about
3 is including all the headboats in what we do.

4
5 **MR. TROCHESSET:** I understand, but then you have an option.

6
7 **CHAIRMAN BOGGS:** But we have designed no options past including
8 all the headboats, no options. Right now, that is a blank sheet
9 of paper that you can write in anything you want, so we can
10 design this program to protect the people that we want to
11 protect and need to protect and should protect and it's our
12 obligation to protect, just like you and the boats from
13 Mississippi.

14
15 I have no desire and no intent and will go down fighting tooth
16 and nail to protect every boat in this fishery, and that is not
17 my intent. My intent is, if we vote this in and we include all
18 of the boats, to design this program so that everybody that's in
19 this entity is protected and gets to continue in their fishery,
20 and that's what the charge of this panel is to do, is to design
21 what we want to do going forward, and that's why I speak in
22 favor of Alternative 1.

23
24 They talk about divide and conquer, and that is true, but we
25 have to look after the boats that have less than we do or are
26 less fortunate. Like Ms. Anderson said, all of us that come to
27 these meetings are pretty privileged, because we've made a
28 pretty good living out of this and we have a little bit of
29 money, and it's up to us to protect the boats that are smaller.

30
31 We have a blank sheet of paper moving forward, and if we are
32 all-inclusive and we all work together, we can protect those
33 boats and make sure everybody is included, and that's where I'm
34 going. Mr. Hobbs.

35
36 **MR. HOBBS:** I might just offer one observation there. I think
37 everybody is trying to design a system that allows somebody who
38 doesn't want to be in the program to opt out, and I think either
39 one of these would allow it. The difference is if you make it
40 mandatory. Somebody who gets an endorsement, if that's what you
41 guys choose, and shares then has an asset that potentially has
42 value that somebody else might want to buy.

43
44 Maybe the existing participants want to buy your shares. Maybe
45 there is somebody who wants to come into the fishery and wants
46 to buy your endorsement or whatever, but you have an asset
47 that's potentially worth something that you can sell and exit
48 the fishery and go back to the rest of the for-hire sector.

1
2 If you just do the opt-out, then you're just opting out and
3 walking away and foregoing the potential of having this asset
4 that you would otherwise get under Alternative 1, if it's a
5 mandatory program, but, either way, you can opt out. If you
6 don't like the fishery, you can sell your shares, sell your
7 endorsement, and then go back, if you guys design it this way,
8 go back and fish with the rest of the recreational for-hire
9 fleet under the season lengths that are established now, and so
10 I think you have that option either way. The difference is, if
11 you make it mandatory, you actually might be able to be
12 compensated for leaving the headboat sector.

13
14 **CHAIRMAN BOGGS:** Understand that my intent of being here and my
15 intent to work so hard is to include everybody in the fishery,
16 and we have a blank sheet going forward. If they opt out, the
17 only place they have to go is 41, and then, in 41, there's dead
18 end.

19
20 **MR. HOBBS:** I'm not pushing for -- I'm not here saying that I'm
21 doing this because I want to opt out. I am on the same -- No
22 pun intended, but I'm in the same boat. I want to make sure
23 that everybody has the opportunity to do what they want, and
24 "must participate" is kind of strong words to giving somebody a
25 choice, is my thing.

26
27 **CHAIRMAN BOGGS:** Yes, it seems that way, but if we gave
28 everybody what they wanted, we would have a 365-day season with
29 no bag limits and no nothing, and that's what everybody would
30 have, but, unfortunately, where we're at in the world today, we
31 have to make the best decision for everybody that we can
32 possibly include and be good stewards of the resource and good
33 stewards of our neighbors, and so that's where I'm at with this,
34 and I mean I'm not -- We need to make sure that if we go with
35 Alternative 1 or 2 that we put in the options for the other guys
36 and consider the alternatives, to make sure that we don't have -
37 - There is going to be bitter feelings no matter what we do,
38 unless we go with a 365-day unlimited season, which that's not
39 reasonable and we know that, but we have to make the best
40 decisions as good stewards of the resource and our neighbors to
41 move forward, and so back to the discussion.

42
43 Seeing no more discussion, let's vote this up or down. All in
44 favor. We are voting on the substitute motion, which is to make
45 Alternative 2, and let me read it again so there's no
46 misunderstanding. Any headboat survey vessel, as of the date
47 chosen, can choose whether or not to participate in the program
48 selected in Action 1 at the onset of the program. Vessels

1 choosing not to participate must notify the National Marine
2 Fisheries Service by October 1 of the year before the
3 implementation of the program. Vessels not in the program will
4 be managed under the federal recreational guidelines for the
5 species selected in Action 2. That's what we're voting on. **All**
6 **in favor, two; all opposed, eight. The motion fails, and that**
7 **takes us back to the original motion.**

8
9 The original motion is Alternative 1, no action, all headboat
10 survey vessels, as of whatever date we choose, must participate
11 in the program. We've already kind of beat the horse. Let's
12 vote on this thing. **All in favor, seven; opposed, one; and two**
13 **abstentions. The motion carries.**

14
15 That takes us through Action 4, and now we're headed for Action
16 4. I owe you all an apology before we start this. I have a
17 brand-new pair of glasses, and it's been the hardest thing for
18 me to get used to that I've ever seen, and so sometimes I'm
19 feeling my way through this guys, and so bear with me, but this
20 has been tough.

21
22 Headboat Survey Vessel Endorsement or Permit, Alternative 1 is
23 no action. Alternative 2 is establish an endorsement for all
24 headboat survey vessels. Option 2a is headboat survey vessel
25 endorsements are not transferrable, except with transfer of the
26 Gulf reef fish for-hire permit that it is originally assigned
27 to. Option 2b is headboat survey vessel endorsements are
28 transferrable to any headboat survey vessel that opted out of
29 the program at the onset, and that's Action 3, or met the
30 headboat survey vessel criteria after the control date. Option
31 2c is headboat survey vessel endorsements are transferrable to
32 any vessel with a Gulf reef fish for-hire permit.

33
34 Alternative 3 is establish a Gulf reef fish headboat permit for
35 headboat survey vessels. Gulf reef fish for-hire permits held
36 by headboat survey vessel program participants at the time of
37 implementation of this action will be converted to Gulf reef
38 fish headboat permits. A Gulf reef fish headboat permit holder
39 may only fish off the headboat survey vessel quota for the
40 species selected in Action 2 throughout the year.

41
42 Option 3a is Gulf reef fish headboat permits are transferrable
43 to any headboat survey vessel that opted out of the program at
44 the onset, Action 3, or met the headboat survey vessel criteria
45 after the control date. Option 3b is Gulf reef fish headboat
46 permits are fully transferrable.

47
48 **DR. DIAGNE:** Essentially, the council is considering this

1 action, and hopefully it will be much shorter, to do one thing.
2 You recall that we defined headboats to participate in this
3 program, and we also talked to you about the control date that
4 the council has selected, which is December 31, 2015.

5
6 This is going to be one more step, if you would, to clearly
7 identify, once and for all, who is in this pile, meaning 42, and
8 who is elsewhere, 41 and over, and the two alternatives is
9 either an endorsement to the permit, and those are the options
10 that Mr. Chair read in Alternative 2, as far as transferability.
11 Do you want to limit it only to those who opted out, or do you
12 want to open it up so that some, possibly, charter vessels could
13 come in and buy those endorsements and become headboats? That's
14 one of the options there.

15
16 The other thing that could be done here is, rather than an
17 endorsement, is to go and split the permits outright. Right
18 now, as you know, we have a federal reef fish for-hire permit,
19 but if you went with Alternative 3, we would have a new, I
20 guess, type, and this is going to be a Gulf reef fish headboat
21 permit, and so those are the choices, having an endorsement on
22 the permits that you already have, creating a new permit, and
23 the second decision point is what are the transferability
24 options that you want to allow, from no transferability to
25 allowing charter vessels or anybody, for that matter, to buy one
26 of those and become a headboat, if you would. Thank you.

27
28 **CHAIRMAN BOGGS:** Could you say that again?

29
30 **DR. DIAGNE:** I can't, but the first decision point is an
31 endorsement to the permit that we already have or go ahead and
32 outright split the permits, have a headboat permit, essentially,
33 here, and I guess, by default, everything else would be a
34 charter permit. That's the first decision point. Perhaps,
35 after we finish that, we can look at the transferability options
36 that you may want to consider.

37
38
39 **CHAIRMAN BOGGS:** Before I open this up for comment, this is a
40 long, drawn-out thing. For those of us that come to a lot of
41 these council meetings, we've heard staff talk about those
42 stickers that we get on the boats, and they had to spend a huge
43 amount of money to print those stickers and keep those stickers
44 and keep all that done, and, if we split the permits, the
45 paperwork and everything involved is going to be astronomical.

46
47 It seems to me and I didn't understand half of this, but it
48 seems to me that if we use an endorsement system, which would

1 just be adding a section to the reef fish permit we have, that
2 that would be a simple thing to do. Now, what that endorsement
3 entails, it depends on our design from here forward, but that's
4 the way that I see it, and I'm going to open the floor up for
5 discussion, because I really am about as confused with this as
6 anything I've ever heard of in my life.

7
8 From what I understand, and I've been talking a lot, I mean I
9 think some kind of an endorsement to this thing may be an
10 alternative. Charlie.

11
12 **MR. PAPROCKI:** I think you should be able to transfer your
13 permit to another boat. I think that's what it says. If you
14 went out of business and your boat tore up or burned or it's old
15 and you want to get a new boat, you can transfer that permit to
16 another boat or still sell it with the endorsement. I take it
17 that's what we're able to do.

18
19 **CHAIRMAN BOGGS:** I think that the endorsement that we're
20 speaking of here -- Understand this endorsement does not exist.
21 This is something that we have to design going forward, but the
22 endorsement -- This is my interpretation, and I could be wrong.

23
24 If we go to a referendum and we vote this thing in and it goes
25 forward, you get an endorsement and Ms. Pam gets an endorsement
26 and Jim gets an endorsement and Mark gets an endorsement and
27 you don't like the program, we can design this where day one you
28 can relinquish your endorsement and it goes back into the
29 recreational fishery and your fish would move back into the
30 recreational fishery or the fish could stay in the headboat
31 program and you could opt out.

32
33 **MR. PAPROCKI:** But it's separate than allocation. Allocation is
34 something else, right?

35
36 **CHAIRMAN BOGGS:** It's completely different. This is just do we
37 want to create a whole other permit, or do we want to put an
38 endorsement on the permit? I'm oversimplifying it, but do we
39 want to put an endorsement on the permit that we have, and what
40 that endorsement entails is to be defined by this entity moving
41 forward. That's what I'm seeing it to do.

42
43 We can have it with opt-in or opt-out or transferability. There
44 is a lot that we can -- The endorsement doesn't exist, and it's
45 up to us to design going forward and send up to the council what
46 we want it to do. Mr. Green.

47
48 **MR. GREEN:** I like the idea of an endorsement. I wanted to

1 bring a few things up to talk about, but it makes sense.
2 Instead of creating a whole other bureaucracy of permits and
3 stuff, I totally agree with that.

4
5 One thing I want to say is that, in dealing with 41, it became
6 shinningly obvious to me that there's about ten or fifteen
7 permits, maybe ten or twelve permits, that are over sixty
8 passengers. Those were definitely not set up to be, per se,
9 charter boats. I have never seen a sixty-passenger charter boat
10 in my existence, as far as operating as one.

11
12 Some of the concern is that those permits are going to do. I
13 mean you're kind of throwing a setback, and this is for
14 discussion, but you're throwing a setback at them by -- I don't
15 know. There's not really an option that goes right at what I'm
16 talking about, but if we have this X amount of fish and we have
17 these permits that aren't in the headboats, but are definitely
18 de facto headboat permits, why wouldn't they be allowed to get
19 into the fishery with an endorsement if they meet the criteria
20 and be able to, if we go under IFQ, be able to acquire shares
21 and generate a new business? I don't know if somebody here can
22 answer that.

23
24 **CHAIRMAN BOGGS:** I cannot answer that, but I can offer this. If
25 we vote to have an endorsement put on our permit, it is up to us
26 to design what that endorsement will allow or won't allow them
27 to do, and who it will allow to participate and who it won't
28 allow to participate, so it doesn't have any preconceived
29 notions as to what that means, because it's up to us to design
30 that. Daniel.

31
32 **MR. WILLARD:** I have a question, just because I'm confused at
33 the wording for 2b. It talks about endorsements being
34 transferable to any headboat vessel that opted out or met
35 criteria, but I read that as endorsements will be transferable
36 to any vessel that meets the criteria of a headboat now or
37 later. A vessel that's not currently in the survey, for
38 example, could acquire --

39
40 **CHAIRMAN BOGGS:** Where are you reading that?

41
42 **MR. WILLARD:** It's Option 2b. A vessel that's not currently in
43 the survey now could acquire an endorsement later, through this
44 option.

45
46 **DR. DIAGNE:** Yes, that's exactly it. Essentially, if this group
47 recommended to the council to have an endorsement, and then the
48 council went in that direction, you could do that. Let's start

1 with 2b. Those folks who decided to opt out and then at a later
2 date, perhaps, changed their minds, have a change of heart, they
3 can turn around and purchase an endorsement from somebody else
4 and get going in this fishery. That's one thing.

5
6 Let's say that in the future, after the control date, which is
7 2015, the end of the year, a new vessel, some of those vessels
8 that you guys talk about, starts reporting to the Beaufort
9 Survey. Then they can turn around and say, okay, I want an
10 endorsement, because I want in this program. That's 2b.

11
12 2c will allow transferability to any for-hire vessels, meaning a
13 charter vessel right now can look at 2c and say, well, I think I
14 like what is 42 and let me go buy an endorsement and be part of
15 that. 2c would allow you to do that.

16
17 **MR. GREEN:** 2b is what I'm -- Is that what you're saying,
18 Assane, because I'm talking about the permits that might be
19 operating as charter boats, but are definitely de facto headboat
20 permits with the baseline passenger capacity.

21
22 **CHAIRMAN BOGGS:** There are several boats in Destin that operate
23 as headboats, but they don't participate in the Beaufort
24 Headboat Survey Program, and they're operating under the
25 recreational charter boat fleet, and they didn't report to
26 Beaufort, but their permits are so large that they are not truly
27 a charter boat, and I don't know that their predominant method
28 of pay is per person or if they do them as private charters, but
29 I think that's what we're trying to cover here.

30
31 I have a question that I need clarified. If we do an
32 endorsement and we go with five species of fish, does the
33 endorsement cover all five species? Then you have an
34 endorsement in South Florida on -- I'm going to make up a -- The
35 Yankee Caps Boat, which is down in the Keys, and he doesn't
36 harvest red snapper. Mostly what he harvests, I would think,
37 would be hogfish and groupers and mutton snappers.

38
39 I don't know, but I mean you have a boat down there, and is his
40 snapper -- Is there an endorsement for each of the species and
41 that endorsement could be made transferable to a boat in the
42 northern Gulf that needs to fish there, or are we talking about
43 a blanket endorsement that -- It's up to us to design that,
44 going forward.

45
46 **DR. DIAGNE:** Yes, but I think you spoke to this issue indirectly
47 when you offered to support the preferred alternative that the
48 council so far has, when it comes to the species that are

1 included in this program, and those are the five major species,
2 from red snapper onward. The endorsement is going to address
3 that. Essentially, it will define you as a headboat for the
4 purpose of managing those five reef fish species that are
5 included in this program.

6

7 **CHAIRMAN BOGGS:** Mr. Hubbard.

8

9 **MR. HUBBARD:** I understand that it's just a -- I like the idea
10 of just the endorsement of the permit, rather than a complete
11 new permitting system. That seems to make sense. The challenge
12 would be the people would look at the fishery and transfer to
13 whatever fishery they're going to get the most benefit out of,
14 either 41 or 42. That would be the challenge, because you're
15 going to have companies hip-hopping back and forth and screwing
16 up our quotas and our percentages and all.

17

18 **DR. DIAGNE:** Yes, and I mean there is an opt-in or opt-out
19 provision at the onset of the program, but your recommendation
20 is everybody must be in, and so let's start from there, that all
21 sixty-seven, or thereabout, vessels are in, but, depending on
22 the option you choose here, then you can prevent, if you would,
23 or at least recommend to prevent -- Let's say, for example, you
24 picked Option 2b.

25

26 Then who can acquire an endorsement? Only those folks who opted
27 out, if there were some, and under Alternative 1 in the previous
28 action, you wouldn't have that, or those who meet the survey
29 criteria after the control date. They are the only ones.

30

31 Let's say a new vessel starts reporting to the Beaufort Survey.
32 It would be eligible to acquire an endorsement. Everybody else
33 would be out, and so I guess a company couldn't just come in and
34 hop in and out of this as they want, but if, for example, we
35 picked 2c, it says that charter vessels with a for-hire reef
36 fish permit now or headboats, and they are the other people that
37 have this permit, can buy this.

38

39 In the endorsement here, there is nothing that would allow let's
40 say someone outside of the for-hire industry to jump in and out,
41 unless that person buys the whole thing, the permit and the
42 endorsement, and to be essentially a headboat, and so I think
43 some of your concerns could be addressed or mitigated, depending
44 on the options that you select here.

45

46 **CHAIRMAN BOGGS:** Okay, guys. I am going to see if I can start
47 eating this elephant one bite at a time. **I'm going to make a**
48 **motion to accept Alternative 2 as our preferred and establish a**

1 **headboat endorsement.** Now, in explanation to that, I think that
2 a headboat endorsement is easy. It's paperwork-friendly, and
3 it's fairly simple there.

4
5 Now, after we vote this and we decide if want a headboat
6 endorsement on the permits, then the next thing is to come back
7 and choose what we want that endorsement to entail, whether you
8 can opt in or opt out or what it includes. Is it separateable?
9 Let's take this in little steps.

10
11 What I would like to do is I've made the motion that we support
12 a headboat endorsement. Now, the definition of that endorsement
13 is to be defined by us here at this table, and so I'm going to
14 open that up for discussion. We have a second by Mr. Green.
15 The floor is open for discussion. Any discussion? Mr. Charlie.

16
17 **MR. PAPROCKI:** I'm trying to figure this out compared to the
18 commercial and if it could be simplified with the endorsements
19 and permits and whatever. If you have a permit and somebody
20 wants to buy your permit, they can buy the permit. If they
21 already have a permit, I guess they can buy your endorsement and
22 be able to --

23
24 **CHAIRMAN BOGGS:** We're not going down that road just yet.

25
26 **MR. PAPROCKI:** So we need it though? We need an endorsement?

27
28 **CHAIRMAN BOGGS:** What I want to do, and what the intent of this
29 is, is do we or do we not agree that we need an endorsement to
30 our permit and then design what is entailed in that endorsement
31 in the next motion. Does that make sense?

32
33 **MR. PAPROCKI:** Yes.

34
35 **CHAIRMAN BOGGS:** I think, from a paperwork reduction standpoint,
36 from no more permits and from -- In my feeble mind, when you
37 renewed your permit, if you're in this program, your endorsement
38 will automatically renew with your permit, and it will just be
39 something that's typed in on there, and I can't guarantee that's
40 the way it will work, but that's the way I foresee it working,
41 but I think that the design of what the endorsement is is up to
42 us, and that could include something where -- I'm not going to
43 start introducing options here, but what I'm saying is the
44 alternative is to establish an endorsement for headboat permits,
45 and then what that endorsement entails will be defined in the
46 next action that we take.

47
48 **MR. PAPROCKI:** That's my thing. Do we need an endorsement?

1 Everybody that has permits, they're already in anyway, and so I
2 guess this makes it more versatile afterwards or --
3
4 **CHAIRMAN BOGGS:** If we establish this endorsement, we can have
5 this where you can opt out and go into 41. We can have it where
6 your endorsement is sellable. You could have your endorsement
7 where you could -- If you tied all your fish to it, you could
8 sell them. If you got an endorsement and that endorsement
9 included your fish, you could sell your endorsement.
10
11 **MR. PAPROCKI:** So if you sold your endorsement and then you
12 still have your permit, then your permit is void anyway.
13
14 **CHAIRMAN BOGGS:** No, this --
15
16 **MR. PAPROCKI:** You're not going to be able to fish in federal
17 waters, because you have that to do it.
18
19 **CHAIRMAN BOGGS:** Right, and all we're agreeing to here is that
20 we need an endorsement. This is one bite of a big, giant
21 elephant. If we agree that we need an endorsement, then the
22 next thing we'll do is move forward to determine what that
23 endorsement means.
24
25 **MR. PAPROCKI:** Okay.
26
27 **DR. DIAGNE:** You have Jessica in the back.
28
29 **DR. JESSICA STEPHEN:** Maybe I can help clarify things.
30
31 **CHAIRMAN BOGGS:** I'm going to get corrected here, I'm sure.
32
33 **DR. STEPHEN:** I think it's just more of a clarification. We
34 need some method within the program to identify who the
35 participants are, because the for-hire permit as a whole
36 identifies two groups of people. The two methods we came up
37 with was an endorsement or transferring to a different permit.
38
39 For the initial start of the program, this is probably evenly
40 based between both of them. For what happens as the program
41 goes on, I think that's where you have differences between what
42 can happen with endorsement versus a separate permit.
43 Paperwork-wise, it's about the same on the management side and
44 for you guys. That's not the big difference.
45
46 The difference is thinking about, and just bear with me as I'm
47 kind of thinking out loud here a little bit, but it's how you
48 transfer that to people down the road. Think of if you transfer

1 your permit back and forth between a headboat and a charter
2 boat. One of these options may be more preferable to someone
3 who is using their permit in both sectors on different vessels.
4 Let's be clear that it's not a vessel transferring between the
5 two.

6
7 We do know that some people transfer their permits back and
8 forth between the programs, and so that's one thing to think
9 about in relation to both of these. Another thing to think
10 about is if your vessel -- If you have to get a new vessel and
11 how that works.

12
13 The other thing is think about participation in the future, how
14 to get people into or our out of the program. If we switch to -
15 - Either way right now, when you're switching to an endorsement
16 or a new permit, you're kind of locking yourself in at the
17 number of vessels that we have in the program, and so that can
18 be something you can decide not to do and figure out a way to
19 increase those, to some extent, but you're going to have to work
20 within the limited access of the for-hire as a whole, most
21 likely, and we can check with the lawyers on that.

22
23 The main difference is think about this towards the future and
24 what you want to have the ability to transfer, either the
25 endorsement and/or a separate permit. They come out fairly even
26 in a lot of ways. I don't know if that actually clarified
27 anything.

28
29 **CHAIRMAN BOGGS:** Ms. Anderson.

30
31 **MS. ANDERSON:** Just a question. What you're saying is the
32 endorsement, in this sense, would just say that this is the
33 group of folks who are going to be in this program and that's
34 all that are going to be in this program, and so the only way to
35 get into this program would be to buy somebody else's
36 endorsement? Is that right? I'm just asking, because I want to
37 be sure that I understand it.

38
39 **CHAIRMAN BOGGS:** I wish that I could clarify that for you, but
40 there is a lot of dots after anything that we say. There is
41 more to come, and one of the side discussions we were having
42 here is if -- We want headboat fish to stay in the headboat
43 fishery, because -- Here, I'm going to get on my soapbox for a
44 second.

45
46 These are a public resource. We are an access for the public to
47 go catch these fish, and this is a public resource, and I see
48 this more as a trust than an IFQ program, and I wish that I

1 could go back and redo some of the things that we've done in the
2 past, but I see this as a trust. We're being entrusted with the
3 American public's fish. I don't want to eliminate anybody from
4 the fishery, and I certainly don't want to decrease public
5 access, and I don't want to increase the cost to the public to
6 go access these fish.

7
8 What Jim and I were talking about as a sideline -- In this
9 endorsement, all we're saying is we want an endorsement
10 identifying our universe, and we can say that a headboat is a
11 boat that has a COI or a fishing permit for more than fifty
12 passengers.

13
14 If we did that, and we gave an endorsement to everybody that
15 carried more than fifty passengers, but they didn't participate
16 in the Beaufort Survey, then they could become a headboat by
17 purchasing fish from somebody or leasing or participating in the
18 fishery, and that's another access, but, for the point of this,
19 my intention of this is to identify our universe and to set
20 forward the rules that we're going to adhere to in going
21 forward. Do we want an endorsement on the permit and then we
22 will design the endorsement and what that means in the next
23 step? Mr. Assane.

24
25 **DR. DIAGNE:** Nothing to add, sir. I mean, exactly. This
26 endorsement, we have already discussed a set of criteria that
27 will be looked at to define who is going to be in this program
28 in the beginning here, and so give or take those sixty-seven
29 vessels.

30
31 Now the question is -- Let's say, for example, I am one of those
32 headboats and I go fishing and then enforcement comes in. They
33 need to be sure that I am a member of this program. Either I
34 show them a different permit or the endorsement, and, so far,
35 your discussion leans towards an endorsement.

36
37 Then I have an endorsement that clearly shows that I am a
38 headboat and that I am a participant in this program, as
39 designed in Amendment 42. That's all it does. Nobody will be
40 kicked out because there is an endorsement. It is just, I
41 guess, a tangible way of solidifying the two universes, as you
42 mentioned it.

43
44 Now, after that, the endorsement has been created. Who you want
45 to allow in in the future will be determined by the option you
46 choose you recommend to the council when it comes to the
47 transferability. You can limit it to only those folks who said,
48 in the beginning, that I don't want to participate in this and

1 perhaps change their mind down the line or you could say anybody
2 that has a for-hire permit, meaning including charter vessels,
3 could, at some point, buy one of these endorsements and come in.
4

5 The option of having let's say someone like me, totally outside
6 of the fishery, coming in is still available, but I would have
7 to buy the permit and the endorsement together to be eligible to
8 participate in the fishery. Thank you.
9

10 **MS. ANDERSON:** Then if the permit is tied to the boat, then they
11 would have to buy the boat and the permit and the endorsement?
12

13 **CHAIRMAN BOGGS:** If that's how we choose to set it, and you
14 could go so far as to say that you could have an endorsement
15 that's splittable four ways or you could have an endorsement
16 that's not splittable at all, and so you have to buy the -- Like
17 if you have a boat that -- One of my contentions in this is if
18 you have a boat that has a hundred-passenger COI that's been
19 fishing actively for red snapper and they have a huge amount of
20 fish, that permit would only be purchasable by few people in the
21 world, because it's going to be so expensive.
22

23 Say that boat burned down or something happened to it and we
24 designed this thing where those fish are tied to this
25 endorsement and you couldn't split them. Then the odds of
26 getting somebody to purchase that or the owner of those fish --
27 The price would be driven down, and I'm going to shut up and let
28 Mr. Green talk.
29

30 **MR. GREEN:** I like the idea of -- The endorsement is good, and
31 my main concern is vessels that, like I said earlier, de facto
32 style permits of some people buy them as investments and some
33 people buy them to put on a headboat in the future in their
34 business and they are not actively fishing in the headboat
35 Beaufort Survey right now, and so I would like to see something
36 to where if it's -- You know we've got the vessels that are in
37 it, that are already in here by the control date, and then any
38 vessel over fifty would be eligible for the endorsement.
39

40 The allocation would have to come with transferring or leasing
41 or buying, but I think that we're putting the -- It is a small
42 group, but so are we. We're putting potentially people who have
43 hard cash money investment wrapped up into permits for the
44 future at a disadvantage by only limiting how many endorsements
45 to what's in the control date right now.
46

47 What I'm saying is that if a boat is over fifty passengers, that
48 permit is over fifty passengers, they should be eligible, if

1 they want to, to get an endorsement, because of the fact that
2 it's that big and there's that few of them, but, as far as
3 allocation goes, if it's after the control date, then they would
4 have to buy into the fishery, more or less, but they should at
5 least have the eligibility for an endorsement to enter the
6 fishery.

7

8 **CHAIRMAN BOGGS:** Mr. Hubbard.

9

10 **MR. HUBBARD:** The IFQ covers the allocation, and so some of us
11 were talking about the endorsement and having an allocation that
12 would come and go. The endorsement is just to qualify the
13 permit for a headboat or a charter boat, and I thought there was
14 already a qualification of over fourteen passengers is a
15 partyboat, and so it would make sense that we would match that.
16 Anything over fourteen passengers would have an opportunity to
17 be a partyboat, but if you don't have any individual fishing
18 quota to go with it, it's really worthless, unless you have to
19 lease it from someone else.

20

21 I mean, really, Alternative 2, Option 2c makes it the simplest
22 and gives us the most flexibility, because it doesn't come with
23 IFQ. It's just whether the boat is -- The only thing we would
24 have to add to that is over fourteen passengers.

25

26 **CHAIRMAN BOGGS:** Guys, we're getting into options for the
27 endorsement. The motion that I have is to establish an
28 endorsement, and then we can define what we want it to do.

29

30 **AP MEMBER:** Let's call the question.

31

32 **CHAIRMAN BOGGS:** We're going to call the question. I'm going to
33 allow Ms. Anderson to comment.

34

35 **MS. ANDERSON:** I was just going to say that one of the things
36 that I've said many times before is that when the Science Center
37 -- When Bonnie Ponwith is talking about figuring out who is
38 fishing what, she needs the universe of anglers in that fishery,
39 and so this would clarify that for the headboats, and so just
40 the endorsement itself would say these are -- For law
41 enforcement, that would be a good thing also, that it had that
42 endorsement.

43

44 **CHAIRMAN BOGGS:** Exactly. Okay. We've called the question, and
45 so we're going to vote this up. **All in favor of an endorsement
46 for the headboat permits.**

47

48 **DR. DIAGNE:** Five. Any opposition? No. The motion carries,

1 and it was unanimous.

2
3 **CHAIRMAN BOGGS:** Okay, guys. I'm trying to do this and cut this
4 thing up into small bites so we can swallow it. The options
5 that we have coming up here are for transferability. I have no
6 preconceived notions about how this goes, but I'm going to talk
7 for just a second about this.

8
9 If you open this up, there is no program, there is no design --
10 These are things that I've heard. Mr. Green offered a thing
11 that any boat that has a COI or a fishing permit, and I would
12 say the fishing permit, that's for fifty-plus passengers -- That
13 boat, we can allow them to qualify for an endorsement. They get
14 no headboat fish, but they could purchase them. We could have
15 it where you could --

16
17 **MS. ANDERSON:** From whom?

18
19 **CHAIRMAN BOGGS:** From whomever is willing to sell them a fish.
20 If we decide to -- They would have to buy fish from one of us if
21 they wanted to participate in the fishery. We could have it
22 where the endorsement is five endorsements. You get a red
23 snapper, a grouper, and an amberjack endorsement, and you could
24 sell an endorsement.

25
26 We can design whatever into this that we would like to see. I
27 would like to see, and this is a concern of mine. If we stay
28 with fifty passengers and above, that's a pretty safe world,
29 because there's going to be a sixty-five-foot boat, because of
30 the Coast Guard rules with thirty inches of rail space. That's
31 a pretty safe deal.

32
33 What I worry about is with the loose thing of fourteen
34 passengers and the predominant method of pay for-hire is we
35 don't want to limit the public's access to those fish, and
36 Magnuson also gives -- I'm not a Magnuson expert, but it gives
37 credence to the most efficient means of harvest. By that, they
38 mean the smallest carbon footprint.

39
40 A boat that carries sixty people or eight people or a hundred
41 people and burns 300 gallons of fuel to do that is certainly
42 more efficient than fifty six-pack boats burning the same amount
43 of fuel. It has a bigger carbon footprint, and so it's going to
44 be up to us to design where we go from here. When it comes to
45 transferability, that's what we're going to talk about.

46
47 Here's what I would like to do, and this is not part of the
48 agenda and this is not up here, but what I would like to do is

1 somebody give me an idea of what you would like to see, because
2 these are alternatives that have been given to us, and we can
3 pick a different alternative if we don't like them, and so what
4 would --

5
6 **DR. DIAGNE:** Just perhaps one point. It seems, to me, that
7 there's a little bit of an overlap. The endorsement here is not
8 to define who is a headboat and who is not. It is not the
9 purpose. It is to define which one of the headboats participate
10 in our program, as designed in 42, and so I understand the
11 concern of a boat that is above fifty and so on and so forth.
12 That is not really what this endorsement is trying to do.

13
14 It is not trying to say that you are a headboat or you are not.
15 It is to say that these headboats with our endorsement -- I
16 believe that it's going to be one endorsement for the program.
17 That will identify the universe of headboat vessels that
18 participate in the program that you help the council design.

19
20 It doesn't define, outside of that, who qualifies as a headboat
21 or has a COI of what and so on and so forth. That's all it
22 does. It is for the participants in this program, and so there
23 is a distinction there, it seems to me, but a little overlap.
24 Thank you.

25
26 **MR. GREEN:** Just one thing. This was -- I heard it earlier, and
27 I don't remember who said it, but they said think about the
28 future when we're talking about this endorsement, and so if we
29 only have sixty-seven endorsements, then we only have sixty-
30 seven headboats for the rest of this existence of this
31 management plan in the Gulf of Mexico, and my concern was there
32 was about ten or twelve or fifteen -- Somewhere, in there,
33 there's a couple of handful of boats that -- That's a headboat
34 permit. It might not be active at this time, but we don't need
35 to discourage people from getting into the business or enrage
36 people who have invested heavily into their future and, in one
37 fell swoop, that could be removed, and so that was what I was
38 getting at. Thank you, Mr. Chairman.

39
40 **CHAIRMAN BOGGS:** Ms. Anderson.

41
42 **MS. ANDERSON:** This is probably way out there, but if you have a
43 boat that has not been in the headboat survey, and I'm guessing
44 probably that the headboat survey data for deciding what the
45 overall quota for this headboat program is going to be is a set
46 amount without those boats being in there, and how -- Are their
47 quota going to be added to the headboat program, in order to
48 compensate for -- Do you follow me?

1
2 **CHAIRMAN BOGGS:** I do.

3
4 **MS. ANDERSON:** I'm not saying it right, but --

5
6 **CHAIRMAN BOGGS:** That's one of the things that has --

7
8 **MS. ANDERSON:** Because it seems like we're going to split the
9 pie a little further if we --

10
11 **CHAIRMAN BOGGS:** Yes, and that's one of the things -- If we go
12 back to these options, and I'm going to read through these
13 again, to help me understand. Option 2a is headboat survey
14 vessel endorsements are not transferable. In other words, you
15 couldn't transfer your endorsement off your boat, except with
16 transfer of the reef fish for-hire permit that was originally
17 assigned to it. Let's break for lunch and take this up after
18 lunch, guys. Yes, Clif.

19
20 **MR. COX:** I just want say one thing. I think that Option 2b --

21
22 **CHAIRMAN BOGGS:** You're cutting into my lunch, so do it quick.

23
24 **MR. COX:** I think Option 2b kind of covers everything, I mean
25 what Jim was talking about. If there's a person that has a
26 permit that's a giant passenger capacity that becomes active and
27 starts reporting, I don't see why they couldn't be allowed to be
28 in. I think Option 2b covers that, and it pretty much protects
29 the integrity of the program too, which I think 2c would not do,
30 and so, to me, Option 2b is a no-brainer.

31
32 **MR. PAPROCKI:** With limited entry anyway, only X amount of boats
33 are going to be in it, and so the more transferable it is, the
34 more valuable it would be, and there's only so many boats that
35 are going to get in it anyway. I think we're getting bogged
36 down in it all. There's only a limited amount of boats, and so
37 make it simple to transfer and be done with it.

38
39 **CHAIRMAN BOGGS:**

40
41 (Whereupon, the meeting recessed for lunch on May 3, 2016.)

42
43 - - -

44
45 May 3, 2016

46
47 TUESDAY AFTERNOON SESSION

1
2
3 The Ad Hoc Reef Fish Headboat Advisory Panel of the Gulf of
4 Mexico Fishery Management Council reconvened at the Gulf Council
5 Office, Tampa, Florida, Tuesday afternoon, May 3, 2016, and was
6 called to order by Chairman Randy Boggs.

7
8 **CHAIRMAN BOGGS:** We have a new member of our AP that just
9 arrived who needs to come online and tell us who he is.

10
11 **MR. CHAD HAGGERT:** Captain Chad Haggert with the Double Eagle
12 Fishing Fleet, Clearwater, Florida.

13
14 **CHAIRMAN BOGGS:** Just remember, if you can't get here on time,
15 get here when you can. Thank you. All right, guys, we're going
16 to get started into the -- Where are we at?

17
18 **AP MEMBER:** We're taking a vote on Option 2b.

19
20 **CHAIRMAN BOGGS:** We're at 2b. Headboat survey vessel
21 endorsements are transferable to any headboat survey vessel that
22 opted out of the program at the onset, Action 3, or met the
23 headboat survey vessel criteria after the control date.

24
25 **MS. ANDERSON:** Why after?

26
27 **CHAIRMAN BOGGS:** I don't know.

28
29 **DR. DIAGNE:** Because those who met the criteria before are
30 already in, and so they already have their own endorsement.
31 It's only those after, presumably, that may need one, but the
32 others, who met the criteria before the control date, they are
33 already in the program.

34
35 **MS. ANDERSON:** So those folks after the control date, they have
36 valid permits for the for-hire industry and they have catch
37 history?

38
39 **DR. DIAGNE:** No, their catch history is going to be after
40 December 31, 2015. Let's say, for example, as we speak, as a
41 headboat, you were selected to participate in the survey, the
42 Beaufort Survey, as of today. It means that if we look at the
43 control date, which is the end of 2015, you have zero catch
44 history, and so you wouldn't be even a participant in this, but
45 this option allows you to acquire an endorsement and then, I
46 guess, go acquire some fish and then participate.

47
48 **MS. ANDERSON:** Without a catch history though, how would they

1 know what to take from the others and put into the headboat --
2
3 **DR. DIAGNE:** There is no taking from anybody. You buy your
4 endorsement, and if you want to make a living within this
5 program, then that's part of your, I guess, responsibility to
6 acquire some fish.
7
8 **MS. ANDERSON:** There's no method of acquiring the fish right
9 now.
10
11 **DR. DIAGNE:** Depending on what you decide down the line, when it
12 comes to transferability of shares. It may be that all of this
13 becomes moot if, for example, the program you selected did not
14 allow for certain transferability provisions to allow these
15 people to buy into it, but, at this point, early on, we have to
16 assume that all of those would be possible.
17
18 **CHAIRMAN BOGGS:** Mr. Green.
19
20 **MR. GREEN:** I would like to make a motion, and the motion is
21 going to be the wording of 2b, but with changes to it. Under
22 where it says "transferable", I would prefer that word to be
23 changed to "eligible", and after "Action 3 or" say "any vessel
24 that meets the HBSV criteria after the control date".
25
26 To me, the rationale behind this has to do with the permits that
27 are the higher up the echelon permits and being able to be still
28 valuable and brought into the headboat management plan.
29
30 **DR. DIAGNE:** Would you read me your motion, please? For me, I
31 guess I'm missing something.
32
33 **MR. GREEN:** Basically, it would be the HBSV endorsements are
34 eligible to any HBSV that opted out of the program at the onset,
35 Action 3, or any vessel that meets the HBSV criteria after the
36 control date.
37
38 **DR. DIAGNE:** I guess I am just missing something. I am going to
39 process this.
40
41 **MR. GREEN:** Okay. It opens it up to everybody that meets the
42 criteria to be a headboat. Not to get into an allocation
43 discussion, but it doesn't say anything about the allocation.
44 It just means that that endorsement is eligible for any boat
45 that wants to be in it.
46
47 **MR. WILLIAMS:** So how do you envision the fish that were
48 harvested on these boats that would meet the criteria, but did

1 not participate in the survey? Like if we have sixty-seven
2 boats in there now, and suppose there were another fifteen that
3 met the criteria, that were out there fishing and they've been
4 harvesting the -- How would you envision that would account for
5 another ten or fifteen boats in addition to the sixty-seven that
6 are currently in the program, or would currently be in the
7 program? How would you account for the fish that they harvested
8 that would be left in the charter boat sector? When those boats
9 went to the partyboat sector or the headboat sector, the fish
10 would be left behind in the charter boat sector?

11
12 **MR. GREEN:** No, I would envision it just like if somebody left
13 the headboat, those fish would be moved back over to the --
14 That's what staff said earlier, and I can't remember which staff
15 member, but -- Going back to where we were talking about opting
16 out at the beginning of the program, those fish would be brought
17 back over to the charter side. Whatever that account was for
18 that permit on the charter side, it could be moved over to the
19 headboat.

20
21 **MR. WILLIAMS:** But how do you know what that would be, because
22 we don't have catch records for them. If we did, they would be
23 in the headboat program.

24
25 **MR. GREEN:** There's an assumption of what those are, and that's
26 the same thing that is based on what 41 is.

27
28 **MR. WILLIAMS:** I understand that, but, like in 42, we know
29 exactly what everybody caught. If somebody goes from 42 to 41,
30 there's going to be a certain number of fish that you can say
31 this is how many fish were caught by this vessel, and we're
32 going to put it in the charter boat, but the other way, it
33 doesn't work, because we don't know what that boat caught. It
34 would just have to be a wild guess.

35
36 **MR. GREEN:** The whole premise of this is that I don't want those
37 permits left out in the dark and not be able to -- Basically,
38 and we'll just go back to the situation that I know best, and
39 that's what we've got.

40
41 If we have a headboat permit that we purchased for an investment
42 and we didn't get the boat because the economy tanked and now we
43 are in a place where we want to buy a boat and put that headboat
44 permit back into the fishery, we would have to wait for somebody
45 to either want to sell their endorsement or go out of business
46 or something like that to acquire an endorsement.

47
48 There's people that have these permits that have a substantial

1 amount of money investment tied up into them, and now we're
2 heel-strapping them by saying there's only going to be sixty-
3 seven endorsements and that's it, or whatever the number is.

