

GULF OF MEXICO FISHERY MANAGEMENT COUNCIL
 SUSTAINABLE FISHERIES COMMITTEE

Hilton Baton Rouge Baton Rouge, Louisiana

January 30, 2023

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2 Jim Nance.....SSC
3 Clay Porch.....SEFSC
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1 The Sustainable Fisheries Committee of the Gulf of Mexico
2 Fishery Management Council convened at the Hilton Baton Rouge,
3 Baton Rouge, Louisiana on Monday afternoon, January 30, 2023,
4 and was called to order by Chairman C.J. Sweetman.

5
6 **ADOPTION OF AGENDA**
7 **APPROVAL OF MINUTES**
8 **ACTION GUIDE AND NEXT STEPS**
9

10 **CHAIRMAN C.J. SWEETMAN:** I am going to call the Sustainable
11 Fisheries Committee to order. The members of the committee
12 include myself, Dr. Stunz, Ms. Boggs, Mr. Anson, Mr. Broussard,
13 Mr. Dugas, Dr. Frazer, Mr. Gill, Mr. McDermott, General
14 Spraggins, and Mr. Strelcheck.

15
16 The first order of business is Adoption of the Agenda, which is
17 Tab E, Number 1. Are there any modifications to the agenda?
18 Mr. Dugas.

19
20 **MR. J.D. DUGAS:** Thank you, Mr. Chair. I thought it would maybe
21 be appropriate to ask Ms. Levy to give her summary of the red
22 grouper ruling before we get into any allocation discussions in
23 Sustainable Fisheries, and so I'm not sure if we need a motion
24 for that or what, but it's just a thought I had.

25
26 **CHAIRMAN SWEETMAN:** Mr. Chair.

27
28 **MR. DALE DIAZ:** No, and I think it's up to you if you want to
29 modify the agenda, and you can modify the agenda and then adopt
30 the agenda as modified, would be the way to do it.

31
32 **CHAIRMAN SWEETMAN:** Okay. Roger that, and so let's go ahead and
33 proceed on with that, and I think we can probably move that
34 discussion up. Andy, have you got something?

35
36 **MR. ANDY STRELCHECK:** I think it's a good idea to discuss it.
37 My suggestion would be to have Mara kind of logically talk about
38 it after I give my presentation on allocation, and I think
39 there's a natural segue to talk about it at that point, if the
40 committee is inclined.

41
42 **CHAIRMAN SWEETMAN:** Mr. Dugas, is that amendable to you?

43
44 **MR. DUGAS:** Yes, sir, Mr. Chair. That's fine. I just didn't --
45 I thought it was better than at 4:30 on Thursday, once
46 everything is done.

47
48 **CHAIRMAN SWEETMAN:** Yes, I think we're all in agreement there.

1 Okay, and so we will move that discussion, Ms. Levy, to -- Did
2 you say after or before your presentation, Andy? After? We'll
3 move it to after Andy's presentation on allocation overview
4 discussion. Okay. Can I get a motion to approve the agenda as
5 amended?
6

7 **MR. BOB GILL:** So moved, Mr. Chairman.
8

9 **CHAIRMAN SWEETMAN:** It's moved by Mr. Gill. Can I get a second?
10

11 **DR. TOM FRAZER:** Second.
12

13 **CHAIRMAN SWEETMAN:** Second from Dr. Frazer. Okay. The second
14 item on the agenda is Approval of the August 2022 Meeting
15 Minutes, and that is Tab E, Number 2. Are there any
16 modifications to the meeting minutes? Seeing none, can I get a
17 motion to approve the August meeting minutes? Mr. Dugas, and
18 can I get a second? Dr. Frazer. Okay. We've got a motion and
19 a second, and we'll consider the August 2022 meeting minutes
20 approved. Any opposition to that? Seeing none, okay. The next
21 item on the agenda is to walk through our Action Guide and Next
22 Steps, Tab E, Number 3. Over to you, Dr. Diagne.
23

24 **DR. ASSANE DIAGNE:** Thank you, Dr. Sweetman. For the action
25 guide, essentially, we have one big item, which I will call
26 allocation, and so, if that's okay, I will just discuss all of
27 those three, because there is a logical sequence to it.
28

29 **CHAIRMAN SWEETMAN:** Sure thing.
30

31 **DR. DIAGNE:** All right. Thank you. For this agenda topic, if
32 you would, allocation, we have today three items, and we will
33 first receive a presentation from Dr. David Carter from the
34 Science Center, and, essentially, he will discuss alternative
35 allocation approaches, and, during that discussion, he will also
36 highlight the pros and cons of each one of the approaches
37 discussed, among other things.
38

39 That will be followed by a summary of the SSC comments. The SSC
40 did receive a presentation on allocation from Dr. Carter, during
41 its September 2022 meeting, and Dr. Jim Nance will summarize the
42 SSC's comments and recommendations, following that presentation,
43 and, finally, as mentioned, Mr. Strelcheck is going to lead a
44 discussion, an overall, if you would, or an allocation overview
45 discussion, and, during that discussion, he will touch upon the
46 various allocation review policies and procedures that the
47 agency has recommended. Thank you.
48

1 **CHAIRMAN SWEETMAN:** Thank you, Dr. Diagne. Okay, and so that
2 takes us into our first presentation from Dr. Carter on
3 alternative allocation approaches, Tab E, Number 4. Dr. Carter.

4
5 **ALTERNATIVE ALLOCATION APPROACHES**
6

7 **DR. DAVID CARTER:** Thanks for inviting me, or I guess I should
8 say us, to do this presentation. This has been a group effort
9 between some people at the Science Center, myself, and I believe
10 you have Dr. Agar there, and we worked together with people in
11 the Regional Office, and also some staff at the council, in
12 order to come up with this general overview of allocation
13 approaches.

14
15 This is just to give some background on where this came from, so
16 that everyone knows, and it was a motion from the council that
17 asked us to have a look at alternative allocation approaches,
18 and I guess it came to us, us in the social science group,
19 because they were specifically asking for alternatives that
20 would include a socioeconomic evaluation. We did present at the
21 SSC, and we got some feedback, which I suppose we're going to be
22 hearing about after my presentation.

23
24 Just to make sure what I'm going to be talking about here, is
25 I'm going to focus on how to and how much to change allocations,
26 and there is already existing guidance, specifically the
27 allocation review guidelines, that addresses the questions of
28 why and when to change allocations, and so, like I said, I'm
29 going to focus on how to and how much to change allocation, what
30 approaches are available, and a little bit on criteria that's
31 available to judge, and I just want to emphasize this is a very
32 brief overview, and there's a lot of material within this, all
33 the topics that we're presenting here, but, right now, I'm just
34 going to go ahead and present a menu, if you will, of the
35 potential options, and then, at a later date, we can dig into
36 these a lot more, or today, if you want.

37
38 Before I begin though, it's helpful just to have, in the back of
39 our minds, anytime the council suggests, or asks, the Science
40 Center to have a look at an allocation, or have a look at, you
41 know, allocation approaches, as we are now, it is very helpful
42 for us to understand what the council has in mind, what are they
43 trying to achieve, what are the objectives, what are the
44 criteria available, at least for the council to evaluate the
45 objectives, and then, most importantly, really how to weight the
46 criteria.

47
48 It really helps us, in coming up with recommendations, if we

1 have, you know, more information at the get-go about what the
2 council is trying to achieve. Now, we realize that a lot of
3 this is established within standards in Magnuson. However, the
4 more guidance the better, when a request comes down the line.

5
6 This is the menu of allocation options, and it's not exhaustive,
7 but it pretty much covers the general categories, and I will
8 touch on each one of them, very briefly, as we go along, and so
9 we have catch-based, equal allocation, auctions, intersector
10 trading, negotiation, formal negotiation, some form of
11 multicriteria decision-making, where you consider, you know,
12 several factors, ecological, economic, social, cultural, et
13 cetera, and then, of course, there could be a combination of all
14 of these, or any of them.

15
16 To begin, we have catch-based allocation, which is the most
17 commonly-used approach to allocating, and this is what has been
18 used in the Gulf over the years, where you're splitting things
19 up according to historic shares of harvest, and, of course, you
20 need harvest records for this, and, most importantly, and I
21 believe something that the council has come up against in recent
22 years, is this is real complicated if you've got quotas in place
23 for a number of years, where you've already had allocations
24 determined, say based on prior catch-based criteria.

25
26 In this case, if the quotas, you know, have been more or less
27 met by each sector, really a catch-based approach is only going
28 to tell you about what historic allocation has been, and, of
29 course, you can have, you know, overages and underages over the
30 years, but, in general, the catch-based allocation is not as
31 helpful, or is definitely more complex, if quotas and
32 allocations have been in place.

33
34 You could just split things up evenly, and then, if there's not
35 enough to go around, allocate it with a lottery, and this could
36 be perceived as fair or unfair, depending on your perspective of
37 course, and, if you're an existing -- An existing operator, a
38 fisher, this could definitely be perceived as unfair, because
39 we're talking about giving up some of your quota, and it could
40 be randomly to some other person. However, new entrants will,
41 of course, find this a lot more fair, but I'm putting this out
42 here because it's just a simple alternative and not necessarily
43 something that we're, you know, proposing that you proceed with.

44
45 From an economic perspective, one way to extract a lot of value
46 from the use of the fishery resource is to auction it off, and
47 so you would, of course, have different perspective buyers to
48 compete for the opportunity to purchase the share of harvest,

1 and this, like I said, would extract the most economic value
2 from the fishery, because you're allocating according to
3 willingness to pay, or willingness to accept, and this is costly
4 to fishers, because now, in order to participate in the fishery,
5 you would have to explicitly pay.