4
5 That limits those permits that are de facto headboat permits.
6 There's not sixty-plus-passenger charter boats, and so, by
7 making these boats eligible, you're going to cut down on how
8 many boats actually get the endorsement, because of the amount
9 of fish that's available in the fishery, but, to those permits
10 that are in the investment of other people, other people's
11 investments, and the future of their business -- If they have
12 two headboats and they've got three permits and they want to put
13 a third boat in, then they should be able to do that without
14 having to wait for somebody else to go out of business,
15 especially if they already have allocation that's theirs from
16 the other two boats.

17
18 **MR. WILLIAMS:** Certainly I understand what you're trying to do,
19 Jim. I just think it would be a nightmare trying to determine
20 what their catch records would be, but that was just my comment.

21
22 **CHAIRMAN BOGGS:** One of the problems that, speaking at this
23 amendment and not for or against, but one of the problems that I
24 see with it is you create a -- 41 becomes for fourteen
25 passengers or less, because anybody that can qualify with
26 fifteen passengers or more would be foolish not to try to bring
27 their fish, after they get a three or four-year catch history,
28 and move over into the headboat plan, because if 41 doesn't come
29 along and move fast enough -- Say it's four years down the road,
30 they could get four years' worth of catch history, and then they
31 would qualify for an endorsement and want to move into this
32 fishery. Do you see what I'm saying? If you open this up like
33 this, and let's just -- It was in something that I read a while
34 ago, but --

35
36 **AP MEMBER:** They're going to jump back and forth to whatever
37 place they get the most fish.

38
39 **CHAIRMAN BOGGS:** Right, but say 41 doesn't suit their needs or
40 doesn't -- Say 41 doesn't come into being and we get this done
41 and we open this up. Any boat that carries fifteen or more
42 passengers can now qualify for an endorsement. Say they get
43 electronic monitoring and they get catch data and they can prove
44 what they've caught. Then, to be in an IFQ fishery where they
45 can move back and forth, then they're going to want to move into
46 the -- I mean I don't know the answers. I'm just exploring what
47 we're looking at here. Go ahead, Jim.

48

1 **MR. GREEN:** I just want to respond to that. If the allocation
2 isn't there for an extra boat to jump in, they're not going to
3 sign up and get the endorsement and then hope that they've got
4 the fish. They're going to be wanting to shore up the fact that
5 they can have that amount of fish, they can access that amount
6 of fish, before they jump into this program with all the
7 criteria it takes to be in it.

8
9 **CHAIRMAN BOGGS:** But what keeps that permit -- If you're got a
10 149-passenger permit today and you go out and buy a 149-
11 passenger permit, then you can go right into 41.

12
13 **MR. GREEN:** You can do that anyway, because there already is a
14 149-passenger permit in 41.

15
16 **CHAIRMAN BOGGS:** I mean you can go -- I mean so that permit is
17 not worthless, and it's not eliminated from the fishery.

18
19 **MR. GREEN:** I'm not saying it's worthless. I'm just saying that
20 you're cutting down on the fact that you can't -- If they say,
21 okay, let's go for it, and we pass this, we pass this motion and
22 it passes the council, what happens in five or ten years when
23 all of our quota goes up and there's a bunch of quota and
24 somebody has a 149-passenger permit and they want to buy another
25 headboat and use the quota they have to extend their business,
26 further their business, in the future?

27
28 Now they've got to wait for somebody else to go out of business
29 or want to sell their endorsement before they can put their
30 investment back to work. To me, the criteria of however much
31 allocation is available in 42 is going to dictate how many
32 people actually sign up for this, but the people who do have
33 that investment, I don't want to heel-strap them by saying that
34 you have to wait for somebody to want to sell their endorsement
35 before you can access the fishery, especially if you have two
36 headboats already and you have one sitting in the wings ready to
37 go.

38
39 That's my concern with it. It's not -- I think the allocation
40 is going to be what dictates how many boats get in this,
41 because, Randy, if I put our third one in and we don't have the
42 allocation for it and we need more allocation, we're not going
43 to do that unless we can somehow solidify having that, and so
44 that's kind of where this goes.

45
46 I think it would self-govern itself with the allocation for the
47 fishery, and, as the fishery grows, and if our quota goes up,
48 then there's going to be either room for you to have more fish

1 for your permit or there might be room to have new entrants
2 eligible to enter into the fishery with that increased TAC.

3

4 **CHAIRMAN BOGGS:** Ms. Anderson.

5

6 **MS. ANDERSON:** I see a couple of things. One is the whole point
7 of all of this is a limited access program, and so limited
8 access, the whole discussion, has been, supposedly, that
9 fairness to those who have been in this industry, either in
10 recent years, in the last three or four years or whatever, or
11 since 1935.

12

13 When you start taking the fish and dividing it further, to other
14 boats, then you're taking away from those who have that catch
15 history, who have the investment, and have had it for a long
16 time, and you're taking it away from them. I see that that
17 would be an issue, because just like in the commercial fishery,
18 this is the way that it works.

19

20 If they had a certain amount of percentage of the catch, each
21 permit that percentage, and so, as the quota went down, their
22 shares of fish went down. As the quota went up, their
23 percentage of shares went up, and I would say that, if we're
24 going down this road, that that is basically how it works. Then
25 if somebody wanted to buy into the program, that's exactly what
26 I would think they would have to do, is buy into the program,
27 just because that's how it works.

28

29 **CHAIRMAN BOGGS:** That's what we're here to decide, or try to get
30 a base on what we want to do. You know I mean it doesn't -- You
31 could let everybody have an endorsement. You could let
32 everybody have an endorsement and they've got to buy fish or --
33 I don't know. More from the floor? Tim.

34

35 **MR. HOBBS:** I think it makes some sense to open up the universe
36 of endorsements to people that have a qualifying headboat and
37 want to get into the program, but all that would do is enable
38 them to buy shares from one of the existing sixty-seven
39 participants that were allocated shares at the outset of
40 Amendment 42.

41

42 Now, maybe there could be some provision down the line, once
43 Amendment 41 goes into effect -- If you have quota under 41 and
44 you want to move it over, maybe that could be some kind of a
45 design element of Amendment 41, but I think right now, assuming
46 that that's not going to happen until sometime after this
47 program, I think you could still have the option of getting the
48 endorsement, but, again, you would have to buy in to get shares

1 if you wanted to actually go fishing, or lease fish.

2

3 **CHAIRMAN BOGGS:** Mr. Williams.

4

5 **MR. WILLIAMS:** I certainly understand what Jim is trying to do,
6 and let's be honest. What he is proposing would be, if we were
7 greedy, which some of us are sometimes, it would be beneficial
8 to us, because it would be more people chasing a scarce
9 resource, and that would drive the price up.

10

11 However, I don't understand, Jim. You were talking about
12 bringing the fish over from the charter boat sector and putting
13 them in the headboat sector. Does that mean that those fish
14 would go into a pool and everybody would divvy them up equally
15 and then you would have to buy into those, or does that mean
16 that you would get some fish divvied up to you, even though you
17 have no catch record, but we just came up with an estimate?

18

19 **MR. GREEN:** I would envision that if it was brought over from 41
20 fish that it wouldn't be that substantial of an amount. Do you
21 know what I mean? As far as if that permit was operating as a
22 charter boat, it's not going to be some enormous amount. If 41
23 passes and 42 passes, 41 is going to be a far smaller portion
24 per permit. If you move it over, it's not going to be some
25 windfall huge amount of allocation.

26

27 Whether that's part of the design or not, like I said, this
28 motion was more or less to protect the investment of what I
29 would call a mega-permit, an over sixty or seventy-passenger
30 permit, where they would be eligible to enter into this fishery
31 and yes, probably buy in.

32

33 I mean, right now, if you bought into the commercial fishery,
34 you could buy a permit and not have any allocation and have to
35 buy into that allocation. The whole point of this is to protect
36 these big mega-permits, to where they can enter the fishery at a
37 later date and they would be eligible for an endorsement and
38 they wouldn't have to require another business going out of
39 business or somebody willing to sell the endorsement.

40

41 I'm not thinking about allocation that much in this. I'm
42 thinking about the longevity and the future of the big mega-
43 permits and the investments that people have, the people who own
44 them have, in the fishery. Just because of whatever, because of
45 fish stocks or because of economics or whatever reason it is,
46 hasn't entered into the headboat fishery at this time.

47

48 **CHAIRMAN BOGGS:** Ms. Anderson.

1
2 **MS. ANDERSON:** The way I see that being fair to people who have
3 been in the industry is to say we have sixty-seven or sixty-
4 eight people in this headboat survey, and if you have a large
5 boat and you've decided that you want to change and have two
6 small boats, then your allocation and your permit -- You know
7 you could have a second endorsement, and it would equal the
8 number of fish that you have in your catch history.
9
10 Therefore, you are not buying fish, somebody is not selling
11 fish, and you are not taking from the charter/for-hire group,
12 and you are not taking away from those who are in the headboat
13 industry already.
14
15 **CHAIRMAN BOGGS:** Can I try this, Jim?
16
17 **MR. GREEN:** Yes.
18
19 **CHAIRMAN BOGGS:** Can I try a substitute motion?
20
21 **MR. GREEN:** Yes, Randy, that would be fine. Try a substitute.
22 I just wanted to say that it's not taking from anybody. If the
23 permit is there, it's whatever that represented and those
24 things. You're not taking. You're adjusting and transferring
25 them to a different management plan. I don't see where -- If
26 you pull that permit out of the 41 and it equaled so many fish,
27 you're not taking anything else from the rest of the people in
28 41. You're taking out what that permit represented in that
29 management plan, and so I don't quite follow it, but that's -- I
30 mean we can agree to disagree.
31
32 **CHAIRMAN BOGGS:** Let's see if I can do this. Upon
33 implementation of Amendment 42, endorsements will be
34 transferable to any vessel that meets the headboat survey
35 definition criteria, which is possession of a Gulf reef fish
36 for-hire permit, a license to carry fifteen or more passengers,
37 its predominant method of pay is by angler. Endorsements will
38 be transferable -- It's not there, Jim. Transferable or
39 eligible.
40
41 **MR. GREEN:** But that's what the allocation would decide. The
42 market would decide that.
43
44 **CHAIRMAN BOGGS:** Let me finish this, okay? Let me -- The
45 initial allocation determines the entity, and you can only get
46 into this -- You can get an endorsement, but you can only get in
47 if somebody is willing to sell. This does not allow -- I am
48 going to venture this as a broad statement. It does not allow

1 intersector trading. You can't buy commercial fish and move
2 them to that endorsement, and you can't take fish from the
3 recreational fishery and move them to this.

4
5 I would not care if the endorsement is available to everybody
6 that meets the criteria, but you don't want to be able to move
7 fish from the recreational sector, the charter/for-hire sector,
8 into this, and you don't want to be able to -- In other words,
9 you can get the endorsement, and it doesn't matter who gets the
10 endorsement, but in order for them to participate in this
11 program, they have to purchase fish from somebody, and they can
12 only purchase fish if you're willing to sell. I mean having the
13 endorsement makes no difference. If nobody will sell them any
14 fish, they still can't be there. Go ahead, Johnny.

15
16 **MR. WILLIAMS:** I have an issue with that, Randy, because if you
17 have a number of boats that enter that carry fifteen people, and
18 generally they get a premium for smaller groups like that. I
19 mean if you carry fifteen people on your boat, you can charge
20 more than if you carry sixty-five on your boat. Would you agree
21 or not?

22
23 **CHAIRMAN BOGGS:** I do agree. Offer a substitute motion that
24 helps us where we want to be.

25
26 **MR. WILLIAMS:** If we get a bunch of fifteen-passenger boats that
27 get endorsements and then they start bidding up the price of the
28 fish, because they pay more, because they can charge more per
29 person than the larger boats can, the headboats like myself,
30 you're going to actually be taking away excess, I think, to the
31 public that doesn't have the ability to go out and pay a high
32 price to go out fishing on a boat.

33
34 Like I say, it would benefit me if I had fish, because it would
35 drive up the price that I could sell them for or lease them for,
36 if I wished to do so, but I think that -- I was just joking a
37 minute ago about being greedy.

38
39 **CHAIRMAN BOGGS:** I mean I agree. I mean I agree with every
40 point you're making. I agree, but we've got to go somewhere
41 with this. If you want to close it at the sixty-seven boats and
42 that's the end --

43
44 **MR. WILLIAMS:** Okay. Well, I mean, I supported 2b like it was.

45
46 **CHAIRMAN BOGGS:** Okay. I'm going to do this. I've got Ms.
47 Anderson and then Daniel. I'm going to rescind my motion and go
48 back to Jim's. Ms. Anderson.

1
2 **MS. ANDERSON:** One of the issues that will probably come up, and
3 I know that it's on down the line, but it will affect this, or
4 it should affect this decision, is that recreational anglers are
5 said to catch seven-pound average fish. Charter boat guys
6 usually catch larger fish. They've said it time and time again
7 at meetings. Headboats usually catch the smaller red snapper.
8 Not always, but, on average, they catch the smaller red snapper.

9
10 If we start having smaller boats who have easier access to
11 deeper water and bigger fish going after those, then it's going
12 to reduce the number of fish we can catch and keep on the big
13 boats.

14
15 **CHAIRMAN BOGGS:** Daniel, I will get you next, but, addressing
16 that, looking forward in this document, there is a section where
17 we're going to deal with that, where if you -- When you get your
18 allocation, if you get a thousand pounds of fish, you will have
19 those thousand pounds in your account. When you move them to
20 your boat, I would foresee that if you're -- To start with, we
21 don't know what your average is, because we don't know what
22 you've been catching.

23
24 If your average is ten pounds, then that thousand pounds becomes
25 a hundred fish. If your average is twenty pounds three years
26 down the road, then you've got a payback and you're only going
27 to get fifty fish when you make the transfer.

28
29 The way I envision this, and this is moving ahead in the
30 document, but when you get moved ahead in the document and we
31 get to designing the program, what I see is, with federal
32 government validation on your landings, if you're way over your
33 weight, then they're going to adjust it back down, and there
34 will be a payback out of your account where you balance.

35
36 You're exactly right. When the size and bag limits first came
37 in, the headboats were actually allowed to keep thirteen or
38 fifteen-inch fish, because we historically harvested smaller
39 fish, and I mean we can deal with further in the -- I agree with
40 you 100 percent on that. Daniel.

41
42 **MR. WILLARD:** I guess, to me, the two or three motions that
43 we've seen about 2b are really the same motion. The issue is
44 whether, in Amendment 42, headboat endorsement would be
45 transferable, whether that's to the existing sixty-seven
46 endorsement holders or some other vessel that meets the
47 definition of a headboat, either now or in the future.

48

1 All of these are about transferring endorsements among vessels
2 that are headboats, even if they're not in the Beaufort Survey
3 right now. A separate question is whether the universe of
4 available headboat endorsements could be expanded in the future,
5 so that vessels that are otherwise defined as headboats, but not
6 in the program when it starts, could acquire that endorsement
7 down the road and then buy their way into the fishery with
8 shares or leasing at that time.

9
10 **CHAIRMAN BOGGS:** A question back to you, and I'm trying to do
11 this so that I understand. We're doing this so that boats that
12 have permits, that may be fishing now under the recreational
13 sector or may come into the business later, can get into the
14 fishery, but the only way that they can do that at this time
15 would be to purchase fish from a boat that got allocation during
16 the initial portion of this.

17
18 **MR. WILLARD:** I think they could purchase an existing
19 endorsement. Maybe, if there are new endorsements created, they
20 could get one of those, but, in either scenario, if they're not
21 here when the program starts, they would be purchasing fish or
22 leasing fish to join the program later.

23
24 **CHAIRMAN BOGGS:** If we open this up to new entrants in the
25 fishery, it would not necessarily have to be a purchase. It
26 could be a lease, is the way you're envisioning it.

27
28 **MR. WILLARD:** Sure, yes. I think that's one thing, but the
29 separate issue is are the endorsements forever limited to these
30 sixty-seven that are initially created, or is there a mechanism
31 to increase headboat endorsements down the road, so that vessels
32 that otherwise are de facto headboats, but are not in the survey
33 for whatever reason now, or vessels that chose not to join or
34 who sold out immediately, those boats have a way to get back in
35 by acquiring an endorsement at a later date, and that might be
36 an existing endorsement or it may be a newly-created
37 endorsement.

38
39 **CHAIRMAN BOGGS:** That made it quiet in here. Assane.

40
41 **DR. DIAGNE:** I think, following a little bit on what Daniel
42 mentioned, is the two issues, and he clearly laid them out here.
43 This here, creating the endorsement and defining the
44 transferability, that's one action, because our initial purpose
45 was identify the universe of people that are in it and that are
46 going to get started and how that can change.

47
48 If, as a group, you are interested in exploring this idea of

1 down the line having a hundred vessels in this fishery, assuming
2 that, and I have to use my fingers to count, but a hundred minus
3 sixty-seven, whatever that difference is, to be added here, it
4 seems to me that you pick here the transferability condition as
5 you see fit for the people who are in it and then, perhaps, you
6 suggest the addition of one more action to this amendment, and
7 that action will ask point blank the question of should the
8 number of headboat vessels in the Gulf participating in this
9 program be capped at sixty-seven or sixty-eight, whatever, or
10 should we create a mechanism to increase the number in the
11 future, and what would be the set of criteria that we are going
12 to use?

13
14 It seems, to me, that would bring at least some clarity to this.
15 We have an endorsement for people that are in it, and how do you
16 want it to move around. Then maybe you can consider or request
17 that we add a separate action to this document to ask the
18 question or look at the issue of expanding the number from
19 sixty-seven to whatever number, based on some of the criteria
20 mentioned by Mr. Green or some other criteria that may come up
21 as we discuss that. It may be, I guess, an avenue that would
22 allow us to move past this.

23
24 **CHAIRMAN BOGGS:** With that being said, we're in agreement that
25 the sixty-seven boats of the world as we know it today, those
26 sixty-seven boats should have endorsements. I think we're
27 pretty much in agreement that those endorsements should be
28 transferable among the headboats that are in the program.

29
30 I think we all are in agreement that we should have some
31 mechanism going forward to allow new entrants into the fishery,
32 either by acquiring a new endorsement, transferring of an
33 endorsement, purchasing an endorsement, or leasing an
34 endorsement. Is that a fair statement?

35
36 **MS. ANDERSON:** Yes, but say you have a boat that has a hundred-
37 person permit and you decide that you have two children and each
38 one of them want a fifty-person permit. I see no problem
39 whatsoever with getting those two boats endorsed properly with
40 headboat and you --

41
42 **CHAIRMAN BOGGS:** So you're saying the endorsements should be
43 splittable?

44
45 **MS. ANDERSON:** I would say yes, but within this group.

46
47 **CHAIRMAN BOGGS:** To what percent? 25? Quarters? That was the
48 thing about the PFQs and the point I was making. If you've got

1 a boat with that much quota, there's not many people with enough
2 money to purchase that, and so that's either going to be a huge
3 purchase or it's going to drive the price down, and so I mean --
4

5 **MS. ANDERSON:** I know I'm probably getting into the weeds with
6 that, but I just -- You mentioned it earlier, and so I thought
7 maybe we should bring it up at this point, but you're right that
8 not everybody can buy that kind of a permit or that size of a
9 boat. If we're going to keep it -- I'm thinking of quota. If
10 we do this, what are we going to do with the quota, because the
11 quota will affect everybody, and so, whatever we do here, we
12 have to keep that in mind.
13

14 **CHAIRMAN BOGGS:** I agree, but maybe we need to look at this
15 motion, one of the motions we have, or maybe we need to come up
16 with a new motion and we need to -- Because this is a lot of
17 information to digest at one time, and maybe we need to figure
18 out a way for new entrants into the fishery, starting with
19 latent permits. That was an ugly word.
20

21 **MR. SCHMIDT:** To Ms. Anderson's point about splitting the
22 permits, I don't know if National Marine Fisheries Service would
23 allow you to do that. I know that you can't buy a twelve-
24 passenger permit and add it to a twenty-five-passenger permit
25 and end up with a thirty-seven passenger permit, because I know
26 somebody that tried that.
27

28 It's to the efforts of a large-boat operation coming into this
29 program, and you've got a boat up in Louisiana right now, the
30 Big E, and it's a 132-passenger permit. It is not going to
31 qualify for this program, because it has not had a catch history
32 for four years. The boat has not been operating.
33

34 Now, somebody makes the \$1.2-million investment to buy that boat
35 and somehow obtains an endorsement, and I don't think there's
36 going to be the fish on the market that, even if you had the
37 money to go buy the fish, that you would be able to operate that
38 boat on a year-round basis, because somebody is going to start
39 crunching the numbers and say, look, you're going to have \$4
40 million in this operation and you're not going to make your
41 money back.
42

43 When I was commercial fishing, at one point there were 1,200
44 boats in the fishery. I don't know how many there are now, but
45 I know in Fort Myers that we lost probably half the fleet, and I
46 was just in Madeira Beach the other day, and I don't see near as
47 many boats as there used to be.
48

1 There was a lot of boats that had little amounts of catches.
2 When I sat on the grouper IFQ panel, we went through all the
3 breakdowns. There were 400 boats that had less than 1,500
4 pounds of fish. Those people have all gotten out of the
5 fishery.

6
7 In the headboat operations, I look around the room here, and
8 these are operations that have been in place for a long time,
9 long periods of time, and I don't see the Andersons going out or
10 the Hubbards going out or Kenny Pearson in Fort Myers, who has
11 been in the business for thirty-five years, and so I don't know
12 how much fish is going to be on the market to begin with.

13
14 **CHAIRMAN BOGGS:** I agree, but I think that the whole issue that
15 we have here is not the transferability. Nobody is against
16 moving endorsements. Nobody seems to have a problem with that,
17 and we haven't got down to how we split that up, but the thing
18 here that we're dealing with is how do we let new entrants into
19 the fishery? I am going to let Skipper speak and then Assane.

20
21 **MR. THIERRY:** I just kind of wanted to speak to Ms. Pam's point
22 about you have the hundred-person boat or permit that you want
23 to split in two, but I think that, under this motion, you would
24 still be able to do that, if the second vessel -- I mean it all
25 depends on how we decide it, but if the second vessel met the
26 criteria and you've got your hundred-person boat and you would
27 like to move half the fish to the other boat, just a couple of
28 clicks of a button and you've done that, in my vision of what's
29 going to happen, I guess.

30
31 **CHAIRMAN BOGGS:** I would think that, if we choose to, we could
32 require that other boat to have a reef fish permit, which would
33 have to be purchased somewhere, and do that and then be -- Not
34 split the permit, but split the -- Lease the quota, sell the
35 quota, move the quota. I am going to let Assane speak real
36 quick, Clif.

37
38 **DR. DIAGNE:** Thank you. Just maybe to pick up on the idea that
39 Ms. Anderson was talking about, if there is a split, it's not
40 going to be the permit. It's going to be the endorsement,
41 because the permits are under limited access anyway. We have
42 the number of permits that we have, according to NMFS.

43
44 Essentially, that's where you were coming from, and so if there
45 is an opportunity, let's say, to take an endorsement that was on
46 a vessel that had a hundred-passenger capacity and split it
47 however you see fit, as long as the total capacity that you have
48 at the end is still going to be a hundred, then it may be

1 something that we can look at, let's say have different
2 endorsements. That is one side.

3

4 Mr. Green is coming from a point where I guess he is proposing
5 some idea for a headboat to be able to get into this without
6 buying an endorsement, essentially. Not acquiring it to
7 transfer, but coming in directly and knowing that they don't
8 have to bear the expenses of buying an endorsement.

9

10 If I get those two things, if I understand those clearly,
11 perhaps we can offer to you guys another action to add to this
12 amendment, and we can offer you a draft tomorrow. That would
13 ask, again, the simple question of do you want to expand the
14 number of vessels from sixty-seven to whatever number and these
15 are the alternatives.

16

17 You could either split the endorsement according to some methods
18 that you guys will discuss or you can, at regular intervals,
19 create new endorsements based on these set of criteria, be it
20 that you meet the definition for the Beaufort Survey or you
21 missed the cutoff because of the control date, et cetera, but
22 that may be a separate issue altogether to discuss from creating
23 the endorsement to identify the people that are going to be in
24 it when this thing starts and how we transfer those.

25

26 If that's amendable as a course, perhaps we can go back to the
27 options, 2a, 2b, and 2c, and you pick one if you want. Then,
28 tomorrow, we are going to offer to you some text that can
29 address some of those and, if there is an alternative that works
30 there for you, you can recommend it to the council.

31

32 **CHAIRMAN BOGGS:** Hang on.

33

34 **MR. WILLARD:** This is just a clarifying question for Assane or
35 Jessica or somebody. We're talking about the permit passenger
36 ratings, and this is where I get really mixed up, but I know you
37 have your COIs and you have a rating on your for-hire permit
38 too, and I guess it's not clear to me that the permit rating
39 matters under Amendment 42, because you're constrained by your
40 COI and by the shares you have for your boat.

41

42 **DR. DIAGNE:** It may not matter as much. In fact, in the
43 remainder of this document, we don't talk about it at all, but
44 if it is a concern for this group, saying that they don't want
45 to bring for consideration of additional effort, bycatch, and
46 other things, that they don't want systematically -- Let's say I
47 have an endorsement and I split it into ten and bring ten
48 vessels of 150 or 200-passenger capacity, that sort of thing,

1 assuming that you have so many of those vessels sitting around
2 in the Gulf. I doubt it, but it's just for that. In the big
3 picture, it doesn't really matter a whole lot, essentially, but
4 if that is a concern to the group, they can look at it.

5
6 **MR. GREEN:** I was going to say, if we need to, we can just table
7 this motion and talk on Action 4 until tomorrow, when we have
8 more of what -- If you're willing to do that, Mr. Chairman.

9
10 **CHAIRMAN BOGGS:** We'll have plenty of time after hours and stuff
11 tonight. Let's just put this aside and move on to the next
12 issue, which I think is even probably more contentious than this
13 one. Yes, Ms. Jessica.

14
15 **DR. STEPHEN:** I just want to clarify one thing relating to
16 Daniel's thing. Remember, if you're doing an endorsement,
17 you're still under the for-hire permit criteria, which is the
18 lesser of the two of your baseline or your COI, for what you can
19 fish for your passenger capacity, and so just to clarify that.
20 The endorsement doesn't change anything of what the for-hire
21 permit has.

22
23 **CHAIRMAN BOGGS:** Jessica, please keep that clarification in
24 mind, because we're going to need a lot on this next one. We're
25 going to move on to Action 5. We should be able to knock this
26 out in four or five or six years.

27
28 Action 5 is Allocation of the Annual Catch Limits to the
29 Headboat Survey Vessel Program. Alternative 1 is no action.
30 Alternative 2 is allocate a portion of the recreational annual
31 catch limit for each species to the Headboat Survey Vessel
32 Program based on landings from the most recent five years.

33
34 Alternative 3 is allocate based on the longest time series, 2004
35 to 2015. Alternative 4 is allocate based on 50 percent from the
36 most recent five years and 50 percent from the longest time
37 period, and the recent five years would be 2011 to 2015 and the
38 longest time from 2004 to 2015. Options for Alternatives 3 and
39 4, Option a is to use all years and Option b is to exclude 2010.

40
41 It was brought to my attention that when we get ready to do
42 this, and however we do this, we can choose to drop high years
43 or drop low years or do this or do that. Then the boats that
44 participated in the headboat program for two years, that may
45 skew the results, but any of the alternatives that we look at,
46 if you look at the charts here -- If you look at Alternative 2,
47 which was whatever years it was, it gives us 11 percent of the
48 quota on red snapper, 6 percent on amberjack, 6 percent on gray

1 triggerfish, 5 percent on gag grouper, and 4 percent on red
2 grouper.

3
4 If you look at Alternative 3 -- I'm going to do red snapper
5 first, because that seems to be one of the most important fish.
6 Alternative 2 gives us 11 percent, Alternative 3 gives us 13
7 percent, and Alternative 4 gives us 12 percent. There is not
8 very much difference on any of these, other than gray
9 triggerfish, and I have no idea why gray triggerfish changes in
10 2011 through 2015, because the gray triggerfish catch went up
11 with the closures that we've had.

12
13 Any of these alternatives that we pick, we're only talking about
14 a 1 percent difference. Can you tell me what a 1 percent
15 difference would be in pounds, roughly? Just rough math. With
16 the collaborative program, 55,000 fish equated to how many
17 pounds, just rough math?

18
19 **AP MEMBER:** 280.

20
21 **CHAIRMAN BOGGS:** 280 divided by five, somebody that's better at
22 math, but you're talking about 20,000 or 25,000 pounds of fish,
23 and so 1 percent, either way, and, as a talking point, I would
24 think Alternative 4 is the median, the middle, portion of this,
25 and I would think that would be pretty close, pretty fair.

26
27 Let me tell you, some of the guys that were in the headboat
28 collaborative are here and some of you were not in the program,
29 and I learned that I do not harvest near as many fish as I
30 thought I did, and I learned that I did not need as many fish
31 when I can pick my days to fish. I would be, myself, I would
32 think Alternative 4 would be a fair alternative, and I think it
33 would be -- I think I could live with that, and so I will open
34 the floor to discussion. Ms. Anderson.

35
36 **MS. ANDERSON:** On the original document, it was giving 1986 to
37 2015. What changed from there?

38
39 **DR. DIAGNE:** I think afterwards -- When we were doing this, we
40 were looking also at the data, the time series available, for
41 the headboat component. 2004, I believe, is the first year that
42 we began having landings assigned to vessels, if I remember that
43 correctly. I am looking over there for --

44
45 **MS. ANDERSON:** Landings assigned to --

46
47 **DR. DIAGNE:** To individual vessels, to specific vessels, so that
48 we can go ahead and look at the catch histories of the people

1 that are in the program and aggregate it and say this is what
2 they harvested. That's the reason.

3
4 **CHAIRMAN BOGGS:** Before then, the landings were Florida
5 Panhandle, Panama City area, and it was how many fish were
6 landed in the port and not broken out by individual vessels.
7 Before that time period, we can't go back and look at what your
8 boat has harvested. Starting in 2004 and moving forward, then
9 we know what each individual vessel harvested.

10
11 Before that, it was all the data was put in. Like whoever
12 whoever your surveyor is that comes out and checks your fish, he
13 or she got your information and it was lumped into the Panama
14 City boats. Is that Bay County? It may be three counties right
15 there that had headboats and that data, and then it was the
16 Florida Panhandle. Alabama was actually considered part of the
17 Florida Panhandle, and so our fish were lumped in with the
18 Pensacola and Destin fish, and it was broken up differently.
19 This is really the entity that we have landings for that we know
20 what we did.

21
22 **MS. ANDERSON:** Individual boats, okay. That makes sense, but my
23 question earlier about allocation was that -- I was going by the
24 old report for 1986, but I wanted to find out what the
25 percentage of -- Like the headboats, the percentage of the
26 overall harvest or the overall ACL in earlier years compared to
27 now, because we're talking about 11, 12, or 13 percent, but,
28 back in the day, there were a lot fewer private anglers out
29 there, and so, therefore -- There were a lot more headboats.
30 There were a lot more headboats in Panama City, and so
31 headboats, in general, have decreased over the years, for one
32 reason or another, a lot of it due to regulation.

33
34 If you look back as far as what percentage of the overall ACL
35 belongs to headboats, and charter boats will probably have the
36 same argument, it was larger. The percentage was larger back
37 then than it is today, and so I'm just wondering if that should
38 be played in -- If that should be considered in this or whether
39 it's only going to be considered just what you have data for on
40 those headboat surveys.

41
42 **CHAIRMAN BOGGS:** I think, and my opinion, but I think that if we
43 go back beyond the years that we know what the individual -- The
44 individual landings per boat are what give us our definition of
45 being able to qualify for this program.

46
47 I think if we go beyond this scope that it's going to be a guess
48 from there, and I wish that we could go back when it was a four-

1 fish bag limit and I wish we could do a lot of things
2 differently, but if we go in with these, we've -- We've all
3 endured cuts and we've all endured lower bag limits and shorter
4 seasons, and we've learned to get by with less.

5
6 The headboat program showed me that with far less fish than I
7 thought I needed or had caught -- That being able to fish on
8 good weather days and fish when you can load the boat and fish
9 when you need to fish, that you can make a lot better living out
10 of a lot less fish, and this is my opinion, a lot less fish, but
11 I think, unfortunately -- I've looked at the information.

12
13 Headboat catches are a flat line. The only time you see changes
14 is when there's a regulatory change, you know the bag limit went
15 down or the size limit went up, and then you see a dip in it,
16 and I certainly agree. Even when the first size limits came on
17 red snapper, back when it was a seven-fish bag limit, the
18 charter/for-hire industry I think was a sixteen-inch fish and
19 headboats were thirteen or fourteen inches.

20
21 I don't think anybody has been around for -- I mean I've been
22 doing this since in the 1990s, and I remember a lot of stuff
23 from back then, and that was way before then, and so I don't
24 know, but I think that we could certainly try to go back and
25 look, but I think when we do that the guesswork and estimation,
26 we're still going to come out at about the same amount.

27
28 **MS. ANDERSON:** The reason why I brought it up is I was just
29 thinking that we would be leaving fish on the table that the
30 headboats should be getting, and they do know, from 2000, the
31 overall number of pounds, the percentage, of the ACL from that
32 time period forward. They know how much the headboats have
33 caught, and so they have that percentage of each ACL throughout
34 the years, and so I'm asking, was it more than or was it less?
35 Is this a better alternative for us or should we consider some
36 of that? Then, when you narrow it down to the individual boats,
37 yes, they would be divided --

38
39 **CHAIRMAN BOGGS:** I think we may have an answer from staff.

40
41 **MS. GERHART:** I don't have an answer for what those percentages
42 were, but you're correct in that we can get a percentage of the
43 ACL that was landed by headboats. What we don't know is how
44 many vessels that represents.

45
46 **CHAIRMAN BOGGS:** Or per vessel landings.

47
48 **MS. GERHART:** Right, and whether we know exactly which vessel is

1 landing what isn't what is as important at this point. It's how
2 many vessels. We have a table in the document that shows how
3 many vessels were part of the headboat survey over the years,
4 from 2004. They were fairly similar, around the sixty-seven or
5 sixty-eight vessels, but, before that, we can't know how many
6 vessels were involved. As you said, there were a lot more
7 vessels. We don't know how much that percentage and how many
8 vessels are represented by those landings, if it's similar to
9 what we have now or not.

10
11 **CHAIRMAN BOGGS:** If we did know, we wouldn't know how to divide
12 the fish. I mean that's the bottom line. We wouldn't know how
13 to divide them.

14
15 **DR. TRAVIS:** To get to her question, at least with respect to
16 red snapper, if you want to look at the distribution across the
17 various sectors and subsectors, that information is in Table
18 2.2.1 of Amendment 40, and you will see what the split was
19 between charter, headboat, the total for-hire versus the private
20 anglers.

21
22 **CHAIRMAN BOGGS:** Again, the further back we go, the more -- If
23 we went back and it showed an increase, unless it was a huge
24 increase, it wouldn't do anything for us, because we can't
25 allocate the fish, because we don't know who caught what. The
26 boats that were there were gone. The reason the moratorium was
27 put into place was to decrease the number of boats in the fleet
28 and benefit the boats that stayed in the fleet. I mean I think,
29 for the terms of what we're doing, that this is going to be
30 pretty close to what we need to deal with. Charlie, did you
31 have something?

32
33 **MR. PAPROCKI:** That was my question, was I guess you've got two
34 different things you're asking, and I'm trying to get a
35 clarification. Are we trying to find out how much allocation
36 for the partyboats as a whole or separately? They're two
37 different questions, and so you should do one and then I think,
38 after that, you can divvy it up after that.

39
40 **CHAIRMAN BOGGS:** This table that I'm looking at on the TV shows
41 you that if you look at the years that we can deal with, that we
42 know individual vessel landings, you can see how many -- It was
43 11, 12, or 13 percent of the red snapper; 6, 5, 5 of greater
44 amberjack; gray triggerfish is 6, 9, or 8; 5, 4, 4, 4, 4, 4 on
45 red grouper. You're looking at 4 percent of red grouper. If it
46 changed any, you're looking at four-and-a-quarter percent on gag
47 grouper. Triggerfish, you're looking at 7 percent, if you took
48 an average, and five-and-a-quarter percent on amberjack.

1
2 Then, if you took the red snapper, you're looking at 12 percent.
3 If we go outside the year ranges that we have individual vessel
4 landings, it's not feasible to divide those fish, because we
5 don't know who caught what and we don't know who is out of
6 business and who's not out of business. The guy died on the
7 charter and who gets his fish? Do you divide them up among the
8 whole charter or do you keep them and take them home and eat
9 them yourself? I think, for the terms of this, we need to --

10
11 **MR. PAPROCKI:** So what would the difference be individually
12 then? Nobody knows, do they? I mean that's a different can of
13 worms, but it's like how would you decide, because you don't --
14 If you take it as a whole, it's close, but if you break it up
15 individually, how would you decide? How do you make a decision?

16
17 **CHAIRMAN BOGGS:** Charlie, that's -- Okay, let me go down that
18 road just a little ways, because we're off topic, but I need to
19 address that. As a group, when we sit here and we design this
20 program, there needs to be a failsafe button. If you don't like
21 what you got and I don't like what I got and Ms. Anderson
22 doesn't like what she got, we can say no, we don't want to do
23 this and we just want to stay in the derby fishery and where we
24 were.

25
26 Initial allocation of -- I can't tell you how many fish per
27 boat, because, like my boat, my boat is licensed for sixty-six,
28 but I fish a maximum of thirty-two. To say that I needed a
29 sixty-fish per day bag limit or whatever or 128 fish or whatever
30 it would be -- When we get down to the actual split of the fish,
31 then you won't be guessing. You will see what you would
32 actually get, just like we did in the headboat collaborative,
33 before you get to vote on this program.

34
35 **MR. PAPROCKI:** Okay. That was my question right there, because
36 there's so many people not here, and if it's not relatively
37 fair, then it won't even pass anyway.

38
39 **CHAIRMAN BOGGS:** Right. What this is, this is the percentage of
40 the total ACL allocated to the recreational side. Say it's
41 thirteen million pounds. I'm not that good of a mathematician
42 and let's just say it was ten million pounds. The commercial
43 got 51 percent, which would be five-hundred-and-something
44 thousand, and then we got the 49,000, and this would be a
45 percentage of that, 11 or 12 percent of that.

46
47 Then it's broken down by individual landings, and so the
48 question for you is, for yourself, is look back and -- I fish

1 thirty-two passengers a day. In the years in question, I
2 harvested somewhere around 1,600 or 1,800 red snapper per year,
3 and that's -- I can make a living off of 1,600 or 1,800 fish a
4 year, but I'm not as big of a boat as some of these boats, but
5 you will get to see, later on, what you're going to get, but the
6 choice of years where we have landings, where they can tell you
7 per vessel, are these years.

8
9 **MR. PAPROCKI:** Okay. That was the other thing we spoke about
10 earlier. In our discussion about the collaborative, we had what
11 years? It was 2014 and 2015, I think it was.

12
13 **CHAIRMAN BOGGS:** There is going to be some murkiness in this
14 program. You want to have perfect clarity before you enter into
15 it. I'm going to start on my left with Assane and then I will
16 go back and forth.

17
18 **DR. DIAGNE:** Just perhaps one point. When we look at these
19 percentages, as mentioned, they are fairly close, but there is
20 another issue here, and that is that it's not about leaving fish
21 on the table, as it may be, but it is about splitting the
22 recreational quota.

23
24 Let's say, if I took red snapper as an example, fairly, and I
25 put that in quotes, between three interest groups, one of which
26 being the private anglers, the charter guys, and the third one
27 being you, the headboats. Would it be fair and equitable to say
28 that because in, I don't know, 1984 we caught a whole lot of
29 fish, when a particular sector was very small, that's the set of
30 years that I would like for us to get?

31
32 Here, the range, for all practical purposes, is ten or eleven
33 years, and one could argue that it accounts for a reasonable
34 length of historical participation and it also accounts for the
35 present picture in the fishery.

36
37 In that respect, that may be something that has value, given
38 that 1 or 2 percent that is not taken by the headboats is going
39 to fall within another one of the interest groups, meaning the
40 private anglers or the charter/for-hire. That is also part of
41 this issue. It's not about the headboats taking as much as they
42 can on their own, but it's about looking at the interests of all
43 three interest groups, as the case may be, and coming up with
44 something that everybody could live with.

45
46 **CHAIRMAN BOGGS:** Mr. Hubbard.

47
48 **MR. HUBBARD:** I forgot what I was going to say.

1
2 **CHAIRMAN BOGGS:** Mr. Green.
3
4 **MR. GREEN:** I would like to make a motion.
5
6 **CHAIRMAN BOGGS:** Make a motion, Mr. Green.
7
8 **MR. GREEN:** I would like to have Alternative 4 be the preferred,
9 but I would like to add a new option.
10
11 **CHAIRMAN BOGGS:** What is the new option, Mr. Green?
12
13 **MR. GREEN:** It would be all years excluding 2014.
14
15 **CHAIRMAN BOGGS:** Do you have a rationale?
16
17 **MR. GREEN:** The rationale would be, due to the Guindon case
18 being decided, the majority of headboats did not have the
19 opportunity to harvest the fish that the boats in the EFP did.
20 In 2015, it was a closer scenario to that.
21
22 **AP MEMBER:** (The comment is not audible on the recording.)
23
24 **MR. GREEN:** No, just the whole year of 2014 not be part of the
25 equation. If you can do it for 2010 and the oil spill, you can
26 do it for inadequacy in data collection between user groups in
27 the subsector.
28
29 **DR. DIAGNE:** I understand the point you are trying to make, but
30 I think the issue you want to address is more, I guess,
31 applicable to the initial apportionment, when you divvy up the
32 quota between the individual vessels. This here, we are talking
33 about giving the quota to the entire headboat component, and so
34 it doesn't really matter. I think this should be discussed
35 later.
36
37 **MR. GREEN:** I understand what you're saying, Assane, and I
38 appreciate that, but the thing is that most of the time, when
39 you start talking about the initial allocation given to the
40 program, then you're going to usually use that as a basis of
41 what --
42
43 **DR. DIAGNE:** Not here.
44
45 **MR. GREEN:** Okay, but everywhere else in the commercial it has
46 happened. In 41, we just did it, and it's something that can be
47 rationalized legally, that this is the allocation of fish that
48 you pull from and so this is the allocation of -- These are the

1 years you should use for your data collection, and so I mean we
2 can -- I mean I don't know. I don't know. We're kind of ahead
3 of it a hair, but I don't want to -- I don't want to hamstring
4 myself, because I think that it's important to note that -- It's
5 nothing against EFP vessels, but it's just that I had nine days
6 and somebody had all year to harvest what was an inadequacy of
7 about forty-days' worth of fish.