6
7 However, in the case like I mentioned prior, with regard to
8 catch-based allocations, if you don't have historical records,
9 or you're in a situation where you've had quotas in place over
10 the years, then auctions represent an alternative approach to
11 allocation.

12
13 Another method worth mentioning, especially because it's been
14 used, or is in practice now in other parts of the country, is
15 intersector trading. The most prominent example right now is
16 where you have a catch share program in the commercial sector,
17 and so the example I'm putting up here is the charter halibut
18 program in the Pacific Northwest, where, up until recently, the
19 charter operators would be able to lease some of the catch
20 shares, temporarily, for use in charter fishing operations, and,
21 of course, this provides more flexibility for the charter
22 operators, and it has been met with some popularity, because
23 it's able to move quota from one sector to another, where both
24 sides are getting something out of the transfer. There is
25 compensation happening on the commercial side, and the charter
26 operators are getting this additional flexibility.

27
28 We just heard that, starting next year, the charter operators
29 will be able to actually buy quota that, you know, can be used
30 on a more continuous basis, rather than just leasing it, and
31 this came about because they allowed a mechanism to pay for the
32 quota, and that is that customers, and charter operators, are
33 now able to -- They will now pay a fee that will go towards
34 purchasing quota, and so this is an interesting program, and it
35 is one way to also reallocate.

36
37 We realize that the council process itself is -- It has, you
38 know, quite a bit of negotiation. However, it is possible for
39 us to make the negotiation, you know, very explicit, very
40 formal, much like what happens between states, or nations, in
41 the case of other fisheries, like tuna or salmon. In those
42 cases, there is, you know, a formal legal process for the
43 allocation to be negotiated and then revisited as needed.

44
45 In those cases, it's important to point out that those are
46 between geographically-defined areas, whereas, for the most
47 part, in the Gulf, with the exception of the regional management
48 program, we're talking about moving stocks, or quota, from one

1 sector to another sector, and, you know, whereas, in the case of
2 states, you have probably a better-defined system for deciding
3 who represents the states. In the case of sectors, it's not so
4 clear who represents each sector, and, also, more broadly, what
5 are the negotiations priorities, and are they only over catch,
6 or will it be over other aspects related to the catch, but this
7 is an option, potentially, a formal negotiation process.

8
9 The last category that I'm going to talk about is really very
10 close to what the council actually does now, and I'm putting up
11 the website, NOAA's website, that talks about the allocation of
12 fisheries resources, and there is some guidelines up there,
13 including these practices and factors to consider when reviewing
14 whether to make an allocation decision, and I believe that Mr.
15 Strelcheck is going to be talking about that, but this is a type
16 of multicriteria decision-making.

17
18 Anyone who has looked at a council, looked at an amendment
19 document, they will recognize that those documents have sections
20 dealing with each of these major criteria, you know, ecological,
21 economic, and social criteria, and a lot of the work that we do
22 at the Science Center, and at the Regional Office, is trying to
23 come up with good measures of these different criteria, so that,
24 when someone picks up one of these documents and looks at the
25 alternatives, and the potential impacts of those alternatives,
26 that there is all this information there in one place for you to
27 look at, and then try to make a decision, taking into account
28 all these different criteria.

29
30 The process itself, the decision itself, of course, occurs
31 within the council setting, and this could be more formalized.
32 There has been discussion, over the years, and, actually, even
33 more recently, about the use of bioeconomic or management
34 strategy evaluation models to formalize the consideration of
35 these criteria, whereby you would have some big model that would
36 spit out a recommended allocation, based on all the different
37 criteria.

38
39 We would like to pose the question, you know, of can everyone
40 agree on a model to use, in that case, and, as an example, we
41 point to the SEDAR, which is the main other big modeling
42 exercise that we have in the Southeast, where, you know, there
43 are many people involved, over an extended period of time, for
44 each stock assessment, and, for the most part though, all the
45 parties are aligned in trying to answer the general question,
46 which is how many fish.

47
48 In the case of allocation, if they were trying to get everyone

1 to agree on a model, in some big modeling exercise, maybe akin
2 to the SEDAR, you don't necessarily have alignment in the
3 outcome, because the outcome is determining who gets the fish,
4 and so, for example, is there some parameter in the model that,
5 you know, at one level, suggests more fish go to the commercial,
6 and, at another level, more fish goes to the recreational
7 sector, and it could be difficult to get agreement, and
8 consensus, on the parameter, on the level, upper level, to use
9 for that parameter.

10
11 You could argue that, you know, science should dictate what is
12 the best parameter, in that case. However, as anyone knows who
13 deals with the SEDAR process, there's always subjective, you
14 know, decisions that have to be made along the way, and so,
15 whereas in the case of the stock assessment, it would seem, you
16 know, more likely that people would agree on the general
17 objective, which is, again, how many fish, in the case of
18 allocation, it's muddy, because you're talking about who gets
19 the fish, but, even if you said, all right, we're going to go
20 ahead and try to formalize this multicriteria decision-making
21 with some big model, you need really good data, of course, and
22 then the model, and so, in the case of the commercial sector, we
23 probably have pretty good data to parameterize some kind of
24 model.

25
26 However, in the recreational sector, we don't necessarily have
27 fine-scale data, and we have, currently, just started the for-
28 hire logbooks, which should give some detailed data, but the
29 private anglers, which generally make up the biggest portion of
30 many, or most, fisheries, the question is, you know, where can
31 you get that detailed data that you would need to, you know,
32 parameterize one of these models, or even to explore some of
33 these alternative allocation approaches.

34
35 I have just a little digression here, and I'm almost done, by
36 the way, but where would we get, you know, more detailed angler
37 information, and why would anglers agree to provide something,
38 you know, beyond say what they do with the current data
39 collection that is going on in the Gulf of Mexico, and, you
40 know, if we wanted some really fine, detailed data, what kind of
41 incentives could we provide?

42
43 There has been a proposal, recently, and, in fact, some in our
44 group in the Science Center have proposed a program, recently,
45 where you would give some anglers longer, slightly longer,
46 seasons if they would agree to participate in a logbook program,
47 and there's been some discussion about potentially testing
48 something like this in a field experiment, and, in fact, in the

1 South Atlantic right now, there's discussion about a potential
2 exempted fishing permit, whereby we would evaluate some of these
3 approaches in the context of being able to actually provide a
4 season, or extend a season, for some of the reef fish over
5 there.

6
7 In summary, the current multicriteria approach that the council
8 uses, and that shows up in all the amendment documents, requires
9 heavy council involvement and decision-making, detailed data and
10 accurate models, and there are some of these alternative
11 approaches, like auctions or intersector trading, for example,
12 that may require more design upfront, but less data and modeling
13 for ongoing management. Regardless of the allocation strategy
14 adopted though, detailed data is necessary.

15
16 We wanted to suggest some ways to proceed, and I would like to
17 point out that none of us in the Science Center, or really in
18 the Regional Office, are experts, or specialists, in any of
19 these allocation approaches, and so there are, of course,
20 academics, and other policy makers, who have had experience with
21 some of these approaches, either in fisheries or other contexts,
22 like water, for example, and we would suggest that it would be
23 helpful to have some kind of a meeting, or a workshop, where we
24 can learn from some of these specialists, or experts, on
25 allocation approaches.

26
27 We are also having a meeting of all the social scientists this
28 year, and it's coming up very soon, and we're going to be
29 discussing this stuff more.

30
31 The other major thing to consider, with regard to allocation, is
32 the allocation within the recreational sector, or within the
33 commercial sector, where you don't have a catch share program, a
34 market, in place. In those cases, you know, how can we improve
35 the efficiency of the use within the sector? We know that some
36 people like the bag limit of two fish, and others could care
37 less, and some would want more than two fish, or three fish, and
38 is there a way that we could tailor policies a little bit more,
39 so it's not a one-size-fits-all, in order to improve the value
40 that we get from the fishery and the satisfaction from anglers.

41
42 You know, this could involve exploring more about sector
43 separation, and for sure we would want to start examining, or
44 analyzing, the logbook data that we're getting from the charter
45 sector, and then, like I mentioned before, try to come up with
46 innovative ways to collect more detailed angler data to
47 understand ways that we can tailor policies and make them more
48 flexible for some people, and, lastly, we think it's important

1 to look towards industry, and look towards, you know, the
2 anglers and charter/for-hire operators and see if we can find
3 any innovative solutions that are taking place there.

4
5 There is an example that most people know about, these catch
6 share experience trips, and it's worthwhile exploring that,
7 because these are clever solutions to move quota from one sector
8 to another, and it's worth exploring this potentially further,
9 and that's all I have. Thank you.

10
11 **CHAIRMAN SWEETMAN:** Thank you, Dr. Carter, for the presentation.
12 It was very informative. Any comments or questions from the
13 council? Mr. Gill.

14
15 **MR. GILL:** Thank you, Mr. Chairman, and thank you, David, for
16 that presentation. I guess I was struck, because I don't recall
17 this from the SSC presentation, but I was struck by your
18 assertion that the current approach is multicriteria, and I
19 think I can understand where you're coming from, because that's
20 where we're trying to get to, and, you know, we addressed that
21 in the allocation policy, et cetera, but the reality is that
22 we're really, and have always one it, on a catch basis, and, you
23 know, your first bullet that every alternative and option is
24 about landings history, and so could you clarify for me why
25 you're asserting that the multicriteria is what we actually do,
26 because I disagree with that.

27
28 **DR. CARTER:** I see what you're saying, and what you're
29 suggesting, or stating, is that the existing approach doesn't
30 actually start to decide the allocations based on any of these
31 criteria, and what happens in the existing approach is that we
32 try to use catch history, and then, once the catch history
33 alternative -- Once the alternatives are established, based on a
34 catch history, then all these other criteria are brought in, and
35 they show up in amendment documents, when we have alternatives
36 based on catch history.

37
38 Yes, I hear your point, for sure, and what you're suggesting is
39 that a true multicriteria approach would go back and use that
40 multicriteria approach to determine an allocation alternative
41 itself, rather than just to judge ones that have been
42 established by catch history, and so I'm agreeing with you, and
43 did I clarify it?

44
45 **MR. GILL:** Thank you for the response, and so, yes, I think
46 we're on the same page, and so we've always done catch landing
47 history as the basis, and the current mode embarked on trying to
48 incorporate the multicriteria approach, and that accurately, I

1 think, describes where we are currently, and where we get to in
2 the future I don't know, but, you know, the statement that our
3 current approach is multicriteria I think is misleading.

4

5 **CHAIRMAN SWEETMAN:** Dr. Diagne.

6

7 **DR. DIAGNE:** Thank you very much. To Mr. Gill's point, I
8 believe that the slide did say that we have a multicriteria
9 decision-making approach, right, and so that's very different
10 from saying that the alternative allocations in the amendment
11 are, by themselves, designed using a multicriteria approach, and
12 I think that the distinction is important, and I believe that,
13 with the example in the discussion that Dr. Carter gave, he was
14 referring to the depth of analysis in our amendments, saying
15 anybody who looks at that would see that we have the ecological,
16 the biological, the economic, et cetera, factors, and I believe
17 he was speaking more towards the decision-making approach.

18

19 In any event, to start from, I guess, day-one, if one wanted to
20 use a multicriteria approach to lay out the alternatives to be
21 analyzed in the document, then the bigger question will still be
22 before us, meaning what exactly are the objectives of the
23 council in looking at the reallocation. Thank you.

24

25 **CHAIRMAN SWEETMAN:** Thank you, Dr. Diagne. Ms. Boggs.

26

27 **MS. SUSAN BOGGS:** Thank you, and thank you for the presentation.
28 It's certainly something that this council needs to start
29 looking at, is different approaches to how we prosecute the
30 fisheries in the Gulf of Mexico.

31

32 Kind of thinking back to what Mr. Gill said, earlier today, with
33 public comment, any decision that this council tries to make
34 with this is going to be not agreed with by the fishermen, as
35 you've expressed, and, you know, getting two fishermen to agree
36 on anything is just almost unlikely, but I might encourage the
37 council, and the Science Center, if we decide to go forward with
38 any of these approaches before you all convene your scientists
39 and your academics and your specialists and this and that, and I
40 kind of want to hear from the public on this first, because
41 there may be some ideas that they just absolutely say, no, we're
42 not interested in, and so why do we explore that, unless the
43 Science Center just says, yes, that's the one we're going with,
44 and that's how it's going to be, but there's a lot of
45 information here, and a lot of ideas here.

46

47 It's a little too early for me to make the rest of my comments,
48 I think, but it kind of -- When you were talking about bringing

1 all these people together to start having these discussions,
2 this might be one of those times that you want to listen to the
3 stakeholders first, because there might be some of these ideas
4 that they all just say, no, we're not interested in, and it's
5 just food for thought.

6
7 Andy, it stuck with me that we need to be creative and start
8 thinking about different ways to look at how we manage these
9 fish, and I'm just trying to be maybe a little forward-thinking
10 on this one. Thank you.

11
12 **CHAIRMAN SWEETMAN:** Thank you, Ms. Boggs. Any further -- Andy.

13
14 **MR. STRELCHECK:** A couple of comments, and so thanks, Bob, for
15 your comment, and Dr. Diagne for the response. I think, when I
16 get into my presentation later, you're kind of getting at the
17 crux of the issue of why I wanted to bring that forward, which
18 is we often look at it from the standpoint of changing the time
19 series of years and the catch history, and the reality is the
20 amendment, the content of the amendment, looks at these multiple
21 criteria, when it comes to allocation decisions, and the record
22 has to be built in terms of those decisions. Sometimes we do a
23 better job than others, in terms of the rationale behind
24 allocations.

25
26 A couple of questions for David, and so thanks for the
27 presentation. The first question relates to intersector
28 trading, and so I know the council may very well still have a
29 motion that is tabled for consideration of intersector trading,
30 and, David, from your experience, what you know of the halibut
31 program or others, is there potentially downsides to intersector
32 trading, when it comes to like demand for allocation and prices,
33 because I know that's a major concern right now, just within the
34 existing commercial program and the amount that commercial
35 fishermen are paying for allocation prices.

36
37 **DR. CARTER:** I do know. I'm just not that familiar with the
38 programs, and I don't mean to put him on the spot, but I don't
39 know if Juan knows anything else about it.

40
41 **MR. STRELCHECK:** He shook his head no. All right, and so the
42 second question relates to auctions, and I could see those as
43 very destabilizing for the industry, and, if we used auctions, I
44 think it would have to be used kind of in conjunction with
45 something else, but I guess I'm struck by the fact that they
46 also seem very contrary to at least the current administration's
47 EEJ initiatives, and kind of fairness and equity, with regard to
48 equity and environmental justice, and I'm just curious if you

1 could speak to that.

2
3 **DR. CARTER:** I see your perspective, but, once again, I don't
4 know enough about the literature, or any other experiences, that
5 would give you concrete examples, or direction, one way or
6 another with regard to environmental justice and auctions.
7 That's why I say I think, at this point, it's well worth, you
8 know, discussing some of these ideas with people who actually,
9 you know, know this and have had experience, both with the
10 auctions and the intersector trading, especially with regard to
11 the down sides, like you mentioned. To be able to hear from
12 people that are actually involved in these programs would make a
13 lot of sense, it would seem.

14
15 **CHAIRMAN SWEETMAN:** Okay. I appreciate that discussion there.
16 Any further comments or questions for Dr. Carter? Seeing none,
17 okay. Thank you, Dr. Carter, for the presentation. We really
18 appreciate it. Okay. Next up on the agenda is SSC Report on
19 Allocation Approaches Presentation from Dr. Nance. Dr. Nance.

20
21 **SSC REPORT ON ALLOCATION APPROACHES PRESENTATION**

22
23 **DR. JIM NANCE:** Thank you, Mr. Chair. It's good to be here
24 today. As was indicated, we heard this same presentation at our
25 September 2022 meeting, and Dr. David Carter, from the Southeast
26 Fisheries Science Center, presented these current approaches to
27 sector allocation analysis and noted the timing and
28 justification for allocation changes in the Gulf would be
29 determined by the allocation review guidelines.

30
31 As you noted in the presentation, the presentation discussed the
32 methods by which allocations could be modified. The allocation
33 presented included catch-based allocations, equal share, or
34 lottery, auctions, intersector trading, and Number 5 was the
35 multicriteria allocations, including ecological, biological,
36 economic, and social factors.

37
38 During our discussions after Dr. Carter's presentations, we
39 recognized that allocation decisions are difficult. We agreed,
40 as an SSC, that the role should be limited to the scientific
41 aspects of allocations and reiterated, amongst ourselves, that
42 allocation-related management decisions were ultimately the
43 prerogative of the council. It's important that understanding
44 the objectives of reallocation to evaluate whether approaches
45 used will achieve the stated goals.

46
47 The SSC may have more to contribute once allocation objectives
48 are clearly specified. The SSC needs a concrete statement from

1 the council as to the allocation goals and objectives before
2 evaluating efficacy, and that is a summary of our discussions
3 during that presentation.

4
5 **CHAIRMAN SWEETMAN:** Thank you, Dr. Nance. Any questions or
6 comments for Dr. Nance? Mr. Gill.

7
8 **MR. GILL:** Thank you, Mr. Chairman, and thank you, Dr. Nance,
9 for presenting that. My comment is, as you know, your March
10 agenda I believe will have a presentation on an alternative
11 allocation process, and I would encourage you to foster just as
12 vigorous of a discussion as you had in your September meeting,
13 when that presentation is done and fully fleshed-out, and
14 hopefully the SSC can bring something back to the council, in
15 terms of what the science involved, whether it's good or bad,
16 that will give us something to chew on, and so thank you.

17
18 **DR. NANCE:** We will certainly do that, and, at the March
19 meeting, we'll be able to look at that presentation and then
20 have a good discussion about it. Thank you for that.

21
22 **CHAIRMAN SWEETMAN:** Okay. I'm looking around the table. Any
23 other questions? If not, thank you very much, Dr. Nance.

24
25 **DR. NANCE:** Thank you.

26
27 **CHAIRMAN SWEETMAN:** Mr. Chair, we are a little ahead of
28 schedule, and we're tentatively scheduled for a break right now.
29 What is your pleasure?

30
31 **MR. DIAZ:** I think this might be a good time to break, to take a
32 few minutes break. Let's take a ten-minute break right now, and
33 we'll start back up at about 2:20, and we'll pick up where you
34 left off. A ten-minute break.

35
36 (Whereupon, a brief recess was taken.)

37
38 **CHAIRMAN SWEETMAN:** All right, and so our next agenda item is
39 Tab E, Number 6, an allocation overview discussion by Mr.
40 Strelcheck. Mr. Strelcheck.

41
42 **ALLOCATION OVERVIEW DISCUSSION**

43
44 **MR. STRELCHECK:** Thanks, Mr. Chair.

45
46 **CHAIRMAN SWEETMAN:** Just a reminder for everyone that we have a
47 slight modification to the agenda. After this presentation,
48 Mara will be discussing about red grouper and the decision made

1 there.

2
3 **MR. STRELCHECK:** Great. Just as way of background, before we go
4 through the slides, and I have just a very short presentation,
5 and my intent is really, with the last slide, to generate some
6 discussion, and I think we had some good questions following Dr.
7 Carter's presentation, but the impetus for this is really some
8 kind of reflection, based on our conversation at the October
9 meeting, and some comments that I made toward the tail-end of
10 that meeting, as well as, at the time, when I suggested this to
11 Carrie and John, the fact that we were still waiting on the
12 decision for the red grouper lawsuit, which I know that Mara is
13 going to talk about shortly.