8
9 It's not about you're in the EFP or you're not, but it's about
10 making sure that we keep it on an even keel and it's fair for
11 everybody through the entire time series, whether it's for the
12 annual catch limit of the program or it's the actual allocation
13 distribution. This isn't pointed or nothing, but it's just --

14
15 **CHAIRMAN BOGGS:** I understand that. That comes up in Action 7
16 that we're going to. It's there, and so if --

17
18 **AP MEMBER:** (The comment is not audible on the recording.)

19
20 **MR. GREEN:** Yes, but this isn't -- I am just not going to bowl
21 into it. The whole point of us having this is having these
22 discussions. This is a concern of mine, and we're talking about
23 it.

24
25 **CHAIRMAN BOGGS:** Yes, and that concern is addressed in Action 7
26 coming up, and that's where it would be appropriate to add a
27 high or low year for allocations to individuals, so it would
28 make it a fair and equitable deal. In this, I think that it
29 should be that, if you are so willing to make it the 12 percent
30 in your motion, I think that's there. Then this will come up in
31 Action 7, and if it doesn't come up in Action 7 to your --

32
33 **MR. GREEN:** It will.

34
35 **CHAIRMAN BOGGS:** -- to your satisfaction, then we can come back
36 and amend this.

37
38 **MR. GREEN:** That's fine. Action 7 should be 5 and 5 should be
39 7, I guess.

40
41 **CHAIRMAN BOGGS:** That's as close to a guarantee as you will get
42 out of me.

43
44 **DR. DIAGNE:** You have to give first to the people before you
45 know the size of the pie. I think the order is consistent.

46
47 **MR. GREEN:** When you start divvying up the pie over time, the
48 crumbs fall off the plate, and so I'm making sure to keep the

1 crumbs on the plate. I will change it. We'll just make 4 the
2 preferred alternative. That's my motion. Thank you, Mr.
3 Chairman.
4
5 **CHAIRMAN BOGGS:** We need a second. We've got a second from
6 Skipper Thierry. It's open for discussion. Seeing no
7 discussion, we're going to put it to a vote. All in favor.
8
9 **DR. DIAGNE:** Eleven. It's unanimous, eleven for.
10
11 **CHAIRMAN BOGGS:** Oh my God. The room is going to fall in.
12 Everybody voted for something.
13
14 **DR. DIAGNE:** Twice.
15
16 **CHAIRMAN BOGGS:** Twice? Lunch doesn't count. Where are we at?
17
18 **DR. DIAGNE:** Action 6.
19
20 **CHAIRMAN BOGGS:** Action 6. I was way forward in my book.
21
22 **DR. TRAVIS:** In what you just did, you picked Alternative 4.
23 Are you going to pick a preferred option under 4? I'm assuming,
24 the way you were talking, you were talking Option a.
25
26 **MR. GREEN:** I would say Option a.
27
28 **DR. DIAGNE:** It's all years or exclude 2010.
29
30 **MR. GREEN:** I was implying Option a.
31
32 **CHAIRMAN BOGGS:** Which is?
33
34 **MR. GREEN:** All years.
35
36 **DR. DIAGNE:** It's all years or exclude 2010.
37
38 **AP MEMBER:** We want 12 percent. Just do all years.
39
40 **CHAIRMAN BOGGS:** Yes, whichever one gives us 12 percent, all
41 years.
42
43 **DR. DIAGNE:** So you don't need to revote, let's do this with
44 Option a. Thank you.
45
46 **CHAIRMAN BOGGS:** That was Action 5 we just did?
47
48 **DR. DIAGNE:** Yes.

1
2 **CHAIRMAN BOGGS:** So we're headed for 6. Action 6 Units of
3 Measure for Quota Distribution and Reporting. Alternative 1 is
4 no action, the survey vessels quotas are distributed and
5 reported in pounds. Alternative 2 is the headboat vessel quotas
6 are distributed and reported in numbers of fish.

7
8 I am going to, because I'm having to sit up here and do this,
9 I'm going to take the liberty to tell you what I thought about
10 and see what you guys think about this. If we go down this road
11 -- With the headboat collaborative program, I have a little bit
12 of experience with this.

13
14 The way I foresee this working is your fish would be allocated
15 to your account, your permit account, to an account in pounds.
16 Then when you move the pounds to your boat account to go harvest
17 the fish, and you do all this via the computer, if you have a
18 thousand pounds of fish that you move and your average weight is
19 ten pounds, when you move a thousand pounds of fish to your boat
20 account, it transfers a hundred fish.

21
22 What I would like to see is us put in a three-year review, or an
23 annual review, and there will be an annual review, I'm sure,
24 because of dockside validation, and then your account can be
25 adjusted for overages or underages. If your average fish is not
26 ten pounds and it's five pounds, the next year, when they move
27 your fish, then you go to move a thousand pounds of fish and,
28 instead of it being a hundred fish, you would have 200 fish.

29
30 I think the initial move of fish should be in pounds, but when
31 you have a separate boat account -- Because port weights are
32 different on fish. Some port weights down in South Florida are
33 lower. Around Alabama, they're higher, and west of there,
34 there's highs and lows, and there's differences in the boats.

35
36 If we take the initial allocation in pounds and then we move it
37 to a boat account, it transfers it into fish numbers, with a
38 review at the end of the year to see where you fall, and so that
39 implies that when you're in this program that you're in it for
40 the long haul. That way, it accounts for overages and underages
41 in your fish. Clif.

42
43 **MR. COX:** I'm just thinking that it should be a -- Because it is
44 different all around, and it should be a Gulf-wide average and
45 not --

46
47 **CHAIRMAN BOGGS:** No matter how it's done, you still have to stay
48 within what you're allocated, and this is the only way to make

1 each -- This is not the only way. This is the way that I see
2 that each person would be responsible for themselves, but if you
3 go out and catch fifteen pounds of fish, you're going to get an
4 in-season adjustment to your account.

5
6 **MR. COX:** Yes, and I know we had that in our thing, but I'm just
7 saying that we start this, down the road, that everybody starts
8 out with the same Gulf-wide average and then they can -- When
9 you have your review, you can adjust and get more fish or less
10 fish, depending on what you've done.

11
12 **CHAIRMAN COX:** The only problem I see with that is if you have a
13 boat that down in -- I hate to pick an area, but if you've got a
14 boat in Mexico Beach and his average fish is four pounds, and
15 you start him out at a Gulf-wide average of seven and you run
16 him until the end of the year and his average fish is four
17 pounds, and he has fished June and July, when the tourist season
18 is, and then he hits August, September, and October and you bump
19 him up and say, okay, low and behold, instead of -- You've got
20 another 1,500 fish to harvest, and he's not going to be able to
21 catch those fish.

22
23 That's why I was saying that we'll start with an initial port
24 weight. They have a rough idea of what that is, and then it can
25 be adjusted in-season to do that, but, here, what I was thinking
26 is Alternative -- It's a combination of the two. They're
27 initially allocated in pounds, but when you transfer them to
28 your boat account, it's in numbers of fish, based on average
29 port weight, and it can be adjusted after that. That gives
30 individual accountability for your weight Gulf-wide and makes
31 you responsible for your own account. Ms. Anderson.

32
33 **MS. ANDERSON:** When you're talking about port weight, do you
34 mean like everybody in Panama City that has a headboat would
35 have a certain average weight?

36
37 **CHAIRMAN BOGGS:** Yes, ma'am.

38
39 **MS. ANDERSON:** Okay. Instead of saying I am weighing every fish
40 on my boat and so, therefore, I know how many pounds I've used?

41
42 **CHAIRMAN BOGGS:** No, that's very similar to what I'm saying.
43 There is an average port weight in Panama City, and whoever your
44 surveyor is, when they come out, they average your fish and your
45 fish are your fish, and there's an average weight of the fish
46 that come off of your boat, but, initially, because we may not
47 know what that is, if we take the average port weight for Panama
48 City and we ask -- Andy and then are really good about being

1 able to do this, but we ask that July 1, which would be -- If
2 the program started January 1, then that would be six months
3 into the program.

4
5 They do a review, and your average fish at that time -- The port
6 weight was five pounds, but your fish are four pounds, then the
7 transfer, when you go from the fish from your personal account
8 to your boat account, you would get more fish to accommodate the
9 weight, but if your fish were supposed to be five pounds and
10 they were seven pounds when you got ready to move them, it would
11 go down, and it makes sure that each individual holds the -- Is
12 accountable for their own fishery, so you won't go over or you
13 won't come in under. You won't get shorted fish and you won't
14 get more fish than you should have. At the end-of-the-year
15 review, if you had -- You can't carry it over, you can't carry
16 fish over, but if you had an overage, then it would have to be
17 paid back in the following year.

18
19 When you do this, and we saw this work -- I hate to keep saying
20 this, but we saw how well this could work in the collaborative
21 program. If you fish it right, then that 20 percent buffer,
22 there is no need for it to be there.

23
24 **MS. ANDERSON:** Okay. I understand what you're saying now.
25 There was another question that came to mind, and I need more
26 coffee.

27
28 **CHAIRMAN BOGGS:** Mr. Charlie.

29
30 **MR. PAPROCKI:** As long as when you divvy up the allocation that
31 it's pound-wise instead of fish-wise, I guess. That's makes the
32 biggest difference.

33
34 **CHAIRMAN BOGGS:** It initially was -- When we did the headboat
35 collaborative program, which is all I have to base my experience
36 off of, and don't think I keep harping on that, but that's all I
37 have to base my experience off of, but we were expecting a
38 number of fish and we got pounds. Then we had to, very quickly,
39 with Andy and everybody, figure out how to adjust for that, but
40 now we already have a little bit of experience, and so we know
41 if we get them in pounds and we take a port weight, based on
42 Orange Beach or Panama City or Destin, we know what an average
43 port weight off of those -- It gives us a starting point, and
44 then, with live-time data, as quickly as we're reporting data on
45 these things, they're getting it in, and the surveyors are there
46 with the information.

47
48 **MR. PAPROCKI:** Sure, and as long as it's for law enforcement

1 purposes, and I don't see any problem with it, as long as when
2 they do allocation, like they do for commercial, they know
3 exactly how many is divvied out, but there's no --
4

5 **CHAIRMAN BOGGS:** But understand it's not going to be exact to
6 the ounce, because we don't weigh the fish that come off the
7 boat. We don't know -- If you come watch me come in, if I've
8 got my Coca-Cola guys on the boat, I'm going to come in with
9 twelve to fifteen-pound fish. For the next three days, I'm
10 going to run walk-on trips, and I'm going to come in with three-
11 and-a-half-pound fish. Then that brings my average back down,
12 and so you see my side of the fish go -- Because I run a lot of
13 private charters, and you see the size of my landings go up and
14 down, but, averaged out, it all comes out the same.
15

16 **MR. PAPROCKI:** So when we go to fish, what's going to happen
17 with us when we have various sizes? Are we going to have to
18 measure them or are we going to weigh them all individual or --
19

20 **CHAIRMAN BOGGS:** You won't have to do any of this. You weighing
21 the fish or you measuring the fish is not a validated way of
22 doing this. The port sampler that comes by and checks your
23 fish, it will be based off the data that he collects or she
24 collects. Ms. Anderson was first and then Mark.
25

26 **MS. ANDERSON:** The question I was trying to remember is port
27 weight, again. Do you have a weight for headboats and a weight
28 for charter boats, because that's different.
29

30 **CHAIRMAN BOGGS:** Yes, there is a port weight for headboats. All
31 that I'm discussing here is the port weight for headboats,
32 because all of that is in the Beaufort study, and so they can
33 take an average of the fish and it will be a port weight for
34 your port that's pretty close. Just hope you don't dock a
35 little bit south of here, because that boat down there has some
36 giant fish during the year. Mr. Hubbard.
37

38 **MR. HUBBARD:** This leaves room for margin of error, and whenever
39 you're dealing with the National Marine Fisheries, if there is
40 not a precise measurement, then there has to be this margin of
41 error formula. With that then, they have to hold back a certain
42 amount of the fishery for that margin of error.
43

44 Now, with the pilot program, perhaps you didn't get penalized as
45 much, but I could see plausibly our industry having a certain
46 amount of resource held back, based on this margin of error of
47 different -- Each size fish that's being caught throughout the
48 year. It's plausible.

1
2 **MS. GERHART:** I was just going to point out that for each of our
3 quotas for each of these species that there is a buffer already
4 built in. You all are, I'm sure, familiar with the red snapper
5 and the 20 percent buffer that was imposed. Because you're in a
6 more accountable system, potentially, with this IFQ, you might
7 be able to have a smaller buffer, but then the buffer that's
8 there still allows for the conversion issues that you're talking
9 about there.

10
11 **MR. HUBBARD:** I certainly would hope that the 20 percent buffer
12 would diminish. That's the whole reason we're going to VMS and
13 IFQ. The question is how much is that buffer going to be?
14

15 **CHAIRMAN BOGGS:** On the headboat collaborative, we did 5
16 percent, but we came out so far under each time that we were
17 able to release the 5 percent, and we still came out way, way
18 underweight, and what we saw was quite surprising to me, and
19 this is a little bit off-subject, but we saw the larger fish
20 actually harvested in January, February, and March, and the
21 smaller fish harvested in June and July.
22

23 Then we even saw a smaller grade of fish caught in the fall of
24 the year, which was quite surprising to me, but we saw the
25 bigger fish caught off of Alabama, and, in the headboat program,
26 we saw most of the big fish caught in the winter and spring and
27 the smaller fish during the summer months, when the pressure is
28 on.
29

30 Where we fish, we get -- I call it the circle of death. We get
31 a twenty-mile radius that most six-hour boats can fish in, and
32 there's only so many reefs in there, and they get -- You've got
33 117 boats fishing out of one port and that's a death circle in
34 there. The fish get fished down, where they're way smaller.
35 Then, by September, when you're outside of the derby fishery and
36 you're allowed to go catch these fish then, they've been picked
37 over, because still, even in September and October, you can only
38 go so far to fish on the half-day trips. Mr. Green.
39

40 **MR. GREEN:** I wanted to -- I guess we need to make a new
41 alternative with what you're saying, I mean from what -- **I will**
42 **make a motion that under Action 6 that we create a new**
43 **Alternative 3 that distributes pounds to the account,**
44 **shareholder account, but distributes fish to the vessel that**
45 **converts it to fish for each vessel in accordance to the port**
46 **average.** Is that correct, Randy, the port average? Assane, is
47 that how you say that?
48

1 **CHAIRMAN BOGGS:** Yes, port average weight.
2
3 **MR. GREEN:** Port average weight of each species. That's my
4 motion, unless there is some wordsmithing by staff.
5
6 **CHAIRMAN BOGGS:** Yes, and, also, for this point too, and I'm
7 going to bring this up. If I were selling fish, and we don't
8 have a Texas boat in here, but if I was moving fish to -- Say I
9 sold Ms. Anderson some fish. I would transfer the weight to Ms.
10 Anderson's account in pounds, and then it would be converted
11 using her average weight in her port.
12
13 If I bought fish from her and they moved to me and my average is
14 ten pounds and her average weight is four, when they move back
15 and forth, it would automatically adjust for that. That way, it
16 keeps it where it should be. Chad Haggert.
17
18 **MR. HAGGERT:** Just a point for argument, that whenever you're
19 giving these averages, yours are always higher than everybody
20 else's, and I was just wondering why that was.
21
22 **CHAIRMAN BOGGS:** Because I have people from Tampa and Clearwater
23 that come up and fish on their boat and bring their wives. Yes,
24 Ms. Jessica.
25
26 **DR. STEPHEN:** I just wanted to help you guys out, too. If we do
27 this, we can also post something that helps you guys figure out
28 what the conversion is for each one of your vessels. If you
29 were transferring a hundred pounds, you would know how many that
30 would equate to for whoever -- Whoever is receiving it could
31 figure out that equation. We can help build things into the
32 system so it's not a mystery.
33
34 **CHAIRMAN BOGGS:** No offense, Jessica, but I've seen some of your
35 and Andy's conversion things. It's harder than Japanese
36 algebra. Charlie.
37
38 **MR. PAPROCKI:** I second the motion.
39
40 **CHAIRMAN BOGGS:** We have a second on the motion. Do we need any
41 more discussion? Skipper.
42
43 **MR. THIERRY:** Should we add that, that transfers between
44 shareholders should be in units of pounds and not fish?
45
46 **CHAIRMAN BOGGS:** Yes, I think that would be appropriate.
47
48 **DR. STEPHEN:** Just to clarify, technologically, what we will do

1 is not allow a shareholder to another shareholder's vessel
2 transfer. Your transfers between shareholders will always be at
3 the shareholder-to-shareholder account level.

4

5 **CHAIRMAN BOGGS:** So they will do that automatically?

6

7 **DR. STEPHEN:** Yes, we'll build that in, because it would be too
8 hard to mathematically build your shareholder account to another
9 shareholder's vessel account.

10

11 **CHAIRMAN BOGGS:** You don't have to add that to the motion.

12

13 **DR. STEPHEN:** You don't have to add it. I just wanted to add a
14 point of clarification, which does mean if you're transferring
15 at sea that there's going to be an extra step of the shareholder
16 then moving it to their vessel, which is different than
17 commercial at this point.

18

19 **CHAIRMAN BOGGS:** Yes, and, guys, do you understand that? Like
20 in the headboat collaborative or in the commercial fishery, you
21 can transfer fish while you're at sea. Say you were over a few
22 fish or under a few fish and you needed a fish and you had
23 twenty-four hours within landing to do it. You could give
24 yourself -- If you know that somebody has got some fish that
25 you're willing to purchase and you're over by thirty pounds or
26 forty pounds or you need a few fish and you know that I've got a
27 few fish that I will let you have or whatever, then we could
28 have a twenty-four-hour window for transferring the fish, but,
29 with this, you will have to be on your home computer to do it,
30 and is that right?

31

32 **DR. STEPHEN:** Yes, you would need someone who access to the
33 account. If we get mobile applications built, you might be able
34 to do it while on the boat. That is currently not built for the
35 program, although it's in our timeline somewhere.

36

37 **CHAIRMAN BOGGS:** But you could call home and have your wife or
38 somebody at your office make some --

39

40 **MR. PAPROCKI:** The same as a commercial shareholder account or
41 similar?

42

43 **CHAIRMAN BOGGS:** Similar, but, with them, they can do it at sea.
44 Right now, with this, unless we get a mobile app done where we
45 can do it, you won't be able to -- You will have to call in and
46 get somebody at home to be on the home computer in order to move
47 the fish.

48

1 **MR. PAPROCKI:** Yes, and do they still have like the 10 percent
2 overage too, if you go over for the whole year, the commercial,
3 or is that --

4
5 **CHAIRMAN BOGGS:** No, and that's what we were talking about. In
6 this program, the weights, with the VMS reporting and the live-
7 time reporting, they know within a matter of minutes what your
8 fish weigh. Your port samplers, they know pretty much live,
9 within a matter of days, what your fish weighed, and they will
10 adjust it accordingly, so that you won't go over or go under, so
11 you don't have to have much of a buffer.

12
13 3 or 4 or 5 percent is a great buffer in this, and you also
14 initially, on the split, the 49 percent split that came to the
15 recreational side, which is technically what we are, there is
16 already a 20 percent hold back on that automatically, and so
17 then, if you added a big buffer into this, you would have that
18 20 percent plus another 5, and so you would have 25 percent, and
19 nobody is going to exceed that, because they will be able to
20 adjust it. It's amazing how quickly the --

21
22 **MR. PAPROCKI:** At the end of the year, it's hard to get burned
23 when you're down -- Like commercially, in December, everybody is
24 trying to finish up and --

25
26 **CHAIRMAN BOGGS:** You can't move fish from one year into the next
27 year, and so you may lose a few pounds of fish there, but you
28 should be able to harvest right up close to, within a few
29 pounds, of what you are. If you went over by twenty-five or
30 thirty pounds or a certain number, it wouldn't be a huge deal,
31 because, when you get your allocation the next year, it comes
32 right off.

33
34 **MR. PAPROCKI:** That's how they do it commercially, I think.

35
36 **MR. GREEN:** As the motion maker, can we take the friendly
37 amendment of the transfer between shareholders out, the last
38 sentence of the motion?

39
40 **CHAIRMAN BOGGS:** Yes, sir.

41
42 **MR. GREEN:** Thank you.

43
44 **CHAIRMAN BOGGS:** The motion that we have on the board, the AP
45 moves that in Action 6 that a new Alternative 3 be added that
46 distributes pounds to the shareholder's account and distributes
47 fish for each vessel in accordance with the port average weight
48 for each species. Any more discussion? **All in favor.**

1
2 **DR. DIAGNE:** It's unanimous.
3
4 **CHAIRMAN BOGGS:** Ms. Anderson is not here. All right, guys.
5 I've had enough. We're going to take a break. Daniel, what do
6 you have to say, so we can take a break?
7
8 **MR. WILLARD:** I would like to understand why you would not want
9 to specify that transfers would be between the shareholder
10 accounts in pounds, because that would account for the regional
11 differences in weights.
12
13 **CHAIRMAN BOGGS:** Because I listened to Jessica, and Jessica said
14 that they would do that automatically in there.
15
16 **DR. STEPHEN:** I think it would just be administratively taken
17 care of that we would only allow that to occur. It's, I think,
18 understood, and I don't know if we necessarily need it in the
19 motion. We'll have it in the discussion, and it will just be a
20 limitation of how to do that math is simpler, so nothing is
21 wrong of that shareholder-to-shareholder.
22
23 **CHAIRMAN BOGGS:** Does that answer the question?
24
25 **MR. WILLARD:** Yes.
26
27 **CHAIRMAN BOGGS:** To your satisfaction?
28
29 **MR. WILLARD:** It's on the record.
30
31 (Whereupon, a brief recess was taken.)
32
33 **CHAIRMAN BOGGS:** We are going to Action 7, Time Period Used in
34 Initial Apportionment of Shares. Alternative 1 is no action.
35 Alternative 2 is, for each species, the apportionment of initial
36 shares among eligible participants is based on the landings of
37 the vessel during the most recent year, which will be 2015.
38 That's Alternative 2.
39
40 Alternative 3 is, for each species, the apportionment is based
41 on and average landings during the most recent five years, 2011
42 through 2015. Alternative 4 is, for each species, the
43 apportionment is based on the most five years of landings,
44 omitting the year with the lowest landings.
45
46 Alternative 5 is, for each species, the apportionment is based
47 on the year with the highest landings during the most recent
48 five years. Before we even go down this road, Mr. Green brought

1 up a point about omitting 2014. If we did the -- If we took
2 Alternative 4 and used it, then we could -- The year with the
3 lowest landings would be 2014, because that was the shortest
4 season we've ever been through.

5
6 We're going to open it up for discussion, but we've got a long
7 way to go and a lot of stuff to get through. **We've got seven**
8 **more to get through, and so I am going to make a motion myself**
9 **to go with Alternative 4 in this, and then I'm going to open the**
10 **floor for discussions.**

11
12 **AP MEMBER:** I will second it for you.

13
14 **CHAIRMAN BOGGS:** We have a second on the motion. Mr. Green.

15
16 **MR. GREEN:** I was wondering, why did we use -- This might be to
17 Assane, but why did we only use 2011 to 2015? Why didn't we
18 have any alternatives that had 2004 through 2015?

19
20 **DR. DIAGNE:** Even though in the past, for the apportionment of
21 the entire component, we went as far as we could in 2004, for
22 the division of the quota within the component, we picked five
23 years, essentially, because that would reflect who is
24 participating in the program at this moment. The further back
25 in time you go, the further you distort what a specific vessel
26 can get, because you would be including, perhaps, vessels that
27 are not considered in this. That is why, for the previous one,
28 we went as far as we could get, but, here, we concentrated on
29 the last five years, if you would, to really have a clear shot
30 of the current participation in the headboat component.

31
32 **MR. GREEN:** So what you're saying is, going from the timeframe
33 of 2004 to 2011, you're going to have -- I mean we haven't
34 rolled over that much, judging by the thing -- You're going to
35 have too much distortion or was it a calculated -- Was it a lot
36 of distortion?

37
38 **DR. DIAGNE:** If you went from 2004 to present time, then it
39 means that you will be including -- You have the likelihood of
40 including some vessels that are no longer in this and qualified
41 in the survey. The more current the time period is, the more
42 reflective it would be of who is in the fishery, in your
43 fishery, at the present time. That was our rationale.

44
45 **MR. GREEN:** That was kind of why I wanted to bring that up, why
46 I brought it up in the last one, is because, looking at this, I
47 would look at it -- Like if we were going to take the allocation
48 from 2004 to now, wouldn't we want to take the catch history

1 into account for that, for that period of landings?
2
3 **DR. DIAGNE:** I think the point you were raising had to do with
4 the collaborative, and that speaks, I guess, more specifically
5 to --
6
7 **MR. GREEN:** That was the second point.
8
9 **DR. DIAGNE:** -- to the year 2014, if you look at the
10 differentials between the number of days in the collaborative
11 versus those that didn't have the opportunity to participate.
12
13 **MR. GREEN:** Thank you.
14
15 **CHAIRMAN BOGGS:** Charlie was next and then Pam.
16
17 **MR. PAPROCKI:** That's why I asked earlier about when we come to
18 allocation and if that's what we were going to do, if there was
19 going to be more specifics on that.
20
21 **CHAIRMAN BOGGS:** This is dealing with the vessels and --
22
23 **MR. PAPROCKI:** Yes, but we were going to omit some of the years,
24 because they were not --
25
26 **CHAIRMAN BOGGS:** This is omitting 2010, when the oil spill was,
27 and it's allowing us to drop the lowest year. Even with the
28 headboat collaborative going on, that was only not ten or twenty
29 boats out of sixty, and so it was less than one-third of --
30
31 **MR. PAPROCKI:** But the ones that aren't in it anymore don't
32 qualify, like Assane has said, and why are we worried about them
33 anyway? It doesn't matter with their history and it doesn't
34 matter --
35
36 **CHAIRMAN BOGGS:** Right, and this would eliminate all those boats
37 from years past. This would concentrate on the ones that are
38 actively fishing now. By dropping the lowest year out of the
39 deal -- That was the year that we had a -- 2014 was a nine-day
40 season, and even with the collaborative boats, that will still
41 be the lowest catch history of that period of time. Does that
42 make sense?
43
44 **MR. PAPROCKI:** I still don't know why we wouldn't go back to
45 2004. Wouldn't that be a better average? We've been fishing
46 for -- Some of those have been fishing that long.
47
48 **CHAIRMAN BOGGS:** Yes, sir, and we have, but, just like out of my

1 port, we have a boat called the Outcast there that was fishing
2 in 2004, which would be included in this data, but he's now out
3 of business. Then you're getting fish for there when you've got
4 nowhere for them to go with the landings, and so this is the
5 boats that are actively fishing now.

6
7 **MR. PAPROCKI:** But we use some of their percentage as a whole
8 though, and so you're using it for one thing, but you're not
9 using it for another. It's not clear.

10
11 **DR. STEPHEN:** Maybe I can try and help clear things up. Since
12 2004, out of the sixty-seven vessels currently in, only forty-
13 two of them have been in that entire timeframe. That's when we
14 were looking back. It was a lot of the vessels wouldn't have a
15 large timeframe.

16
17 When we looked from 2011 onward, we got sixty of the sixty-seven
18 vessels were in and had landings in all of those years, and
19 that's where we started picking that from. That doesn't mean
20 you can't try and go back, but, as you go back, you drop how
21 many vessels that are currently in actually were in at that
22 point in time as well. Then the reverse is we had a lot of
23 vessels in during that timeframe that are not currently in, as
24 they've dropped out in more recent years.

25
26 **MR. PAPROCKI:** So to penalize the ones that have been in it for
27 so long, you can use the ones that are in it for a few years?
28 There's only a few in the latter part that --

29
30 **CHAIRMAN BOGGS:** It doesn't really penalize anybody. It's just
31 picking your universe of who is actively fishing right now. All
32 the boats that are sitting idle that haven't fished in the last
33 few years that are not fishing, it takes all that out of the
34 mix.

35
36 **MR. GREEN:** Basically, what's going on, and this is what I've
37 just got in my head, but so the timeframe we picked was -- We
38 had roughly the same amount of boats in the headboat survey from
39 2004 until now, and so it's representative of the size of the
40 fleet that we have at this time. Therefore, that's the
41 allocation, the ACL, we're pulling. In this, with the 2011 to
42 2015, it's more representative of the actual catch, of the
43 landings, of the current fleet. Is that a correct way of
44 putting it?

45
46 **DR. DIAGNE:** Yes, exactly. It's about the same size, but the
47 longer the time series, the greater the likelihood that you
48 have, in those sixty-seven, some folks that may have had

1 landings in 2004 and 2005, but are no longer here. The shorter,
2 or the more current the timeframe, the more you know that you
3 are capturing present participation, meaning you guys.

4
5 **CHAIRMAN BOGGS:** Ms. Anderson.

6
7 **MS. ANDERSON:** Then, to add to the statement you just made,
8 those fish would be kind of left on the table, because they
9 weren't going to be applied to another boat if they were out of
10 the fishery now, between 2011 and 2015?

11
12 **DR. DIAGNE:** No, I don't think we will leave anything on the
13 table. The first part was the time series was selected to
14 capture the size of the fleet, a fairly constant size of the
15 fleet, give or take sixty-six or sixty-six vessels, thereabouts.
16 That would give you then -- I believe, for red snapper, the
17 average was 12 percent or so. That would give you a fair
18 representation of what it is that, as a component, the headboat
19 would pull from the ACL, as you mentioned.

20
21 The second step now is how you divide that 12 percent amongst
22 present participants. To have a good picture of who is in the
23 fleet right now, the time series has to be short. Meaning, the
24 shorter it is and close to 2015, the more representative it will
25 be to current active participation.

26
27 **MS. ANDERSON:** Okay, and then just a quick follow-up. Omitting
28 the year with lowest landings is per boat and not as an overall
29 lowest landings per sector, if you want to call it that way.

30
31 **DR. DIAGNE:** Yes, and I think we did something like this in the
32 commercial one. They had a time series, and each vessel was
33 allowed to kick out or to eliminate their years of lowest
34 landings.

35
36 **CHAIRMAN BOGGS:** Any more discussion? Are we ready to vote on
37 this one? **All in favor.**

38
39 **DR. DIAGNE:** **Opposition. One in opposition, and so ten to one.**

40
41 **CHAIRMAN BOGGS:** We're on Action 7.2, Distribution of Shares.
42 This is a complex thing. Alternative 1 is no action, do not
43 distribute shares to participants.

44
45 Alternative 2 is distribute a percentage of initial shares for
46 each species equally among the headboat survey vessels permit
47 holders participating in the program and distribute the
48 remaining percentage of the initial shares proportionally.

1 Number 3 is distribute percentage of initial shares through an
2 auction system and all headboat survey permit holders
3 participating in the program are allowed to place bids.

4
5 Before I open this up to discussion, let's talk about some of
6 the things. Under Magnuson, the Gulf Council is required by law
7 to look at the auction alternative. That's required, and so
8 that has to be in there. What they're talking about is
9 distribution of initial shares, and, Assane, please help me if I
10 get this wrong. I'm going to let you explain the proportional
11 and equal. I had it, right up until I went to say it.

12
13 **DR. DIAGNE:** I'm going to try. Essentially, the council would
14 consider here three methods of initial apportionment. One would
15 be equal distribution, the second would be proportional. By
16 proportional, we mean based on the respective catch histories.
17 The third would be via auctions. Let's say, for example,
18 Alternative --

19
20 **CHAIRMAN BOGGS:** Can we stop there for a minute?

21
22 **DR. DIAGNE:** Yes, I will stop for a minute.

23
24 **CHAIRMAN BOGGS:** Equal distribution means that everybody -- The
25 fish would go into a common pool, irregardless of your COI or
26 your catch history, and everybody would get an equal amount of
27 fish. Under these alternatives that are listed here, equal
28 distribution in 2a would not happen. You would get your fish
29 based on what you've historically caught. Under 2b, 25 percent
30 of the fish initially allocated would be equally distributed to
31 each boat and 75 percent would be based on what you've caught.
32 2c is 50 percent would be equally distributed and then 50
33 percent -- I'm going to go through all of them, because I
34 started this.

35
36 2d means that 75 percent of the fish initially allocated would
37 go equally to the boats and 25 percent of it would be based off
38 of what you've historically caught. 2e is 100 percent of it
39 would be distributed equally, and so, irregardless of your COI
40 or irregardless of what you had caught, you would do it that
41 way. Since I'm on a roll here, Alternative 3 is distribution by
42 auction. Alternative 2 is -- You've got to pick me up here,
43 Assane.

44
45 **DR. DIAGNE:** Okay.

46
47 **CHAIRMAN BOGGS:** I'm talking myself through this, guys. I'm
48 learning as we go.

1
2 **DR. DIAGNE:** No, it's exactly like that. Let's say, for
3 example, in Alternative 2, for argument's sake, the council
4 picked Option 2b. As Mr. Chair indicated, 25 percent of the
5 quota for the headboat component would be equally distributed.
6 You take the poundage divided by sixty-seven and give everybody
7 a share. The 75 percent will be distributed based on the
8 respective catch histories of the participants. That is the
9 method selected in Alternative 2, for example, 2b we said.
10
11 If the council, on top of that, says I also want to have 25
12 percent of the quota auctioned, then, if we look at the table to
13 the right, we see that, for Alternative 2, in blue, 75 percent
14 will be distributed according to Alternative 2. We take the 75
15 percent and we go back to Alternative 2, and, if we pick 2b, we
16 do whatever it is that we discussed there.
17
18 Then the 25 percent would then be auctioned off. The council
19 has, I guess, a lot of combinations here to look at between
20 equal, proportional, and auction. Is that --
21
22 **CHAIRMAN BOGGS:** Sure, and we've got two hands up on this thing,
23 and so just give me just a second to digest before I open this
24 up for discussion. I am kind of there, and I'm going to start
25 with Jim and go to Johnny.
26
27 **MR. GREEN:** I was actually going to make a motion. **My motion**
28 **would be to recommend to the council that Alternative 3 in**
29 **Action 7.2 was considered but rejected.**
30
31 **CHAIRMAN BOGGS:** I am going to call on Johnny.
32
33 **MR. WILLIAMS:** I am just a little confused about what we had up
34 there before of the different selections. On one of them, it
35 talks about auction, and it talks about --
36
37 **DR. DIAGNE:** She is going to put it back.
38
39 **MR. WILLIAMS:** In Alternative 3, it says distribution of initial
40 shares, and then it says by Alternative 2. Does that mean by
41 equal or proportional in Alternative 2?
42
43 **DR. DIAGNE:** Whichever method is selected in Alternative 2.
44
45 **MR. WILLIAMS:** Okay, and so they would have to select one in
46 Alternative 2 before they selected whatever in Alternative 3?
47
48 **DR. DIAGNE:** Yes, the council could select only in Alternative 2

1 and stop there or they can go one step further and say, in
2 addition, we would also like to take off a chunk of that and
3 auction it.

4

5 **CHAIRMAN BOGGS:** Mr. Hubbard.

6

7 **MR. HUBBARD:** How would the auction work?

8

9 **DR. DIAGNE:** The auction, the mechanics of it, we haven't really
10 discussed that yet, but, as any auction, you would define the
11 universe of eligible bidders. Then that could be blind auctions
12 and everyone would submit a bid electronically by a certain
13 date. That is a possibility of doing it.

14

15 **MR. HUBBARD:** I mean we actually bid cash to buy our own
16 resource back?

17

18 **DR. DIAGNE:** That is the way it would work, yes. That is
19 essentially --

20

21 **MR. HUBBARD:** I don't think that's funny at all. I don't think
22 that's got much of a chance.

23

24 **MR. GREEN:** Considered but rejected.

25

26 **CHAIRMAN BOGGS:** Before we get hung up on the auction, let's get
27 to Ms. Anderson. Then we're going to try to move this. Go
28 ahead, Ms. Anderson.

29

30 **MS. ANDERSON:** I think you need a second for that motion to
31 consider but reject Alternative 3.

32

33 **CHAIRMAN BOGGS:** Let me offer a motion up and see how we can get
34 through this. The apportionment of each initial share among
35 eligible participants is based on average landings by vessel for
36 each species during the 2011 to 2015, omitting the year with the
37 lowest landings for each vessel. The AP considered and rejected
38 Alternative 3.

39

40 **MR. GREEN:** I will second it.

41

42 **CHAIRMAN BOGGS:** Except for Mark Hubbard's fish, which go to
43 auction. It's open for discussion, guys.

44

45 **DR. DIAGNE:** I don't understand. I'm sorry. The apportionment
46 of each particular share is the lowest landings for each vessel.

47

48 **CHAIRMAN BOGGS:** Based on the landings. I didn't get this out

1 right. The apportionment of the initial shares among the
2 eligible participants is based on the average landings for each
3 vessel for each species during 2011 through 2015, omitting the
4 year with the lowest landings for each vessel.

5

6 **DR. DIAGNE:** Please start over, Mr. Chair.

7

8 **CHAIRMAN BOGGS:** The apportionment of initial shares among
9 eligible participants is based on the average landings by vessel
10 for each species, because remember it's multispecies, during the
11 2011 through 2015, omitting the year with the lowest landings
12 for each vessel.

13

14 **DR. DIAGNE:** Please repeat it, Mr. Chair, so that she can
15 capture it.

16

17 **MR. WILLIAMS:** We already did the remove the year.

18

19 **MR. GREEN:** I remove my second.

20

21 **DR. DIAGNE:** Yes, you already did the year, and so now you just
22 want to do the proportional part?

23

24 **CHAIRMAN BOGGS:** Yes.

25

26 **MR. GREEN:** I just want to say that I'm going to pull my second
27 back, because I don't necessarily agree with that. My goal was
28 to get Alternative 3 off the table to begin with.

29

30 **CHAIRMAN BOGGS:** We are. We're considering it, but rejecting
31 it.

32

33 **MR. GREEN:** Yes, but you're also adding in particular shares of
34 the lowest -- You're also using basically that all your
35 allocation appointments should be off of landings, correct?

36

37 **CHAIRMAN BOGGS:** Yes.

38

39 **MR. GREEN:** I don't agree with that. That's why I was saying
40 that -- I was trying to take a little chunk of the elephant with
41 the taking 3 off, but that's up to -- I mean we can keep going.
42 You've got the motion up there. I'm removing my second though.

43

44 **CHAIRMAN BOGGS:** Okay. Then we're looking for a second on the
45 motion.

46

47 **MR. WILLIAMS:** If you remove all the -- We already did that one
48 thing, Randy, removing the lowest year.

1 **CHAIRMAN BOGGS:** Okay. Let's remove the dropping the lowest
2 year.
3
4 **AP MEMBER:** It's still not reading right, Randy.
5
6 **CHAIRMAN BOGGS:** Okay. Let me go -- The apportionment of the
7 initial shares among the eligible participants is based on the
8 average landings by vessel for the species during 2011 through
9 2015. Then drop the rest of it. Now, do you want to add in the
10 considered and rejected of Alternative 3, which is the auction?
11
12 **AP MEMBER:** Yes.
13
14 **CHAIRMAN BOGGS:** Okay, and I'm sorry. We will add that back.
15 The AP recommends Alternative 3 to be considered but rejected.
16
17 **DR. DIAGNE:** But your previous motion was to drop the lowest
18 year, wasn't it?
19
20 **CHAIRMAN BOGGS:** Yes, but they said we've already done that in
21 the previous motion.
22
23 **DR. DIAGNE:** Okay, and so we don't need to repeat any of that.
24 Then the initial apportionment will be done proportionally based
25 on --
26
27 **CHAIRMAN BOGGS:** What you landed.
28
29 **DR. DIAGNE:** The previous catch histories, yes. Without any
30 mention of the years, if you took care of that already.
31
32 **CHAIRMAN BOGGS:** We will open it up to discussion, and, the way
33 I'm reading this -- Lots of hands. Can I get through this a
34 little bit? The way I'm reading this is distribution of initial
35 shares -- If we go under 2b, 2c, 2d, or 2e, they're going to
36 take -- No matter what you landed, they're going to take a
37 portion of that fish and distribute it equally among everybody.
38 Any rate that you do that, you may have a boat that's small that
39 gets a base proportion and then a percentage of their landings,
40 and it could be more fish than they could harvest or less fish,
41 on a bigger boat, than they could harvest. You could lose fish,
42 either way. The other way is based on what you actually landed.
43 Mr. Mike.
44
45 **DR. TRAVIS:** I think what you did, and correct me if I'm wrong,
46 but what your motion really is, it's saying your preferred and
47 option is 2a.
48

1 **CHAIRMAN BOGGS:** Yes.
2
3 **DR. TRAVIS:** And you want to get rid of 3.
4
5 **CHAIRMAN BOGGS:** Yes.
6
7 **DR. TRAVIS:** Is that correct?
8
9 **CHAIRMAN BOGGS:** That is correct. Why didn't you offer that up
10 to start with?
11
12 **DR. TRAVIS:** I think you could just say it that way and you get
13 rid of all those words.
14
15 **CHAIRMAN BOGGS:** Come sit in Assane's chair. The floor is open
16 for discussion. Mr. Charlie.
17
18 **MR. PAPROCKI:** I had a question on -- I don't want to beat a
19 dead horse, but we were doing the lowest year and getting rid of
20 it. That's not including 2014. We already discarded 2014,
21 because the data was skewed, and so the lowest year after 2014,
22 right?
23
24 **CHAIRMAN BOGGS:** No, we didn't necessarily pick 2014. What we
25 picked was the lowest year, which we know --
26
27 **MR. PAPROCKI:** That's two different things. I thought we
28 couldn't use the data.
29
30 **AP MEMBER:** You use four out of five. So if somebody didn't
31 fish at all in 2011 and caught a few fish in 2014, they would
32 eliminate 2011 instead of 2014.
33
34 **MS. ANDERSON:** So your lowest year.
35
36 **CHAIRMAN BOGGS:** Which if you only fished the nine-day season
37 and you fished more than nine days in any of those other years,
38 that will be your lowest year. Whereas, for me, I was in the --
39
40 **MR. PAPROCKI:** But I didn't think it even counted. How could it
41 count for one of the -- Even in the five years.
42
43 **CHAIRMAN BOGGS:** Okay. Let's say that in 2014, which I was in
44 the headboat collaborative and I fished forty days -- Say, in
45 2009, I blew an engine in the middle of the season or -- Not
46 2009, but in one of the years, I blew an engine and lost the
47 whole season and got zero days. Then I would keep 2014 for me,
48 because I fished in that fishery, and drop one --

1
2 **MR. PAPROCKI:** I was talking to Andy earlier, and we were
3 talking about it scientifically, how it's not an even playing
4 field. By blowing engines or some variables, the weather or
5 anything, everybody is on the same playing field with that, but,
6 as far as fishing time, how -- It's skewed. I don't think you
7 can even use that year. Isn't that right, Andy?