14
15 With that said, I wanted to just provide kind of a brief
16 overview of a lot of the policies and procedures that exist
17 currently, both with the council and with National Marine
18 Fisheries Service, with a focus on recommended practices and
19 factors for the council to consider when reviewing and making
20 allocation decisions.

21
22 I won't walk through all of these, but I have listed some, and
23 maybe not all, of the guidance documents, but you can see there
24 is six bullets there, and there is a myriad of different
25 policies, and guidance documents, that's available to the
26 council, some of which you have been a part of in creating and
27 some of which NMFS has drafted and developed as procedural
28 directives, but, in noting this, I think the emphasis here was
29 that there are a lot of things that are already kind of laid
30 out, in terms of things that we, as an agency, you as a council,
31 need to be focusing on when we go through and deliberate over
32 allocations.

33
34 Although we cover these factors, as, you know, was kind of
35 pointed out in the last discussion, often we focus on catch, and
36 decisions about catch, and we don't necessarily cover, in great
37 detail, or breadth of record, with regard to the multiple
38 criteria that need to be considered when making an allocation
39 decision, and so I wanted to just kind of briefly talk about
40 this, and I know Ava and Assane have also given presentations on
41 this, but kind of to focus on kind of next steps of things we
42 could do to potentially improve our allocation decision process.

43
44 I won't read these, but these are recommended practices, and
45 they come directly from one of those procedural directives that
46 I cited on the last slide, and we've spent a lot of time talking
47 about the first bullet, in terms of council FMP objectives and
48 making sure that, when we make an allocation decision, that

1 those are updated.

2
3 I really continue to emphasize that, for clarity, and,
4 ultimately, at the end of the day, we want to make sure that we
5 understand the objectives, and that they are measurable, and
6 that they can help then clarify, obviously, the decision that
7 we're driving at, including any sort of benefits, or tradeoffs,
8 that we would have to make. Obviously, allocation decisions are
9 complicated, and there isn't, sometimes, necessarily an
10 allocation decision that's going to meet all of your objectives,
11 and so helping to clarify those upfront is extremely important.

12
13 An area that I think we've really kind of struggled with is
14 identifying the needs of each sector and really clearly laying
15 out, early in the process, what those needs look like and the
16 potential effects of allocation decisions on those sectors and
17 talking about those as we work toward making our allocation
18 decisions.

19
20 For fisheries where we might have limited access, or catch
21 shares, it's really important that we use control dates and
22 other ways to minimize speculative behavior, so that our
23 deliberations, in terms of reaching a decision on allocation, do
24 not affect market conditions and the economics prior to making
25 that decision, and so, while that's something that we really
26 haven't had to use frequently recently, and I know control
27 dates, in the past, have been used quite frequently for various
28 fishery decisions, outside of even allocations.

29
30 Then planning for future conditions, and kind of the management
31 response, and this one is one that we've talked about a little
32 bit with various fisheries, but it's kind of thinking through
33 like, well, if a sector doesn't harvest their quota, right, then
34 you prearrange it to where that remaining quota is moved to the
35 other sector, and so thinking in terms of how we can optimize
36 yield and harvest levels and manage the resource as a whole,
37 while planning for those future conditions, and so these are
38 things that, to me, provide more flexibility in the management
39 process, but also more complexity, ultimately, when you are
40 making those decisions.

41
42 The multicriteria discussion that we had just a little bit
43 earlier, this is where I see kind of those multicriteria laid
44 out in the amendments that we deliberate on with regard to
45 allocation decisions, or really any other fishery management
46 decisions that we're working on, and so you can see a variety of
47 different questions that are posed there, but the point here is,
48 whatever factor you're looking at, we have to look at the suite

1 of those factors, and, ultimately, as kind of David was
2 mentioning, we have to weigh the benefits and drawbacks of those
3 factors with regard to decisions that we're making about
4 allocation, or other fishery management decisions, and so that's
5 contained in the amendments, but, oftentimes, I don't think we -
6 - I am speaking in my own personal opinion, and I don't think we
7 draw those out, and I don't think we shine a bright enough light
8 on the conversations around these factors, and we could build a
9 better record, at the council, with regard to decisions about
10 allocation and answering some of these key questions.

11
12 In the South Atlantic, they are building an allocation decision
13 tree. In some respects, it's going to get at this and kind of
14 show kind of what directionality, potentially, these factors
15 would lean for one sector versus another, based on key questions
16 that they're asking, and so that hasn't yet gotten off the
17 ground, where they're utilizing that allocation decision tree
18 process, but it's something that will be used, going forward,
19 and we'll be learning from, to see if it will benefit the
20 council, but it's intended, right out of the gate, to be very
21 open and transparent, with regard to walking through various
22 factors that the council needs to be aware of when they are
23 making decisions about allocations.

24
25 The other aspect of this, which I think is really important, is
26 looking at indicators of performance and change, both when
27 you're making an allocation decision, but also once you've made
28 an allocation decision, right, coming back to that and
29 evaluating, obviously, performance going forward, and so the --
30 I noted this, and this is kind of a high-level just brief
31 overview, but the point behind this is there's very much
32 detailed procedural directives that lay out this in much greater
33 detail and provide that information, and I want to emphasize
34 that, you know, when we, as an agency, make a decision about
35 approving, or disapproving, a council action, we have to be
36 looking at it in light of the entire scope of the record, and
37 ultimately what the council decided, and what information is
38 available to build that record and making that decision about it
39 approving it or not.

40
41 This is my last slide, and I really want to open this up for
42 discussion, thoughts, reaction, and some of these are, I think,
43 obvious statements, but I will acknowledge the allocation
44 process can be, and I would say probably is, complex and
45 contentious.

46
47 There has been some confusion, in my view, with regard to the
48 use of the new MRIP data, and I think it's important that,

1 regardless of the use of new MRIP data, we still have to look at
2 these factors, and we have to base our decision, in terms of
3 allocation, around those multiple factors and criteria, when
4 changing allocation, and so MRIP data is, obviously, part of
5 that rationale, in terms of why we're changing it, based on new
6 data streams, but there are certainly a lot of other factors
7 that need to be considered, and discussed, in building that
8 record.

9
10 As you all know, and was pointed out with David's presentation,
11 we rely heavily on time series of landings for modifying
12 allocation, and there's certainly a lot of options that David
13 just presented that we could explore, and that we would be
14 interested in exploring, as alternatives to that. We talked
15 about the objectives, and making sure that they're clearly
16 stated, and I think, from my standpoint, with future allocation
17 decisions, really emphasize the need to clearly state those
18 objectives, early and often.

19
20 In terms of the factors that I just walked through, I think, you
21 know, the emphasis, for me, is really in kind of that second-to-
22 last bullet, which is we have a lot of analyses and information
23 in the amendment, and staff does a great job of writing those up
24 and providing that, and I'm not sure that, oftentimes, we
25 utilize that information in the way that it was intended, and,
26 before we kind of jump into selecting a preferred alternative,
27 that we're more deliberate, in terms of kind of walking through
28 those factors, and ultimately discussing those factors and
29 building that record for the decision.

30
31 Then the last point, which then Mara can build on with her
32 discussion of the red grouper lawsuit, is, you know, as much as
33 I would like for the allocation decisions to be kind of
34 standardized and consistent from one to the other, each decision
35 is unique, and there is unique factors and information that can
36 affect your decision, and so keep that in mind, in terms of the
37 review of any sort of allocation, or reallocation, and,
38 regardless of kind of the uniqueness of it, the bottom line is
39 the record has to be built with us, and that decision lies with
40 us, and so we build the record, in terms of ultimately deciding
41 what allocation change might take place.

42
43 Ultimately, it's up to the agency to approve, or not approve,
44 that, and then the courts and legal system, if that's contested,
45 but, if we've done our job, and met our mandates, then, legally,
46 that should suffice, in terms of building the record for the
47 allocation decision. I will stop there and just open it up for
48 thoughts or reactions, but I really want to try to continue to

1 improve the allocation process, given that it has been fairly
2 contentious for quite some time.

3
4 **CHAIRMAN SWEETMAN:** Okay. Thank you, Andy. I'm sure those
5 questions and comments -- Mr. Dugas.

6
7 **MR. DUGAS:** Thank you, Mr. Chair. Thank you, Andy. A question,
8 and you mentioned that the South Atlantic is using a decision
9 tree, and maybe I missed some of it, but are they utilizing it,
10 or what stage are they at, because that's something that we can
11 use in the future.

12
13 **MR. STRELCHECK:** Potentially, yes, it's something you could use
14 in the future. At this point, they have built the decision
15 tree, and I would say it's kind of still in the late development
16 stage, and they haven't applied it for any allocation decisions,
17 and it's really not for decisions, per se, as much as kind of
18 giving them some guidance, and information, early on in that
19 allocation discussion.

20
21 **CHAIRMAN SWEETMAN:** Yes, I agree, and it's -- I've had practice
22 in using it, and it's very user-friendly. It doesn't make the
23 decision for you, obviously, and it involves some further
24 discussion, but it clearly lays out some of the issues, in a
25 more visual representation, for the council's consideration in
26 helping move this process along. Dr. Stunz.

27
28 **DR. GREG STUNZ:** Thank you, C.J., and so is that something we
29 should get a presentation here or something, because I'm not
30 that familiar with it, and I don't know, Carrie, and it sounds
31 like something -- I don't know if it's ready for that yet, Andy,
32 or not, but sometime, probably sooner than later.

33
34 **DR. DIAGNE:** Yes, Dr. Stunz, and, in fact, during the previous,
35 actually the September 2022 SSC meeting, it was discussed that
36 possibly we would request someone from the South Atlantic to
37 come before the SSC and discuss the decision tool, so that you
38 will have the benefit of their comments and recommendations,
39 plus a second presentation of the decision tool to this body, if
40 you so chose.

41
42 **CHAIRMAN SWEETMAN:** I think that could be useful. Mr. Anson.

43
44 **MR. KEVIN ANSON:** Thank you, Dr. Sweetman. Yes, I think it
45 would be beneficial for us to see something that another council
46 is looking at, and I'm just wondering if -- It might be included
47 in that presentation, but, you know, one of the challenges that
48 we deal with, in trying to manage the species, is, you know,

1 trying to get a handle as to what data is available to help us
2 kind of make these decisions, and so we have, you know, issues
3 with looking at catch rates for maybe like data-poor species and
4 such that we're looking at, and so, you know, does that include
5 an accounting of kind of the datasets that are available and
6 whether or not a certain species, or species complex, you know,
7 would have allocation decisions with, you know, a particular
8 dataset, whereas another species, or dataset, would not have any
9 decision that would be included in that, with that data, because
10 it didn't cover those, or does it get down to that level of
11 detail, Dr. Sweetman, as far as, you know making, or providing,
12 the information to, again, fully flesh-out allocation decisions?
13

14 **CHAIRMAN SWEETMAN:** To be honest with you, I don't know the full
15 answer to that question, because I haven't been involved
16 directly in that South Atlantic process, but I've just seen how
17 it's been applied so far, and so, as far as how specific the
18 datasets that are involved in that, I think that maybe could be
19 answered in a later presentation on that, to kind of get into
20 the nuts-and-bolts of it, but, yes, it's a good question. Mr.
21 Gill.
22

23 **MR. GILL:** Thank you, Mr. Chairman. Before I get to my comment,
24 perhaps Kerry can weigh-in on that, since she's directly
25 involved, and she knows all about it, I'm sure.
26

27 **MS. KERRY MARHEFKA:** I know something about it. I don't know if
28 I know all about it. As Andy said, we've taken it on a little
29 bit of a test run, and I think it was amberjack that we
30 pretended we were going through it with, and I don't know, but
31 sometime last year, and it is very -- How am I going to put
32 this?
33

34 I haven't seen it -- I am nervous about what's going to happen
35 when we start doing it in real life, because there are some
36 questions, at the very beginning, where the tree branches off,
37 that I find are subjective, you know, and you have to sort of
38 qualify, you know, and is say amberjack important to the
39 commercial fishery, and is it important to the recreational
40 fishery, and you're using that sort of subjective thinking and
41 not necessarily hard numbers all the time.
42

43 In a way, that's good, because it allows you to use some of our
44 knowledge that we have, in a way, until we can really use it for
45 the whole process. I am very interested to see how it's going
46 to play out, when we actually have to use it, but it's a great
47 tool, and I was just looking, and we didn't discuss it at the
48 last meeting, and so I was trying to look up the tool, and I

1 will have it at the break, and then, if anyone wants to come
2 over and look at it, I'm happy to show you for now, before you
3 get the full discussion from Chip or Mike or someone who really
4 knows the nuts-and-bolts of it.

5
6 I am optimistic that it's a good way to go, and it really allows
7 you to use your knowledge and not just to look at some numbers,
8 and that's what I am very excited about for it.

9
10 **CHAIRMAN SWEETMAN:** Thank you, Ms. Marhefka. Mr. Gill.

11
12 **MR. GILL:** Thank you, Mr. Chairman, and so, in reference to
13 Andy's request for comment on what he brought up for discussion,
14 I agree with everything there, and no surprise there, and, in
15 fact, since I've been back on the council, I've probably
16 mentioned it at every meeting, but I would like to take a shot
17 at addressing part of the problem, which is this first part of
18 this first bullet on the last page, that the allocation process
19 can be complex, with which I wholeheartedly agree, but, if you
20 go back to his Slide 2, and those six documents, and I wish he
21 hadn't alluded to the fact that there might even be more, but
22 these documents lay out an awful lot of thou shall, thou ought
23 to, best practices, and the laundry list is pretty long.

24
25 From my perspective, keeping it all straight and in my head, to
26 address, when we get to allocation discussions at the table, is
27 virtually impossible, and so we might readily be missing a
28 number of the things we ought to be considering, because we're
29 on to all the others, and so, when I saw Andy's document, the
30 first thing that came to me was, and staff is going to hate
31 this, but I think there is merit to considering having a
32 checklist to incorporate all these things that we ought to be
33 considering and going down and, yes, you covered that one, but
34 you missed this, this, and this.

35
36 From my part, I can't keep it all straight, and so I can address
37 Point A, and I can address Point B, but, to be inclusive, no
38 way, and so I may be the dumbest guy in the room, but I need
39 help on something like a checklist, or call it what you want,
40 but something that gets through and says, yes, we fully covered
41 this, this, and this, and there's a minor thing here, or
42 whatever, whatever status, so that we can then go back, if we
43 miss something, and address that.

44
45 As you know, my belief on how we treat allocation decisions is
46 very rudimentary, and we don't consider all this stuff, and,
47 yes, it's in the document, but we don't talk about it, and it
48 all comes down to landings history and which one provides the

1 biggest number to which sector, but we don't fully address
2 allocation, the socioeconomic concerns or any of that, and
3 that's what we're supposed to be doing.

4
5 That's what we say we're doing in the review policy and
6 guidelines, but we don't, and so I think a checklist, as painful
7 as that is, as administrative burden as it is, I think that
8 would be helpful, and, Assane, I'm looking at you, and I think
9 that would be helpful in trying to address these issues
10 inclusively and not leave them out because we're addressing this
11 or that or the other, and so my recommendation is to
12 incorporate, as part of the allocation discussion, a checklist,
13 and I'm sorry to say, Assane, but I guess you would have to keep
14 track of it, to help us ensure that we do cover what we're
15 supposed to cover. Thank you.

16
17 **CHAIRMAN SWEETMAN:** Dr. Diagne.

18
19 **DR. DIAGNE:** To the risk of making, I guess, a second checklist
20 appear, but I think it's a great idea, and perhaps that would be
21 an extension of something that this council requested, because
22 John Froeschke here was reminding me that, for example, during
23 your discussions relative to Amendment 54, a presentation, I
24 believe prepared by Dr. Lasseter, did show the series of
25 economic factors that were discussed in the amendment and where
26 they were located, and it did the same thing for the ecological
27 and biological and so on factors, and so, essentially, per your
28 suggestion, then you would want this list to be available to the
29 council as you are going through the discussions, or a
30 particular suite of alternatives, and so, to the extent that
31 someone would offer a motion, someone would tell them, well,
32 perhaps the motion is premature, because we haven't finished
33 discussing the entire list, and is that a little bit what you
34 are thinking, to make sure that this body discusses fully all of
35 the factors before you essentially offer a preferred, or at
36 least before you go forward?

37
38 **MR. GILL:** Yes, precisely, Assane, and, you know, checklists are
39 used commonly, in many instances, and, just for one, when you're
40 in the cockpit of an airplane, and you down a checklist to make
41 sure you've got everything covered, and you don't forget
42 something that's important, and this is precisely the same
43 intent, and I would argue it's needed.

44
45 **CHAIRMAN SWEETMAN:** To that point, Dr. Diagne.

46
47 **DR. DIAGNE:** Yes, and just to perhaps -- I mean, that was in
48 Andy's presentation, and the fundamental difference, again -- I

1 mean, I will say it, perhaps, one last time, and hopefully, when
2 I'm in the airplane, we know where we're going, and so that's --

3

4 **CHAIRMAN SWEETMAN:** To that point, John?

5

6 **DR. JOHN FROESCHKE:** Just a point of requesting some
7 clarification, and what I'm struggling with is, once you have a
8 suite of alternatives, I can see how you would take a checklist
9 and make sure you have your bases covered, but, if you're at
10 ground-zero, and you don't have a suite of alternatives, or
11 potential, I don't know what checklist would be developed to
12 help you get there, in the absence of using landings data,
13 because the reason it seems like we use it, in practice, is
14 because we don't have other sources of information that are
15 complete enough to inform these as the basis of allocations.

16

17 **CHAIRMAN SWEETMAN:** That's a good point. Mr. Chair.

18

19 **MR. DIAZ:** Thank you, Dr. Sweetman. Mr. Strelcheck, thank you
20 for bringing this up, and I think this is a good discussion for
21 us to have, and I know you're trying to get us to do better, and
22 I think we can do better, and so you said they're complex and
23 contentious, and I think that's why, years ago, NOAA pushed us
24 towards the allocation schedule, because councils -- Because
25 they were complex and contentious, councils tended to avoid
26 them, and so now we have a schedule where we're going to look at
27 them over time, but the complex part of your thing is even more
28 complex, because now we've got FES and CHTS conversions, which
29 that by itself is complex, and you add that into trying to
30 figure out an allocation discussion, and it's just extremely
31 complex.

32

33 I do think that we could do a better job with how we explain
34 these FES and CHTS conversions, and getting that information to
35 the public, and to the council, frankly, and I think that would
36 be big improvement.

37

38 The point is well noted that you mentioned several times that we
39 need to build a record for allocations. I think the council
40 needs to be conscious that we're building a record all the time,
41 but, the next time that our legal staff has to review our
42 record, it might not be over an allocation, and, as a matter of
43 a fact, the next point that I think -- I think Mara is going to
44 talk, at the end of the meeting, about where we're being sued
45 over the SEFHIER program, and that's not an allocation issue.

46

47 I would encourage council members, as they're around the table,
48 and you might be thinking of something that you want to say, but

1 you think, well, that's obvious, and I don't need to say that,
2 and, well, if it ain't in our record, it's not obvious, and,
3 whenever they go to review it, if we didn't say it, it ain't in
4 there.