8
9 **MR. STRELCHECK:** We certainly have differences in how the
10 vessels operated in 2014, with a very short nine-day season
11 relative to the amount of time the collaborative vessels were
12 able to fish, given the quota that was allocated.

13
14 **CHAIRMAN BOGGS:** We can go back and revisit that and change it,
15 if that's what you would like to do, but the odds are -- We
16 would have to go back and look at each, but the twenty boats
17 that participated in the program in 2014, at that time, that was
18 the shortest -- Even with the headboat collaborative program,
19 that was still the shortest season that we've ever -- I mean I
20 fished way more days for snapper in every year other than that.

21
22 **MR. PAPROCKI:** So you take your landings from 2011. Your
23 allocation was from 2011, everybody in the collaborative.

24
25 **CHAIRMAN BOGGS:** Right.

26
27 **MR. PAPROCKI:** So, essentially, 2014 and 2015 is the same as
28 2011 for them, and so the three years would be the same.
29 Whereas, with the other vessels, they're limited to how many
30 days they could fish. The science is not meshing. It's not
31 even. It's not --

32
33 **CHAIRMAN BOGGS:** If you drop the lowest year -- If I was the
34 same in three years -- If I was forty days for three, then I've
35 got to pick one forty-day season to drop, and so it doesn't.
36 That's the lowest.

37
38 **MR. PAPROCKI:** But it shouldn't be counted. It should not even
39 be counted with the science. I mean I need some help from the
40 scientists or something to --

41
42 **DR. STEPHEN:** What I can say is that we can look into this more
43 and come back to you. This is mostly red snapper, and possibly
44 gag, more than the rest. What we can do is we can get some
45 analysis and come back and show you what's going on. Maybe you
46 guys can look at that. We have some preliminary work, but I
47 don't have that available at hand.

1 **CHAIRMAN BOGGS:** It's not that I'm trying to take advantage of
2 where we're at or what we did or anything. I mean that's not
3 the intent of the thing. It should be the lowest year that any
4 of us went through, either way shape, form, or fashion.

5
6 **MR. PAPROCKI:** I still think I'm missing something. I'm the
7 only one -- I don't know. Nobody else is seeing what I'm
8 saying, I guess.

9
10 **MS. ANDERSON:** We're just letting you carry the ball for us.

11
12 **MR. GREEN:** What I'm seeing Charlie say is that even though 2014
13 would be for a non-EFP boat, would be the year that they would
14 drop, unless a catastrophic failure or something like that, you
15 would be, as an EFP vessel -- An EFP vessel is going to have the
16 chance to drop a year that's not even that -- I mean it's
17 basically if you weren't in the pilot, then 2014 is your de
18 facto year you're going to drop. Whereas, if you weren't in the
19 pilot, then you can select -- 2014 might have been one of your
20 top three years, compared to your other catch history, I guess
21 is what he's trying to say.

22
23 From what I understand, Charlie is saying that we shouldn't be
24 able to -- It shouldn't be even part of the consideration to
25 begin with, just because there was no balance and equal access
26 under a derby.

27
28 **MR. PAPROCKI:** Yes. Essentially, the ones in the collaborative,
29 you've got your quota from 2011, and so you use that for 2014
30 and you use that for 2015. It's all going to be the same
31 anyways, whereas, all the rest of the boats, they're all -- They
32 have all the variables in it, and so it's not even close,
33 science-wise. I don't know how you even pick those years for
34 the scientists to be able to use them even.

35
36 **DR. DIAGNE:** If it is in the interest of this group -- I assume
37 that perhaps you want to re-discuss Action 7.1 and someone
38 offers to, for example, do 2011 to 2015, excluding 2014, or
39 something along those lines, because that's kind of what I am
40 understanding, from the points the two of you are making.

41
42 **CHAIRMAN BOGGS:** Yes, and that option was offered up, but we
43 chose to drop the lowest year.

44
45 **MR. PAPROCKI:** But it's two different things. That shouldn't be
46 counted as the lowest year, for the science.

47
48 **CHAIRMAN BOGGS:** In 2014, the collaborative program was based on

1 the shortest season that we had ever had. Even with that number
2 of fish, if you were in the headboat collaborative program and
3 you fished the years prior to and the years after, that's going
4 to be the lowest year. It's going to be the shortest year.

5
6 **MR. GREEN:** Randy, it was 2011 landings that you based that off
7 of?

8
9 **AP MEMBER:** Yes.

10
11 **MR. GREEN:** That was a forty-eight-day season. We haven't had a
12 season even -- Right here, it says 2011 for-hire season is
13 forty-eight days, and so I'm just going off of what's in this
14 document. I would say that none of us have had, EFP or not --
15 Well, EFP, yes, but nobody else in the EFP got to experience a
16 forty-eight-day fishing season or anything even modeled after
17 that, I should say.

18
19 **CHAIRMAN BOGGS:** Then, yes, we will go back and revisit that and
20 what you guys want to do.

21
22 **MR. GREEN:** That's okay. I voted for it, and so we could
23 reconsider it if it was a problem, which Charlie has pointed
24 out.

25
26 **MR. PAPROCKI:** That's where we kind of depend on the scientists
27 and all to try to get it even and all, but that's why I'm trying
28 to get help from whoever the -- The data people or whatever with
29 it. Can you use those years? How can you use those years? I'm
30 not a scientist or anything, but I know it's not even. It's
31 nowhere near. I can catch X amount of fish in a year's time,
32 versus my limited time, and it shouldn't even be used as a
33 lowest year. It's clear to me, but I don't know.

34
35 **CHAIRMAN BOGGS:** A low year is a low year, whether it was this
36 many days or that many days.

37
38 **MR. PAPROCKI:** But it's before the low year. I don't even know
39 how it can be used scientifically. You're comparing apples to
40 oranges. The playing field is not even.

41
42 **CHAIRMAN BOGGS:** If you drop the season in 2014 or whatever you
43 -- It's going to be my lowest year. 2014 is going to be my
44 lowest year, and so that's going to be the year that drops.

45
46 **MR. PAPROCKI:** But I might want to drop a different year.

47
48 **CHAIRMAN BOGGS:** Then why don't I get the choice of what year I

1 get to drop?
2
3 **MR. PAPROCKI:** Because 2014 shouldn't be used anyway, because
4 it's not an even playing field.
5
6 **CHAIRMAN BOGGS:** So we're going to go to three years and drop
7 the lowest year?
8
9 **MR. PAPROCKI:** No, we should use five years, but use other
10 years.
11
12 **CHAIRMAN BOGGS:** We're going to come back to this 7.1. We're
13 going to come back to that.
14
15 **DR. DIAGNE:** I had something that I forgot. Is it a good time,
16 or I can wait until the --
17
18 **CHAIRMAN BOGGS:** No, it's fine.
19
20 **DR. DIAGNE:** My apologies, but I forgot to mention something.
21 If we look here at Action 7.1, Alternative 2, it says for each
22 species that the apportionment of initial shares among eligible
23 participants is based on landings by vessels during the most
24 recent years.
25
26 What I forgot to mention, which was discussed during the April
27 council meeting, is that what we are considering moving forward
28 would be the landings by permits. I mean the distinction is
29 important, because you can have a vessel report landings even
30 though their permit was not valid during that time period.
31
32 There is a few instances of that, and so, to be really square
33 about this, I guess, the alternative should read "based on the
34 landings by permit", meaning we take the permit and we track all
35 of the landings that were reported attached to that permit.
36
37 **MR. PAPROCKI:** What if you had a vessel that had two different
38 permits?
39
40 **DR. DIAGNE:** Then you will track the landings for each one of
41 the permits. If you are still owning those two permits, each
42 one of those permits, at the end of the day, would receive their
43 initial allocation.
44
45 **MR. PAPROCKI:** What if one of the permits were voided, but the
46 vessel was active and still is active, but with a different
47 permit?
48

1 **DR. DIAGNE:** Then the new permit is going to get its due when it
2 comes to the apportionment. Either way you look at it --
3
4 **MR. PAPROCKI:** The new permit will have the apportionment from
5 the vessel, from the total history of the vessel?
6
7 **DR. DIAGNE:** From the landings attached to that permit, yes.
8
9 **MR. PAPROCKI:** Just the permit, and so prior to say 2012, a
10 vessel lost its permit and got a new permit. The landings are
11 only good from 2012 or the landings prior to 2012 tied to the
12 vessel are now tied to that permit?
13
14 **DR. DIAGNE:** You take each permit and essentially this has to be
15 done by reconciling or merging two databases, and maybe Jessica
16 will speak to that. You take the landings and look at the
17 vessel and look at the time of the landings for the permit that
18 was attached to that vessel, and so either way you look at it.
19
20 I mean you can present it as having a vessel changing hands or a
21 permit changing hands, but, because a vessel can report landings
22 at the time when the permit was not valid, the clear or clean
23 way is to attach the landing to the specific permit. I just
24 forgot to mention that. Thank you.
25
26 **CHAIRMAN BOGGS:** Are you done?
27
28 **DR. DIAGNE:** Completely done, unless you guys want to re-discuss
29 this now.
30
31 **CHAIRMAN BOGGS:** Johnny.
32
33 **MR. WILLIAMS:** I just wanted to make one comment. Charlie, when
34 we got in this pilot program, Andy told us -- I think it was in
35 New Orleans, and I don't know where Andy went, but he told us
36 over there that you may actually harvest fewer fish in this
37 pilot program that you would in the normal fishing season.
38
39 That was before they had the nine-day season. At that time, we
40 thought we were going to get like a forty-something-day season,
41 but we were willing to take that risk before we knew that,
42 because it gave us the opportunity to fish when we wanted to,
43 rather than the federal government told us that we had to fish.
44
45 In 2015, I know that one of the boats down the street, they
46 actually got fewer fish than they would have caught if they were
47 fishing during the normal season, because, in 2014, they didn't
48 get in the pilot program, they were burned about that. Then, in

1 2015, they got fewer fish than they would have caught if they
2 would have -- Because you had to agree to be in the system
3 before we got the extension of sector separation and all that
4 sort of thing.

5
6 Then when it actually came out, they got fewer fish than they
7 would have caught if they would have fished inside in the normal
8 season, and so I don't think we want to drop to 2015 for the
9 people that got penalized by being in the pilot program that
10 year, and so we took that risk and that was part of it, and I
11 don't think we should be penalized or we should be -- I mean we
12 took the risk, we rolled the dice, and it just so happened that
13 that's the way it worked out.

14
15 **MR. PAPROCKI:** Yes, and I would have liked to have been in the
16 program, but there's so many other people who weren't around me
17 that I would have -- It would have been tough. There's a lot of
18 dissention, I think, from the program, too.

19
20 I think it was good overall, but the ones who were not in it
21 when people were catching red snappers and others weren't, then
22 I think there is a lot of animosity. When this comes up for
23 referendum, I think we've got to watch it pretty close, for the
24 others who weren't in it. They're not here now, most of them
25 are not, but I think they're going to be watching pretty close
26 what's going on with it all.

27
28 **CHAIRMAN BOGGS:** Okay. Back to where we're at. We have a
29 substitute motion on the board. The AP moves that the
30 apportionment of each initial share among eligible participants
31 are based upon the average landings of the vessel of the time
32 period of 2011 through 2015. The AP recommends that Alternative
33 3 in Action 7.2 be moved to considered but rejected.

34
35 Now, I am going to stop right here, and all of this is going to
36 take a lot of consideration, because if you take 2014 out --
37 What years did we have the program, 2014 and 2015? If you take
38 2014 and 2015 out, we actually came in under. Some of us didn't
39 harvest near as many fish as they did. Are we going to adjust
40 for the boats that were in the collaborative in all of this?
41 Are we going to let this go?

42
43 I mean how do we -- I mean I will open this up for discussion,
44 because if it wasn't fair and equitable, we need to move forward
45 here. It's open for discussion. We need to know what you want
46 to do. Skipper.

47
48 **MR. THIERRY:** Just a comment. I think if you take out 2014,

1 because it's skewed, then you have to take out 2015, and that
2 really throws a wrench in the deal. You're down to 2011, 2012,
3 and 2013. I mean that's -- I don't think that's a long enough
4 time series. If you do 2014, you've got to do 2015, I would
5 think.

6
7 **DR. DIAGNE:** I just want to ask a question to the group. I am
8 not too familiar with maybe this part of this. I can
9 understand, potentially, consideration for taking 2014 off of
10 this time series, on the account of the uneven season lengths,
11 but, in 2015, I'm not sure that it really made a difference,
12 because, by then, we did have, for red snapper in particular,
13 sector separation, and everybody moved to -- How many days did
14 you have?

15
16 **CHAIRMAN BOGGS:** Forty-four.

17
18 **DR. DIAGNE:** Forty-four days, and so it seems, to me, that there
19 was no penalty, quote, from being outside of the collaborative
20 in 2015. If it existed, it may be in 2014.

21
22 **MR. PAPROCKI:** If we're using the averages, why don't we just
23 take 2011 then and use that? All the ones in the collaborative,
24 they're the same as 2011. Those three years right there, they
25 would all be the same, because that's where you take your
26 allocation from. Is that not true?

27
28 **CHAIRMAN BOGGS:** Skipper.

29
30 **MR. THIERRY:** No, in 2015, I don't know the percentage, but the
31 collaborative took a --

32
33 **CHAIRMAN BOGGS:** 25 percent.

34
35 **MR. THIERRY:** 25 percent. I mean it was a substantial cut. I
36 caught substantially less fish in 2015, being a part of the
37 collaborative, than I would have being part of the regular
38 season. Do you understand?

39
40 **MR. PAPROCKI:** But you take your average from 2011 from your
41 allocation, and wouldn't it be the same each year? You don't
42 use the same?

43
44 **CHAIRMAN BOGGS:** No, because -- Why did it go down so much? I
45 know why it went down. I know why it went down. Hang on. I'm
46 going to get Daniel to explain this. Initially, we were
47 allocated 5 percent of the ACL to the headboats. Then, with the
48 thing that the Science Center did, where they went back and they

1 recalibrated -- The recalibration workshop, they did the
2 recalibration workshop, and we had 5 percent of the recreational
3 landings. They went back and did a recalibration workshop, and
4 we got initially -- I'm going to make this up. This is not a
5 real number, but we got 5 percent of four-million pounds. Then
6 they said, oh, we recalibrated the --

7

8 **MR. PAPROCKI:** The headboats or the collaborative?

9

10 **CHAIRMAN BOGGS:** The recreational landings. The headboats got 5
11 percent of the recreational landings, which was thought, at the
12 time, to be a million pounds. They went back and recalibrated,
13 because the surveyors on the dock didn't survey after 1:00 P.M.
14 or 2:00 P.M. in the afternoon, and they found out that, low and
15 behold, all the eight, ten, and twelve-hour trips come home
16 after that. They recalibrated and said the recreational
17 fishermen landed three-million pounds of fish.

18

19 Our 5 percent the second year became 5 percent of three-million,
20 which is far less than 5 percent of a million, and so we took a
21 huge cut, almost a 25 percent cut, in the second year of the
22 program.

23

24 **MR. PAPROCKI:** That's what I'm saying, the headboats as a whole
25 or just the collaborative?

26

27 **CHAIRMAN BOGGS:** The collaborative. We had less fishing days in
28 2015 than the people that were in the derby fishery.

29

30 **MR. PAPROCKI:** I had a good year in 2015. I mean we destroyed
31 them, and so that was a good year for us.

32

33 **CHAIRMAN BOGGS:** I mean we will certainly go back and redo 7.1,
34 if that's what you want to do, and we will certainly go back and
35 do anything you want to do here. I mean it doesn't matter to
36 me, but just understand that when you go to comparing high and
37 low years and the boats that were in the boats and the boats
38 that were out, it may be that 2015 turns out very well to my and
39 Skipper's lowest years.

40

41 When we were in the derby fishery, I mean I caught a lot more
42 fish in the derby than I did this, and, even though I had more
43 days in 2014, when you go back to 2011 and 2012 and 2013, when I
44 was in the derby fishery -- I had thirty-seven or thirty-eight
45 people on the boat and a limit every day. When I was in the
46 derby fishery, it wasn't quite as hardcore, because we left a
47 huge amount of fish on the table the first and second year. We
48 didn't harvest everything that we could harvest. We left a huge

1 amount of fish in the water.

2
3 I mean we'll do whatever you want to do. This is the action
4 that we have up here, and I'm just -- For pure open and glass
5 house, understand that 2014 would be an okay year for us. 2015,
6 for the boats that were in the collaborative, is going to be a
7 low year, because we took that big cut. We actually fished less
8 and harvested less fish then.

9
10 I went from, and I'm going to make this number up, but I'm going
11 to say that I went roughly from 1,800 fish down to about 1,370
12 fish, and so I mean that's a huge -- When you're talking about -
13 - That's 25 percent. I mean that's a huge amount, and so, in
14 the headboat collaborative or out of the headboat collaborative,
15 I don't know.

16
17 **MR. PAPROCKI:** We're making our decisions, but I don't think we
18 have anything to go by, really.

19
20 **CHAIRMAN BOGGS:** No, and I don't have real numbers to look at.
21 I just don't, and it may that if -- It may be that we need to
22 look at just 2011, if that's what pleases the panel and the --

23
24 **MR. PAPROCKI:** I don't think we know, because we don't have our
25 specifics.

26
27 **CHAIRMAN BOGGS:** I am not trying to take advantage of the
28 situation either way. I could care less. I mean it's not going
29 to -- You're talking about such a small percentage that it's not
30 going to matter that much overall. Mr. Schmidt.

31
32 **MR. SCHMIDT:** I think if you were -- Something to consider if
33 you just look at one year, regardless of what one year it is,
34 say the vessel that qualifies for this program bought a permit
35 from somebody else and it's a seventy-passenger permit and it
36 came from a boat out of Fort Myers, where we are socked in with
37 the red snapper season and all we get is federal days whenever
38 it's open. We don't get state waters. We don't get them in
39 state waters.

40
41 That boat primarily fished for grouper or something else, but
42 say this permit is now associated with a boat that's up in the
43 Panhandle, where you catch the majority of red snapper, and so I
44 think you would probably want to spread the dates out a little
45 further than one year.

46
47 **CHAIRMAN BOGGS:** Assane.

48

1 **DR. DIAGNE:** I just wanted to point out the fact that, if you
2 look at the alternatives, there is one alternative, and I am not
3 suggesting one way or another, but just to tell you that it
4 exists, that would allow each and every one to pick, as they see
5 it, the years of their highest landings, and that's Alternative
6 5 in this. Would that solve some of the problems that I heard
7 here, including what Mr. Schmidt mentioned? I don't know, but
8 there is an alternative here that would allow each and every one
9 to pick their years of the highest landings for each one of the
10 species.

11
12 **CHAIRMAN BOGGS:** I am going to do this. **I am going to withdraw**
13 **my motion. I am going to offer Alternative 5 as the preferred**
14 **alternative on this.** Mr. Green.

15
16 **MR. GREEN:** Mr. Chairman, if we could, before you did your
17 adjustment, maybe if you removed your motion and we could just
18 get rid of Alternative 3 and then we could actually have the
19 discussion about if --

20
21 **CHAIRMAN BOGGS:** **I am going to remove all of my motion from this**
22 **on the substitute, and so that takes it back --**

23
24 **DR. DIAGNE:** If your seconder agrees.

25
26 **CHAIRMAN BOGGS:** Who was the second on it?

27
28 **AP MEMBER:** You can't remove a motion. They want to pick 7.1,
29 right? You're removing 7.2.

30
31 **CHAIRMAN BOGGS:** 7.2. That's gone, and it's back to your
32 motion, Jim.

33
34 **MR. GREEN:** Then I would just call the question on my motion, if
35 I could.

36
37 **CHAIRMAN BOGGS:** We've got to open it back for discussion before
38 you can call it.

39
40 **MR. GREEN:** If the substitute motion is killed, then we're
41 already de facto back to my motion, correct? I will call the
42 question on it.

43
44 **CHAIRMAN BOGGS:** Okay. The AP moves that Alternative 3 in
45 Action 7.2 be moved to considered but rejected, and that's the
46 auction alternative. **Since Mr. Green has called the vote, all**
47 **in favor of removing that.**

48

1 **DR. DIAGNE:** Any opposition? It's unanimous.
2
3 **CHAIRMAN BOGGS:** Now do you want to offer up Alternative 5?
4
5 **MR. GREEN:** On 7.1?
6
7 **DR. DIAGNE:** Yes.
8
9 **CHAIRMAN BOGGS:** Yes, it's 7.1.
10
11 **DR. DIAGNE:** It's on page 25, if you have this version.
12
13 **CHAIRMAN BOGGS:** Ms. Anderson.
14
15 **MS. ANDERSON:** I have a question. When you're considering the
16 different alternatives, are you -- Is there a calculation in
17 there when considering what the apportionment will be according
18 to the days of fishing, those landings during -- Or is it just
19 your landings for that year?
20
21 **CHAIRMAN BOGGS:** What you reported on your paper sheet to
22 Beaufort.
23
24 **MS. ANDERSON:** It doesn't have anything to do with the number of
25 days of the season and so forth?
26
27 **CHAIRMAN BOGGS:** It has to do with what you actually reported.
28
29 **MS. ANDERSON:** Only harvest, okay.
30
31 **CHAIRMAN BOGGS:** Yes, and -- I've got a really good joke I would
32 like to make, but I'm not going to do it, but the other way,
33 with the equal distribution of fish, that, to me, the equal
34 distribution of fish, that's -- You didn't catch those fish and
35 you didn't harvest those fish. Those fish are just being
36 equally distributed, and then you're taking a percentage of what
37 you actually did harvest.
38
39 If we know what you harvested and we know what you need to
40 propagate your business and we know what you need to do and we
41 know how many fish it takes to get your by with your customer,
42 it was saying to me that the fair way to do this is to give you
43 what you actually landed, but that's --
44
45 **MS. ANDERSON:** As a follow-up though, if you do that, are you
46 going to run out of total ACL that's assigned when everybody
47 picks their highest year?
48

1 **DR. DIAGNE:** Yes, that's a very good point, but the thing is if
2 you just added it, in terms of pounds -- Absolutely, you would
3 run out of ACL. What you do is you sum it up to get 100 percent
4 and you convert all of those to percentage points and then you
5 look at the real ACL that you have to allocate.

6
7 In the commercial IFQ, for example, if I remember this
8 correctly, after we let everybody pick their time series -- If
9 you added it up, it would be more than the amount of fish, yes,
10 but if you prorate it and convert it in percentage points --
11 Let's say if you are due 2 percent of the total, that is applied
12 to the actual portion of the headboat. That's a very good
13 point, but you use it as a percentage point, so you cannot
14 really run out of quota.

15
16 **CHAIRMAN BOGGS:** Was that clear enough?

17
18 **MS. ANDERSON:** It was clear, but I would have to do the math to
19 figure out what it would actually equal.

20
21 **CHAIRMAN BOGGS:** Yes, and that's -- Johnny.

22
23 **MR. WILLIAMS:** I just have a procedural question here. Under
24 Roberts Rules or whatever it is, don't we have to get somebody
25 on the prevailing side of when we pass a motion to make a motion
26 to reconsider it, and then we have to vote on if we want to
27 reconsider it or not before we just kind of drop everything?

28
29 **DR. DIAGNE:** Yes, that absolutely correct, and I believe Mr.
30 Green was on the prevailing side and he started it, but the
31 remainder of the process -- Please offer a motion to reconsider.

32
33 **MR. GREEN:** I offer a motion to reconsider the motion passed on
34 7.1. I guess I need a second.

35
36 **MS. ANDERSON:** Second.

37
38 **CHAIRMAN BOGGS:** I have a motion by Mr. Green to reconsider the
39 previous motion, with a second from Ms. Anderson. Now we are to
40 the discussion.

41
42 **DR. DIAGNE:** Just everybody in favor of the motion to
43 reconsider, please raise your hand. The passes nine to one and
44 one abstention.

45
46 **CHAIRMAN BOGGS:** The AP moves that Alternative 5, for each
47 species, the apportionment is based on the year with the highest
48 landings during the most recent five years, in Action 7. 1 be

1 the preferred alternative. now, again, we're back to the
2 collaborative years. If you've got a problem with it, speak
3 now, or forever hold your piece, because it's -- It's doesn't
4 matter to me, and that's on the record. It doesn't matter, and
5 so you tell me what your pleasure is, and that's what we'll do
6 from there. Mr. Hubbard.

7
8 **MR. HUBBARD:** Assane, is Alternative 4 formulated the same way
9 that the Alternative 5 is going to be formulated, through
10 developing a percentage of the fishery?

11
12 **DR. DIAGNE:** Yes, and for all of these alternatives -- At the
13 end of the day, what you compute is the percentage, and, as you
14 know, shares are given in percentage, because the ACL is not a
15 given. It changes all the time, and so all of these
16 alternatives, the initial apportionment for an individual
17 headboat would be expressed as a percent of the total, whatever
18 the total is later on in terms of ACL. Let's say you apply the
19 1 percent to 10,000 pounds, to a million, or whatever the number
20 is.

21
22 **CHAIRMAN BOGGS:** Mr. Charlie.

23
24 **MR. PAPROCKI:** That sounds more fair to me. We don't know all
25 the data for the different years, and so you can't make a good
26 judgment on it, and so it's more of a roll the dice or whatever,
27 but that sounds fair there. For later on, for the referendum,
28 maybe that will look a little better too.

29
30 **CHAIRMAN BOGGS:** Again, from somebody who was in the
31 collaborative and somebody who knows you and Ms. Anderson and
32 the other people in this room, we're depending on you to go
33 forward and say, look, these guys did everything they could do
34 to make this not the collaborative program, but everything
35 forward, they tried to make it as transparent and --

36
37 **MR. PAPROCKI:** We don't know the data, and so we're just doing.
38 We won't know until it's all said and done, and then you're
39 like, oh, okay.

40
41 **CHAIRMAN BOGGS:** Any more discussion on this?

42
43 **MR. PAPROCKI:** I make a motion to vote on it.

44
45 **CHAIRMAN BOGGS:** All right. I'm going to read it one more time.
46 The AP moves that Alternative 5, for each species, the
47 apportionment is based on the year with the highest landings
48 during the most recent five years, 2011 through 2015, in Action

1 7. 1 be the preferred alternative. **All in favor.**
2
3 **DR. DIAGNE: Opposition. It was unanimous.**
4
5 **CHAIRMAN BOGGS: Mr. Green.**
6
7 **MR. GREEN: I wanted to make a motion on Action 7.2. Alternative**
8 **2, 2b be the preferred alternative.** I'm sure I'm not going to
9 get any friends on this one, but -- Even Johnny backed away from
10 me when I made that.
11
12 **CHAIRMAN BOGGS: Where are we at, Jim**
13
14 **MR. GREEN: 7.2, page 28, Option 2b.**
15
16 **CHAIRMAN BOGGS: 7.2, page 28.**
17
18 **MR. GREEN: Alternative 2, Option b.** Before I get blown up for
19 this, I just wanted to kind of state my rationale behind it, and
20 I've said it before, and I want it to be on the record and for
21 people to hear it.
22
23 In different areas, it's different. I know in Texas that you
24 have to drive a long way to catch a fish, usually, sometimes.
25 In Destin and the Panhandle, where I operate out of, it's not.
26 It's more of a double-trip, high-pressure -- It's a small-area,
27 high-pressure situation.
28
29 In derby-style fishing, you function differently, in the manner
30 that -- On my boat, on half-day trips, I try to limit people to
31 one fish per person, just so that I can still broadly paint that
32 brush stroke for all my anglers that fall in that derby season.
33
34 If you look at Destin or Orange Beach or Panama City, if you put
35 a fifteen-mile windshield wiper out of there, and that's
36 probably some of the heaviest-fished waters in the northern Gulf
37 at that time of the year. You operate under a different
38 circumstance.
39
40 By handing out -- By appropriating shares, the people who
41 operate in a more conservative manner, not that they had to, but
42 they did, will be getting -- They will not be getting the full
43 end of the stick that say somebody who was not so conservative
44 or put a far greater amount of pressure on the resource. I know
45 this is a personal -- This is not really a -- This will come up
46 to how you personally feel about all of that, but that's where I
47 stand on it, and so thank you.
48

1 **CHAIRMAN BOGGS:** You've got to admire somebody for taking a
2 stand. Is this a motion?
3
4 **MR. GREEN:** It is a motion.
5
6 **CHAIRMAN BOGGS:** It is a motion. The AP --
7
8 **DR. DIAGNE:** You've got to have a second.
9
10 **MR. HUBBARD:** I will second it.
11
12 **MR. GREEN:** The motion is for Alternative 2, Option b.
13
14 **CHAIRMAN BOGGS:** We have a second from Mr. Hubbard on the
15 motion. The motion is, for distribution of shares, that 25
16 percent be distributed equally among all the participants and
17 that 75 percent based on your landings. Johnny.
18
19 **MR. WILLIAMS:** I guess, rather than comment right now, I have a
20 question. That 25 percent that's distributed equally, does that
21 mean like a fifteen-passenger boat gets the same thing as a
22 hundred-passenger boat or does that mean that it's based on the
23 number of passenger capacity or how is that based?
24
25 **CHAIRMAN BOGGS:** It means that 25 percent of the fish that are
26 initially allocated -- If we get 12 percent, that means that you
27 will take 25 percent of that 12 percent and distribute it to
28 each boat that's in this program, irregardless of passenger
29 capacity, irregardless of catch history, irregardless of how
30 long they operated. Anybody that's in this -- If we have a six-
31 pack boat that reported to Beaufort in Mississippi and he
32 qualifies under this program, he's going to get 25 percent of
33 the 12 percent initially and then 75 percent of what he
34 harvested.
35
36 **MR. GREEN:** I think that's a little bit misrepresented. First
37 off, a six-pack boat can't --
38
39 **CHAIRMAN BOGGS:** There are six-passenger boats in Mississippi
40 that participate in the Beaufort Headboat Survey.
41
42 **MR. GREEN:** How in the world is that? It has to be fifteen
43 passengers or greater to be eligible for a headboat survey.
44
45 **CHAIRMAN BOGGS:** No, it does not.
46
47 **MR. GREEN:** We went over that. That's how we decided what --
48 Wasn't that part of the eligibility?

1
2 **CHAIRMAN BOGGS:** In the timeframe that this took place, there
3 are boats in Mississippi that there was not a -- They have to
4 participate in one of the two, either the Beaufort or the other
5 survey, and there was not a place for those boats to be
6 surveyed, because they didn't have state surveyors. There are
7 state boats with six-passenger endorsements, but it doesn't
8 matter. Let me restate that. Let me completely restate that.

9
10 Every boat in the program will initially get 25 percent of the
11 12 percent, irregardless of your passenger capacity. If you
12 qualify for the program, you're going to get 25 percent and then
13 75 percent of what you harvested. It's open for discussion.
14 Mr. Charlie.

15
16 **MR. PAPROCKI:** Why are we limited with these parameters? That's
17 what Assane said, is we're setting up our own platform or
18 whatever, program or whatever, we're doing, and they've got up
19 there what we're supposed to do, and so why do we have to have
20 25 percent? It could be a lower percentage. Then, like Johnny
21 said about the passengers, that's not in there either, and so
22 these are variables that we're not discussing, and so I think we
23 should discuss about all those things.

24
25 **CHAIRMAN BOGGS:** We can do anything that we choose, and we can
26 offer up any alternative that you like.

27
28 **MR. PAPROCKI:** I think we have to. I think we need to discuss
29 that.

30
31 **CHAIRMAN BOGGS:** Jessica.

32
33 **DR. STEPHEN:** I just wanted to clarify that all the vessels in
34 the headboat survey program have fifteen passengers or more. I
35 have confirmation from Ken Brennan on that, just to clear that
36 up. The other thing is when you think about the 25 percent,
37 that 25 percent equally is whatever that 25 percent is in pounds
38 divided by these sixty-seven vessels, just to make sure everyone
39 understands how that works. It would be split and then you
40 would have the historical landings.

41
42 **CHAIRMAN BOGGS:** Johnny, I'm going to call on you next, but I'm
43 going to take the chance to speak myself. That means that 25
44 percent -- That boat is going to get 25 percent of the fish,
45 whether he harvests them --

46
47 **MR. PAPROCKI:** Why do we have to do that? Why don't we give
48 them 5 percent or something just to be in there? Do we have to

1 do 25 or based on passengers, too? We need other variables in
2 there. That's their parameters, but --
3
4 **CHAIRMAN BOGGS:** The other variable that's in there is to use
5 zero percent and give them fish based on what they actually
6 landed.
7
8 **MR. PAPROCKI:** But I thought we were setting this up.
9
10 **MR. GREEN:** You can create a new alternative.
11
12 **MR. PAPROCKI:** That's what I'm saying. I mean we need to
13 discuss it. That's what Johnny is talking about too with
14 passengers. I mean we need to -- We're limiting ourselves.
15
16 **CHAIRMAN BOGGS:** 2a, the alternative above this, that's not what
17 we're discussing, but 2a gives nothing to the boats other than
18 what they landed. If you give 25 percent -- Say you've got a
19 boat in South Florida that ran over a spot and he caught six red
20 snapper -- Let me finish. He caught six red snapper. He is now
21 going to get 25 percent.
22
23 **MR. PAPROCKI:** That's what I'm saying. There's six or eight
24 boats that don't have any history, and so why would you give
25 them 25 percent? Why not give them 5 percent or something, so
26 they will vote for it, for the referendum overall? Then, like I
27 say, passengers. We need input from others, but we don't have
28 much.
29
30 **AP MEMBER:** You've got -- Do you think somebody would vote for 5
31 percent?
32
33 **MR. PAPROCKI:** If they don't have anything at all, any history,
34 I don't know. I'm just putting it out there, but I don't know.
35
36 **AP MEMBER:** I'm just spit-balling with you.
37
38 **MR. PAPROCKI:** Me too. I am asking. That's what I'm asking.
39
40 **CHAIRMAN BOGGS:** You've got -- Remember that we're not just
41 talking about snapper. You've got five species of fish,
42 amberjack, gag grouper, and red grouper, that the boats down
43 there need equally as much to have that freedom of the fishery
44 that we have.
45
46 **MR. PAPROCKI:** I'm just talking. I'm putting it out there, and
47 the same with passengers. I want to know more about passengers,
48 too.

1
2 **CHAIRMAN BOGGS:** Johnny.
3
4 **MR. WILLIAMS:** I have caught one red grouper on my boat in the
5 entire time that I've fished out in the Gulf of Mexico. The
6 first time I ever saw a red grouper was over here in Madeira
7 Beach. A commercial boat came in and landed some. My daughter
8 came up and said, Dad, what kind of fish is this? I said, it's
9 a red grouper. It's the first one I've ever seen caught on one
10 of my boats. I don't need any red grouper. **I would like to**
11 **make a substitute motion to go with 2a.**
12
13 **MS. ANDERSON:** I second.
14
15 **CHAIRMAN BOGGS:** We have a second on that. Mr. Green. Guys,
16 I'm going to have to get somebody that knows Roberts Rules of
17 Order to see if we can do that, because I don't know.
18
19 **MR. GREEN:** No, you did it right. He gets the substitute and
20 she made the second. Now you're giving me the floor to talk,
21 and so you were right, Randy. In the beginning of this, when we
22 started talking about whether or not a headboat could opt out of
23 this or not, it was okay for us to say, okay, if you want out of
24 it, you can sell your shares or you can lease them or you can
25 sell your endorsement or whatever that ended up being, but,
26 right now, we're talking about, in rationale, fairly
27 distributing it to someone that might not have caught them.
28
29 If Johnny got twenty red grouper or something like that, then
30 why is the rationale not supportive to say that he can't trade
31 me red snapper for red grouper? I am supposed to address you,
32 Randy, and that's why I look at you. I'm not picking on you or
33 nothing. Technically, under Roberts Rules, I'm supposed to talk
34 to you, and so --
35
36 **CHAIRMAN BOGGS:** You know how long I've been a boat captain.
37
38 **MR. GREEN:** I'm just bringing up there that -- All of a sudden,
39 that free market of being able to get -- If you want to get out,
40 you can still get out, under this plan. Under 2b, you can still
41 get out, under this plan, and people that don't have the best
42 catch history or might have erred on the conservative side
43 during a derby fishery, which wouldn't so much in a share
44 situation, would be fairly representative.
45
46 It's not like I'm saying that all of it should be proportioned
47 equally, but it's a small portion, and it goes back into
48 consideration of fair and equitable, and I'm just -- I speak in

1 support of my motion and not the substitute.

2

3 **CHAIRMAN BOGGS:** Mike.

4

5 **DR. TRAVIS:** I just wanted to go back, because I heard what you
6 were saying earlier, and I think you understood what you were
7 saying, but the way it was said, I think other people may be
8 misinterpreting.

9

10 **CHAIRMAN BOGGS:** Okay.

11

12 **DR. TRAVIS:** Using the example of the 25/75 that he has put
13 forward, what that means is -- It doesn't mean that the folks --
14 How did he say it? Something about like the folks who didn't
15 land anything get 25 percent of the fish. That's the way it was
16 coming across to me when I heard it, but it just means that, of
17 the quota, 25 percent of the quota gets distributed equally
18 between each of the sixty-seven participants in the fishery.

19

20 Then the other 75 percent of the quota gets distributed
21 according to the percentage of the historical landings that your
22 vessel was responsible for. Hopefully I said it a little bit
23 better. I hope I did.

24

25 **CHAIRMAN BOGGS:** I mean I didn't mean for it to come across that
26 I didn't say it right, but if you've got a boat that landed no
27 red snapper, no triggerfish, and you do this 2b, it's going to
28 give them a percentage of the fish, whether they harvested them
29 or not. Then that makes it become a commodity, where you can
30 trade it, move it, do whatever you want to with it, but each one
31 of these boats that harvested these fish had customers that paid
32 to harvest these fish, and they need those fish to make a living
33 out of. That's my opinion. Ms. Anderson.

34

35 **MS. ANDERSON:** I agree with that. I also know that it goes a
36 lot deeper than that. When you're talking about the catch
37 history of a boat, you're talking about their reputation as a
38 provider getting out there. People come on certain boats
39 because they have a better chance of catching what they want to
40 catch. They have a better captain, possibly, that is really
41 good at what he does and finding the fish that a certain group
42 of people want to catch.

43

44 There is a lot more to it than just trying to divide a resource
45 between boats individually, fair and equitable. It's fair and
46 equitable according to their catch history, because that's not
47 just what they went out to catch, but their experience and their
48 business model enabled them to get that number of fish.

1
2 **CHAIRMAN BOGGS:** We've lost our thing on the screen here.
3 Johnny offered a substitute motion that 2a be the preferred.
4
5 **MR. WILLIAMS:** 100 percent proportional and zero percent equal.
6
7 **DR. DIAGNE:** The substitute motion is to distribute initial
8 shares according to the catch histories.
9
10 **CHAIRMAN BOGGS:** Do you guys want to discuss this more or do you
11 want to vote it up or down?
12
13 **AP MEMBER:** Vote.
14
15 **CHAIRMAN BOGGS:** Okay. The alternative is 2b, zero percent
16 equal distribution and 100 percent proportional.
17
18 **MR. GREEN:** That's 2a.
19
20 **CHAIRMAN BOGGS:** So we're at 2b.
21
22 **MR. GREEN:** No, you're on 2a if you want the zero.
23
24 **CHAIRMAN BOGGS:** I said it wrong. The option that is up, and I
25 misspoke, is 2a, zero percent equal distribution and 100 percent
26 proportional. In other words, there will be no -- It will be
27 based off of what you caught. **All in favor of this motion,**
28 **raise your hand.**
29
30 **DR. DIAGNE:** **Eight. All opposed. No hands. The motion carries**
31 **for Option 2a. Eight voted for it.**
32
33 **MR. GREEN:** Three in protest.
34
35 **DR. DIAGNE:** I don't know how to count protest. **Three**
36 **abstained.**
37
38 **CHAIRMAN BOGGS:** We need to move on. We've got thirty-two
39 actions to go, and we're on Number 8.
40
41 **AP MEMBER:** We've got the hardest done.
42
43 **CHAIRMAN BOGGS:** In twenty-nine minutes.
44
45 **MR. GREEN:** We've got half a day tomorrow.
46
47 **CHAIRMAN BOGGS:** Half a day tomorrow. Action Number 8, Transfer
48 of Shares, is what we're going to work on, and so let's go to

1 Transfer of Shares, Action 8.

2
3 Alternative 1 is no action, do not allow transfer of shares.
4 Alternative 2 is require a valid reef fish for-hire permit with
5 a headboat survey vessel endorsement, or a reef fish headboat
6 permit, whichever is established in Action 4, to receive shares
7 through transfer. Shares can only be transferred to U.S.
8 citizens or permanent resident aliens. Alternative 3 is shares
9 can be transferred to any U.S. citizen or permanent resident
10 alien.

11
12 We have three alternatives under this, no action, that you can
13 transfer it to somebody with a valid reef fish permit with a
14 headboat endorsement and a reef fish headboat permit, whichever
15 one we established in Action 4, which that was four actions ago
16 and I forgot, and shares can be transferred to any U.S. citizen
17 or permanent resident alien. Mr. Green.

18
19 **MR. GREEN:** I was going to make a motion that under 2.8, Action
20 8, Alternative 2 be the preferred alternative.

21
22 **CHAIRMAN BOGGS:** I will second that motion.

23
24 **MR. HUBBARD:** What do you think about requiring the U.S.
25 citizenship and permanent resident address in the five Gulf
26 states, so we don't have people -- What I see in the commercial
27 industry are the catch shares being bought up from all kinds of
28 people all over the place.

29
30 I really admire the Maine lobster fishery, where they keep their
31 resource tight to the vest and within the families of the
32 Northeast. They go much, much deeper as far as allocations and
33 anyone else getting those resources via having some kind of
34 program that have to be in the fishery for X amount of years,
35 and you're apprenticed, and you have to live there, and you have
36 to be a family member. It goes on and on, but I admire that,
37 because it keeps the fishery in the area of which it originated
38 and within the coastal communities that it affects.

39
40 If we go down this road, we don't get it right, granted, we will
41 be good in our generation, but as we leave this fishery, these
42 catch shares are going to go all over the place and I don't feel
43 that's right.

44
45 **CHAIRMAN BOGGS:** Ms. Anderson.

46
47 **MS. ANDERSON:** I would like to make a substitute motion that we
48 require a valid reef fish for-hire permit with headboat survey

1 endorsement or reef fish headboat permit to receive shares
2 through transfer. Shares can only be transferred to those who
3 own a headboat endorsement.

4

5 **DR. DIAGNE:** That's what he said.

6

7 **MS. ANDERSON:** The reason I thought not is because -- Maybe I am
8 reading it wrong, but shares can only be transferred to U.S.
9 citizens or permanent resident -- I have been told, by more than
10 one organization many times over the last nine years, that they
11 want the shares to be on the market and to be able to purchase
12 those shares, so they can put them on the shelf, and I don't
13 want that to happen here.

14

15 I believe that they should stay within this fishery. I believe
16 that they should stay within the coastal communities and the
17 people who are actually in this business and not to somebody who
18 is just trying to make money off of this situation. I think
19 that the purpose of this is supposed to be to take care of the
20 coastal communities and these vessel operators that have been in
21 this business for so long.

22

23 **CHAIRMAN BOGGS:** Assane.

24

25 **DR. DIAGNE:** Ms. Anderson, I think that's the motion that Mr.
26 Green made. Alternative 2 would require that you have a reef
27 fish for-hire permit and the endorsement or the permit,
28 whichever is established under Action 4. It seems, to me, that
29 perhaps you two have the same intent. As far as the last bit
30 there, the U.S. citizen or permanent resident, we have to have
31 it. That's one of the requirements, I think. Legally, that is
32 something that we need to put here. It has to be specified.

33

34 **AP MEMBER:** Resident of the five Gulf states?

35

36 **DR. DIAGNE:** No, I'm not talking about -- I am just saying what
37 it says here, U.S. citizens and permanent residents.

38

39 **AP MEMBER:** She said it.

40

41 **DR. DIAGNE:** She didn't say -- As far as resident of the five
42 Gulf states, we have, perhaps, a lawyer here and we can ask for
43 legal advice. I'm not sure that you can treat citizens of this
44 country differently and request that it's only kept for the Gulf
45 states.

46

47 **CHAIRMAN BOGGS:** Part of the headboats in Texas are already
48 owned by people who live in North Carolina.

1
2 **DR. DIAGNE:** You have already permit owners, actually --
3 Charlie, you're up and then Mr. Schmidt.
4
5 **MR. SCHMIDT:** I tend to agree with Ms. Anderson and Mark. When
6 we did the grouper IFQ for the commercial sector, there was a
7 provision put in there that you had to own a reef fish permit in
8 order to lease or purchase shares or allocation. After five
9 years, anybody could come in and buy those shares.
10
11 I have clients that I take fishing that are doctors and dentists
12 and lawyers, and they're buying and trading shares. When we put
13 the whole program together for the IFQs, I was told by three
14 different environmental groups that they were going to start
15 acquiring shares and removing those fish from the market.
16
17 Once that happens, if you allow that to happen, everybody dies.
18 The industry is going to just die, and so this is a very
19 important aspect of this program. I don't know if you can just
20 limit it to the Gulf coast states. The one boat I run is in
21 Fort Myers. It's a Florida corporation, but the guy has a
22 mailing address from Long Island, and so I don't know, but --
23
24 **CHAIRMAN BOGGS:** Mr. Charlie.
25
26 **MR. PAPROCKI:** That was along the same lines I had the question,
27 but what happened with the commercial with the red snapper, what
28 I was told, is there is a number of people up in New Jersey,
29 lawyers and such, and they own so much allocation and, after
30 five years, they opened it up. Was that mandatory that they had
31 to do that or they put it their program or -- I mean was it the
32 same as --
33
34 **AP MEMBER:** It was designed that way.
35
36 **MR. PAPROCKI:** That's going to be a problem down the road, it
37 sure is.
38
39 **CHAIRMAN BOGGS:** I've got you next, Jim, but I'm going to let
40 Assane speak real quick.
41
42 **DR. DIAGNE:** Just to share a little bit of information. As you
43 mentioned, for the commercial programs, both red snapper and
44 grouper and tilefish, there was a specific provision in the
45 transferability section that said that it was restricted to
46 commercial fishermen with valid permits for the first five
47 years. After that, it was opened to everybody. That was how
48 those programs were designed.

1
2 As far as this program, the concern that Mr. Schmidt and other
3 have raised, we specifically address those in Action 9, which
4 calls for maintenance, I think, of shares. Depending on what
5 you want to do, you can specify there that, even to keep owning
6 shares, you need to continue having a valid permit and an
7 endorsement, and I think we touched on that in Action 9.
8
9 **MR. SCHMIDT:** So there's no sunset provision in there that it's
10 going to expire?
11
12 **DR. DIAGNE:** No, in this program, we don't have that, as of yet,
13 unless, down the line, somebody puts it in.
14
15 **MR. GREEN:** I was just going to reiterate that I agree with Ms.
16 Anderson and Mr. Hubbard, and that was the whole point of this,
17 that there wasn't something given up. You are required to have
18 a federal permit and an endorsement or a reef fish -- I mean you
19 basically have to have the boat to be in control or to retain
20 the shares.
21
22 I mean I don't know how that varies, but I do know that I would
23 be highly upset if the five Gulf state thing went in and I have
24 a couple of headboats and I retire and move to North Carolina
25 and let my son run the boat and then all of a sudden I have to
26 give him all of it because of a silly five state thing. I mean
27 you're cutting down on commerce, and I want to speak against the
28 five Gulf state thing, but this right here, the endorsement
29 requirement and the permit requirement, should definitely
30 curtail anything that happened in the commercial fishery. Thank
31 you, Mr. Chairman.
32
33 **CHAIRMAN BOGGS:** Ms. Anderson.
34
35 **MS. ANDERSON:** If we go back to the original motion and put
36 "require a valid active reef fish for-hire permit".
37
38 **CHAIRMAN BOGGS:** May I offer a suggestion?
39
40 **MS. ANDERSON:** Go ahead, yes, but I just want us to try and make
41 this certain that we're not going to be letting other people buy
42 the shares on the market.
43
44 **CHAIRMAN BOGGS:** I don't know how this -- Daniel, I'm going to
45 let you speak.
46
47 **MR. WILLARD:** I'm just going to reiterate what Assane was
48 saying. I think that keeping the headboat quota among the

1 endorsed headboats is a fine social goal for the program, if
2 that's what you want to recommend, but I think that's
3 accomplished by Alternative 2, as written here, where you need
4 to have a valid permit or an endorsed headboat to get quota in
5 the first place. Then, in Action 9, to keep those shares, you
6 need to remain a valid, endorsed headboat.

7
8 **CHAIRMAN BOGGS:** Do you want to finish, Ms. Anderson? What I
9 was going to say is with -- I don't know what percentage that
10 you would pick, and this is just something that popped into my
11 head, that since the qualifier for this would be the Beaufort
12 program and that, is to have active landings with Beaufort or
13 any of that, but I think that Alternative 2, what we discussed,
14 with the U.S. citizenship and everything -- I think the other is
15 -- I think it's a lofty and a very great goal, but that depends
16 on -- That's us trying to regulate mortality and commonsense,
17 and we have enough of that in our government as it is.

18
19 No matter how hard we try to regulate and try to keep the people
20 moral in this program and keep it among the Gulf coast, I don't
21 think we can do that. I think that Alternative 2 -- That's got
22 everything in it that you should have to have to have a fishing
23 boat, and I'm not going to put any of the environmental people
24 in the room on the spot, but I don't know of any fishery that's
25 been bought out by the environmentals and I don't know of any of
26 the environmentals that have bought up a ton of fish. I think
27 that that's a scare tactic.

28
29 I have seen, myself, I have seen the environmental groups spend
30 a lot of money trying to help some of the fisheries, and I've
31 seen some misguided efforts in there too, and so I mean -- But I
32 would think if we went to some -- Maybe, in the end part of this
33 document, we could have a use-it-or-lose-it provision, where the
34 fish would roll back into the pot if they're not harvested or if
35 you have fish that you lose them if they don't get reported to
36 Beaufort or some way to keep them in the fishery, because it
37 would -- If they bought them up and tried to hold them, they
38 would end up rolling back into the pot and end up benefitting
39 the boats in the program.

40
41 I'm not saying that to try to steal anybody's fish, but the goal
42 and the intent of everybody here seems to be to keep the fish on
43 the Gulf coast and being harvested.

44
45 **MS. ANDERSON:** And keep them harvested, yes. There is a time
46 for conservation, and we've got all these regulations for that
47 purpose, and we've got buffers and everything else, and
48 hopefully, with something like this, maybe that buffer will go

1 away, but then to have the added idea that somebody might be
2 able to purchase them and put them on the shelf and take away
3 from those who are out there working in the industry, that is a
4 troubling thing that has been suggested strongly. Assane says
5 that that's why this is worded this way, and so I'm comfortable
6 with that, and so I will withdraw my motion.

7
8 **CHAIRMAN BOGGS:** We're back to the Alternative 2 as written.
9 Any further discussion? Alternative 2, I am going to read it.
10 Alternative 2 is to require a valid reef fish permit for-hire
11 with headboat survey vessel endorsement or a reef fish headboat
12 permit, whichever is established under Action 4, to receive
13 shares through transfer. Shares can only be transferred to U.S.
14 citizens or permanent resident aliens. That is the thing. **All**
15 **in favor of this motion, signify by raising your hand.**

16
17 **DR. DIAGNE:** It's unanimous.

18
19 **CHAIRMAN BOGGS:** I will bet you that in about thirteen minutes
20 that we'll get another unanimous motion. What would you like to
21 bet?

22
23 **DR. DIAGNE:** Yes, I am betting that.

24
25 **CHAIRMAN BOGGS:** Maintenance of Shares, Action Number 9. No
26 action, shares can be held by any U.S. citizen or permanent
27 resident alien. Alternative 2 requires a reef fish
28 charter/headboat permit with headboat survey vessel endorsement
29 or a reef fish headboat permit, whichever is established in
30 Action 4, to hold shares. Shares can only be held by U.S.
31 citizens or permanent resident aliens. For an IFQ program, if a
32 participant transfers their permit or the permit expires, the
33 owner must divest of their shares. For a PFQ program, if a
34 permit is transferred, the shares automatically transfer with
35 it. If a permit terminates, National Marine Fisheries Service
36 will redistribute the shares proportionally to the current
37 participants.

38
39 Alternative 3 requires either a reef fish for-hire permit, with
40 or without endorsement, or a reef fish headboat permit to hold
41 shares. Shares can only be held by U.S. citizens or permanent
42 resident aliens. For an IFQ program, if a participant transfers
43 their permit or the permit expires, the owner must divest of
44 their shares. For a PFQ program, if a permit is transferred,
45 the shares transfer with it. If a permit terminates, National
46 Marine Fisheries Service will redistribute the shares
47 proportionally to the current participants.

48

1 **DR. DIAGNE:** May I, Mr. Chair, just for a minute?
2
3 **CHAIRMAN BOGGS:** Go ahead, Assane. I was trying to figure out
4 my notes.
5
6 **DR. DIAGNE:** This second action here, the maintenance of shares,
7 depending on the alternative that you choose, it's what is going
8 to lock the participation, the concern that you expressed. For
9 example, if you picked Alternative 2, someone outside of the
10 industry will not be able to get their hands on shares.
11
12 If you picked Alternative 3, someone outside of the for-hire
13 sector would not be able to get some shares, meaning that some
14 charter vessels may, under Alternative 3, but some of the
15 concern you expressed with Alternative 2, shares would be held
16 by people with valid permits and endorsements or headboat
17 permits.
18
19 **CHAIRMAN BOGGS:** Mr. Charlie.
20
21 **MR. PAPROCKI:** Theoretically, what if you wanted to sell your
22 permit and something happened, some situation or whatever, then
23 you could sell your allocation with it and somebody else,
24 whether it be a new partyboat or a headboat or whatever -- Can
25 you do that or can you not do that and it has to go back into
26 the pool overall?
27
28 **DR. DIAGNE:** You can do that. You can sell the whole thing, the
29 permit and the shares, meaning that that person acquiring it
30 would have the responsibility of maintaining a valid permit if
31 they want to maintain those shares.
32
33 **MR. PAPROCKI:** It doesn't restrict you then.
34
35 **DR. DIAGNE:** No, it does not restrict you.
36
37 **MR. PAPROCKI:** I don't know if that's the worded, but I don't
38 know.
39
40 **DR. DIAGNE:** If that's the impression that is given, we will try
41 to explain that in the discussion, that one still has the option
42 of selling the permit and the shares.
43
44 **MR. PAPROCKI:** The shares.
45
46 **DR. DIAGNE:** Yes.
47
48 **CHAIRMAN BOGGS:** Mr. Green.

1 **MR. GREEN:** One thing, as I was reading over that alternatives,
2 that kind of gave me a hold on is what if you were selling --
3 What if say I'm buying Randy's headboat and I don't have enough
4 money to buy all of his allocation, but I can buy about half of
5 it or two-thirds of it. Whenever he sells that boat to me, does
6 he automatically lose those shares or is there a timeframe that
7 he can have to try and sell the shares, even though I bought the
8 permit and two-thirds of the fish?

9
10 **DR. DIAGNE:** Then he would have to take the remainder of the
11 shares and find another permit holder who wants to acquire those
12 shares, essentially. This action is meant to prevent, if that's
13 the direction that you want to go, someone like me to come in
14 and buy shares without a permit, essentially.

15
16 **MR. GREEN:** What I'm saying is that maybe we should add even
17 just an arbitrary timeframe that a person holding shares could
18 have time to try and get rid of it, because there might not
19 always be someone ready to buy them at that very moment that I
20 bought the boat from Randy, or Randy might have to hold up the
21 sale of the boat. This is all hypothetical, but Randy might
22 have to hold up the sale of the boat to me until he gets rid of
23 the other ones, and so I'm just saying there might be -- It's
24 just something that I noticed, looking in there, that could be a
25 thing of concern for somebody that's trying to liquidate their
26 business.

27
28 **DR. DIAGNE:** Yes, in the discussion, we will, I guess, expand on
29 the timeframe allowed to divest of one's shares, should you sell
30 your permit.

31
32 **MR. GREEN:** I didn't even know if that's part of our -- If
33 that's even us or the council decides that or there's something
34 under Magnuson that gives a timeframe. I was just bringing
35 attention to it.

36
37 **DR. DIAGNE:** Yes, and it should be, I guess, more discussed in
38 the discussion side of it.

39
40 **CHAIRMAN BOGGS:** Mr. Hubbard.

41
42 **MR. HUBBARD:** I will make a motion to take the Alternative 2,
43 Action 9, Alternative 2.

44
45 **MR. SCHMIDT:** I will second that.

46
47 **CHAIRMAN BOGGS:** That was seconded by Mr. Schmidt. Ms.
48 Anderson, were you going to second the motion?

1
2 **MS. ANDERSON:** I was going to second it.
3
4 **CHAIRMAN BOGGS:** Okay. Any more discussion on this? Do we want
5 to talk about this some more? Seeing no discussion, we're going
6 to read the motion and then we're going to vote.
7
8 Alternative 2 is to require a reef fish charter/headboat permit
9 with headboat survey vessel endorsement or a reef fish headboat
10 permit, whichever is established under Action 4, to hold shares.
11 Shares can only be held by U.S. citizens or permanent resident
12 aliens. For an IFQ program, if a participant transfers their
13 permit or the permit expires, the owner must divest of their
14 shares. For a PFQ program, if a permit is transferred, the
15 shares will automatically transfer with it. If a permit
16 terminates, National Marine Fisheries Service will redistribute
17 the shares proportionally to the current participants. This
18 does not have a timeline in it, which we can add later if we
19 choose or the council can do that. That is the motion. **All in**
20 **favor of this.**
21
22 **AP MEMBER:** What I said to Assane before, that sounds different
23 than what we spoke about that says you have to sell them with a
24 permit. You don't have to sell them with a permit.
25
26 **CHAIRMAN BOGGS:** That's under a PFQ fishery, and we're talking
27 about under -- They gave two alternatives here, a PFQ or an IFQ.
28 That was under the PFQ and we have voted to go down the IFQ
29 road. It was in there and I had to read it, but it doesn't
30 apply, because it's an IFQ.
31
32 **MR. GREEN:** It sure sounded like a PFQ, didn't it?
33
34 **DR. DIAGNE:** At this stage, for all of the alternatives, we have
35 to consider both, not knowing what the council will do, and so
36 it always says for an IFQ it's this way and for a PFQ it's this
37 way.
38
39 **CHAIRMAN BOGGS:** Ms. Anderson.
40
41 **MS. ANDERSON:** This question is for Assane. Is there something
42 now that we need to add in this section that would confirm that
43 these shares stay within the headboat sector or does this do
44 that, this motion do that?
45
46 **DR. DIAGNE:** I guess, in my understanding, these actions, I
47 guess 8 and 9, will do that, but with one caveat. Are you
48 looking at preventing someone in the future from buying a permit

1 and shares and entering this fishery?

2
3 **MS. ANDERSON:** No, if somebody wants to buy someone else out, I
4 have no problem with that, but I do have a problem with somebody
5 who is outside of the fishery and remains outside the fishery to
6 be able to purchase those shares and either put them on the
7 shelf or use them elsewhere.

8
9 **DR. DIAGNE:** If that's your only concern, I believe that Actions
10 8 and 9, with these preferreds, would address your concern.

11
12 **MS. ANDERSON:** Okay. Thank you.

13
14 **CHAIRMAN BOGGS:** With that, we have a very short window of time.
15 We're moving into Action 10, Transfer of Annual Allocation.

16
17 **AP MEMBER:** Have we voted?

18
19 **DR. DIAGNE:** Yes, it was unanimous. Can we adjourn? We have
20 two minutes.

21
22 **CHAIRMAN BOGGS:** We have a motion from a bystander here to
23 adjourn this meeting.

24
25 **MR. GREEN:** I second that motion.

26
27 **CHAIRMAN BOGGS:** We're going to call it a day, guys.

28
29 **DR. DIAGNE:** Thank you so much, Mr. Chair.

30
31 (Whereupon, the meeting recessed on May 3, 2016.)

32
33 - - -

34
35 May 4, 2016

36
37 WEDNESDAY MORNING SESSION

38
39 - - -

40
41 The Ad Hoc Reef Fish Headboat Advisory Panel of the Gulf of
42 Mexico Fishery Management Council reconvened at the Gulf Council
43 Office, Tampa, Florida, Wednesday morning, May 4, 2016, and was
44 called to order by Chairman Randy Boggs.

45
46 (The morning started with introductions, but was not audible on
47 the recording.)

48

1 **CHAIRMAN BOGGS:** Now that we're through that, we'll pick up
2 where we left off yesterday. The action we're working on today
3 is Action 10, Transferability of Annual Allocation. Alternative
4 1 is no action, do not allow transfer of annual allocation.
5 Number 2 requires a valid reef fish for-hire permit with a
6 headboat survey vessel endorsement or a valid reef fish headboat
7 permit, whichever is established, to receive annual allocation
8 through transfer. Transfer is to U.S. citizens or permanent
9 resident aliens.

10
11 Alternative 3 requires a valid reef fish for-hire permit, with
12 or without an endorsement, or a valid reef fish headboat permit
13 to receive annual allocations through transfer. Transfer is to
14 U.S. citizens or permanent resident aliens. Number 4 is
15 transfer to any U.S. citizen or permanent resident alien.

16
17 **AP MEMBER:** I have a motion for Alternative 2.

18
19 **MR. SCHMIDT:** Second.

20
21 **CHAIRMAN BOGGS:** We have a motion for Alternative 2 and a second
22 by Mr. Schmidt. I will open the floor for discussion. I didn't
23 see a lot to start with this morning. Everybody is going to get
24 coffee down. I'm going to start with the discussion. I think
25 that that meets the criteria that we talked about yesterday. By
26 having a headboat permit and receiving that allocation to U.S.
27 citizens, I believe that this meets all the criteria to keep the
28 fish on the Gulf coast and here with the boats and keep them
29 fishing where we want them to be. Ms. Anderson.

30
31 **MS. ANDERSON:** I just want to put on the record that I know
32 where all of the catch share and all these type of things, IFQs
33 and everything, are headed, but I would like to put on the
34 record that this is the best thing in this situation, and so I
35 would be speaking for this, but I also know that a lot of folks
36 who have a lot of power in this industry will be trying to move
37 this one or two steps further with transferability between the
38 different sectors.

39
40 I think that it would be a good thing, if we agree, to say
41 something to that, that this does not authorize us to -- This
42 group does not want to have intersector trading, whether it's
43 for-hire, private angler, charter boat, commercial boat, that
44 type of thing, if that's the case. If we don't put it in there,
45 then that means that my assumption is right.

46
47 **CHAIRMAN BOGGS:** I agree with you on that 100 percent. If we
48 can get through this one, when we get toward the end, at the

1 last couple of motions, I think I'm going to try to cover that
2 in the last portion of this part, and so don't -- We're going to
3 be pushed for time today, but remind me toward the end and we're
4 going to put that in on the last, that the transferability is
5 among the sector that's established, the headboat sector, and
6 the AP, at this time, doesn't recommend intersector trading, if
7 that's all right, when we get through to the end, as a motion
8 going up to the council.

9
10 **MS. ANDERSON:** That's fine. I just think that it's important to
11 state the intent, because a lot of times that kind of gets
12 muddled.

13
14 **CHAIRMAN BOGGS:** Yes, ma'am, and I agree. Any more discussion
15 on this one? I am going to read the motion. The motion is the
16 AP moves to have Alternative 2 in Action 10, require a valid
17 reef fish for-hire permit with a headboat survey vessel
18 endorsement or a valid reef fish headboat permit, whichever we
19 decide, and we decided on the endorsement, to receive annual
20 allocations through transfer, and transfer is to U.S. citizens
21 or permanent resident aliens, be the preferred alternative.
22 That being said, we will vote this up. **All in favor of the**
23 **motion, ten in favor. Seeing no opposition, the motion carries.**
24 Moving on to Action Number 11.

25
26 **MR. GREEN:** Mr. Chairman, we didn't decide on Action 4
27 yesterday. We still have to go back to Action 4. We haven't
28 decided on an endorsement. We discussed it, but I just wanted
29 to make sure.

30
31 **CHAIRMAN BOGGS:** We didn't?

32
33 **MR. GREEN:** No, we tabled it until today. I just wanted to
34 remind you of that.

35
36 **CHAIRMAN BOGGS:** I thought we decided on an endorsement, but we
37 didn't decide --

38
39 **MR. GREEN:** We talked about the endorsement, but what we were
40 hanging up on was who was going to get the endorsement? Was it
41 going to be free? Was it going to be open to everybody? We
42 kind of talked about the endorsement would be good, but --

43
44 **CHAIRMAN BOGGS:** We voted for an endorsement, but we didn't
45 decide who was eligible for the endorsement.

46
47 **MR. GREEN:** That's what I meant. That was Action 4, correct?
48

1 **CHAIRMAN BOGGS:** Yes. Share Ownership Caps, do not constrain
2 the amount of shares one person can own. That's Alternative 1.
3 Alternative 2 is in each species category, no person shall own
4 more shares than the maximum percentage issued to the recipient
5 of the largest shares at the time of the initial apportionment
6 of shares.

7
8 Alternative 3 is in each species category, no person shall own
9 shares which comprise more than the following percent of the
10 quota allocated to the headboat survey vessel program. Option a
11 is 2 percent, Option b is 5 percent, and Option c is 10 percent.
12 In the -- I don't like going from one side to the other of this
13 fishery, but, in the commercial fishery, what they're talking
14 about in Alternative 2, in each species category, no person
15 shall own more shares than the maximum percentage of the largest
16 shares at the time of the apportionment of shares.

17
18 What this is saying is whoever is the high-liner, whoever gets
19 the most fish in this, that no matter what you do, you can't own
20 more fish than that, that person, and so if you've got somebody
21 that's got 3,000 fish, you can't own 3,001 fish. You can buy
22 you way up or trade your way up, but you can't go larger than
23 the biggest person there. Ms. Anderson.

24
25 **MS. ANDERSON:** That doesn't affect your percentage of the
26 shares, is that correct? If we have an increase in allocation
27 to the headboat sector, then the percentage would remain the
28 same, correct?

29
30 **CHAIRMAN BOGGS:** Yes, and what --

31
32 **MR. WILLIAMS:** That's not the way it's stated though. That's
33 not what it says.

34
35 **DR. DIAGNE:** I think it's consistent with that, because shares
36 are expressed in percentage points. That's the difference. If
37 you have 10 percent, you apply it to the quota, regardless of
38 the quota.

39
40 **MR. WILLIAMS:** I understand that, but I'm saying that doesn't
41 say that. It says, on each species, no person shall own more
42 shares than the maximum --

43
44 **CHAIRMAN BOGGS:** Mr. Charlie.

45
46 **MR. PAPROCKI:** What if the largest boats want to lease some more
47 for that year? They're still able to do that though. They
48 don't own them, but they can still lease more, if they wanted.

1
2 **CHAIRMAN BOGGS:** Yes.
3
4 **MR. PAPROCKI:** Is that anywhere?
5
6 **DR. DIAGNE:** That's a decision you will make in the next action.
7
8 **CHAIRMAN BOGGS:** Mr. Green.
9
10 **MR. GREEN:** Would this affect -- Hypothetically, if you owned
11 one headboat and you went in and you bought a couple more after
12 this, does that -- Because, in Number 2, it says no person. It
13 doesn't say not an individual permit, and so if there is a guy
14 who had three headboats, let's say, and the shares went out and
15 he got a percentage, but then that one person also owned -- A
16 different person bought in and bought four or five headboats --
17
18 **CHAIRMAN BOGGS:** Hang on, Jim. You've got three trains leaving
19 four different directions.
20
21 **MR. GREEN:** No, it was pretty simple. You've got --
22
23 **CHAIRMAN BOGGS:** It's simple because you thought it out. Go a
24 little slower, so we can catch up with you.
25
26 **MR. GREEN:** Sorry about that. Let's say, in the beginning,
27 there is a guy who owns three headboats and he gets X percentage
28 of fish. Five years down the road, he sells one or two of them
29 and this other person buys a couple more from somebody and he
30 ends up with five of them.
31
32 Alternative 2 says no person shall own more than that
33 percentage, and so if you -- The maximum somebody owned was
34 three when we handed it out, but, five years later, there's
35 somebody that now owns five of them. Does that mean that that
36 person can't go over with the person who had the three headboats
37 was initially awarded or initially allocated to, I mean?
38
39 **DR. DIAGNE:** If I understand what he said clearly, first of all,
40 a person here is meant in the Magnuson sense of it. It means an
41 individual or a corporation or an entity. The bottom line is,
42 as an entity, if you are the high-liner and you reach the cap --
43 No matter how you reorganize it, buy some more interest in this
44 or that or other corporation, you cannot go past the cap,
45 essentially. I am looking at Jessica over there. Maybe she is
46 going to make it clear or correct something.
47
48 **DR. STEPHEN:** The way we look at it is we look at the account

1 level, which is the name is on the permit. We also look at
2 individuals and within corporations. Let's say you have an
3 account in your own name and you have a business where you're a
4 50 percent owner.

5
6 The way we calculate share caps is, for the account where you
7 were 100 percent, 100 percent of those shares are allocated
8 towards your cap. In the business where you're a 50 percent
9 owner, 50 percent of the shares for that account are added to
10 your personal cap, and so we look at this at the level of the
11 individual as well as the business and the account, and so we
12 look at it in multiple ways. Typically, it's the individual
13 participating in multiple accounts which hits the cap before
14 anything else does. Does that help?

15
16 **MR. GREEN:** Yes, and so, basically, in a short sentence,
17 nobody's business will get any bigger than the biggest business
18 when the initial allocation is distributed. Is that correct?

19
20 **DR. STEPHEN:** That person's percentage and not just the
21 business. Remember if you incorporate all your vessels and you
22 have multiple vessels, if you're 100 percent of all those, it's
23 that person cap.

24
25 **MR. GREEN:** Thank you.

26
27 **DR. STEPHEN:** There are also, I think, examples in the document,
28 just based on 2015 and only based on permits, and so not on
29 individual, to give you an idea of what some of those are, if
30 you want to look at that.

31
32 **DR. DIAGNE:** This is what she is talking about. Essentially, it
33 gives you an idea about the caps and where they would be if you
34 went with that alternative.

35
36 **DR. STEPHEN:** Just to correct, I did not look at who owns the
37 permits when we looked at this, and so this was just based on
38 individual permits, and so that might increase further, because
39 this was just a preliminary look at it, and so those might be
40 higher than what you see there.

41
42 **CHAIRMAN BOGGS:** Does that help some with the discussion, guys?
43 Ms. Anderson.

44
45 **MS. ANDERSON:** Before I vote on it, I actually want to do the
46 math and see how it works out, but I want to be sure that we are
47 not excluding family -- A lot of the corporations, boat
48 corporations, are within families, in this industry especially,

1 and so if my husband and I have a boat and a corporation and
2 then we purchase another boat and our grandchildren are owners
3 in that, then it would not affect them being able to get shares
4 for that, is that correct?

5
6 **DR. DIAGNE:** As I think Jessica explained, at the end of the
7 day, you look at the cap. Let's say one of those is 20 percent.
8 If, looking at all of your interests in various corporations and
9 individuals, you already own the 20 percent, meaning you are the
10 high-liner in there, I don't see how you can go buy more, at the
11 end of the day, but if you are not the high-liner, then there is
12 nothing to be concerned about. You can expand up to that cap.

13
14 **CHAIRMAN BOGGS:** There is lots of ways that -- There is no way
15 that we can answer every scenario here, but the simple answer to
16 that is if your grandchildren had a boat and it's in their name
17 and you and your husband had a boat and it's in your name,
18 that's two separate entities, and it does not count toward --
19 The percentage wouldn't count together.

20
21 **MS. ANDERSON:** Okay, and that's what I'm asking. I know that
22 this is one way that some people in the commercial sector have
23 gotten around share caps, and so it can be a good thing if it's
24 done correctly, but it can be a bad thing if it's done unfairly,
25 and so I just want to know what the parameters are, because this
26 is new territory for everybody here.

27
28 **CHAIRMAN BOGGS:** It is for me too, and the bad part of this is
29 that I have a mind that works in what's legal and what's fair
30 and what's right, and I don't have the mind that operates on the
31 other side, and so some of these options, even if we sit here
32 for weeks at a time, we're not going to be able to figure out
33 everything that could go wrong in this program and could happen.

34
35 We can certainly look at what's happened in the past and try to
36 correct that. The bottom line is, no matter what we do, there
37 is going to be some way to cheat or somebody is going to feel
38 like there's a way to cheat. Mr. Green.

39
40 **MR. GREEN:** The way I'm hearing it, since it's a person, would
41 that mean that -- I'm just using an example, Ms. Anderson, but
42 Ms. Pam and Ken, those would be two entities, because they're
43 two people, and so they could have the cap for each person. Is
44 that correct?

45
46 **CHAIRMAN BOGGS:** I would think if the boats are registered one
47 in Ms. Pam's name and one in Mr. Ken's name --

48

1 **MR. GREEN:** That's not what she was saying. She said a
2 shareholder account, and so if it's a shareholder account, it
3 doesn't matter what boat it's on. Is that correct?
4

5 **DR. STEPHEN:** Right, and so we look at it at a variety of
6 levels. We look at it at a business level and we look at it at
7 an account level. The account is based on the names on your
8 permit, and so if they had two names, they would be one account
9 anyhow. You need a difference in permit names to have a
10 different account.
11

12 As individuals, if they each own -- They're two separate people,
13 and as long as their accounts together and their accounts
14 separately don't go past the cap, then they're good. You see it
15 a lot in commercial, and you can see families that might own a
16 lot, but it's in separate entity's names each time, and they are
17 not in corporation together. Does that help?
18

19 **MR. GREEN:** Yes, ma'am, definitely. I just had the one
20 question, and it's an easy one. What's the cap on commercial
21 IFQ, in like the red snapper? Is that 5 percent or 10 percent?
22

23 **DR. STEPHEN:** It's about 6 percent for red snapper, and it goes
24 up to 14, I believe, in the grouper/tilefish. Just to give you
25 an overall view, wreckfish is 49 percent.
26

27 **CHAIRMAN BOGGS:** I'm going to offer up a little discussion point
28 that I see. We voted yesterday to distribute these fish based
29 on catch history, and there was no way for people to ramp up
30 their effort into this, because of the seasons, the caps. It
31 wasn't like the commercial fishing, where you could go out and
32 become the high-liner. You had to have a big boat in this
33 fishery and you had to be harvested these fish and you had to
34 show a history of catching these fish. That prevented that
35 portion of it, because what they had is what they had under the
36 seasons and bag limits that we have.
37

38 **MR. GREEN:** But this is about ownership caps. This isn't about
39 allocation distribution.
40

41 **CHAIRMAN BOGGS:** Right, and I mean -- You can form a new
42 corporation and you can form six different corporations, and you
43 can put boats in every name. In my business, I have the Gulf
44 Winds has a permit and has a business license. It is operated
45 completely separate. The books and everything are separate.
46 The Reel Surprise is that way and the Southerner is that way,
47 but, at the end of the day, the boats are owned by me and my
48 wife, but I mean that --

1
2 **AP MEMBER:** That's two different entities though, right? Is
3 that correct?
4
5 **CHAIRMAN BOGGS:** My wife, according to her, controls me very
6 well.
7
8 **MR. WILLIAMS:** I guess we need some clarification here, and I'm
9 not currently married, but if you have two different
10 corporations and you have one in your name and one in your
11 wife's name, then you can own more than the cap? Is that
12 basically what they were saying?
13
14 **DR. STEPHEN:** I'm sorry, but I missed that. Can you say that
15 again?
16
17 **MR. WILLIAMS:** If you're married and you have one of the boats
18 in your name and one of them in your wife's name, then you can
19 basically have two accounts that are approaching the threshold
20 of the cap?
21
22 **DR. STEPHEN:** Those two accounts would not be considered
23 together to get to the cap, because a boat just in your name and
24 your wife's boat is in her name solely, then those are two
25 separate individuals, because we can't track marriages and
26 relationships among families. There is no way to really do that
27 effectively.
28
29 **MR. WILLIAMS:** Okay. What if you have two different
30 corporations and she owns 50 percent of one and you own 50
31 percent of one and the other one is the same?
32
33 **DR. STEPHEN:** That's different.
34
35 **MR. WILLIAMS:** That counts as two accounts? You take the 50
36 percent of one and the 50 percent of the other one and assign
37 that to one and 50 percent of one and 50 percent assigned to the
38 other one?
39
40 **DR. STEPHEN:** You have Corporation A that you each have 50
41 percent of and you have Corporation B, and so separate tax IDs
42 and separate entities at that level. Corporation B, you each
43 own 50 percent. The way we calculate the cap for your
44 individuals is you would have 50 percent of one account and you
45 would have 50 percent of the other account summed together for
46 your cap and she would have 50 percent of each of those accounts
47 summed together for her account.
48

1 **MR. WILLIAMS:** So you could approach the threshold by each
2 individual then?
3

4 **DR. STEPHEN:** Yes, because they both are participating in the
5 accounts that hold shares.
6

7 **MR. WILLIAMS:** There is a lot of ways to circumvent this. Thank
8 you.
9

10 **CHAIRMAN BOGGS:** That's my point in this. As distasteful as
11 anything we do might be, there is no way that we can prevent
12 this going forward. I mean this regulation, and this would
13 become so complex that we can't do it. I mean the only thing we
14 can do is keep people from being bigger than the high-liner, and
15 that's basically all we can do, and they can get around that. I
16 think that, politically, Alternative 2 is the best alternative.
17 I think, politically, Alternative 2 is the best thing. Mr.
18 Green.
19

20 **MR. GREEN:** Maybe if we just kind of table this and think about
21 it until our next meeting, because I mean this is not -- This is
22 not do or die. I mean we're still going to have another meeting
23 before this is over with, and maybe we can get some numbers and
24 actually see what that is and make an informed decision. I
25 don't want to say the initial one if that could hamstring
26 somebody's future business plans, but --
27

28 **AP MEMBER:** There's ways to get around it.
29

30 **MR. GREEN:** But I mean not everybody wants to have to get around
31 it. Not all of us want to base a decision off of hypotheticals
32 either, and so -- It's not like this is the last meeting we're
33 going to have on this, and maybe we can get some insight on what
34 those percentages actually are for each fish, instead of just
35 kind of guessing. We can sit down and go back and figure what
36 each one of those are and, I don't know, but maybe think about
37 it some more.
38

39 **DR. DIAGNE:** You wanted the numbers. The caps will be this.
40 They will be a little higher, perhaps, but we provided some --
41

42 **CHAIRMAN BOGGS:** Jim, the reason that I think that we need to
43 pick one of these, going forward, is I don't think that the AP
44 will meet again. I think this will go to the council, and if we
45 don't decide something here and send up what we would like to
46 the council, then they're going to make this decision for us,
47 and the decision they make for us may be a lot more distasteful
48 than what we have here. We're not shooting in the dark. We

1 have numbers here, and we're taking the devil that we know to
2 the one that somebody is going to give us.

3
4 **MR. GREEN:** I respect your opinion on that, but I would be hard
5 pressed to think that an AP is going to meet twice and design a
6 recreational headboat reef fish plan that's never been done
7 before and we're only going to meet twice and that's what it is.

8
9 If it is, then these are going to be the three alternatives the
10 council picks from and they're going to have the same choices we
11 are, unless -- I've made my opinion known, and so that's fine.
12 We can move forward.

13
14 **CHAIRMAN BOGGS:** Skipper.

15
16 **MR. THIERRY:** Just to Mr. Johnny's point about we might as well
17 not have caps, it says in the discussion that Magnuson requires
18 it, requires us to have caps. Assane can correct me if I'm
19 being too simplistic, but I looked at Table 2.2.1. In 2015,
20 there was 568,000 pounds of red snapper -- Jim was talking
21 numbers, and I was trying to crunch numbers over here. There
22 was 568,000 --

23
24 **CHAIRMAN BOGGS:** What page is that on, Skipper?

25
26 **MR. THIERRY:** It's on page 14. If we multiply that by 7
27 percent, that's about 40,000 pounds of fish, if you're trying to
28 figure what -- Am I thinking right or am I way off? You can do
29 that for all the species, I think, unless I'm reading it wrong,
30 which is possible.

31
32 **DR. DIAGNE:** You are trying to calculate the caps, you mean?

33
34 **MR. THIERRY:** Yes, sir.

35
36 **DR. DIAGNE:** Based on the slide that we had before, if we took
37 the 568,000 pounds, roughly, and took 7 percent of that here,
38 that's the number that -- That would be the cap, assuming that
39 the distribution was done proportionally based on 2015 landings,
40 which gives you --

41
42 **MR. THIERRY:** Just a rough number. Then I divided that by six
43 pounds or seven pounds, whatever you want to do.

44
45 **DR. DIAGNE:** Then that gives you the number of fish.

46
47 **MR. THIERRY:** It's 6,600 fish or something. We could do that
48 for all the species. It's just some food for thought.

1
2 **MR. GREEN:** It might not be for five headboat though, is what
3 I'm getting at. If you have multiple -- I'm just saying if you
4 have multiple headboats and that was the cap for someone who had
5 two or three headboats, then that might not be enough for you to
6 expand your business. That was the concern I had.