5
6 Anyway, I think we should be considering that every time we have
7 a discussion, but thank you for bringing it up, Mr. Strelcheck,
8 and I appreciate all the discussion we've had around the table
9 so far.

10
11 **CHAIRMAN SWEETMAN:** To that point, Mr. Strelcheck?

12
13 **MR. STRELCHECK:** Well, I agree with your friendly amendment to
14 put "extremely" in front of "contentious" in my presentation. I
15 wanted to go back to -- There was some good discussion around
16 the South Atlantic decision tree, and, I mean, I don't see that
17 as a fantasy, and I think it is another tool in the toolbox that
18 the council can explore.

19
20 I think Kerry would agree with me that the South Atlantic
21 Council struggles with allocation decisions, maybe less so than
22 the Gulf Council, but still there's a struggle there in building
23 the record, and, you know, ultimately, going through these
24 factors and information just is -- It can be tedious, and time
25 consuming, and there's a lot of factors that are both benefits
26 and tradeoffs to the decisions, depending on the sector and
27 where you sit, right, and so full recognition, obviously, that
28 this isn't easy, but, if we can at least be more deliberative in
29 our thought process, whether it's a checklist or whether it's,
30 you know, just making sure that we are having more focused
31 discussion of the information that's contained in the
32 amendments, I think we would be better off, in terms of building
33 a better record over time.

34
35 **CHAIRMAN SWEETMAN:** Ms. Marhefka.

36
37 **MS. MARHEFKA:** Thank you for letting me speak, and I won't
38 belabor it, but I was able to find our document, and I just
39 wanted to tell you that there's six items that we consider, and
40 so I can tell you really quick, and it's landings, and then it
41 is stock status, economic importance, trends in demand, trends
42 in demand for quota, and then cultural importance, and so, as
43 you can see, some of those -- You know, when you're talking
44 about cultural importance, you know, that's a very subjective
45 thing, but then we have landings, which, obviously, are very
46 objective, and so those are the items we consider, and, of
47 course, we get more complicated in that, but I am hopeful that
48 that does guide us down a path.

1
2 **CHAIRMAN SWEETMAN:** Thank you for that detail, Kerry. I
3 appreciate it. Dr. Frazer.

4
5 **DR. TOM FRAZER:** Allocation is my favorite discussion. You
6 know, whenever you're talking about allocation, that means more
7 than one user, right, or user group, has an interest in the
8 resource, and they find value in it, and, because they find
9 value in it, there's a need to acquire it, or harvest it, and,
10 in this case, it's a fish, right, but, as a consequence of that,
11 it's limiting, right, in one way or another.

12
13 What I think is the most difficult thing, and let me say that I
14 would agree with the fact that checklists would be valuable, and
15 I think there are issues to discuss with regard to the math
16 underlying the conversions between currency, but the heart of
17 the problem really is how you place a value, right, on
18 something, and so, from Magnuson's perspective, what we're
19 supposed to do, in my interpretation, is to manage the resource
20 in the best interest of the nation, right, and, in order to do
21 that, you have to identify what those values are.

22
23 If you look at like the commercial fishery, for example, right,
24 what does that do? Well, it provides jobs, right, and there's a
25 supply chain, not just to fishermen, but the wholesalers, the
26 retailers, all down the line, and it allows people to consume a
27 wild-caught product that helps them nutritionally, right, and so
28 it's a good thing for them.

29
30 Then you go, well, what about the recreational side of things,
31 and the recreational side would say, well, same thing, right,
32 you know, and just by -- It provides recreational value, right,
33 and there's a social element there, but it's also providing
34 jobs, directly and indirectly, in a lot of diverse industries,
35 and there's an economic value there.

36
37 We haven't been able to really equate the economics in a way
38 that would allow us to say how do we optimize that, and I think
39 that's something that we could think about, but then there are
40 other elements that -- You know, it will be interesting to look
41 at the decision tool, down the road, that's coming from the
42 South Atlantic, but I'm not sure that you'll ever be able to put
43 an economic value to it, right, and there are things like
44 cultural heritage, right, and, you know, why -- How much do we
45 value commercial fishing communities, and what do they mean to
46 our nation, you know, and that's difficult.

47
48 What we don't have, even though we have procedural guidelines,

1 and policy guidelines, that have been provided by the agency to
2 consider these things, we don't really have a tool that would
3 allow us to put weight to any of those values, whether they're
4 economic in nature or whether they're social in nature, and
5 that's the guidance that I think that we need, in order to move
6 forward, and so, you know, I'm looking at Andy, just because
7 we've had an opportunity to talk about these things quite a bit,
8 and I'm not sure how to get there.

9
10 I think we need to have some type of a discussion, a workshop,
11 with people that do this, right, that allow us to actually put a
12 weight on something, because, until we have that, it's going to
13 be very subjective, moving forward, and people's personal values
14 are going to come into play, and that's where it gets
15 contentious, right, and it doesn't allow you to adopt an
16 objective process, moving forward, independent of your history,
17 and that becomes really difficult.

18
19 I mean, we live in a very dynamic world, and things are going to
20 be different ten years from now, twenty years from now, and I'm
21 not sure that we have prepared ourselves to make those
22 decisions, and I think we need to start doing that now, instead
23 of just relying on those catch histories, and so I don't have an
24 answer, Andy, but I think those are the types of discussions
25 that we need to have, moving forward.

26
27 **MR. STRELCHECK:** Tom, as always, very well said, and I don't
28 know what the answer is either, and I don't know if, you know, a
29 workshop full of experts is going to help make this any easier
30 to solve, right, and there's a lot of things that can be
31 objective, but there's still some subjectivity that enters into
32 this, and so, you know, as you were speaking, I immediately went
33 to kind of what does this council as a whole value, right, and
34 so can we reach an agreement, in terms of kind of those value
35 judgement decisions, that are less objective, right, and more
36 subjective, and the best way I can see of doing that is bringing
37 more transparency, or discussion, to this, right, early on in
38 the process.

39
40 Before we jump into looking at different, you know, time series
41 of landings, right, going through our objectives for the
42 fishery, and then, as we're making some of these allocation
43 things, what are the criteria and information that we want to be
44 considering upfront that will help us, obviously, as we dive
45 deeper into that allocation decision.

46
47 What that looks like and how this, you know, evolves I think is
48 the harder question, because you want to make sure that there's

1 a process in place, and it can be essentially, you know,
2 repeatable, and we can move through the process in an effective
3 way, but your points are well taken. Thank you.

4
5 **CHAIRMAN SWEETMAN:** A couple of hands raised. First Dr. Diagne
6 and then Dr. Porch.

7
8 **DR. DIAGNE:** Thank you very much. This is more, perhaps, a
9 comment than a question for Andy, and perhaps Dr. Frazer,
10 because he spoke about the value. Essentially, I mean, if we
11 look at the allocation, I guess, process, if I can call it that,
12 or discussions, or decisions that this council would make, at
13 the end of the day, no matter how we look at this, this is going
14 to be a zero-sum game, meaning, depending on where you sit, I'm
15 going to take from this pot to add to this pot.

16
17 My, I guess, overall question is going to be are there potential
18 changes in perspectives that would perhaps allow us to consider,
19 quote, unquote, win-win changes in allocation?

20
21 David Carter mentioned something like the catch sharing plan,
22 which recently has been allowed, for example, for charter folks
23 in the halibut fishery to buy quota, I mean, through, I believe,
24 the creation of what is known as a recreational quota entity,
25 and they would buy the quota and put it there, and then they
26 could use it year-in-and-year-out, and I'm not suggesting that
27 something like that is directly feasible in the Gulf Council,
28 but I'm just wondering, and are there win-win types of solutions
29 which essentially would make this process go a whole lot easier,
30 because neither party would feel that, essentially, that they
31 got the short end of the stick? Thank you.

32
33 **CHAIRMAN SWEETMAN:** Dr. Porch.

34
35 **DR. CLAY PORCH:** Thank you. As usual, Dr. Frazer, you hit the
36 nail on the head, in that it's going to be very difficult to
37 value some things. For instance, Mr. Strelcheck mentioned EEJ
38 and how you incorporate that in the decision-making, and, many
39 times, some EEJ considerations may be the opposite of economic
40 efficiency, and so how do you get a relative scale?

41
42 I think there are some quasi-quantitative ways that you could
43 look at this, the same things that we use for, for instance,
44 marine spatial planning for aquaculture and for offshore wind,
45 where you basically score things from zero to one, and maybe, in
46 some cases, you have some analyses that inform where you score
47 each particular item that's in your checklist, and, in other
48 cases, it may be just more subjective, but at least it's a way -

1 - Just like the marine spatial planning can show us which areas
2 we think are -- We shouldn't site an offshore wind facilitate,
3 or we shouldn't site an aquaculture, and this may give you a way
4 to look at it and say, okay, maybe we don't want to allocate too
5 much to this sector or the other sector.

6
7 I think though that starting from a landings history is a good
8 place to start, and then, when you look at some analyses like I
9 have described, some kind of quasi-quantitative, you can start
10 to discuss how you would deviate from the historical landings,
11 and it would be really hard to start from scratch and try and
12 integrate all these things and come up with an allocation that
13 would pass the red-face test.

14
15 **CHAIRMAN SWEETMAN:** Good point, Dr. Porch. Any -- We've had
16 some great conversation on this topic. Any further discussion
17 or questions or Andy or anything along those lines? Dr.
18 Simmons.