7
8 **CHAIRMAN BOGGS:** I'm going to go with Ms. Jessica first and then
9 Assane and then Ms. Pam.

10
11 **DR. STEPHEN:** I just wanted to clarify something about when
12 we're looking to see what you guys would actually have. I think
13 it was mentioned to have something more -- For a permit system,
14 we need to know who owns the businesses, and so, if that has not
15 been filled out over time, I can't currently calculate that, and
16 so we might do a push to get everyone to make sure that if you
17 have a business that we know who owns the business, so we can
18 figure out what those caps might actually be.

19
20 I haven't looked into how much of the data we have. We know in
21 the reef fish permit that it's required, hands down. You can't
22 get your permit approved without that. It's been a little bit
23 more flexible in the past, with some of the other permits, and
24 so we would need to have that all updated before we could do it.
25 That said, it would probably not be there by the next council
26 meeting. We could have approximations, but if I don't know who
27 owns a business, I can't tell you where the share caps are at.

28
29 **CHAIRMAN BOGGS:** Okay. Assane.

30
31 **DR. DIAGNE:** I just wanted to offer that the reason why share
32 caps are considered -- I mean they are business interests as to
33 whatever amount of fish may be enough or not enough to run one's
34 business, but the fundamental issue here is that share caps are
35 needed to prevent any entity from owning or controlling an
36 excessive share of this.

37
38 It could be the case that someone needs 80 percent to run their
39 business the way that they would want to do it, but that would
40 result in them having too much market power, controlling an
41 excessive portion of this, and that is one of the things to be
42 prevented here too, and so that is a consideration as you guys
43 discuss where the caps should be.

44
45 **CHAIRMAN BOGGS:** Ms. Anderson and then Jim.

46
47 **MS. ANDERSON:** I just was trying to figure out, from the prior
48 slide, what that would be in 2016 figures. I was going by 7

1 percent. I know that that was seven-point-something, but the
2 headboat ACT this year could be as much as 778,000-plus pounds,
3 and a 7 percent amount on that would be 54,000 pounds.
4 Depending on what the average poundage of your fish are that you
5 harvest, that would be -- I did it further a minute ago.

6
7 If you divided that by say five pounds, that's 10,000 fish, and
8 so that -- If you're the high-liner, it would be a good thing,
9 but I just -- For one boat, but it's just you divide that by
10 sixty passengers and it's 181 days, if I did the math right.

11
12 **CHAIRMAN BOGGS:** I think that that is -- I think --

13
14 **MS. ANDERSON:** I didn't do the math right, because I didn't --

15
16 **CHAIRMAN BOGGS:** I think that is more fish than most of the
17 boats harvest. I think that's a very high number. Mr. Green.

18
19 **MR. GREEN:** I would like to make a motion that Alternative 2 be
20 the preferred alternative in Action 11, 2.11.

21
22 **CHAIRMAN BOGGS:** Do we have a second? We have a second by
23 Skipper Thierry. Then Mr. Charlie.

24
25 **MR. PAPROCKI:** Can you put those numbers back up, the
26 percentages? I've got two other subjects from yesterday also.
27 I think we'll wait to -- I don't want to get too into the weeds,
28 but my question was -- It's not up there yet, but are we going
29 to look, as a group or whatever -- You know snapper was 7
30 percent, but some of the other species were like 17, 18, 19
31 percent. One entity is going to be in control of a fifth of the
32 whole of that species, approximately. I mean I guess that's the
33 way it is, but I mean that's -- How are we going to --

34
35 **AP MEMBER:** But it comes from their catch history, and so
36 they're already doing it. It's not like they're going to get
37 something new.

38
39 **MR. PAPROCKI:** You can change the way we're doing it now, but,
40 in the future, it will not change. I'm just putting it out
41 there, that's all. A number of entities are going to have a
42 fifth of that whole share of that species for the duration.

43
44 **CHAIRMAN BOGGS:** Yes, and that is -- But it's based on what
45 they've done in the -- It's not something new. The only thing
46 that's new about it is the lights have come on and now we can
47 see that somebody -- You take a boat that's -- I'm not picking
48 on anybody, but take a boat that's in the Keys. That may be his

1 primary species. Because I'm in the Panhandle, kind of where
2 you are, and we can catch a multitude of fish.
3
4 **MR. PAPROCKI:** I'm okay with it. I'm just saying, are we going
5 to look as far as the charter boats and the recreational boats
6 too, but I'm okay with it, but I'm just -- Somebody is going to
7 have 20 percent of that, a fifth, and that's quite a bit, but --
8
9 **CHAIRMAN BOGGS:** When the lights come on in a small town, it's
10 amazing what you learn. Ms. Jessica.
11
12 **DR. STEPHEN:** Just to clarify some things. This is something
13 our economists are thinking about and looking about. That's a
14 percentage, if you have say the 20 percent and you have five
15 boats, of the headboat catch, but not necessarily the for-hire
16 catch. This might really play into what Magnuson's
17 interpretation is for Magnuson of what market control is.
18
19 **CHAIRMAN BOGGS:** Oh, wow, there's another -- Okay.
20
21 **DR. STEPHEN:** It's nothing you guys can really discuss and think
22 of here. We're going to have to work with an economist to
23 figure out how different the charter is from the headboat, but
24 that might influence where we were forced to put caps of market
25 control.
26
27 **CHAIRMAN BOGGS:** So if the whole headboat catch of amberjack was
28 1,000 fish, you're talking about somebody that's going to get
29 200 fish. That doesn't sound quite as excessive.
30
31 **MR. PAPROCKI:** For fish, I don't think it's a lot, but I'm
32 talking in the future, about ten years, when the stock comes
33 back. I am just putting it out there.
34
35 **CHAIRMAN BOGGS:** I am violating my own privacy agreement, and
36 I'm going to tell you that during that headboat collaborative
37 that my grouper harvest was excessive. I had four groupers for
38 the whole year.
39
40 **MR. PAPROCKI:** That's with us, but down south, the numbers are
41 big down there. They're big.
42
43 **CHAIRMAN BOGGS:** So my percentage is going to be 0.00002, and
44 somebody down there is going to have 4 percent or may even have
45 20 percent, but 20 percent over what I had --
46
47 **MR. PAPROCKI:** No, but red grouper, you look at the pounds, and,
48 down south, there's a number, but I am just putting it out

1 there.

2

3 **CHAIRMAN BOGGS:** Johnny.

4

5 **MR. WILLIAMS:** I have one more question here for the expert.
6 This is just hypothetical, but I mean it could actually occur,
7 because it occurred to me. Suppose you have two different
8 people that have 50 percent of two different companies, like a
9 husband and a wife.

10

11 My wife passed away a little over two years ago, and she had 50
12 percent of one of the businesses and I had basically 96 percent
13 of the other. If you have a situation like that and both of
14 those are approaching the threshold of the cap, or maybe a
15 little over half the cap, and one of those individuals passes
16 away and the other person inherits the other half, do they have
17 to divest that?

18

19 **DR. STEPHEN:** With commercial, we make you divest if you're over
20 the cap at that point, due to something like that.

21

22 **MR. WILLIAMS:** So then you would have to get rid of it. Like if
23 you were at the threshold on both of you and one of them passed
24 away, then the surviving spouse would have to divest themselves
25 of the other half.

26

27 **DR. STEPHEN:** Correct.

28

29 **AP MEMBER:** You have to get married again.

30

31 **DR. STEPHEN:** Or pass it on to children.

32

33 **CHAIRMAN BOGGS:** Or adopt me, whichever you would like to do.
34 Mr. Green.

35

36 **MR. GREEN:** I had one more thing that I wanted to point out. On
37 this slide, it says maximum landings per share category for a
38 permit. If there is multiple people who own permits, these
39 percentages might be highly different than what's on this thing.
40 Not a little different, but a lot of different. It could be, if
41 it's like the Chairman was saying, if somebody was down in Key
42 West and one of those species was their targeted thing and
43 that's what they caught the majority of and they have two
44 permits, then that cap could actually be 40 percent. Is that
45 accurate?

46

47 **DR. STEPHEN:** Yes, that's correct.

48

1 **MR. GREEN:** If it's amberjack and it's 19 percent and he's owns
2 two of them and he's catching the same amount on both, then it
3 can be almost 40.

4
5 **DR. STEPHEN:** That was my caution earlier, that this is only on
6 the permit and not who owns the permit, and we need to make sure
7 we have all the information on who owns the permits before we go
8 forward. It's simple if it's individuals on a permit. If it's
9 a business and we don't have who owns that right now, we would
10 have to collect that.

11
12 **MR. GREEN:** I've got you. I just wanted to make sure that was -
13 - For everybody that might have missed that, that this was for
14 one permit. This wasn't --

15
16 **DR. STEPHEN:** On the same note, these might go down if that one
17 permit is owned by two people. Then they would each have half
18 of that percentage, and so it could go both ways. We would have
19 to look into that to know where it's going for each one.

20
21 **CHAIRMAN BOGGS:** Again, with it based on actual landings, put
22 yourself in the high-liner's shoes. If you do anything other
23 than this and you take away what somebody has been landing,
24 you're redistributing the wealth. That's my opinion on it,
25 because this is based off of landings. This is what that person
26 needed to propagate their business. Any more comments?

27
28 **MR. GREEN:** I've got a comment to that. Some people cook their
29 books and some people might not be validated completely. I know
30 we've got to use the best available science, but I take offense
31 to redistributing the wealth when we're trying to figure out a
32 fair and equitable way of allocating fish to businesses.

33
34 Some people might buy into the fact that that catch history is
35 the way to go and that's it, but don't belittle people who might
36 think differently from you, because some people might think that
37 that might not be a fair representation of how everything was
38 laid out either.

39
40 **CHAIRMAN BOGGS:** I didn't belittle anybody. What I was saying
41 was nobody is going to like having their fish taken away, and
42 this is not about allocation. This is about the maximum that
43 you can own through going out and earning them. I mean if you
44 do it another way -- There is a lot of other ways you could do
45 this, but, if you do it other than what somebody has needed to
46 land in order to keep their business, then you're taking fish
47 away from somebody and giving them to somebody who didn't catch
48 those fish and now who has to grow a business in order to

1 harvest those fish.

2
3 I mean I saw a commercial on TV where a guy was trying to get
4 people to go out and buy \$1,500 reels to catch blueline tilefish
5 that there's virtually no recreational landings for. I don't
6 think he was very successful at it, but the whole point of that
7 was that 97 percent of the blueline tilefish are caught by
8 commercial fishermen, and they were trying to develop a
9 recreational fishery that costs hundreds of thousands of dollars
10 to even get started up at it.

11
12 What I'm saying is that these numbers are based off of what
13 people have actually brought to the dock. It's nothing to do
14 with allocation. It's how much that somebody coming up in the
15 business can eventually own, and if you -- It has nothing to do
16 with allocation, but if you go to doing it another way, you're
17 going to reallocate the fish, and so you're going to be
18 redistributing the fish. I shouldn't have said wealth, but fish
19 equate to money. If it wasn't about money, we wouldn't be
20 sitting here. Mr. Charlie.

21
22 **MR. PAPROCKI:** What Jim is saying, I agree some with him,
23 because it's still subjective, because of the years we used
24 anyway, and so there are variables in there. You can debate
25 that all day, that you're taking it away from this guy because
26 he had it, but, years ago, somebody else had it, within
27 parameters still, but we're just pulling things out without any
28 data to --

29
30 **CHAIRMAN BOGGS:** You could go back fifty years and look at
31 landings or you could go back a hundred years and look at --

32
33 **MR. PAPROCKI:** No, I'm talking about within parameters still.

34
35 **CHAIRMAN BOGGS:** Is there more discussion on this or do we want
36 to vote on it? Johnny.

37
38 **MR. WILLIAMS:** I have just one more question. Suppose that
39 we're selecting one year out of five and suppose one of my
40 companies is a high-liner, and I don't know if it is or not, and
41 suppose the year that we selected, my wife was still alive and
42 she had 50 percent of the business and I had 50 percent of it.
43 Do I get -- Am I now -- I don't understand. Do I have divest of
44 half of my stuff because I'm not the high-liner now and somebody
45 else is the high-liner and I might have to divest some of my
46 stuff because she was alive the year that they selected and not
47 alive the year that they didn't select?

48

1
2 **DR. STEPHEN:** What we'll base it on is who currently holds the
3 permit. The permit would get the permit history, regardless of
4 who owned it in the past.
5
6 **MR. WILLIAMS:** Thank you very much. I appreciate it.
7
8 **CHAIRMAN BOGGS:** Seeing a lack of discussion here, I will read
9 the motion and then we'll vote this up or down. The motion is
10 the AP moves to have Alternative 2 in Action 11, in each species
11 category, no person shall own more shares than the maximum
12 percentage issued to the recipient of the largest shares at the
13 time of the initial apportionment of shares, be the preferred
14 alternative. We have a motion and a second, and we will vote
15 this up or down. **All in favor of the motion.**
16
17 **DR. DIAGNE:** **It's unanimously. It carries unanimously.**
18
19 **CHAIRMAN BOGGS:** Okay, guys. The next one is Action 12. It's
20 Allocation Caps. Alternative 1 is no action, don't constrain
21 the amount of allocation that one person can hold.
22
23 Alternative 2 is each person's total holdings from all accounts
24 cannot be more than the maximum holdings attributed to a person,
25 as determined in Action 11, in each species category at any
26 point in time.
27
28 Alternative 3 is each person's total holdings from all accounts
29 cannot be more than the maximum holdings attributed to a person,
30 as determined in Action 11, in each species category
31 cumulatively throughout the year.
32
33 The previous alternative 11, is required by law. The
34 allocations are not required by law, and it took a little
35 explanation for me to understand the allocation caps, because
36 this is new to me. When you get your initial fish and they're
37 put in your account, you can lease fish. If you choose not to
38 put an allocation cap in, it allows people, even the high-liner,
39 to lease more fish.
40
41 If you put the allocation cap in, Alternative 2, each person's
42 total holdings from all accounts cannot be more than the maximum
43 holdings attributed to a person. In other words, you can't get
44 more in your account than the high-liner had at any time, by
45 leasing. Then Alternative 3 is each person's total holdings
46 from all accounts cannot be more than the maximum holdings
47 attributed to a person in 11, cumulatively, throughout the year.
48

1 In other words, if you took what the -- The high-liner couldn't
2 lease fish, and anybody below him couldn't lease more fish than
3 the high-liner, or we can choose not to put this in at all and
4 have where you can lease and move whatever you want to lease.
5 Most of the people that are in this -- Mr. Schmidt.

6
7 **MR. SCHMIDT:** I would make a motion that we adopt Alternative
8 Number 1. If I can get a second, I will give you my rationale.

9
10 **MS. ANDERSON:** I will second.

11
12 **CHAIRMAN BOGGS:** We have a motion and a second. Mr. Schmidt.

13
14 **MR. SCHMIDT:** The reason I prefer Alternative 1 is you have no
15 idea what might happen five years down the road or ten years
16 down the road. If you cap the amount of shares that somebody
17 can hold based on year X, Y, or Z, ten years from now the stocks
18 rebound and the business climate changes and the economy changes
19 -- There's parameters or things that are going to happen, maybe
20 in the next decade, that you can't foresee right now, and so I
21 say that we don't put a cap on.

22
23 **CHAIRMAN BOGGS:** Okay. I'm going to try this, and then I'm
24 going to explain it. I would like to offer a substitute motion
25 to send up to the council that we considered this, but rejected
26 it, which will remove this whole thing from the document. Then
27 we considered it, but we rejected it. It leaves the cap off and
28 leaves it where it's at, and so that's all we have to do. That
29 way, we don't have to sit here and discuss it and we don't have
30 to vote on it. Mr. Thierry.

31
32 **MR. THIERRY:** Just, again, in the discussion of 42, it says that
33 Alternative 1 would not meet the requirements of the Magnuson
34 Act.

35
36 **CHAIRMAN BOGGS:** Hands popped up behind you then.

37
38 **MS. GERHART:** We originally thought that, and we've had new
39 input from attorneys to tell us that that isn't actually the
40 reality. They had interpreted that in the past. That's why we
41 actually have it in the commercial grouper/tilefish, because we
42 thought we had to have it. Now, at the national level, they've
43 decided that's not true.

44
45 **CHAIRMAN BOGGS:** We're either looking for a second on this or
46 the motion is going to die because of a lack of a second. Ms.
47 Anderson.

48

1 **MS. ANDERSON:** I don't agree with the substitute motion.
2
3 **CHAIRMAN BOGGS:** Okay.
4
5 **MS. ANDERSON:** I think that we need to tell the council that we
6 considered it and that Alternative 1 is our choice out of these,
7 because if we -- If we don't, then I believe that they may
8 choose one for us.
9
10 **CHAIRMAN BOGGS:** Okay. If we consider it but reject it, it
11 removes this from the document, and they would have to go back
12 and add it back in, from what I understand, to bring it back
13 again. It will take this whole thing out of the document.
14
15 **MS. ANDERSON:** What would be the difference?
16
17 **CHAIRMAN BOGGS:** Let's do this. **I'm going to remove my**
18 **substitute motion. I am going to withdraw my substitute motion**
19 **and then open it back up for discussion.** Assane.
20
21 **DR. DIAGNE:** The difference would be in that it would streamline
22 the document, assuming that the council goes along with your
23 recommendation. If you pick let's say no action and there are
24 three alternatives there, someone will still have to explain why
25 it is that no action has been the preferred and what are the
26 impacts or the effects of Alternative 2, 3, et cetera.
27
28 Moving it to considered but rejected would essentially take the
29 issue the off the table, if you would, as you did -- I think you
30 did that for something else earlier, and put it into considered
31 but rejected. Like you did for auctions.
32
33 This is just a recommendation from you. If you want to do no
34 action, moving it to considered but rejected is a more efficient
35 way, essentially. It saves everybody time, assuming that the
36 council agrees and follows your recommendation.
37
38 **MS. ANDERSON:** If they don't agree with our substitute motion,
39 if there was one there, can they still come back and say no, we
40 want this, if we say considered but rejected?
41
42 **DR. DIAGNE:** Yes, I mean these are only recommendations from the
43 AP. They can listen to it and decide to go another way, based
44 on some rationale that they have, absolutely.
45
46 I mean you have taken off the table, for example, auctions,
47 which was Alternative 3 in the apportionment. Let's say,
48 hypothetically, the council could look at what they have in

1 front of them and listen to some additional testimony and decide
2 that this is a course of action they would like to pursue, as
3 well as for the number of years and any number of
4 recommendations that you have offered.

5
6 **MS. ANDERSON:** I just think that -- Just what Eric said, that
7 this is -- If we have no action here and we don't -- If we have
8 it so that we are not limited to the allocation that we can
9 lease, purchase, or buy among other members who may want to do
10 that, in order to take care of our business or increase our
11 business or whatever, we will be more and more limited if we
12 take that away, but maybe I'm not seeing it correctly. Is that
13 right?

14
15 **DR. DIAGNE:** Yes, I think what Mr. Schmidt is trying to do is
16 say that no action is the way to go. If you say that we
17 considered this and we recommend that it be put in the
18 considered but rejected, that is essentially no action, but in a
19 more expedient way. They will achieve the same thing in
20 actually a faster and more expedient way, that's all.

21
22 **CHAIRMAN BOGGS:** Skipper.

23
24 **MR. THIERRY:** To me, Alternative 1 just sounds bad, do not
25 constrain the amount of allocation that one person can hold, as
26 far as giving us a black eye for being greedy. Alternative 2
27 basically is going to let you lease as many fish as you would
28 need throughout the year. You may have to make several
29 transactions to do it, but you could still lease up to however
30 many, 10,000 fish or however many fish we figured, but just it
31 may take you a couple of transactions throughout the year to do
32 it. Alternative 2 sounds a lot more palatable, to me.

33
34 **CHAIRMAN BOGGS:** Mr. Green.

35
36 **MR. GREEN:** I would like to make a substitute motion that
37 **Alternative 2 be the preferred alternative in 2.2, Action 12.**

38
39 **MR. THIERRY:** Second.

40
41 **CHAIRMAN BOGGS:** I have a motion and a second. It's open for
42 discussion. Johnny.

43
44 **MR. WILLIAMS:** One of the things that I think we have to
45 consider is we need to get this through the council members of
46 the various states. I think everybody would agree that there
47 might be some concern that maybe one state might end with most,
48 if not all, the fish under this scenario where there was no cap

1 on the leasing.

2
3 That might not be very beneficial to other states that depend on
4 the clients, or the people that come down and harvest red
5 snapper off the headboats in their area. It not only will
6 impact the boats, but it's going to also impact the economy.

7
8 Say like if the fish were more valuable in Florida than they
9 were in Texas and people could basically lease the fish from
10 Florida from somebody in Texas, if there was no cap, and get the
11 situation where there were very red snapper available to be
12 harvested in Texas.

13
14 Like I say, not only do we affect our own businesses, but we
15 affect a number of other businesses as well. I think it might
16 be a little more palatable to all the council members if we had
17 some sort of cap there to maybe prevent a situation like that.

18
19 Believe it or not, we're really valuable to our community. I
20 mean people that come down and go fishing with us, they stay in
21 hotels and they eat at restaurants and they buy gas. A lot of
22 people come down to go fishing with us and their wives, in
23 Galveston, go on the Strand and spend a lot of money on the
24 Strand, many times much more than the husbands do going fishing
25 with us. I think we're pretty important. I think it would be
26 easier to get it through the council if we did have some sort of
27 cap, because I think that might be one of the concerns they may
28 have. Thank you.

29
30 **CHAIRMAN BOGGS:** Mr. Hubbard.

31
32 **MR. HUBBARD:** The fear of someone getting too many shares is an
33 impossibility, because somebody else has to lease them to them,
34 and so the only reason that anyone would have access to more
35 shares if there is another company that is willing to lease
36 them theirs.

37
38 The challenge I see, moving forward, is, for example, in our
39 area, the gag grouper, since 2010, haven't moved well through
40 that area, due to some environmental issues. Prior to 2010, we
41 were averaging 200 or 300 head of gags a trip. Since then, we
42 only average about fifty. Moving forward, based on this catch
43 history, I'm not going to get enough gags in the future -- This
44 year is the first year they've actually moved the way they
45 normally have, where we're throwing back a hundred gag a trip
46 and we're trying to stay away from them.

47
48 I am going to have to lease gag grouper moving forward. There's

1 no way around it, based on if this is adopted. I am going to
2 have to lease more than I've ever caught before, but is there a
3 high-liner in the area that catches that much? Maybe. If there
4 is, I won't have a problem leasing enough gag grouper, but if
5 there is no high-liner in the area and actually I'm the high-
6 liner, prior to 2011, then I'm going to not have enough fish for
7 the clients on the boat. It's a pickle.

8
9 **CHAIRMAN BOGGS:** Mr. Green.

10
11 **MR. GREEN:** I think that's why Skipper -- That kind of plays
12 into what Skipper -- If you're the high-liner, then, once you
13 catch down some of your allocation with Alternative 2, you would
14 be able to acquire more. If we went to 3, then you wouldn't be
15 able to acquire more if you were the high-liner, but if you go
16 with Number 2, then if say -- Let's just say you've got 10,000
17 pounds of gag and you catch 2,500 of them, then you can go lease
18 2,500 more and put it back up. You just can't go over that
19 high-liner cap at any point in time.

20
21 You could run 200,000 pounds of gag through that thing, but you
22 couldn't do it more than 10,000 pounds at a time. I know that
23 doesn't seem rational, but I am just saying, in retrospect, I
24 think that's why I agreed wholeheartedly with Skipper, is that
25 even the high-liner would be able to acquire more fish under
26 Alternative 2, if the market and his business deem necessary.
27 That's why I support this motion.

28
29 **CHAIRMAN BOGGS:** Mr. Charlie.

30
31 **MR. PAPROCKI:** I agree that it doesn't hamper the free market.

32
33 **CHAIRMAN BOGGS:** It doesn't, but, back to the point that Mr.
34 Schmidt made. We're assuming that things stay where they're at
35 and looking forward to the future -- Nobody can predict what the
36 future has brought, and Alternative 1 or considering and
37 rejecting this whole thing leaves it a little more open for us,
38 but we'll do what the -- Mr. Schmidt.

39
40 **MR. SCHMIDT:** This is the third IFQ panel that I have sat on for
41 the Gulf Council, and the word of advice I would say is you want
42 to leave yourself as much flexibility in the plan as possible,
43 because once it goes through, it's going to be very hard to undo
44 it.

45
46 **CHAIRMAN BOGGS:** Mr. Green.

47
48 **MR. GREEN:** I am going to call the question. That's what I'm

1 going to do.

2
3 **CHAIRMAN BOGGS:** We have called the question. I will read the
4 motion. The substitute motion is the advisory panel moves to
5 have Alternative 2 in Action 12, each person's total holdings
6 from all accounts cannot be more than the maximum holdings
7 attributed to a person, as determined in Action 11, in each of
8 the species categories at one time, be the preferred
9 alternative. We have called the question on this. We will vote
10 this up or down. **All in favor of this motion, six in favor;**
11 **all opposed.**

12
13 **DR. DIAGNE:** Five.

14
15 **CHAIRMAN BOGGS:** The motion carries six to five. Moving on to
16 the next one is --

17
18 **MR. PAPROCKI:** I've got a couple of question also, Mr. Chairman,
19 about yesterday. I don't know if it's a good time or not.

20
21 **CHAIRMAN BOGGS:** Can we finish the document and do them at the
22 end, under Other?

23
24 **MR. PAPROCKI:** As long as you don't let me forget.

25
26 **CHAIRMAN BOGGS:** I will do my very best not to. We've had a
27 change in the document, and I'm going to let Assane walk us
28 through this, and then we'll read it and work off of this and
29 not off the paperwork that we have, because this is a work in
30 progress. Assane.

31
32 **DR. DIAGNE:** Thank you, Mr. Chair. Actually, I am going to turn
33 to this side and ask Sue Gerhart to run us through this. This
34 is a new -- We are revising this action at the IPT level, and so
35 you don't really have to decide anything today, perhaps, and
36 just get a sense of where this is going. Hopefully you will
37 have an opportunity to take another look at this at some other
38 point in the future. Thank you. Sue, thanks.

39
40 **MS. GERHART:** Thank you. What we're doing with this action is
41 thinking about if the quota changes in the middle of the year.
42 With an IFQ program or a PFQ program, the allocation is
43 distributed on January 1 to everyone, and so, if the quota
44 changes, we have to decide how to deal with that.

45
46 One way is simply to just give it out the way the first initial
47 quota was given out at the beginning of the year, and so, based
48 on whatever your shareholdings are, you would get that percent

1 of the increase as well, but a lot of people would like to see
2 that right away.

3
4 Another option is just to wait until the beginning of the next
5 year before it gets given out, and so the alternatives we have
6 are, for Alternative 2, we would distribute the allocation as a
7 quota increase during the year. As soon as it was available, it
8 would be divided up among the participants and given out so that
9 you could use it right away from that year.

10
11 The options under there are how to distribute that allocation,
12 and you could do it proportionally, based on the shareholdings,
13 or another option is to give it equally to every participant,
14 and so basically take whatever the increase is divided by the
15 sixty-seven participants and give it out.

16
17 One of the problems with doing that is that there are a lot of
18 people who don't fish for a particular species, for example,
19 down in the Keys, the people that don't fish for red snapper,
20 and so it doesn't really make sense to give them some allocation
21 for that if it's not a species that they take advantage of.

22
23 What we are proposing in here is that it would go equally to all
24 shareholders, and so those people who actually have some shares,
25 however small or large they might be, they would be -- They
26 would get some more allocation during the year, and it would be
27 equal among all of those people who hold shares.

28
29 Then there's a third option to do that in the 50/50 setting.
30 That's for the allocation that you get during the year, your
31 annual allocation, your pounds or numbers of fish, but one thing
32 that can also change is the actual shareholdings of each person.

33
34 In Alternative 2, the shareholdings wouldn't change. What would
35 happen is, after that first year, where everybody got either
36 equally or proportionally -- At the start of the next year, the
37 full quota would just go proportionally to everybody, like it
38 did at the beginning of the year before.

39
40 The way that Alternative 3 is different is how the shares are
41 dealt with. Alternative 3 would still give out the allocation
42 in the middle of the year, whenever the increase came through,
43 and that could be either proportionally or equally or both, or
44 some mix of both, but then we would also recalculate the shares
45 at the beginning of the next year, to incorporate that new
46 allocation that came through.

47
48 Whatever way we did it -- Say we gave everyone equally more

1 allocation that year, the shares for the next year would be
2 recalculated to include that new allocation that came out. It's
3 a little bit complicated, and we'll work on some examples for
4 the document when we get there, but the idea is that everyone --
5 Some of the small shareholders, perhaps, could get more shares
6 that they didn't have before, and it's a way for some of the
7 small shareholders to get a little bit more over time, as the
8 population increases.

9
10 Then our fourth alternative is about creating a pool. One of
11 the problems with Alternative 3 is that, if you recalculate the
12 shares, nobody really knows what their shares are, until we get
13 to that next year. Then if you're used to having 5 percent, you
14 might end up with 5.5 percent or 4.5 percent the next year. It
15 may mean more fish for you still, but it's a little harder,
16 businesswise, for you guys to keep track of that if it's going
17 to be changing every time a quota changes.

18
19 One option that we had was to create a pool, where any increases
20 in the quota go into the pool. Instead of changing everyone's
21 shares, we just give out that pool quota, either proportionally
22 or equally, or really equally, to everybody each year. It would
23 be sort of, aside from the original quota, there would be a
24 separate pool, and then that could be given out to everyone each
25 year, instead of changing up your shares.

26
27 There are some complications here, but the whole idea of doing
28 this is to allow maybe some people who didn't get a whole lot of
29 shares to start with a little bit more if there was an increase
30 in the quota.

31
32 Then, finally, Alternative 5 is on a completely different track.
33 Alternative 5 is about what if the quota is going down, and we
34 had this situation with the commercial program when we had the
35 reallocation with the red snapper. We knew that the commercial
36 quota was going to be less, but, due to the rulemaking and
37 everything that we have to do to put it in place, it wasn't
38 ready for January 1.

39
40 You can't give out quota and then take it back from people, and
41 so we did a short-term rule, and are working on a longer-term
42 rule, to hold back the amount we anticipate it's going to
43 decrease at the beginning of the year. If the decrease doesn't
44 happen, we can always give it out later, when we know that's not
45 going to happen, but, this way, we're not trying to give it out
46 and then take it back. There is really two issues to talk
47 about. The first is if there's an increased quota and the
48 second is if there is a decrease.

1
2 **CHAIRMAN BOGGS:** I see so many hands popping up that I think we
3 could just pretty much go around the table. We'll start with
4 Skipper.

5
6 **MR. THIERRY:** I think this -- I am a pretty simple guy, but this
7 Action 13 all seems pretty unnecessary to me. I mean the point
8 of the guys that have the smaller or no quota being able to
9 increase is great, but the reason they have a smaller or no
10 quota is they weren't relying on those fish and haven't been
11 catching them.

12
13 Also, I mean I think it's standard procedure for the council, if
14 there's a quota increase, is to distribute it proportionally to
15 all the shareholders. I think that's what's been done for years
16 and years. I don't know why all the complexity is needed.

17
18 Also, the council has the authority, I think, to hold back quota
19 if it's anticipated that the quota is going to be less, and so I
20 don't know why this whole action is -- Why we have eighty-seven
21 options here. I would move that it be considered but rejected,
22 but I'm sure there's good reasons.

23
24 **CHAIRMAN BOGGS:** Mr. Charlie, I've got you, but I'm going to get
25 Ms. Sue first.

26
27 **MS. GERHART:** To answer your first question, yes, in the other
28 IFQ programs, it's always just been proportional, and if you
29 wanted that, it would be 2a. The reason we have all the other
30 things is because the council requested that. They requested
31 some other way to distribute to smaller shareholders, and so
32 that's why that's all included.

33
34 As for the second, we actually don't have the authority to hold
35 back. When we had that situation with the commercial IFQ, we
36 had to put through a framework amendment, which was only good
37 for one year, and now we're working on putting through another
38 amendment, but that's all for commercial, and so we would have
39 to do a similar thing that's being done for commercial here to
40 give that authority to hold back.

41
42 **CHAIRMAN BOGGS:** Mr. Charlie.

43
44 **MR. PAPROCKI:** It complicates things when you have two different
45 questions overlapping, but I see a problem with when you divvy
46 out the allocation again. What happened last year or the year
47 before with the commercial sector was they got extra snappers.
48 I think they got it late in the year and they were hurrying and

1 scurrying to use that up at the end of the year.

2
3 It changed the market value of the fish, and so I think you've
4 got to hash that out and look it over and see when you
5 distribute it. If it's like June or before, before the season,
6 unless that's too complicated, or wait until the next year, but
7 that's what happened in the commercial sector. Do you
8 understand what I'm --

9
10 **CHAIRMAN BOGGS:** Yes, sir, and, Pam, I missed the Austin council
11 meeting. Is that when all of this was requested?

12
13 **DR. DANA:** I don't think we had much discussion on it in Austin.
14 I think it was the meeting before.

15
16 **MR. GREEN:** I think it was when we were in Orange Beach when the
17 discussion --

18
19 **CHAIRMAN BOGGS:** I mean this just kind of took me by surprise,
20 because I don't --

21
22 **MR. GREEN:** There was only like one thing that was discussed
23 about 42 in Austin, and I can't even remember what it was, but I
24 don't think it was this.

25
26 **CHAIRMAN BOGGS:** I'm not trying to pick a fight, but I didn't
27 remember where this came from. Assane.

28
29 **DR. DIAGNE:** As Dr. Dana mentioned, we didn't discuss too much
30 of 42 during the Austin meeting, but one of the things that was
31 mentioned was just to request that staff take a further look at
32 options to redistribute quota adjustments, essentially, and
33 oftentimes it is a general direction, and then the council will
34 have the opportunity to discuss this further, let's say in June,
35 and then, through that iterative process, we'll get to the place
36 that they want to go to, but it was mentioned in Austin, amongst
37 the issues that we had to take a second look at to address.

38
39 **CHAIRMAN BOGGS:** I have a couple of comments that I would like
40 to make myself.

41
42 **MR. HUBBARD:** You skipped me. I thought we were working around
43 this way.

44
45 **CHAIRMAN BOGGS:** Mr. Hubbard.

46
47 **MR. HUBBARD:** To answer your question, the commercial sector is
48 totally different than our for-hire sector, because they're

1 selling specific pounds of fish. We sell trip tickets. People
2 buy tickets to go on the boat, and they're not even going to
3 know -- The general public ain't going to know that more snapper
4 comes down our way. This is all done behind the scenes. **I make**
5 **a motion to accept the Alternative 2a, because we were sort of**
6 **discussing this thing before we even make a motion.**

7
8 **CHAIRMAN BOGGS:** Mr. Thierry.

9
10 **MR. THIERRY:** That's basically what I was going to say. I agree
11 with Mark.

12
13 **CHAIRMAN BOGGS:** So do you second the motion?

14
15 **MR. THIERRY:** Yes, sir.

16
17 **CHAIRMAN BOGGS:** We have a second from Mr. Thierry. Mr. Charlie
18 and then Ms. Pam.

19
20 **MR. PAPROCKI:** I don't know if you understand what I'm saying.
21 If you get snapper late in the season reallocated, you might not
22 be able to catch it, if you get it at the wrong time. That's
23 all I'm saying. It depends on -- Reallocating percentage-wise,
24 I'm okay, across the board, but they're two different questions.
25 You're overlapping the questions.

26
27 If they give us more allocation and it's in October, it happens
28 to be, because a lot of people aren't fishing, and so you've got
29 to hash out something about when you get it. That's what I'm
30 talking about.

31
32 **CHAIRMAN BOGGS:** Mr. Assane, and then I have a question that I'm
33 going to direct that I think will help facilitate this. They
34 were talking about if we got more allocation that it could be
35 redistributed the following year. I didn't think fish could be
36 carried over from year to year, and if you distribute it later
37 in the year and we get it, like Charlie said, and we can't use
38 it, can it be carried over?

39
40 **DR. DIAGNE:** I am going to start by saying that the time of the
41 year when the increase in fish is available to you, that's
42 typically not something that any single person controls. It is
43 when an amendment goes final and is implemented. Let's say, for
44 example, if you look at the red grouper recently, that just
45 happened. By the time it goes through the process and the
46 amendment goes final, that is the time that it's going to be
47 implemented.

48

1 This idea of carryover is something that I guess NMFS has been
2 talking about as of late, and I think, among others, Dr.
3 Crabtree mentioned that idea during the April council meeting,
4 and so I would look at that side, if someone would want to
5 perhaps elaborate and tell us more about it. I just know that,
6 under certain conditions, it may be possible, but that's all I
7 know at this point about carrying fish over from one year to the
8 next.

9
10 **CHAIRMAN BOGGS:** Ms. Anderson.

11
12 **MS. ANDERSON:** Go ahead and get the information. Did you ask
13 for information?

14
15 **DR. DIAGNE:** Just if they wanted to add to that, there is that
16 opportunity. Under some conditions, you can carry it from one
17 year to the next.

18
19 **MR. PAPROCKI:** But if you don't get them at the right time, you
20 can't use it anyway.

21
22 **DR. DIAGNE:** But the right time is not controlled by any entity,
23 and so maybe --

24
25 **MR. PAPROCKI:** If we have no choice, it's better to carry it to
26 the next year or you lose it.

27
28 **MS. GERHART:** For carryover, we have annual catch limits. In
29 the case of -- Most of these cases, I think in all of these
30 species, they're equal to the ABC, which is the allowable
31 biological catch. You cannot let your catch limit go over that
32 amount.

33
34 However, for all these species, we have these buffers that are
35 in there, which are some percentage lower than that ACL, and
36 that's the annual catch target. You could carry over the amount
37 of that buffer. If you had some amount that didn't add on to
38 the next year's ACL to make it higher or the next year's ACT to
39 make it higher, and I'm sorry that I'm using too many acronyms,
40 but if the quota for the next year didn't end up going higher
41 than what the catch limit is, then you can go ahead and carry it
42 over, but not any more than that, and the complication is you're
43 now looking at individuals, and some people might have leftover
44 and other people wouldn't have leftover.

45
46 If you wanted to keep an increase and just carry the whole
47 increase over without dividing it up to people at all, that's an
48 alternative you could add, but it couldn't necessarily be the

1 whole amount of the increase. It would depend if it was within
2 that buffer area.

3

4 **AP MEMBER:** Clear as mud.

5

6 **CHAIRMAN BOGGS:** Help me with this. In the past, on the
7 commercial side, they have zero buffer. They left 5 percent of
8 the fish in the water, and there was overages on the
9 recreational side, and those fish were -- Because they were
10 expected to be harvested, they were taken and applied to the
11 overage on the recreational side to cover the overages.

12

13 **DR. DIAGNE:** I am trying to remember something.

14

15 **CHAIRMAN BOGGS:** What I'm saying is even with sector separation,
16 even with doing this, if we tried to carry fish over and there
17 was an overage on the recreational side and those fish were
18 given to us or fish were allocated to us to be harvested and the
19 recreational side went over and they didn't -- The recreational
20 fish is a recreational fish. It seems to me that it could be
21 used there. That made it quiet in here.

22

23 **AP MEMBER:** Send everyone to Tampa and we'll take them out and
24 we'll go get those fish.

25

26 **CHAIRMAN BOGGS:** Okay, guys. We have a motion on the board.

27

28 **MS. GERHART:** Do you want me to reply to that?

29

30 **CHAIRMAN BOGGS:** Sure. Yes, ma'am, I would, because I don't
31 want to say something that's not correct. I mean I'm trying to
32 make sure.

33

34 **MS. GERHART:** Andy and I will work together on this, but, first
35 of all, really the big problem is with red snapper, because of
36 407(d).

37

38 **CHAIRMAN BOGGS:** Really.

39

40 **MS. GERHART:** I'm assuming you're talking about that.

41

42 **CHAIRMAN BOGGS:** Yes, ma'am.

43

44 **MS. GERHART:** Because the other species, it's not as much of an
45 issue. One of the actions in here, and I can't remember which
46 one it is, but we do set up a separate ACL, annual catch limit,
47 for this subcomponent of each of these species, and so it would
48 have its own ACL and have its own catch levels with the buffer

1 and everything below it there, and so there is a separate thing,
2 but it does -- Of course, if the total recreational ACL, which
3 would be the headboats and the charter boats and the private
4 anglers all together, exceeds that amount, then that would
5 create the problem.

6
7 It really depends on that overage and whether we're keeping
8 those other subsectors or subcomponents under their ACL, and so
9 that's where the problem might come in, but there isn't -- As
10 long as that doesn't kick in, that 407(d), if you had an
11 underage of your particular annual catch limit, there is a
12 possibility that you could carry it over.

13
14 **CHAIRMAN BOGGS:** But is there the possibility that, if we had
15 fish left in the headboat sector and the charter boat sector
16 went over and we had some left, that the underage on our side
17 could be applied to the overage on their side, because it's all
18 considered to be managed as one stock?

19
20 **MS. GERHART:** If the overall ACL was exceeded, yes.

21
22 **MR. STRELCHECK:** Right, and so, with the exception of red
23 snapper, you could set up a system where the headboats have a
24 separate catch limit than charter vessels, private anglers, the
25 commercial --

26
27 **CHAIRMAN BOGGS:** With the exception or with the inclusion of red
28 snapper?

29
30 **MR. STRELCHECK:** Exception.

31
32 **CHAIRMAN BOGGS:** So leaving red snapper out?

33
34 **MR. STRELCHECK:** Just for this, because you're dealing with five
35 species. For the four other species you're talking about, you
36 could set up separate catch limits and then, if you're under,
37 but other areas are over, they're going to have their own
38 separate accountability measures, changes in seasons or changes
39 in bag limit or whatever, whereas the headboat sector
40 potentially could be allowed carryover or some different set of
41 accountability measures.