19
20 **EXECUTIVE DIRECTOR CARRIE SIMMONS:** Thank you, Mr. Chair. Andy,
21 I think it was a great presentation, and just kind of some
22 logistics in how we might operationalize this, as we work
23 through the Reef Fish agenda, I guess, tomorrow to think about
24 is, is the intent for us to operationalize this for the gag
25 rebuilding plan? We've kind of got draft options going, and
26 we're kind of under a deadline, and is that something that we're
27 aiming for, and what type of other materials do you all think
28 that we would need to have, when we get to that public hearing
29 phase, and we probably should talk about that, maybe when we're
30 going through the document, to help us understand and be
31 prepared for that April council meeting.

32
33 **MR. STRELCHECK:** I mean, I don't want to be prescriptive, in
34 terms of the process, and I recognize that, you know, this is
35 just me proposing, at least to put some more sideboard direction
36 on how we work and deliberate over these issues.

37
38 I think what I would recommend for gag, and really anything
39 else, is just that we are spending the time upfront and really
40 talking about the analyses and information that's already
41 contained in the document, the amendment, and discussing the
42 record as openly as we possibly can and that, you know, the
43 process itself can evolve as staff works on ideas, thoughts, in
44 terms of what we can do for future allocation decisions, but the
45 more upfront, I think, discussion we can have, the better.

46
47 **CHAIRMAN SWEETMAN:** Okay. Thank you, Mr. Strelcheck. Mr.
48 Anson.

1
2 **MR. ANSON:** Thank you, and so I'm wondering, Dr. Simmons and Dr.
3 Diagne, about the suggestion to develop the checklist, if you
4 will, of those items that were mentioned in these documents that
5 are on the board right now, and would that be too much to ask,
6 to try to consolidate the shalls and musts, relative to this
7 document and the timing of the gag?

8
9 **DR. DIAGNE:** I mean, essentially, I mean I guess maybe
10 fortunately, the procedural guidelines, as well as the council's
11 document, there are, I guess, repetitions, if you would, because
12 we built, for example, your allocation review policy based on
13 the review policy from NMFS, and the procedural guidelines, and
14 so, to the extent that we also developed, and this council
15 approved, an allocation review guidelines document, those
16 criteria that are listed there, by and large, would include
17 pretty much -- I mean, I don't want to say everything, but the
18 majority of the criteria that Andy had mentioned, I mean in
19 broader terms.

20
21 We do have a series of biological factors, a series of
22 ecological factors, a series of social and economic factors, and
23 those are available, and so, for the document, we could start
24 with essentially developing a list of the factors that are
25 addressed in the amendment, and where they are located,
26 something akin to what we've done for Amendment 54 and greater
27 amberjack.

28
29 One step further, perhaps, is we can look at those factors that
30 are not in the amendment and perhaps explain their absence, if
31 you would, and probably it would be due to limited data, and
32 that would, in general, be the case, but we can start there, if
33 that's something that works for this committee.

34
35 **CHAIRMAN SWEETMAN:** Okay. That was a really good conversation.
36 Any further discussion here, before we move on to Ms. Levy? Go
37 ahead, Mr. Strelcheck.

38
39 **MR. STRELCHECK:** Not related to what I presented, and I guess I
40 was struck by the lack of conversation after David Carter's
41 presentation, and I'm just curious if we should go back to that.
42 I mean, they spent a lot of time and effort putting those
43 materials together, and presenting it to the SSC, and I'm just
44 curious if there's any thoughts or recommendations in terms of,
45 you know, how to utilize that information, or build upon that
46 information, or if there's anything that you would want the
47 agency to do more of. If not, we'll move on.

48

1 **CHAIRMAN SWEETMAN:** To that point? Go ahead, Dr. Diagne.
2
3 **DR. DIAGNE:** I think that Dr. Carter had his hand raised.
4
5 **CHAIRMAN SWEETMAN:** Actually, Dr. Walter had his hand raised.
6
7 **DR. DIAGNE:** I'm sorry. John Walter. I misunderstood.
8
9 **CHAIRMAN SWEETMAN:** Go ahead, John.
10
11 **DR. JOHN WALTER:** Good afternoon, everyone. I wish I was there
12 in-person. Unfortunately, I couldn't make it to Baton Rouge,
13 but I wanted to just highlight something that came out of a
14 motion, I think in October, which was to examine OY and
15 incorporate socioeconomic factors a little more concretely into
16 a number of fishery management decisions, and where this fits
17 into the fisheries ecosystem initiative process, as part of the
18 fishery management -- The ecosystem fishery management plan and
19 how I think that it --
20
21 Should this council decide to prioritize something such as
22 trying to define what OY is, then there's a process for that,
23 which is called management strategy evaluation, where you would
24 lay out what the different conceptual and operational management
25 objectives are for the fishery, which would include things
26 beyond just yield, and so the social, ecological, and economic
27 factors, like if the recreational fishing community wants
28 access, and values that equally, or maybe even more than yield,
29 and then you would explicitly account for them and quantify them
30 and then evaluate which management procedures better achieve the
31 suite of potentially conflicting management objectives.
32
33 Allocation certainly would be part of that, but the allocation
34 itself could be somewhat flexible, in that it's trying to also
35 meet these other objectives, and so, when Assane said is there
36 somewhere where there is a happy medium, there may indeed be,
37 once you get those other objectives on the table and into
38 consideration, and the happy medium is that one sector says, oh,
39 we're getting the access and opportunity we want, but we've
40 traded off some yield.
41
42 Another group may say we're getting the stability and the yield
43 we need, and we're trading it off with some -- Maybe in other
44 times where we're trading off other things, but that sort of
45 mix, and evaluating those different -- Considering the different
46 objectives, and finding that middle ground that people can live
47 with, might wind up becoming OY, and so I think it would be good
48 for this council to consider prioritizing one of the FEI

1 initiatives to be taking one fishery through that process of
2 finding out what its OY might be, because I don't see it being
3 solved specifically through like a stock assessment model.
4 Anyway, thanks, and I'm happy to continue that conversation.

5
6 **CHAIRMAN SWEETMAN:** Thank you, Dr. Walter. Any questions to
7 that point, or in general? Further comments? Mr. Anson.

8
9 **MR. ANSON:** Not anything to Dr. Walter's comment, but going back
10 to Andy's question about Dr. Carter's presentation and
11 information, and I guess I -- You know, the information is
12 clear, as far as what is available to the council. Now, what
13 would be used, or what could be used, I think varies,
14 particularly whatever the species is, or whatever it is we're
15 trying to achieve, which I think would be, I think, better
16 defined with some sort of process or thing like the South
17 Atlantic is attempting to do with their decision tree, and then
18 aligning that with a checklist, and then you have a better idea
19 as to, you know, the extent of the data that's available, you
20 know, the history of the fishery, the demands of the current
21 fishery, and then that, I think -- You know, depending upon how
22 that data shapes up, which, again, is different species-to-
23 species, allocation-decision-to-allocation-decision.

24
25 I think, depending upon what you're looking at, it might, you
26 know, lead you toward a specific actual allocation, you know,
27 method, and so it may be one method this time and another method
28 the next time, and so I just -- You know, I guess, if there will
29 be further discussions amongst those folks that deal with this,
30 I guess to maybe prioritize each possible -- You know, if
31 there's any history, or knowledge base, out there of previous
32 allocation decisions and, depending upon what was done, does it
33 kind of --

34
35 You know, open the hood and kind of see what went into those
36 decisions, and then that might be used to help, in the future,
37 as to, well, if you have these set of circumstances, or this
38 type of data regime, those usually are decided with these types
39 of allocation decisions, or methods, whereas, if you have this
40 other suite of data, or such, maybe use these types of things,
41 potentially.

42
43 **CHAIRMAN SWEETMAN:** Okay. Any further questions or comments on
44 this allocation topic here? It's been certainly extremely
45 contentious, and I will put that out there, and so I appreciate
46 this dialogue, and this has been great, and so I think we can
47 probably move on to the next agenda item, which was our amended
48 item to the agenda, which is about the red grouper lawsuit from

1 Ms. Levy.
2

3 **RED GROUPER LAWSUIT UPDATE**
4

5 **MS. MARA LEVY:** Thank you. I am going to be fairly brief. If
6 there are specific questions, I will try to answer them, but I
7 guess I'm going to start with the emphasis that, you know, you
8 were all talking about, and that is the record, and, you know,
9 we can talk about this lawsuit in particular, but, to me, if you
10 read the decision, the thing that stands out is the emphasis on
11 the particular record and a particular case, and I have kind of
12 harped on this in the past, about, when you're looking at
13 allocations, to discuss each allocation decision and
14 circumstances independently and not make these broad-based
15 statements, you know, about generally how the commercial sector
16 acts, or generally how the recreational sector acts, and to
17 actually look at the information that you have before you in
18 each particular case.
19

20 If you look at the decision, sixteen pages out of the forty are
21 the procedural history, right, and so the judge, you know,
22 really lays out the procedural history and what was considered,
23 or what factors were and things like that, and so I just can't
24 emphasize enough that the record in a particular case is what we
25 should be aiming for, in terms of developing how the particular
26 allocation complies with the National Standards and all the
27 other legal mandates that you all operate under.
28

29 I mean, I will just say that, and, obviously, you know, from the
30 decision, that the judge upheld the agency's final rulemaking
31 that implemented Amendment 53 and found that the particular
32 amendment and rule were consistent with National Standard 4
33 requirements, National Standard 9 requirements, National
34 Standard 2 requirements, and other, you know, various
35 requirements under the Magnuson Act and the Administrative
36 Procedures Act.
37

38 I guess I will just say that, you know, again, the idea here was
39 that we were looking at, you know, a change that sort of
40 necessitated the fact that the council actually review the
41 allocation, because there was a change in data, and that the
42 council and NMFS looked at a number of different alternatives
43 and then make a record supporting the decision that you all
44 took, and so it's not -- That is reviewable, meaning the fact
45 that the data change is not, in and of itself, a reason to
46 change the allocation, right, and you have to look at it, and
47 you have to consider the status quo, and you have to consider,
48 you know, whether the particular action, as a whole, is going to

1 promote conservation, whether it's fair and equitable, and all
2 those other things, and develop that record to support that
3 decision.