42
43 With red snapper, the uniqueness there is Congress has
44 identified in the Magnuson Act that we have to manage the catch
45 limit overage as a whole, essentially, and so anything that
46 happens in the sector as a whole, meaning the entire
47 recreational sector, will affect the headboat program, whether
48 you have an underage or not.

1
2 **CHAIRMAN BOGGS:** If I cut this a little bit further and we peel
3 the rind off of it, is that a yes or a no?
4
5 **MR. STRELCHECK:** Maybe.
6
7 **CHAIRMAN BOGGS:** A definite maybe. Okay. At least we got
8 somewhere. With that little bit of mud thrown into the thing --
9
10 **MR. STRELCHECK:** Let me just add something real quick. The
11 council is talking about carryover provisions. I understand it
12 was at the last council meeting, and, Pam, you can help here,
13 but the issue was, with the buffer being 20 percent, that quota
14 is being left on the table, on the order of around a million
15 pounds each year, and so can that be carried over to the
16 following year and allowed for use in future fishing seasons, so
17 that so much fish isn't left on the table and goes unused?
18
19 **CHAIRMAN BOGGS:** Okay. Ms. Anderson.
20
21 **MS. ANDERSON:** Just to that point, to further talk with the
22 council about leaving that million pounds on the table,
23 something that may be considered, but it's not considered
24 publicly or it's not discussed publicly, but if we leave a
25 million pounds of fish on the table, then we've got a million
26 pounds' worth of breeders out there that have put out a whole
27 lot more eggs out there and potentially a lot more stock, and so
28 I would see that it would be no problem, I would think, with the
29 council to let us have it a little bit later, and it would have
30 helped the stock, even though we were left short of fish the one
31 year.
32
33 **CHAIRMAN BOGGS:** Okay. Mr. Hubbard.
34
35 **MR. HUBBARD:** The 20 percent buffer, I was hoping was going to
36 be reduced, because we've been talking about all the science and
37 statistical information and going to electronic logbooks and
38 having VMS on the boat and reducing that buffer down to 5
39 percent, as was in the pilot program below 5 percent was their
40 variance. Hopefully, if we go to all this stuff, that 20
41 percent buffer is going to be reduced to at least 10 percent,
42 and so that's something that hopefully will go away soon, so
43 it's a non-issue.
44
45 **I wanted to change the wording on this motion. Rather than**
46 **demanding the allocation, I wanted to request it, requesting the**
47 **council to --**
48

1 **CHAIRMAN BOGGS:** The AP moves to request.
2
3 **MR. HUBBARD:** Yes. Make "changing" to "request".
4
5 **CHAIRMAN BOGGS:** Any more discussion? I am going to read the
6 motion. The AP moves to request that the council make
7 Alternative 2, Option a in Action 13, only distribute allocation
8 during the year in which a quota increase. If the quota for the
9 species increases within the year, distribute the increased
10 allocation to all participants holding shares for that species
11 on or near the effective date of the increase, based on the
12 option chosen. Option a is distribute the allocation increase
13 proportionally to all participants holding shares for that
14 species based on shareholdings when the increase is effective.
15 That is the motion that we have. **All in favor of this motion,**
16 **signify by raising your hands.**
17
18 **DR. DIAGNE:** Opposition. It was unanimous.
19
20 **CHAIRMAN BOGGS:** The motion carries, and so we're on to the
21 next. Action 14, Cost Recovery Fees.
22
23 **DR. DIAGNE:** You have a hand.
24
25 **CHAIRMAN BOGGS:** Ms. Sue.
26
27 **MS. GERHART:** I just wanted to remind you that there was a
28 second part to that action about when the quota decreases, that
29 Alternative 5. You can choose more than one alternative.
30 Again, that's just giving the authority to do the holdback at
31 the beginning of the year, if you wanted to address that.
32
33 **CHAIRMAN BOGGS:** I need some more clarification here, guys, and
34 then I'll take questions. I am going to read it, Alternative 5.
35 If the quota for a species is anticipated to decrease, the
36 Regional Administrator has the authority to hold back the
37 anticipated amount of decrease during distribution of allocation
38 for that species at the beginning of the year. If the decrease
39 does not occur, the amount held back will be distributed as soon
40 as possible. Daniel.
41
42 **MR. WILLARD:** I just have a question on this alternative. When
43 in the Gulf experience have you decreased ACLs or other limits
44 mid-year, except in the case of reallocations?
45
46 **MS. GERHART:** Red grouper and we did gag. We did quite a
47 decrease in that, and was that mid-year? No?
48

1 **CHAIRMAN BOGGS:** The question that I have is --
2
3 **MS. GERHART:** We've never taken away, but the problem is the
4 council process doesn't run where things get done by January 1,
5 and so the option there is if we know -- Again, in this case, it
6 was allocation. We know that something is probably coming up,
7 but it's not done yet and definite, we can hold back in
8 anticipation of it. Of course, if it doesn't happen, we can
9 always give it back out, and you can put a deadline on this as
10 well if you wanted to or something like that, but I think that
11 we did one other time have a decrease, but we just waited until
12 the next year.
13
14 **MR. WILLARD:** Yes, and that's my question, is just more clarity
15 on the definition of "anticipated to decrease". By what means?
16
17 **MS. GERHART:** It could be a stock assessment change or it could
18 be a reallocation or -- There is more than one way it can
19 decrease.
20
21 **CHAIRMAN BOGGS:** My question with this is if the Regional
22 Administrator has the authority to hold back the anticipated
23 amount, why do we need to recommend this or not recommend it? I
24 mean I am confused as to what I need to do here.
25
26 **MS. GERHART:** He does not have the authority now to hold it
27 back. He would have to wait -- Say a decrease went in place in
28 June. We would have to go back and try to take out of
29 everybody's account however much percent. Now, somebody might
30 have used up all of their allocation, and so there is no way to
31 take that back from them. It's just a way to deal with if
32 something -- If the timing is such that we know this is going to
33 happen, but we don't have all the paperwork and the rulemaking
34 done in time.
35
36 **CHAIRMAN BOGGS:** If we adopt this, we're recommending that the
37 Regional Administrator have the authority to do that.
38
39 **DR. DIAGNE:** Exactly.
40
41 **CHAIRMAN BOGGS:** Okay. Mr. Hubbard.
42
43 **MR. HUBBARD:** This is triggered because of the commercial
44 industry's issue. They don't have that 20 percent buffer.
45 Their industry has been whittled down, because it's such a
46 finite system, using the current IFQ program on the commercial
47 side. What's their margin of error from year to year? Our
48 margin of error is 20 percent. What is it on the commercial

1 side.

2
3 **MS. GERHART:** Red snapper does not have any buffer on it.
4 However, the other species do have buffers. I don't know what
5 those numbers are.

6
7 **MR. HUBBARD:** That's what I'm saying. We already have a 20
8 percent buffer that the Gulf Council can use to move -- We're
9 just giving them more power with -- Am I understanding that
10 right?

11
12 **CHAIRMAN BOGGS:** Assane.

13
14 **DR. DIAGNE:** Two things. The 20 percent or however many percent
15 -- In some species, I think it's 8 percent buffers, but those
16 serve a different purpose. There is merit in discussing, I
17 don't know if here or perhaps subsequently, but a revision to
18 the buffers, once the council sees how effective these programs
19 may be in controlling catches below the ACL.

20
21 Yesterday, we talked about converting stuff into number of fish.
22 Then we said, well, anyway, we have a 20 percent buffer and we
23 can go deep in there and so on, and so, at some point, I guess
24 we'll run out of 20 percent. The 20 percent buffer may not be
25 justified, or 8 or 10, once these programs are established and
26 well run and so forth. Maybe the council would come in and say,
27 well, this is effective and maybe we need a 2 percent buffer.

28
29 This Alternative 5, there are any number of things that can
30 happen. We have a stock assessment and let's say the rebuilding
31 plan is being developed and nobody knows when it will go final.
32 When it goes final, it could be June or it could be July or it
33 could be December or whatever.

34
35 If it is in, for example, June, meaning by the April council
36 meeting the council will know that the quota will have to be
37 decreased, for example, and that sort of thing. This just gives
38 flexibility. I don't think that it's a headache
39 administratively, by the way, I mean to withhold and then go
40 give back and so forth. That gives the flexibility and not us
41 having to develop an amendment specifically on a case-by-case
42 basis to withdraw some allocation every time we need it.

43
44 **CHAIRMAN BOGGS:** I'm going get Daniel next and then Mr. Hubbard.

45
46 **MR. WILLARD:** I am still trying to be really clear about what
47 this alternative says. We're talking about authority to hold
48 back, and I believe that the council currently claims authority

1 to hold back, and they could do that through maybe a framework
2 action, but what this says is that the Regional Administrator
3 would have the authority, unilaterally, without council action,
4 to hold back quota. Is that right?

5
6 **DR. DIAGNE:** I think, in the few instances that it has been
7 done, the Regional Administrator, NMFS, comes to the council and
8 says, hey, we need to do this and the council knows the purpose
9 for it, and I believe that they discuss it and pass a motion and
10 then they move forward.

11
12 The one instance that I can think about, even though it was done
13 for allocation, or reallocation, we had to do develop a
14 framework action specifically to give the authority to hold back
15 a portion of the red snapper quota from the commercial guys,
16 because obviously we are now moving from seasons and stuff to an
17 allocation-based system. Once you give it back to the
18 individuals, you can't, obviously, take it back, and that's the
19 core of the issue here.

20
21 **CHAIRMAN BOGGS:** I am going to let Mr. Hubbard next and then
22 you, Daniel, because he's been waiting.

23
24 **MR. HUBBARD:** One of the reasons we're going through all of this
25 effort is so we can build certainty into our businesses. We
26 have a trip schedule going out a year or two years, based on the
27 allocations that we're going to get. We build a whole business
28 model based on the fishing trips that we feel that our
29 allocation is going to support.

30
31 Now, we're going to allow that to be disrupted right in the
32 middle of the year? I feel that the council, if they're going
33 to change the allocation in the middle of the year, it should
34 wait until the following year to be implemented. That way, it
35 gives the -- It's not as bad of an economic impact on us as
36 business people. It's not the commercial industry. This is the
37 for-hire sector.

38
39 **CHAIRMAN BOGGS:** Daniel and then Mr. Green.

40
41 **MR. WILLARD:** Assane, I am going to respond to your comments,
42 and maybe you can address Captain Hubbard's as well, but my
43 question is yes, the council gave NMFS the authority to hold
44 back quota this year, through a framework action, but the issue
45 here, to me, is are we saying that NMFS has that authority with
46 or without council action to authorize it in the future, or do
47 we need to go through, or should we go through, a council
48 framework action each time you expect to hold back?

1
2 **DR. DIAGNE:** This is to save us the trouble, quote, unquote, of
3 having to develop a framework action every time a question needs
4 to be held back. Obviously this language here will be tweaked,
5 because, at the end of the day, the council gives the RA the
6 authority to withhold the quota, essentially, because this is
7 the council action.

8
9 We tell them that we have a stock assessment, for example, and
10 this stock is in trouble and, if we know that in October, we
11 know that there is no way that the action will be developed
12 before January 1. You know the final action is going to be
13 sometime in April. At that time, what do you do to address
14 that, the fact that a particular stock is in trouble?

15
16 The traditional approach is every time to prepare a framework
17 action and go through the motions, but it seems, to me, that
18 this is a cleaner way of having it addressed once and for all.

19
20 **CHAIRMAN BOGGS:** Mr. Green.

21
22 **MR. GREEN:** Let me ask you, does any other management plans got
23 this into it? Are we the first? I've got more. Are we the
24 first? Wouldn't the council just need to set up a framework
25 action to address this for all allocation programs, instead of
26 just this one, and are you really going to get us to sign on to
27 being more heavily regulated and possibly -- I mean the whole
28 point, like Mr. Hubbard -- I mean I am totally -- What Mr.
29 Hubbard said was point on.

30
31 We are doing this for stability. I mean can't the council do
32 this on their own, at their own level, instead of having us push
33 this through? No offense, Assane, but I'm just -- You've got
34 that look. I'm looking at you, and I'm coming at you, and so
35 don't take offense to it.

36
37 **DR. DIAGNE:** No, no offense taken. I mean you are talking about
38 the council, and I don't know what they feel about this. Are we
39 the first? No. Essentially, this has been done on a case-by-
40 case basis on the commercial sector. Now we are trying to do it
41 once and for all. We put the action in a different amendment so
42 that we don't have to be writing framework actions every time.

43
44 **MR. GREEN:** So we're the first to put it in a management plan?

45
46 **DR. DIAGNE:** No, and, if you think about it, what allocation-
47 based systems do we have in the Gulf? We have two, red snapper
48 and the grouper and tilefish on the commercial side. The

1 recreational side, this is going to be the first. We learn from
2 what we've seen there, and then we are trying to adjust this.

3
4 I mean wanting to build stability for one's business does not
5 shield one from the uncertainties that come with biological
6 changes. You can build all the stability you want, but if
7 tomorrow we are told that this stock needs to be rebuilt and it
8 is trouble, guess what? A portion of that stability is out the
9 window.

10
11 For cases like that, suppose that -- Let's say, to go to the
12 council's schedule, in October the council knows that it has to
13 prepare a building plan that would entail serious cuts to the
14 ACLs of Species X. We know that during the October council
15 meeting.

16
17 We start working on it, and so you know for certain that the
18 final action for that is going to be, at the earliest, sometime
19 in April, if not in June. How could you then on January 1 give
20 out all of the shares as if nothing happened? You can't do
21 that.

22
23 This is to essentially address that type of a situation, so that
24 on January 1 you say, well, I am anticipating a 10 percent cut.
25 I am going to withhold 10 percent of everybody's allocation, and
26 then, as soon as this passes, it's dealt with. If this is not
27 passed, we forget about it. That is the only thing that it
28 wants to do, and, again, I think it is a headache for the folks
29 who manage shares to withhold anything and go subtract and so
30 forth, and so this is just to make things work in a more
31 efficient way.

32
33 **CHAIRMAN BOGGS:** Mr. Charlie and Daniel and then Ms. Anderson.

34
35 **MR. PAPROCKI:** This is to Assane. I think what he's saying, to
36 simplify things, is the Regional Administrator just does it
37 quicker, instead of going through the bureaucracy. That way, we
38 know earlier of what we can catch. Isn't that what you're
39 saying?

40
41 **DR. DIAGNE:** It simplifies the process.

42
43 **MR. PAPROCKI:** It's quicker and faster, so you can plan your
44 business, rather than to wait through all the other.

45
46 **CHAIRMAN BOGGS:** Daniel waves his. Ms. Anderson, and then I've
47 got the floor next. Ms. Anderson.

48

1 **MS. ANDERSON:** I really agree with Mark Hubbard that we are
2 under a lot of control, and yes, I can see where this would
3 benefit making it easier to have the authority to go ahead and
4 do something like this, but if the authority is needed here,
5 then it probably is needed in all the other areas, and so I
6 would say that it would be a council action also, that the
7 council should make that determination that this is best for the
8 management as a whole, instead of just requiring us to put more
9 constraints on our own industry, when they may or may not be
10 necessary.

11
12 As things go along, I mean there are some people in leadership
13 that will take advantage of a situation like this and then there
14 are some who will be spot-on and that's exactly the right thing
15 to do, and so I mean it's just like a Presidential Executive
16 Order. Sometimes they handle that correctly and sometimes they
17 don't.

18
19 I am not saying anything derogatory about Dr. Crabtree or
20 whoever would make this decision. I'm just saying that if it's
21 a council decision then I think that they have more authority to
22 determine exactly what is best.

23
24 **CHAIRMAN BOGGS:** I am going to make a motion that Alternative 5
25 - That we adopt Alternative 5, and I may or may not get a
26 second, but I'm going to tell you why. With the payback
27 provisions, and payback provisions can be added to any of these
28 fish -- I don't think that this ever has been done punitively.
29 I think this has been done for proper management.

30
31 I think that if we did this and moved it forward that -- So far,
32 my relationship with the council and with everybody here has
33 been for the betterment of the stock of the fish, and if we were
34 allocated our fish in January and say a red tide came through or
35 whatever and killed off all the triggerfish and then we did
36 manage to catch what few fish were out there and the next year
37 the season was closed and the payback provision, you could
38 potentially have a situation where it could close our fishery.

39
40 I have never seen a time that Dr. Crabtree or the council
41 withheld fish without it coming through that it was necessary.
42 I mean I've been doing this since 1997, and I've never seen
43 this. That's putting a lot of faith in the Regional
44 Administrator and the council, but I've never seen them when
45 this didn't come through, and Ms. Sue has a comment. We're
46 looking for a second on this motion.

47
48 **MS. GERHART:** I just wanted to point out that the intention with

1 this isn't to be suddenly we make this decision. In the case of
2 the recent situation with the commercial, we had an amendment
3 already in progress. It just wasn't going to be completed by
4 January 1, and so that's where this anticipation is.

5
6 The council will have already been working on an amendment to
7 change the catch limit or something like that. We just can't
8 get it in place in time, and that's where this is meant to be
9 used, not without any council involvement, but kind of to be
10 able to more quickly do this while the council process is
11 finishing.

12
13 **CHAIRMAN BOGGS:** Mr. Willard.

14
15 **MR. WILLARD:** Is it possible that you would have an amendment in
16 progress with no final action on like reallocation and what that
17 percent would be, and so the NMFS could hold back the maximum
18 possible alternative in that amendment, because you don't know
19 what the number is going to be when it comes down to it?

20
21 **MS. GERHART:** That was actually the case with Amendment 28,
22 because we didn't know the exact number. There weren't
23 preferences picked yet. The rule that we put through said NMFS
24 could hold up to the maximum amount that was addressed in that
25 amendment, but, in reality, only actually hold back what was
26 chosen, and that's what happened.

27
28 **CHAIRMAN BOGGS:** We have a motion on the board. We're looking
29 for a second.

30
31 **AP MEMBER:** Second.

32
33 **CHAIRMAN BOGGS:** We have a second. In the expediency of time,
34 we're going to open it real quickly for questions and then we're
35 going to call the question and move on, because we've got to get
36 -- I've got to give everybody a break and we've got to get
37 checked out of the hotel and ready to leave. Mr. Johnny.

38
39 **MR. WILLIAMS:** I have a question. I guess we can probably
40 recommend anything here that we want, and if it's not legal, it
41 could be swept under the rug, but if we change -- I may make an
42 amendment to the motion. If we change "If the decrease does not
43 occur, the amount held back will be distributed as soon as
44 possible" -- If we change that to "as soon as possible or the
45 following year, dependent on the desire of the permit holder",
46 is that possible?

47
48 **CHAIRMAN BOGGS:** I even thought about that, Johnny, and what I

1 thought about was to be released prior to July 1. That's what I
2 thought about putting in here, but there may be a time that that
3 ties the hands, so to speak, and I am going to venture this far.

4
5 Some of the stuff that the state directors have done at the
6 council level is so distasteful to me that I have a hard time
7 talking to them, but, as a whole, the Regional Administrator and
8 the council as a whole, excluding the state people, have been
9 pretty much in our favor. I haven't seen them do anything that
10 would harm us, and the only reason that I spoke in favor of this
11 is any time that this has been done, it's going to result in an
12 overage.

13
14 When you get into those payback provisions, and I've had long
15 discussions with Dr. Crabtree and council members about this,
16 when you get into those payback provisions, if you allocate
17 those fish and you go harvest those fish and then it takes a
18 sharp drop and you've got a payback provision on that fish, you
19 could result in a several-year closure of this fish on this, and
20 I don't think -- I mean this is giving -- This is going to come
21 in a framework action later, but it's just going to slow it
22 down.

23
24 What my hopes are, and I'm going to tell you that I hope that
25 they're asking us for this and they put this in, because I think
26 that this plan has momentum enough -- 42 has momentum enough
27 that it may be in place before the framework action goes
28 through, which gives me great hope for the future.

29
30 **MR. WILLIAMS:** Certainly, Randy, I understand that if we're
31 overfishing that we have to decrease the TAC, but this last
32 year, as you know, you ended up with fish at the end of the year
33 and I ended up with fish at the end of the year, because they
34 had a holdback on us because they wanted to see what the
35 anticipated size was and stuff like that, compared to what was
36 forecast.

37
38 Those fish, we couldn't harvest them. Maybe some people could,
39 but I know I couldn't. The weather was too bad and everything
40 else, and that's why I was wondering if it would be appropriate
41 to amend that, to say if the decrease does not occur that the
42 amount held back would be distributed as soon as possible. In
43 other words, maybe it would be October 1. The people that
44 wanted it on October 1 could take it. The people that didn't
45 want it, they could carry it over to the following year.

46
47 **CHAIRMAN BOGGS:** I would think that that might be a little bit
48 hard to do, from their standpoint, but I would say that if we

1 just had it where it carried over to the following year. I mean
2 you're welcome to make a modification.

3
4 **MR. WILLIAMS:** Some people might want it that year. I think
5 they ought to give the people the flexibility to decide what
6 they want. Certainly if it was carried over to the next year,
7 it would actually allow the fish a little more time to spawn and
8 propagate and everything else, and so I don't see there would be
9 any harm in carrying them over to the next year, but I don't
10 know. I'm not a scientist.

11
12 **CHAIRMAN BOGGS:** Mr. Green and then Assane.

13
14 **MR. GREEN:** I just wanted to ask, and maybe Andy or Assane, but
15 does the Gulf Council and the Regional Administrator have the
16 power to create an amendment or a framework that encompasses all
17 allocation-based fisheries, with this particular issue? Can it
18 go in and modify a management plan or supersede a management
19 plan with an issue like this, because of conservation?

20
21 **MS. GERHART:** Are you asking if we could just do this for
22 everything all at once?

23
24 **MR. GREEN:** Yes.

25
26 **MS. GERHART:** We looked at that issue, because Amendment 36A
27 contains this same provision for the commercial IFQ programs.
28 The problem is that that's a commercial amendment and this is a
29 recreational amendment, and so, if you bring one into the other,
30 you have suddenly blown up your amendment to be much larger, all
31 the stuff surrounding it, and so that's why we chose to do them
32 separately. This could be worded such that it applies to all
33 recreational catch share programs. Yes, that would make sense.

34
35 **MR. GREEN:** I was just looking for some way of moving this along
36 to where -- Because this is kind of over our -- I think that
37 it's over our scope of work. We're trying to work about the
38 flexibility in management, and I know that kind of goes into
39 this, but this seems to be an underlying problem management-
40 wide, recreational and commercial, and so that's why I was just
41 trying to maybe push this along.

42
43 I would prefer to hold back in the uncertainty, because the
44 council changes. The makeup of the council changes, and there
45 is other -- The ones there that we trust, or have proven to us
46 that we can trust them on certain issues like this, may not be
47 there in five years, and so thank you.

48

1 **DR. DIAGNE:** You don't have to decide anyway. This is an
2 alternative in the amendment, and so it's for your
3 consideration. Mr. Williams, you said that those who don't want
4 it can take it the following year, but the risk there is to run
5 into some of the issues that were mentioned earlier, meaning
6 that, no matter what you do, in a given year, you can't harvest
7 more than the catch limit.

8
9 If sufficient people say that I want it next year and you take
10 those plus the regular catch, the sum total of it is more than
11 the catch limit, on an annual basis, and then you run into a
12 problem, and so that's the -- You cannot carry it over, to the
13 extent that the sum total is going to be above the catch limit.

14
15 This is just a stopgap measure, really, to withhold and address
16 something that we know for certain is before us. Let's say as
17 the example given, I mean the council was working on Amendment
18 28 and has selected preferreds and done everything and said,
19 wait a minute, we have allocation-based programs here and how
20 are you going to address this?

21
22 If we were talking about seasons, there is none of the issues,
23 because then, once the decrease comes, you re-compute the season
24 and you say, no, you're not going to shut down on October 20 and
25 it will be October 10. It's done, but the point is you give
26 stuff to individuals. Some of them will have harvested the
27 entirety and some not, but the alternative is here for you to
28 comment on, but you don't have to discuss it. It will go to the
29 council with your reservation, I guess, and some of the issues
30 that you have raised, and that's that.

31
32 **MR. PAPROCKI:** I call the question.

33
34 **CHAIRMAN BOGGS:** I am going to read the motion, and we're going
35 to vote this thing up or down. The AP moves that in Alternative
36 5 in Action 13, that if the quota for a species is anticipated
37 to decrease, the Regional Administrator has the authority to
38 hold back the anticipated amount of decrease during distribution
39 of allocation for that species at the beginning of the year. If
40 the decrease does not occur, the amount held back will be
41 distributed as soon as possible, be the Preferred Alternative.
42 **All in favor of this motion.**

43
44 **DR. DIAGNE:** Eight.

45
46 **CHAIRMAN BOGGS:** All opposed.

47
48 **DR. DIAGNE:** Two opposed. It's eight to two, and I guess

1 there's one abstention.

2
3 **CHAIRMAN BOGGS:** The motion carries. Guys, we're going to take
4 a break here. I am going to try to get this next thing through,
5 real quickly, so we can come back. The Magnuson-Stevens Act
6 requires that cost recovery in these programs, to a maximum of 3
7 percent of the ex-vessel price.

8
9 There has never been a cost recovery in the recreational
10 fishery, never been. We don't know what it's going to look like
11 and we don't know what it's going to be based off of. My
12 recommendation, and this is not an -- **This is what I am going to**
13 **recommend, and I'm going to put it up as a motion. My**
14 **recommendation is that we support cost recovery, as required by**
15 **the Magnuson-Stevens Act.** That doesn't define it and it doesn't
16 do anything for it. It just says that we don't mind what's
17 required by law for us to do and leave it at that.

18
19 **MR. WILLIAMS:** I will second that motion.

20
21 **CHAIRMAN BOGGS:** Okay. Let me make it. She's making the motion
22 now. She's ahead of me. The AP moves to support cost recovery,
23 as required by the Magnuson-Stevens Act. Do we have a second?
24 We have a second on the motion. I will open the floor for
25 discussion. Mr. Green.

26
27 **MR. GREEN:** I would like to, if we could, maybe add just a
28 little friendly amendment to this and request that the council
29 give us some insight on what they think that would look like. I
30 support the motion, but maybe we can send a message by saying,
31 hey, also, council, what do you anticipate this looking like, so
32 that the next time we meet or whenever they start this
33 discussion, they will know at least that we want to hear what
34 their input is on what that cost recovery would look like.

35
36 **CHAIRMAN BOGGS:** The AP moves to support cost recovery to the
37 extent required.

38
39 **MR. GREEN:** Cost recovery to the extent required.

40
41 **CHAIRMAN BOGGS:** Yes.

42
43 **MR. GREEN:** Thank you for accepting that.

44
45 **CHAIRMAN BOGGS:** Mr. Hubbard.

46
47 **MR. HUBBARD:** Is there any track record on the commercial side
48 of what the cost recovery has been on the --

1
2 **CHAIRMAN BOGGS:** It's 3 percent of the ex-vessel price, but we
3 don't sell our fish, and so we don't know what this is going to
4 look like. There is no history of this. We don't know what
5 it's going to look like and we don't -- Understand that it's
6 required by law for us to do this.
7
8 **MR. GREEN:** Is it 3 percent of the ticket price for the person
9 who caught that fish or what does it end up being?
10
11 **CHAIRMAN BOGGS:** Here is --
12
13 **MR. GREEN:** Everybody thinks that's funny, but that's what we
14 want them to talk about.
15
16 **CHAIRMAN BOGGS:** Guys, hang on. If you take a ten-pound fish at
17 five-dollars a pound, that's a fifty-dollar fish. If you take
18 the fifty-dollar fish and you take 3 percent of that cost,
19 that's about \$1.25 to \$1.50 per fish harvested. That's not what
20 the council is looking at. That is nowhere. That came out of
21 my head, and we don't know what -- This is required by law.
22 This is required, and we have to do this, and this makes it
23 pretty simple. Ms. Anderson.
24
25 **MS. ANDERSON:** The problem with that is that, in the EFP, didn't
26 you establish a willingness to pay of twenty-five dollars per
27 fish?
28
29 **CHAIRMAN BOGGS:** No, that was between boats.
30
31 **MS. ANDERSON:** A willingness to pay though.
32
33 **CHAIRMAN BOGGS:** No, that was to move a fish from my boat to
34 Chad's boat to somebody else's boat, and that was a
35 predetermined price for moving shares. That had nothing to do
36 with ex-vessel cost recovery. We did agree to pay for the tags,
37 the VMS, and everything that was associated with it. We paid
38 for all of that out of pocket, but the twenty dollars per fish
39 had nothing to do with the ex-vessel price of the fish.
40
41 **MS. ANDERSON:** But that dollar amount could be used as a
42 willingness to pay, and so that's what I'm saying. I just want
43 to make that statement, that it could be, and so that is a
44 concern.
45
46 **CHAIRMAN BOGGS:** That was to sell a fish between vessels and not
47 ex-vessel price to the consumer. It had nothing to do -- We
48 don't even know -- This applied to the commercial fishery, but -

1 - Jessica.

2
3 **DR. STEPHEN:** Just a few points. I think what you guys were
4 talking about is allocation price, which is different than ex-
5 vessel, and so I don't think that would be used to determine the
6 ex-vessel. The other thing is Magnuson requires up to 3 percent
7 of ex-vessel value. Now, the problem here is what do we
8 determine ex-vessel value means in the recreational fishery?

9
10 We do have a subgroup that's working on it. We're also talking
11 to National Catch Shares about it, to try and figure out where
12 this really applies, and we'll have more information for you as
13 we dig into it.

14
15 **CHAIRMAN BOGGS:** Did we get a second on this motion? We've got
16 a second on the motion. Any more discussion? We're going to
17 vote this thing up or down. The AP moves to support cost
18 recovery as required by the Magnuson-Stevens Act. The advisory
19 panel would like the council's input on the cost recovery to the
20 extent required. **All in favor of this motion.**

21
22 **DR. DIAGNE:** All opposed. Two. It's nine to two.

23
24 **CHAIRMAN BOGGS:** Okay. Guys, we are going to take a very short
25 break, no more than ten after, because the ladies have a couple
26 of floors to go, and we've got to get back and get done.

27
28 (Whereupon, a brief recess was taken.)

29
30 **CHAIRMAN BOGGS:** We're going to work through the document. On
31 cost recovery, that finishes up what we need to do. We have a
32 couple of items that we need to go back and cover. I think the
33 best way to do this is we're going to start at the top of the
34 list of the actions and work back through the action and the
35 stuff that we've taken. If the things you want to cover are in
36 that action, then we'll stop and work through those. Skipper.

37
38 **MR. THIERRY:** I just have one simple, hopefully simple, thing to
39 add to the cost recovery fees. I would like to make a motion
40 that this panel does not support auctions for cost recovery fees
41 as an option.

42
43 **CHAIRMAN BOGGS:** We can certainly do that and send that up, but
44 we've already rejected the auction.

45
46 **MR. THIERRY:** That was for the initial apportionment. I'm
47 talking about for --

48

1 **CHAIRMAN BOGGS:** But that's not part of what's required under
2 Magnuson and that's not one of the ways that the --

3

4 **MR. THIERRY:** I thought it was one of the --

5

6 **MR. GREEN:** It was one of the ways if you wanted to pay for --
7 You could pay for your cost recovery by letting them keep a
8 certain amount of allocation and then have that auctioned off.
9 That was one of the alternatives in the cost recovery. I think
10 it was Alternative 3, the last one.

11

12 **CHAIRMAN BOGGS:** Assane.

13

14 **DR. DIAGNE:** Yes, and was mentioned by Ms. Gerhart earlier in
15 her comments, we have a small group working on how to best
16 address cost recovery. That was in a previous version of this
17 document, but we have been advised that that may present some
18 legal challenges. That's the reason why it's no longer here,
19 and we are still working on ways to figuring out what value to
20 apply to this, and you guys passed a motion that I guess you
21 supported this, and we will keep working on options to have cost
22 recovery in the future.

23

24 **CHAIRMAN BOGGS:** Are you comfortable with that?

25

26 **MR. THIERRY:** Yes, that's fine. Just the document that I
27 printed out still had it in there.

28

29 **CHAIRMAN BOGGS:** I don't have that one, and so I didn't see
30 that. If we could start back at the top, please. We will start
31 with the motions that we took and what we did. We're going to
32 start with the AP moves to make an additional alternative in
33 Action 1 for staff to analyze benefits and costs of an observer
34 program for headboats as an additional type of recreational
35 program. That was made by Ms. Anderson and it failed three to
36 six.

37

38 The next motion is the AP recommends that the headboat component
39 be managed by establishing an IFQ program to be implemented by
40 referendum vote of the Gulf headboats that participate in the
41 Southeast Beaufort Survey, and that's not in there, but
42 Southeast headboat survey. I think the Gulf of Mexico was
43 mentioned in that, I thing, but one federal permit is equal to
44 one vote. That passed seven to two with one abstention. Any
45 discussion on that one?

46

47 **MR. HUBBARD:** Yes, I wanted to make a motion to revisit that.
48 In light of all of us now understanding what we have to do in

1 this fishery to move catch shares forward in our industry, we
2 now understand a little bit more what it's going to take. We
3 have Eric that went through this in the commercial side that has
4 seen the positives and the negatives.

5
6 We have benefits to gain by this, by gaining control of our
7 specific catch histories and having those as catch share, or we
8 can move forward by voting to take no actions for IFQs and
9 managing our fishery through traditional management measures,
10 seasons, bag limits, and size limits. With the increased
11 accountability measures, with the electronic logbooks, possibly
12 VMS, we will reduce the 20 percent buffer to perhaps 5 to 10
13 percent. That would give us anywhere from 500,000 to 750,000
14 pounds more fish.

15
16 The increased TAC will give us more in the future, as this
17 fishery rebounds. We all know that our fishery has been
18 rebounding in different areas. Right now, we have forty-six
19 days of red snapper. With the increased accountability
20 measures, we would have, perhaps, sixty-five days. Then with
21 the increased fishery, we get to a four-month fishery, which
22 covers our whole summer months. I make a motion that we revisit
23 that alternative.

24
25 **CHAIRMAN BOGGS:** We have a motion to revisit it. We're looking
26 for a second on the motion. We have a second from Mr. Schmidt
27 and a comment from Mr. Haggert.

28
29 **MR. HAGGERT:** The whole reason for this, I mean a longer season
30 and everything with reducing that buffer would be good, but the
31 whole reason of doing this is the flexibility to fish it when
32 you want. I've got people catching grunts and everything all
33 summer, and I don't particularly need the red snapper. During
34 that headboat pilot program, I used those in September and
35 October and in May, when it was slower, to get my locals and
36 stuff onboard and be able to do the trip, and so I think that
37 would be going backwards from what we're trying to do with this
38 panel.

39
40 **MR. HUBBARD:** With the sector separation and then the partyboats
41 and the charter boat separating, it gives us the flexibility to
42 choose the seasons. If we get to ninety days on red snapper,
43 then we can choose how we want to do that, on weekends only and
44 spread it out over the whole year or what have you. It gives us
45 that flexibility.

46
47 **MR. HAGGERT:** Yes, but I think, with the different regions of
48 the Gulf, there's going to be even more difference on who wants

1 to fish it then, in my opinion.

2
3 **CHAIRMAN BOGGS:** The accountability measures are the VMS -- The
4 electronic logbooks are not in place now and they're not
5 accepted by the Science Center. That data is going to the
6 states and not being used. The accountability measures that we
7 discussed are all in this program, and the boats in Texas, where
8 Johnny is at, they don't need the same season as we have here
9 and the division of the Gulf, in order to have a western season
10 and an eastern season and then you're going to have boats on the
11 borderline -- I mean this whole premise was to give us the
12 flexibility in an IFQ fishery, or however you want to call it,
13 to do this. I mean we're back to the motion. We are still open
14 for discussion. Ms. Anderson.

15
16 **MS. ANDERSON:** What this does is it helps tourism and tourism
17 puts people on boats. When we have customers calling in January
18 wanting to set up their time off from work and they're reserving
19 their condos or hotel rooms and getting everything set up and
20 being sure that their kids are out of school or whatever, in
21 order to come to Panama City for their vacation, and because
22 they want to come when red snapper is open.

23
24 This gives us a time for that to be available, and it cuts down
25 a lot on law enforcement, because we don't have some boats
26 catching fish at one point and other boats catching fish in
27 another time. They don't have the funding to put enough people
28 on the water to figure out who is really supposed to be out
29 there harvesting fish or not.

30
31 It is better for the industry to say we're going now. It is
32 just a fact of setting up a business for you to say that I'm
33 open from nine to five instead of, well, today, I'm going to be
34 open from nine to eleven, but, tomorrow, I'm going to be open
35 one to three. It's the same thing, and that's why I believe
36 that it's a better thing.

37
38 If we need to figure out what regions need to be open at
39 different times, we should be able to address that, because I
40 agree that if Texas needs the winter instead of the summer, then
41 I don't see a problem with that. I don't see people coming that
42 come to Florida for the summer season to say, well, now that
43 Texas is open, we're going to go over to Texas, too. Most
44 people don't have that kind of money to expend to fish two
45 seasons.

46
47 **CHAIRMAN BOGGS:** So are you speaking for an IFQ system or for a
48 set season?

1
2 **MS. ANDERSON:** I am speaking in favor of what Mark Hubbard just
3 said, to revisit this motion.

4
5 **CHAIRMAN BOGGS:** Okay. Johnny.

6
7 **MR. WILLIAMS:** Just because you have an IFQ, it doesn't mean
8 that you can't fish during the normal season. Ed Schroeder has
9 Galveston Partyboats down the street from me. It kind of
10 bewildered me, because he selected to wait until June 1 to start
11 harvesting red snapper on a boat that he had an IFQ system, that
12 he was in the pilot program on.

13
14 That's your choice. If you wanted to start on June 1, you're
15 certainly welcome to do so, Pam, and use your fish then. That
16 doesn't disallow you to do that. Me, I had a different opinion.
17 I thought it was better for me to use my fish in other times of
18 the year, but everybody has the opportunity, with an IFQ system,
19 to run their business the way they think best without the
20 government trying to dictate to them how they have to operate
21 their business. It gives you a lot more flexibility.

22
23 There is nothing to disallow you from starting on June 1 if
24 that's what you wish to do. That's your business decision, just
25 like it's my business decision to start on January 1, if that's
26 what I want to do under an IFQ system. I speak against the
27 motion.

28
29 **MR. GREEN:** I would like to offer a substitute motion that the
30 AP recommends that the headboat component be managed by
31 establishing an IFQ program to be implemented by a referendum,
32 as deemed necessary by the MSA and the Gulf Council.

33
34 I would like a second, so we could discuss that, but I
35 understand the push for set seasons and stuff and not breaking
36 out of that uniformity, but I think we have thoroughly moved
37 past that, and I think the will of this AP, and, in my opinion,
38 the majority of this industry, charter boat or headboat, is
39 looking for more flexible measures, because of the diversity of
40 the anglers' presence and the weather patterns that stretch
41 across 660,000 square miles of water.

42
43 **CHAIRMAN BOGGS:** Could you repeat your motion, so she can get it
44 typed?

45
46 **MR. GREEN:** It was basically the same part of the first one. If
47 you go all the way down to "referendum vote", basically, about
48 halfway up, take that and pull it down. The AP recommends that

1 the headboat component be managed by establishing an IFQ program
2 to be implemented by referendum vote deemed necessary by MSA and
3 the council.

4
5 My rationale for that is I don't know if sixty-seven headboats
6 that are in the fishery or if that's a legal standing or will
7 hold up in court that that's even -- If that's not kind of
8 reducing the fleet to decide for themselves the subsector or I
9 don't know if subsectors are allowed to do that, and I would
10 rather it be a uniform decision, based on Magnuson and what the
11 council finds.

12
13 **CHAIRMAN BOGGS:** I will second the motion. Any discussion? Ms.
14 Anderson.

15
16 **MS. ANDERSON:** It was difficult enough to see the original
17 motion up there with the IFQs, but to leave this without having
18 one permit, one vote, like the original, that's even worse, and
19 I think that that needs to be in there. If we're going to be
20 forced to go through with an IFQ system, I think that every
21 single person that has an investment in this fishery needs to
22 have a voice, and they won't unless that is in this motion, and
23 I think that it's imperative that it's in the motion.

24
25 **CHAIRMAN BOGGS:** Mr. Green.

26
27 **MR. GREEN:** I don't see how if you have a referendum of the
28 permit holders and the Gulf Council or the MSA helps deem what
29 that -- The whole point of that was to get rid of the fact that
30 there were sixty-seven people making this decision, if that's
31 not legally acceptable. I mean you can put that in there, I
32 guess, one vote, one permit, but if the council decides they
33 want to weight that vote by maybe somebody has an extraordinary
34 more amount of investment into the fishery than someone else and
35 they want their vote to count more than that, then that's going
36 to be up to the Gulf Council whether we put it in that motion or
37 not.

38
39 I'm not saying that it's wrong, Ms. Anderson, but if you're a
40 permit holder, you're going to have some type of representation
41 in a referendum, whether it's one vote per permit or a weighted
42 vote off of whatever they deem necessary, and that's why I threw
43 that in there.

44
45 **CHAIRMAN BOGGS:** Mr. Willard.

46
47 **MR. WILLARD:** Thanks, and, Jim, can you clarify for me that --
48 Is your intent that a referendum to be determined in the future,

1 if necessary, would still be among qualified headboats,
2 qualified permit holders of headboats, whatever you want to call
3 it?

4
5 **MR. GREEN:** I guess what I would be doing is that's going to be
6 kind of determined up to the lawyer, I guess, on whether or not
7 it's qualified headboats or anybody that could possibly meet the
8 qualifications of a headboat or if -- I mean that's -- I'm
9 deeming it up to what the council is going to -- I don't feel
10 comfortable saying that these sixty-seven people that are in
11 this fishery, and you're excluding the fact that new entrants
12 might want to have a say in this, or possibly legally have a say
13 in this, whether that's precedented or not yet. I don't want to
14 exclude that, and I don't want to show exclusion or any kind of
15 reduction of anybody's ability to have a say in how this fishery
16 goes.

17
18 **MR. HUBBARD:** Call the question.

19
20 **CHAIRMAN BOGGS:** Ms. Anderson had her hand up to speak before
21 you did that, and so I'm going to let her speak and then I will
22 take yours. Ms. Anderson.

23
24 **MS. ANDERSON:** People who have been in this industry for a very
25 long time, even if it's five years, and have been going through
26 all the issues that we've had to deal with over these five years
27 and had to hold their businesses together, they deserve to have
28 the vote in this issue, and they need to each one, by saying one
29 permit, one vote, it needs to not be substantially fished or
30 whatever, a weighted vote.

31
32 It needs to be the American way, one vote for each permit. That
33 way, we know who -- We know what's best for the group. In
34 America, we don't say the poor guy gets less of a vote. That's
35 not the way we operate in America, and so why would we do that
36 here? I think that it's important, and if I need to put the
37 substitute motion as the motion that's standing on the board in
38 order to get that in there, maybe I need to do that, but we
39 definitely need to have it, where every permit that is actively
40 in this fishery, gets a say in this.

41
42 **CHAIRMAN BOGGS:** We have actually called the question, and I'm
43 going to take a moment to say this. If I could back and remove
44 my second, I would, but we have to vote on this, because we've
45 done that. In light, I think that this opens it up for a lot of
46 problems, because this allows the recreational fishermen to
47 vote, people outside the fishery to vote. The question has been
48 called. We're going to read it and we're going to vote it.

1
2 **MR. GREEN:** That's a gross misrepresentation. The referendum
3 vote is about the permits. If you want to add a friendly
4 amendment to say one permit, one vote, that's fine, because the
5 council will deem whether or not they really want to do it, but
6 if you feel compelled to do that, then I would say offer the
7 friendly amendment, if the call the question would allow it, but
8 this is a -- A referendum vote, it's implied that we're talking
9 about the headboats. I mean that's what this whole meeting is
10 about.

11
12 **CHAIRMAN BOGGS:** As a point of clarification and not discussion,
13 I am going to let Assane --

14
15 **DR. DIAGNE:** I think there is one more thing. By the time,
16 assuming that this is the direction that the council elects to
17 go, when it comes time for the referendum, the council will have
18 to define or determine those that have substantially
19 participated in this fishery and then set up the provisions for
20 the referendum, and so those would be identified, and only those
21 would be able to vote.

22
23 It is though a possibility, if the council decided to do so, to
24 go with weighted votes, I think, or one person, one vote. The
25 only experience that I have to go by is that the grouper and
26 tilefish IFQ, I believe, that was one person, one vote. The
27 previous IFQ, meaning the red snapper one, as you recall, it was
28 weighted votes. Votes were weighted by catch history, but the
29 grouper and tilefish one, it was one permit holder, one vote.

30
31 **MR. GREEN:** I accept your friendly amendment if the caller of
32 the call the question accepts it.

33
34 **MR. HUBBARD:** So be it.

35
36 **CHAIRMAN BOGGS:** Okay. The substitute motion is the AP
37 recommends that the headboat component be managed by
38 establishing an IFQ program to be implemented by referendum vote
39 deemed necessary by the Magnuson-Stevens Act and the Gulf
40 Council, with a one federal permit, one vote status. **All in**
41 **favor, a show of hands.**

42
43 **DR. DIAGNE:** One in favor. **Opposed. Eight in opposition and**
44 **two abstentions.**

45
46 **CHAIRMAN BOGGS:** **The motion fails.** Where, under Roberts, does
47 that take us?

48

1 **DR. DIAGNE:** It takes you back to the original motion.
2
3 **MR. GREEN:** Excuse me. Could I ask for a roll call vote of
4 that?
5
6 **DR. DIAGNE:** A roll call vote?
7
8 **MR. GREEN:** Yes, of the previous vote.
9
10 **DR. DIAGNE:** They already voted though, and so --
11
12 **MR. GREEN:** I was just asking. Thank you.
13
14 **CHAIRMAN BOGGS:** That takes us back to the original, and we have
15 revisited it. I guess that's going to move us to the next
16 motion that we made, that Mark made, which was the --
17
18 **MR. HUBBARD:** In Action 1, we voted on Alternative 2. It pretty
19 much is identical to what we just voted down. I wanted to
20 revisit that and call the vote to revote on it, if the --
21
22 **CHAIRMAN BOGGS:** I don't know Roberts Rules well enough to --
23
24 **MR. HUBBARD:** We revisited it, but then there was a motion for
25 amending it. They put it in a whole new motion. My motion, my
26 original motion, was to revisit the above motion, because I
27 wanted to change my vote on it. I made a mistake on the first
28 go-round.
29
30 **DR. DIAGNE:** Normally -- I guess we have bundled a few steps
31 here, because, normally, the motion to revisit, in itself, is a
32 motion. We need to vote on that and have that passed and then
33 revisit in whichever direction, but, in the process of that, a
34 substitute motion came and that's the motion that failed now. I
35 guess, to land back on our feet, you have what I would call a
36 second substitute motion, I guess at this point, and then, if I
37 recall, you wanted to push Alternative 1?
38
39 **MR. HUBBARD:** Yes,
40
41 **DR. DIAGNE:** Okay. We will just do a second substitute motion
42 then and say to have Alternative 1 as the preferred alternative,
43 which is no action.
44
45 **MR. HUBBARD:** This is in the name of my prior speech, of now we
46 understand, the partyboat operators here, what it's going to
47 take to do IFQs, the risk to us in doing IFQs, and the positive
48 side of doing IFQs, that we really didn't know when we came into

1 the room, because there were a lot of unanswered questions. If
2 I could get a second and, if there's not any discussion, a point
3 of order and we'll vote on it quick.
4
5 **DR. DIAGNE:** Give us the motion.
6
7 **MR. HUBBARD:** **Alternative 1.**
8
9 **CHAIRMAN BOGGS:** To have Alternative 1 as the preferred?
10
11 **MR. HUBBARD:** Yes.
12
13 **CHAIRMAN BOGGS:** I've got to find Alternative 1, Mark, which --
14
15 **MR. HUBBARD:** It's page 10.
16
17 **DR. DIAGNE:** It's no action.
18
19 **MR. HUBBARD:** It's no action, managing the headboat for-hire
20 sector through the traditional management style of seasons, bag
21 limits, and size limits, which is, I believe, what is there.
22
23 **AP MEMBER:** He needs a second on it.
24
25 **MS. ANDERSON:** I will second it.
26
27 **MR. HUBBARD:** The word "using current recreational seasons",
28 that could be adjusted later, based on our recommendations, just
29 FYI.
30
31 **CHAIRMAN BOGGS:** We have a second substitute motion on the
32 board. The AP moves to have Alternative 1 be the preferred
33 alternative, no action, continue to manage the reef fish
34 species, including the headboat management program, using
35 recreational seasons, size limits, and bag limits. We have a
36 motion and a second, and the floor is open for discussion.
37
38 **MR. HUBBARD:** Call the question.
39
40 **CHAIRMAN BOGGS:** We have the question called.
41
42 **AP MEMBER:** He called the question before we even gave anybody a
43 chance to discuss it.
44
45 **MR. HUBBARD:** No one raised their hand. I am just trying to
46 expedite this, so we can get out of here.
47
48 **AP MEMBER:** If you call the question, you're supposed to have a

1 second to that and then a vote.

2

3 **CHAIRMAN BOGGS:** Okay. The floor is open for discussion. Mr.
4 Johnny.

5

6 **MR. WILLIAMS:** Once again, I will strongly speak against this.
7 I mean what are we here for? If we just want status quo, why
8 are we even here? I mean basically this is what this is, and so
9 let's be proactive and let's try to get out in front and let's
10 try to do something. Our pilot program was tremendously
11 popular. Everybody that was in our pilot program, I believe --
12 I never have heard anyone complain about it. I think they all
13 had accolades about it.

14

15 If we want to stick our head in the sand and keep going like we
16 are right now and fighting these battles every year and
17 wondering and waiting until whenever to see when our season was
18 going to start and when our season was going to end -- I mean we
19 have to wait until like the end of April to find out when we're
20 even going to start fishing. I mean if that's what our intent
21 is here, then we shouldn't even have this process. Thank you.

22

23 **CHAIRMAN BOGGS:** Ms. Anderson.

24

25 **MS. ANDERSON:** I think, by doing this, we have -- We know, after
26 we've gone through all this information the last day or two,
27 that there is going to be significant costs to our businesses to
28 implement this plan, but, like Mark said, we're talking about --
29 If the sectors remain, the separate sectors remain, and the
30 headboat sector has an overall allocation, then that allocation
31 can be dealt with without IFQs.

32

33 It can be dealt with through our VMS or whatever comes down the
34 pike for us as far as turning in our information. They still
35 have a way of managing headboats and giving headboats an
36 allocation without having to say you get ten fish and you get
37 fifty fish, and that's the difference between this.

38

39 If you have ten fish and you have fifty and you need ten more,
40 then you have to buy it from this guy. This is going to cost
41 the -- You know the cost recovery fees, and this is going to
42 cost this and that. Dr. Gil McRae said they've got the
43 information with the headboat survey. He said they've got the
44 adequate information.

45

46 The difference is that they're not getting real-time data. If
47 that's necessary to decrease our buffer, then maybe we need to
48 be looking at that, because the whole point of these discussions

1 was to reduce uncertainty in the data.

2
3 If that's going to do it, then why do we have to go to these
4 great lengths and great expense, great expense to not just us,
5 but tax dollars, to go through all these hoops when a much
6 shorter way, and a less expensive way, would do?

7
8 **CHAIRMAN BOGGS:** Mr. Hubbard.

9
10 **MR. HUBBARD:** A lot of people worked really hard for sector
11 separation and achieved a great thing. I was skeptical, because
12 it's moving towards this end-goal game, and, if we get there, so
13 be it. All I'm saying is just slow it down a little bit. We
14 have worked on the framework action or whatever you want to call
15 these -- We're an AP board to the council on what we would like
16 to see in an IFQ program.

17
18 We've gone through the whole program, and so now we at least
19 have a say in what that's going to look like on the partyboat
20 for-hire sector. That may be a direction we want to move in
21 next year, but just doing the sector separation and doing the
22 enhanced accountability measures is going to increase our
23 opportunity to fish dramatically, and it will do it in the least
24 -- The most cost-effective way for us as businesspeople.

25
26 We're going to vote right now, and you guys are going to -- Most
27 likely we're going to move down the IFQ path, and that's fine,
28 but I just wanted to bring that up and get another opportunity
29 to address it. I think everyone here at this table, we all
30 understand where we are and what we want, and so let's do it and
31 move forward.

32
33 **CHAIRMAN BOGGS:** Mr. Green and then Mr. Thierry.

34
35 **MR. GREEN:** I just want to say that we don't have the essence of
36 time to wait with the sunset provision on us right now. We're
37 enjoying the more generous season because of the allocation
38 distribution to the for-hire under Amendment 40, but I've been
39 told by council members that were not on our side or didn't show
40 interest in pushing us forward faster to slow down, and my
41 response to them was, well, extend the sunset.

42
43 I know we've got something for that, but, as of right now, I've
44 got to operate as if that's not even achievable at this time.
45 We have a deadline to do this, and I don't want to put forth all
46 this effort and then show up and be done and have a finished
47 product the year the sunset closes, and so that's why there's a
48 little bit more expediency, and I would like to call the

1 question, if I can get a second on it.
2
3 **CHAIRMAN BOGGS:** We have Skipper and then Assane. Then if we
4 get a second on that, then we'll go there. Skipper.
5
6 **MR. THIERRY:** I mean you said that all the other recommendations
7 we've made will show how we want an IFQ set up, but, to me, that
8 just all goes right out the window if we vote to not do this.
9 Am I wrong? That shows that we don't want all that and that we
10 just sat here and blew a bunch of hot air for a day-and-a-half.
11
12 **CHAIRMAN BOGGS:** Go ahead, Assane.
13
14 **DR. DIAGNE:** Just one issue that I wanted to bring back,
15 perhaps, to your attention. I hear, in many instances, this
16 idea of sector separation. We have to keep in mind that the
17 Amendment 42, meaning for the headboat component, is really
18 independent from sector separation.
19
20 As you recall, sector separation was for one species alone. It
21 was for red snapper only, and it created a specific for-hire
22 component and gave a portion of the recreational quota to the
23 for-hire sector. This amendment here, 42, addresses five
24 species. For these five species, you just take a portion of the
25 recreational quota for the four and a portion of the for-hire
26 for red snapper, and so perhaps the issue is a little wider than
27 sector separation as we know it in Amendment 40. This addresses
28 five species. Thank you.
29
30 **CHAIRMAN BOGGS:** Mr. Green had made a motion earlier to call the
31 question on this. Do we have a second? We have a second from
32 Mr. Paprocki. I'm going to read it.
33
34 **MR. GREEN:** You've got to vote to call the question.
35
36 **CHAIRMAN BOGGS:** Okay. A show of hands in favor of calling the
37 question.
38
39 **DR. DIAGNE:** Opposed. It's ten to one, and so the question is
40 called.
41
42 **CHAIRMAN BOGGS:** The second substitute motion is the advisory
43 panel moves to have Alternative 1 in Action 1 be the preferred
44 alternative, no action, continue to manage the reef fish species
45 included in the headboat management program using recreational
46 seasons, size limits, bag limits. That is the motion. **All in**
47 **favor of this motion, a show of hands.**
48

1 **DR. DIAGNE:** Three in favor. All opposed. Eight. The motion
2 fails three to eight.
3
4 **CHAIRMAN BOGGS:** That takes us back to the original motion and
5 it stands?
6
7 **DR. DIAGNE:** It stands, yes.
8
9 **CHAIRMAN BOGGS:** Then we can move to Action 2?
10
11 **DR. DIAGNE:** Yes.
12
13 **CHAIRMAN BOGGS:** Now we can move to Action 2. Mr. Charlie, it
14 appears that, as Chairman on this, I may have told you wrong.
15 We may not get to where you want to be, but I will certainly
16 try.
17
18 **MR. PAPROCKI:** I've been waiting patiently. I'm going to hold
19 you accountable.
20
21 **CHAIRMAN BOGGS:** At least I told you in front of the whole
22 audience that --
23
24 **MR. PAPROCKI:** I've got check out at noon.
25
26 **MR. GREEN:** Can we get Assane to go over the one they said they
27 prepared for us real quick? I'm just asking, Mr. Chairman.
28
29 **CHAIRMAN BOGGS:** Yes, we can do that. It will be a little bit
30 out of order, but we can do that.
31
32 **DR. DIAGNE:** It will be just a minute. You can keep going,
33 because that was Action 4, and now you are in Action 2 or 3.
34
35 **MR. PAPROCKI:** Mine is very short.
36
37 **DR. DIAGNE:** Then you have Mr. Paprocki that has issues too to
38 discuss.
39
40 **CHAIRMAN BOGGS:** Action 2, species to include in the headboat
41 survey vessel management plan, the AP moved to make the
42 Preferred alternative 3, include red snapper, gray triggerfish,
43 greater amberjack, gag, and red grouper in the management
44 program, in Alternative 1. The floor is open for discussion.
45 Ms. Anderson.
46
47 **MS. ANDERSON:** Assane, tell me -- You said a minute ago that
48 sector separation, if it goes away, this won't go away, because

1 we are looking at multispecies. Is that correct?

2
3 **DR. DIAGNE:** Yes, that's the way I understand it, because, if
4 you recall, back then -- I mean the council did create two
5 separate APs, one charter-specific AP to deal with red snapper.
6 That was in their charge, but if you look at your charge, as
7 given to you by the council, it says to develop flexible
8 management measures for reef fish in the headboat component.

9
10 Because sector separation only has one species and this is much
11 wider than that, five, I would have to understand that this is
12 independent from that issue. Yes, that's my understanding of it
13

14 **MS. ANDERSON:** So another question. If we change our preferred
15 to Alternative 1, no action, do not define reef fish species to
16 include in the management program, would that eliminate -- If we
17 eliminate sector separation, will that eliminate this headboat
18 AP?

19
20 **DR. DIAGNE:** No, that's the council's decision to -- This is an
21 ad hoc AP, convened to address a specific issue, and so,
22 whenever the council feels that your work has been done, on
23 paper then this AP could be disbanded, but the point being that
24 the amendment here has a no-action alternative. If that's the
25 preferred, it means that we stop, essentially, and so that's no
26 action, and this whole issue becomes moot.

27
28 **MS. ANDERSON:** Okay, and so what you're saying is the headboat
29 component is going to be in sector separation no matter what
30 happens with Amendment 40?

31
32 **DR. DIAGNE:** Yes, and I don't want to use the term "sector
33 separation" within this context, as I said, because, in my
34 understanding, Amendment 40 did one thing. It split the
35 recreational red snapper quota into two portions, one for the
36 federal for-hire and one for private anglers. That's all it
37 did.

38
39 Here, you are looking at management approaches for five species,
40 red snapper being one of them, and so that's the difference
41 there, and to be able to do that, one of the actions here, what
42 it did was essentially put, for the headboat component, a
43 portion or a percentage of the respective recreational quotas
44 for those five species. That's all.

45
46 **MS. ANDERSON:** Okay. I'm still not sure, if sector separation
47 were to go away, if Alternative 1 was chosen, if we would be
48 less likely to stay in sector separation. Is that right or no?

1
2 **DR. DIAGNE:** Perhaps I am not understanding your question.
3 Sector separation, Amendment 40, dealt with red snapper only.
4
5 **MS. ANDERSON:** Right.
6
7 **DR. DIAGNE:** In this amendment, you are, in effect, recommending
8 that the council allocate a portion of the, for example, the
9 gag, greater amberjack, gray triggerfish, and red grouper quotas
10 to the headboat component, so that you can manage your component
11 as you see fit. That has nothing to do with Amendment 40, as
12 written. That's the point that I'm trying to make.
13
14 **AP MEMBER:** This is Amendment 42.
15
16 **DR. DIAGNE:** Yes.
17
18 **MS. ANDERSON:** Right, and I understand that, but I don't want to
19 tie us into sector separation if by saying we prefer Alternative
20 3 that it will keep us from going back into the traditional way
21 of size limits and bag limits. That's what I'm asking. I want
22 to know, if sector separation goes away, will this document go
23 away for headboats?
24
25 **DR. DIAGNE:** To the best of my understanding -- Again, because
26 sector separation was specific to red snapper, Amendment 42,
27 headboat management, has nothing to do with Amendment 40, no
28 matter how 40 is disposed of or moves in the future, because,
29 essentially, the two universes, the two sets, intersect at red
30 snapper. That's the only commonality between the two, but,
31 above that, you have four additional species that have nothing
32 to do with Amendment 40. Does that answer your question or --
33
34 **MS. ANDERSON:** I think so, but I'm going to go ahead and make
35 the motion anyway to change to Alternative 1 as being the
36 preferred alternative.
37
38 **DR. DIAGNE:** Were you on the prevailing side, I guess?
39
40 **AP MEMBER:** Did you vote for it or against it?
41
42 **MS. ANDERSON:** Which?
43
44 **AP MEMBER:** The original action that was taken.
45
46 **MR. GREEN:** The one you're trying to correct, did you vote for
47 that?
48

1 **MS. ANDERSON:** To tell you the truth, I can't remember.
2
3 **CHAIRMAN BOGGS:** Mr. Hubbard, how did you vote on that issue?
4
5 **MS. ANDERSON:** I believe that I did, but I'm not positive.
6
7 **AP MEMBER:** What was the vote?
8
9 **DR. DIAGNE:** It was nine to one.
10
11 **CHAIRMAN BOGGS:** Who was the opposition in that?
12
13 **MS. ANDERSON:** Was it me? It may have been me, and so then I
14 can't say this?
15
16 **CHAIRMAN BOGGS:** We will assume that it was.
17
18 **DR. DIAGNE:** We will assume that she was on the prevailing side
19 and she can make a motion. Please make your motion, I think.
20 Because we didn't have a roll call, we cannot absolutely say how
21 she voted.
22
23 **MS. ANDERSON:** Okay, and I can't remember.
24
25 **CHAIRMAN BOGGS:** Okay, and this is the motion?
26
27 **MS. ANDERSON:** Yes.
28
29 **CHAIRMAN BOGGS:** We have a substitute motion. The AP moves to
30 make Alternative 1 in Action 2, no action, do not define the
31 reef fish species included in the management program, the
32 preferred alternative. We're looking for a second on this.
33 Going once, going twice. The motion fails for lack of a second.
34
35 That takes us back to the original. Do we have any other
36 discussion on Action 2? Seeing none further, we will move to
37 Action 3, participation in the onset of the headboat survey
38 vessel program, and the advisory panel moves to make Alternative
39 3, no action, all headboat survey vessels, as of December 31,
40 2015, must participate in the program. Is there discussion?
41 Seeing no discussion, we're going to move on to Action 4,
42 headboat survey vessel endorsements, and this was a unanimous
43 vote. Do we need to revisit that?
44
45 **DR. DIAGNE:** If I may, just one little bit.
46
47 **CHAIRMAN BOGGS:** Quickly.
48

1 **DR. DIAGNE:** Yes, very quickly.
2
3 **MR. GREEN:** We didn't pick an option. We picked that as an
4 alternative, but we didn't pick an option though.
5
6 **AP MEMBER:** Option 2b was --
7
8 **DR. DIAGNE:** Yes, you picked the endorsement. Then, I guess, we
9 offered to bring, for you guys to consider, some alternatives
10 that we'll be working on, but, at this point, we will put that
11 up.
12
13 **CHAIRMAN BOGGS:** Alternative 1, no action, do not define
14 eligibility criteria for new entrants. Alternative 2, at the
15 beginning of each calendar year, all vessels with a valid Gulf
16 for-hire reef fish permit that are not participating in the
17 headboat survey vessel program are eligible to apply for an
18 endorsement to the reef fish for-hire permit or a reef fish
19 headboat permit, whichever is established under Action 4, if the
20 vessel has a permit capacity of fifteen passengers or more.
21
22 Alternative 3 is at the beginning of each calendar year, vessels
23 with valid Gulf for-hire reef fish permits that are not
24 participating in the headboat survey vessel program are eligible
25 to apply for an endorsement to the reef fish for-hire permit or
26 a reef fish headboat permit, whichever is established under
27 Action 4, if the vessels are selected to participate in the
28 Southeast Regional Headboat Survey. That's what we have offered
29 up. Mr. Assane.
30
31 **DR. DIAGNE:** Thank you, Mr. Chair, and, again, these are just
32 for your preliminary consideration. The wording of these
33 alternatives would change, obviously. We are going to keep
34 working on it, and also, with the council's guidance, we are
35 going to rework all of these.
36
37 The idea was to offer some type of avenue to allow for new
38 entries in the future, outside of simply buying an endorsement
39 from someone who wants out of the fishery. Again, this is very
40 preliminary. We have alternative versions of this, but this is
41 just offered for discussion now, and we will keep on working on
42 it, if that's the direction that essentially you would want to
43 consider.
44
45 **CHAIRMAN BOGGS:** Mr. Green.
46
47 **MR. GREEN:** I just want to say that Alternative 3 would
48 definitely hamper or -- It would address my concerns with the

1 new entrants and the higher-capacity permits that aren't in it
2 right now, and I would like to remind everybody that if the
3 allocation is distributed that the people holding that
4 allocation deem who gets -- How many actually entrants you get
5 in it, whether you've got fifty permits or 200 permits. The
6 people holding the allocation are the ones that are going to
7 decide how many new entrants get into it, and so I speak in
8 favor. I don't know if I can make a motion to that.

9
10 **CHAIRMAN BOGGS:** You surely can.

11
12 **MR. GREEN:** I would like to make a motion that new entrants,
13 **Alternative 3, be the preferred alternative.**

14
15 **CHAIRMAN BOGGS:** We're looking for a second to this motion.

16
17 **MR. PAPROCKI:** I second it.

18
19 **CHAIRMAN BOGGS:** We have a second from Mr. Paprocki. Assane.

20
21 **DR. DIAGNE:** If I may, given that this whole issue, this whole
22 thing, was not part of the amendment that we discussed with you
23 and the council didn't have a chance to look at this, perhaps
24 you can modify your motion a little bit and say that you
25 recommend to add a new action to consider new entrants and that
26 **Alternative 3 be the preferred.**

27
28 **MR. GREEN:** All right. That's exactly what --

29
30 **DR. DIAGNE:** Mr. Chair, I think at this point, because your time
31 is short, maybe you could just say that does anybody have any
32 issues they want to discuss, and maybe Mr. Paprocki will have a
33 chance and we don't have to go through the remainder of the
34 other --

35
36 **CHAIRMAN BOGGS:** Guys, we are right at the motion of time, and I
37 gave my word to Mr. Paprocki that he had an issue that he would
38 like to discuss, and so we're going to take about a minute or so
39 and hear his concern.

40
41 **DR. DIAGNE:** After we vote on this motion.

42
43 **CHAIRMAN BOGGS:** Do you want to vote on this one?

44
45 **DR. DIAGNE:** Yes, the motion that he offered.

46
47 **CHAIRMAN BOGGS:** Okay. Very quickly, it's open for discussion.

48

1 **AP MEMBER:** Yes, I wanted to -- Originally, we voted on
2 Alternative 2, and it was a unanimous decision. Now we're
3 switching to 3.
4
5 **DR. DIAGNE:** No, this is an addition. This is a new action.
6
7 **MR. GREEN:** This is to address new entrants. It's not whether
8 or not how that gets divvied up.
9
10 **AP MEMBER:** So this is a new action?
11
12 **MR. GREEN:** Yes.
13
14 **CHAIRMAN BOGGS:** It's open for discussion. Seeing no
15 discussion, I am going to read the motion and then we will --
16 Daniel.
17
18 **MR. WILLARD:** I didn't mean to raise my hand, but I don't know
19 if the motion is reflecting the request. I thought that the
20 motion was to recommend a new action to allow provisions for new
21 entrants, period, and the rest was to be cut out. Is that
22 right? That's a question.
23
24 **DR. DIAGNE:** I am sorry, but I didn't hear what you said.
25
26 **CHAIRMAN BOGGS:** Mr. Green, is this your motion?
27
28 **MR. GREEN:** My motion was the Alternative 3 to be a new action,
29 and I'm not -- I don't know if I -- It's not on the board
30 anymore, and so I don't know if it missed it, but Alternative 3
31 in the new entrant is to make a new action and that's what it is
32 -- My motion is to request the council create a new action for
33 new entrants with Alternative 3 being the preferred.
34
35 **CHAIRMAN BOGGS:** Okay. Mr. Green's motion is the advisory panel
36 moves to make a new action with Alternative 3 allowing the
37 provision for new entrants at the beginning of each calendar
38 year. All vessels with valid federal Gulf for-hire reef fish
39 permits that are not participating in the headboat survey vessel
40 program are eligible to apply for an endorsement to the reef
41 fish for-hire permit or for a reef fish headboat permit,
42 whichever is established in Action 4, if the vessels are
43 selected to participate in the Southeast Region Headboat Survey.
44 We are going to open it up for discussion, quickly, and Ms.
45 Anderson had her hand before you, Johnny, and then we'll get
46 Johnny.
47
48 **MS. ANDERSON:** Where are the shares going to come from in this?

1
2 **DR. DIAGNE:** This is not going to give any shares to these
3 people, whoever these operators are. It will just give them an
4 endorsement. If they want to participate in the program, they
5 can turn around and buy shares, if they are available,
6 essentially. This is just -- Let's say, for example, you have a
7 headboat and you don't have an endorsement, but there is none
8 for sale or, rather, I guess, this is going to be a cheaper
9 option.
10
11 You can apply for and get an endorsement and then turn around
12 and buy shares and allocation. This does not give any shares or
13 allocation to the new entries. It just allows them, I guess, to
14 come in and be able to fish, participate, in the program, if
15 they can buy shares.
16
17 **MR. GREEN:** Or on species that don't require shares like
18 vermilion, white snapper, other things too. If they get the
19 headboat endorsement, they're in the headboat program.
20
21 **DR. DIAGNE:** Yes, but the headboat program does not speak to the
22 species outside of the five that are in the document, and so --
23
24 **CHAIRMAN BOGGS:** Johnny.
25
26 **MS. ANDERSON:** I was still -- What I am trying to get at is if
27 everybody -- Most everybody in this program is going to need
28 whatever allocation they're given, because the need has been
29 great for all of us for some time.
30
31 Unless there is thinking that there's going to be some
32 intersector trading or something like that going on, then I
33 think that we -- I think that we need to be sure that that's not
34 what this is really leading to, because we've discussed that,
35 and intersector trading should not be in this.
36
37 **CHAIRMAN BOGGS:** My understanding of this is all this does is
38 allow them to buy an endorsement. If somebody has one of the
39 fish species for sale, they can purchase them and fish them
40 under their endorsement as a headboat. It has nothing to do
41 with intersector trading and it doesn't take any shares away
42 from anybody.
43
44 This just says if somebody has a new boat that qualifies under
45 all the qualifications, it carries more than fifteen passengers
46 and the predominant method is per person, that they have a reef
47 fish permit, they're a U.S. citizen or naturalized or whatever
48 the other criteria was, that they can buy that endorsement and

1 they can purchase fish from somebody in the program that has
2 them for sale and fish them.

3

4 **MS. ANDERSON:** Okay, and so they're buying an endorsement, but
5 it's the permit that that endorsement is on that would be
6 carrying the shares, right?

7

8 **CHAIRMAN BOGGS:** Assane.

9

10 **DR. DIAGNE:** Yes, this is, I guess, the first attempt at trying
11 to address an issue that you talked about here collectively, and
12 the issue was what if I have a headboat who did not participate
13 in the survey and then, as a result, doesn't have any catch
14 history to show for.

15

16 Obviously, in the initial go-round, that vessel is going to be
17 out, but then that vessel could, presumably, under new entries,
18 acquire an endorsement and then turn around and buy shares, if
19 they are available.

20

21 It is called new entries because this is going to expand,
22 potentially, the number of participants from sixty-six or sixty-
23 seven to whatever number, let's say, for example, eighty,
24 assuming that you have thirteen boats somewhere around the Gulf
25 who met this criteria but didn't have the catch history. That's
26 all it does, to be able to allow the number of participants,
27 potentially, to grow to a number greater than sixty-seven.

28

29 **MS. ANDERSON:** Okay, and so then the initial percentage of
30 shares would not change in this situation, is that right?

31

32 **DR. DIAGNE:** Not at all. They can just come in, and obviously
33 if I am applying for an endorsement, potentially I am expecting
34 to be able to buy shares from somebody. If not, that
35 endorsement would be, in effect, useless.

36

37 **CHAIRMAN BOGGS:** Earlier, I said, and Mr. Hubbard said, Mr. Mark
38 tried to put a boat into the headboat program that was being
39 operated as a headboat and was turned down, even though that was
40 the way we've operated, and I have tried to put one in that I
41 was operating as a small headboat and was turned down.

42

43 Also, I have boat now, presently, that was originally in the
44 headboat survey in Louisiana, when I purchased it, and I brought
45 it to Alabama and it was also turned down and put into the
46 charter/for-hire, and that was controlled not by the Beaufort
47 Headboat Program, but by the State of Alabama.

48

1 All of those boats were turned down, and so I'm not sure how
2 easy these boats are going to be to qualify for this headboat
3 survey program, because that's three boats that we've attempted
4 that legitimately fish as headboats to get into the program that
5 have failed.

6

7 **MS. ANDERSON:** Okay. I am just -- I know that --

8

9 **CHAIRMAN BOGGS:** Guys, are we encroaching on somebody's time?
10 Do we need to get out of here? The floor is still open for
11 discussion. If you need to go, we can go, and it will end
12 the meeting.

13

14 **MR. WILLIAMS:** I had my hand up. You acknowledged me, but you
15 never called on me.

16

17 **CHAIRMAN BOGGS:** Mr. Johnny. My mind is very short.

18

19 **MR. WILLIAMS:** I cannot support this currently as it's written,
20 and I will explain why. I'm concerned that every boat that has
21 a charter boat permit, what they call multispecies charter
22 boats, that carry fifteen to twenty to --

23

24 **CHAIRMAN BOGGS:** Multi-passenger charter boats.

25

26 **MR. WILLIAMS:** I am sorry. Forgive me.

27

28 **CHAIRMAN BOGGS:** I did listen to what you said.

29

30 **MR. WILLIAMS:** Forgive me.

31

32 **CHAIRMAN BOGGS:** I may not call on you, but I'm listening.

33

34 **MR. WILLIAMS:** I am not being pernicious. Forgive me. I make
35 mistakes too, but multi-passenger charter boats that carry
36 fifteen or twenty people or something like that will have an
37 opportunity to come over into the partyboat sector or the
38 headboat sector and they can demand a lot higher price for their
39 trips, because they carry fewer people than we do.

40

41 **I would like to make a friendly amendment to this motion that we**
42 **limit it to vessels that carry over forty-nine passengers.**
43 That, in my opinion, will be a true, bonified headboat, somebody
44 that's not going to be able to charge a lot more for a trip --

45

46 **CHAIRMAN BOGGS:** You just eliminated me, but that's all right.

47

48 **MR. WILLIAMS:** I told you I wasn't being pernicious, but I'm

1 concerned about that. I mean it's a real concern of mine. I
2 mean, Randy, you know how many multispecies charter boats, I
3 mean multi-passenger charter boats that we have. That will
4 allow all of them to come into our sector.

5
6 **CHAIRMAN BOGGS:** Johnny, I'm okay with that. I mean I'm
7 perfectly okay with that. I have no problem with that.

8
9 **MR. WILLIAMS:** I know I'm a bad guy, but, anyway, I would like
10 to make a friendly amendment to that, and I guess I need a
11 second.

12
13 **CHAIRMAN BOGGS:** We're looking for a second.

14
15 **MS. ANDERSON:** I will second it.

16
17 **CHAIRMAN BOGGS:** We have a second from Ms. Anderson. It's open
18 for discussion. Going once, going twice. Discussion is closed.
19 I'm going to read it, and we're going to vote on it.

20
21 The AP moves to add a new action with Alternative 3 as the
22 preferred alternative to allow a provision for new entrants. At
23 the beginning of each calendar year, vessels with valid federal
24 Gulf for-hire reef fish permits that are not participating in
25 the headboat survey vessel program are eligible to apply for an
26 endorsement to the reef fish for-hire permit or for a reef fish
27 headboat permit, whichever is established in Action 4, if the
28 vessels are selected to participate in the Southeast Region
29 Headboat Survey. This would be limited to vessels that carry
30 over forty-nine passengers. That is the motion that we have.
31 **All in favor of this motion, a show of hands.**

32
33 **DR. DIAGNE:** Opposed. It's ten to one. I see one in
34 opposition. Any abstentions? No.

35
36 **CHAIRMAN BOGGS:** Mr. Charlie.

37
38 **MR. PAPROCKI:** This may be to Assane, but Action 7, Alternative
39 5 --

40
41 **CHAIRMAN BOGGS:** What page is that on, Mr. Charlie?

42
43 **MR. PAPROCKI:** I think it's 25. You're picking your best year,
44 we were talking about.

45
46 **DR. DIAGNE:** Yes.

47
48 **MR. PAPROCKI:** Okay. Is that for -- It doesn't specify a -- Is

1 it for each species? You were talking about we were taking our
2 best year for our history, and so are they going to do the best
3 year for each species?
4

5 **DR. DIAGNE:** Yes.
6

7 **MR. PAPROCKI:** Okay, and so it could be varying years?
8

9 **DR. DIAGNE:** It can be varying years.
10

11 **MR. PAPROCKI:** Okay. That was the question. The other thing is
12 -- Let me see. As far as the referendum, when it comes time to
13 vote, in order to make a good vote for everybody, an educated
14 vote, informed, will we have our history? Will we know it?
15 Will they send it to us? How guarded is it? I tried to get
16 mine last year, and they gave me one year, begrudgingly, but, in
17 order to make it, will they pass that? I know it's not public,
18 but will each individual permit holder be able to have that to
19 make their decision?
20

21 **DR. DIAGNE:** I think I'm going to look over to my right, in the
22 back, and ask perhaps Jessica or Andy if they know. Let's say
23 in the past we gave to each one of the voters exactly what it is
24 that they would get in the program before they voted, right?
25

26 **MR. PAPROCKI:** That presents a big challenge, because I have a
27 big concern.
28

29 **CHAIRMAN BOGGS:** Hang on. Let's get an answer to the question
30 from Andy.
31

32 **MR. STRELCHECK:** It's been done multiple ways. With red
33 snapper, votes were weighted and they were binned in 5,000-pound
34 increments for what people could vote on, and so you had a
35 general idea, in terms of the amount of quota that you could
36 receive under the program, based on that weighting structure.
37 That was only for the Class 1 license holders, though. It
38 wasn't everyone that was voting on that program.
39

40 For grouper/tilefish, I don't recall if we distributed letters
41 beforehand with initial quota allocations. I believe we did.
42 The weighting for the voting was if you met a threshold of 8,000
43 pounds or more to vote in the referendum, and so we must have
44 provided some details in terms of landings history at that
45 point, and then, for the headboat collaborative, we shared
46 information about landings histories with each individual owner
47 in advance of that program for consideration.
48

1 **MS. GERHART:** I just want to add something, too. One of the
2 differences here is you have this opt-in/opt-out that's in here,
3 and, depending on how many people opt in versus opt out, we
4 won't know that until October 1 of the year before we start
5 this. By the time of the referendum, we won't know how many
6 people want to opt in and opt out, and so whatever we give you
7 would not necessarily be the final number.

8
9 **MR. PAPROCKI:** We're talking about our history we already have.
10 That's what I'm talking about, so we can pick what year. It's
11 not what we're getting, but our history, the history, what we
12 already have.

13
14 **MS. GERHART:** Yes.

15
16 **CHAIRMAN BOGGS:** Mr. Schmidt.

17
18 **MR. SCHMIDT:** In regards to the referendum, I remember this.
19 About ten years ago, I was on a committee that went to Congress
20 and got \$35 million for a buyout of the longline industry. When
21 we did our referendum, we had National Marine Fisheries Service
22 go through landings data, because that is confidential
23 information.

24
25 There were 1,200, a little over 1,200, reef fish permits at the
26 time, and I believe, if I remember correctly, there were about
27 550 that didn't have any landings, and so, if we design a
28 referendum for this, you might want to think about putting in
29 some criteria of rather than allowing somebody an equal vote
30 that is just squatting on a permit, thinking that they might get
31 into the business in five years.

32
33 **CHAIRMAN BOGGS:** Yes, that can be taken into consideration.
34 Guys, we're almost eighteen minutes over. We just lost Skipper.
35 We still have a quorum, but I think, in essence of time, that
36 we're going to have to draw this to a close. Do we have
37 anything final?

38
39 **MR. PAPROCKI:** I never did get an answer.

40
41 **CHAIRMAN BOGGS:** Okay. Let me pose the question and see if I
42 can get it right to Andy and -- He wants to know if he can have
43 his previous historical landings so he can look at them to see
44 and approximate what he would get.

45
46 **MR. STRELCHECK:** Yes, and I mean there's ways of obtaining your
47 historical landings data, and that can be provided anytime. You
48 still would need to know what your landings are relative to the

1 entire universe of headboat landings, so you would have a sense
2 of the proportion of quota you would be receiving based on the
3 quota levels that are specified currently, but can you get your
4 landings history? Yes.

5
6 **CHAIRMAN BOGGS:** What he's saying is yes, you can see your
7 previous landings.

8
9 **MR. PAPROCKI:** Okay. How? The future is the future. That's
10 speculative. We have a history that's there. I've got 2011. I
11 already have it, but I should be able to get the other years.
12 It's that simple.

13
14 **CHAIRMAN BOGGS:** Do we request that from Beaufort?

15
16 **MR. STRELCHECK:** We will get some information out in terms of
17 how you can --

18
19 **CHAIRMAN BOGGS:** Okay. Andy will get that done. Charlie, what
20 he's saying is, depending upon how many headboats chose to
21 participate in this program, the 12 percent, if that's what we
22 got, was 12 percent of the fish -- Andy, stay with me and make
23 sure I'm right.

24
25 If 12 percent is what we got, if all sixty-seven boats came in,
26 your number of fish is a proportion of that, and the more boats
27 that drop out, the smaller that proportion gets. That would
28 affect how much fish you got.

29
30 **MR. PAPROCKI:** Yes, but that's not the question I asked. We
31 filled out our logbooks and we had a history for those years.
32 That's all. It's just the logbooks. We filled them out for
33 years and years, and so we should have a history.

34
35 **CHAIRMAN BOGGS:** On my word, Andy has a record of producing for
36 us. My reputation is based on you now, and so you've got to --
37 In your spare time. Are we done? Ms. Anderson and then Mr.
38 Green.

39
40 **MS. ANDERSON:** I would like to make a real quick motion that we
41 request the council reconvene this AP once they have had time to
42 go through this document and do whatever they do, so that we can
43 consider any changes that might come with the council meeting.

44
45 **MR. GREEN:** That was what I was bringing up. Thank you, Ms.
46 Anderson.

47
48 **CHAIRMAN BOGGS:** We have to note that Skipper is gone, but is

1 all in favor of this? Discussion? All in favor? A show of
2 hands. **It's unanimous, with noting that Skipper Thierry had to**
3 **leave to catch a plane.**

4

5 **MR. GREEN:** Motion to adjourn.

6

7 (Whereupon, the meeting adjourned on May 4, 2016.)