4
5 I guess, I mean, the takeaway here is that, you know, we just
6 need to continue to do that. I don't think there's anything in
7 particular about this lawsuit that is automatically applicable
8 to every decision you're going to make, but I will just say
9 that, you know, decisions are, again, unique, and so we've
10 talked about red snapper in the past, and that is different than
11 red grouper, and the decision acknowledges that that's
12 different, and there are other allocation decisions that the
13 court looked at that the court said, well, that's different than
14 this case, and so I think it just really speaks to the fact that
15 every situation requires individual consideration. Thanks.

16
17 **CHAIRMAN SWEETMAN:** Thank you, Ms. Levy. Any questions for
18 Mara? Okay. Seeing none, we can move on to our last agenda
19 item here, Dr. Nance and the SSC Recommendations on the ABC
20 Control Rule, Tab B, Number 8(b)(i).

21
22 **SSC RECOMMENDATIONS ON ABC CONTROL RULE**

23
24 **DR. NANCE:** Thank you. It's good to be with you again. We've
25 discussed this a couple of times over the last couple of
26 meetings, but I just wanted to bring you up-to-date on where
27 we're at right now, and so, Bernie, Slide Number 5 I think is
28 where we want to be.

29
30 As I've discussed before, over the last couple of meetings, each
31 regional council must establish an ABC Control Rule based on
32 scientific advice from the SSC. The current ABC Control Rule
33 has been in place since 2011. The ABC Control Rule is set up
34 that it tries to account for scientific uncertainty, and it
35 decrements the allowable biological catch from the overfishing
36 limit.

37
38 The SSC members, over the past couple of years, have regularly
39 expressed a desire to revisit the current P* approach to the
40 control rule, which tends to generate narrow buffers between the
41 OFL and ABC that are not representative of scientific
42 uncertainty within the stock assessment. The SSC requested a
43 comparison analysis of several stock assessment results to try
44 to quantify the scientific uncertainty over time within each of
45 our assessments using the Ralston et al. approach, which was in
46 2011.

47
48 Results from the Ralston method, using U.S. Pacific stocks,

1 indicate a minimum sigma-min of about 0.36 is appropriate for
2 data-rich Tier 1 stocks, and it allows for sigma to be increased
3 as data quantity and quality declines, resulting in larger
4 buffers between the OFL and ABC for the lower tiers.

5
6 In contrast to results from -- In contrast from our looking at
7 the Gulf Council's current ABC Control Rule, we often get, using
8 that P* approach, about a 0.1 for many of our Gulf stocks, a lot
9 tighter buffer than we have seen in others. Because of that
10 narrow buffer that is generated by our current ABC Control Rule,
11 the SSC typically sets ABC at about 75 percent of the FMSY, or
12 its proxy, as outlined in Appendix A of Restrepo et al. 1998
13 report for Tier 1 stocks, and so that's typically what we refer
14 to. Instead of using our current P* methodology, we go to a 75
15 percent FMSY value.

16
17 We talked to the Science Center, several months ago, and,
18 currently, the Southeast Fisheries Science Center is evaluating
19 the Ralston et al. approach using Gulf stocks and is
20 consultation with Dr. Kristen Privitera-Johnson to develop
21 projection-based estimates.

22
23 Stock Synthesis assessments examined so far include those for
24 cobia, greater amberjack, gray snapper, red grouper, vermilion
25 snapper, and red snapper, which constitute thirteen total
26 assessments, and they're looking at more of those assessments.
27 The Southeast Fisheries Science Center, in their latest
28 presentation to us, described trends in the spawning stock
29 biomass, by species and assessment, for common metrics like
30 mature female weight and fecundity and number of eggs. The
31 Southeast Fisheries Science Center demonstrated, at our last
32 meeting, using examples from the Ralston approach, the
33 calculation of sigma from those included stocks.

34
35 The Southeast Fisheries Science Center reviewed the Privitera-
36 Johnson and Punt revision to the Ralston approach, which uses
37 the updated analysis, and it provides a sigma of around 0.4,
38 compared to about 0.36, and so a little bit broader buffer. The
39 Southeast Fisheries Science Center anticipates this approach
40 will account for more uncertainty than the historical biomass
41 approach, which we've been using, or the Ralston approach.

42
43 The Privitera-Johnson and Punt approach will require more work,
44 due to more extensive data requirements, and the Southeast
45 Fisheries Science Center may need to slightly modify the
46 approach, due to the Gulf's use of sector allocations and
47 projections, and we certainly let the Southeast Fisheries
48 Science Center know that we appreciated their work, and they are

1 able to get some more results for us, and we're going to look
2 forward to seeing those results at our May 2023 meeting. Any
3 questions?

4

5 **CHAIRMAN SWEETMAN:** Mr. Gill.

6

7 **MR. GILL:** Thank you, Mr. Chairman, and thank you, Dr. Nance,
8 and so we all know that relooking at the ABC Control Rule has
9 been an ongoing process for many years, and do you have any
10 reasonable anticipation on when the SSC will have something to
11 proffer to the council on the new revision to the ABC Control
12 Rule?

13

14 **DR. NANCE:** We're hoping by the end of this year. We're going
15 to have a presentation in May, and the other approach may take a
16 little bit longer, but I think we'll have some ideas of where we
17 want to go probably later this year.

18

19 **CHAIRMAN SWEETMAN:** Mr. Chair.

20

21 **MR. DIAZ:** Dr. Nance, that second-to-last bullet right there, it
22 says the Privitera-Johnson and Punt approach will require more
23 work, due to more extensive data requirements, and are we
24 talking about more work from Johnson and Punt, or are we talking
25 about more work for the Science Center?

26

27 **DR. NANCE:** It's more work for the Science Center to be able to
28 put together the analysis, to be able to present that to us, and
29 so the Ralston approach requires some data, and the Privitera-
30 Johnson and Punt is a little bit of a modification to that
31 approach, and it would require more data from the assessment to
32 be able to give us those different buffers.

33

34 **MR. DIAZ:** So, Dr. Porch, I mean, we keep moving to where stock
35 assessments are more complicated, and we're putting more data
36 into them, and I know we're making improvements, but we're
37 sacrificing time, because it's taking longer to get them, and
38 then the throughput that the council gets is not as frequent as
39 what we would like, and can you kind of speak to this, in
40 relation to throughput and those other things, and tell us kind
41 of what your thoughts are on that?

42

43 **DR. PORCH:** Certainly, and thank you for the question, and so a
44 couple of points. In the first case, the reason why this
45 particular analysis will take a while is because you have to go
46 get estimates of the abundance from historical assessments, and
47 some of it, if you go back far enough, we don't even have the
48 full electronic record, and so you're actually looking at

1 reports and putting it together, but you're trying to see how
2 much variation there was in the estimates for say the same year,
3 across different assessments.

4
5 As assessments incorporate more and more data, you expect them
6 to be a little more precise, but you also have, embedded in
7 that, a lot of different decisions that different working groups
8 made, and so you're looking at, for instance, in 1990, what was
9 the estimate of the OFL for the year 1990, in say an assessment
10 that was done in 1994, and what was that same estimate for the
11 assessment when it was done in 1998, or 2000, right, and so
12 you'll see that you get different estimates for each subsequent
13 assessment for the OFL, what it would have been in say any given
14 year.

15
16 The idea there is it's as close as we can come to what they
17 would do, for instance, with hurricane tracks, when you look at
18 that cone of uncertainty, except, in the case of a hurricane,
19 you know exactly where the storm went, and we don't have that
20 same gold standard, and we don't know exactly what the OFL
21 should have been, but we do have a bunch of subsequent
22 assessments, and we can see how much say the OFL would have
23 varied among all those assessments.

24
25 That integrates a lot of things, like different decisions that
26 were made, different models, different data streams, what
27 happens with more data, and it gives us a better idea of how
28 uncertain the assessments really are, but, as I explain it, you
29 can hear there is a lot of work that needs to go in to calculate
30 that number.

31
32 Privitera-Johnson and Punt already did that, and so did Ralston,
33 but they did it with Pacific stocks and not with our stocks, and
34 we expect that those variance numbers, the standard deviations
35 of say 0.36 and 0.403, might be a little higher with Gulf
36 stocks, or South Atlantic stocks for that matter, because our
37 data streams aren't as long, and they're not as precise as they
38 are in the Pacific, and our fisheries are much more complicated,
39 and so that's why we want to do it again.

40
41 There is a fair amount of work in the background that's going on
42 with that, but, in the long run, to get to your question, I
43 think it will actually simplify the process, because, now, if we
44 really want to get at the uncertainty, we have to run the model
45 for a whole bunch of different scenarios, things like different
46 natural mortality rates, different catch histories, et cetera,
47 and then integrate across all that, and, as it sounds, it's an
48 awful lot of work that will slow the process down.

1
2 Here, we would focus more on the best model, but then we would
3 use, for the measure of our uncertainty, this analysis, the
4 equivalent to the Privitera-Johnson and Punt approach, and so we
5 don't have to recalculate that variance parameter every time we
6 do an assessment, and we would just have it codified in the ABC
7 Control Rule, and so, in the long run, I think it makes things
8 simpler. In the short-run, yes, it's going to take us some work
9 to calculate what those variance parameters should be.

10
11 In the meantime, you could, if the SSC elected to, go with the
12 published values, and then we would just modify it when we get
13 the completed analysis from the Center.

14
15 **DR. NANCE:** It also gives us, from the SSC perspective, more
16 confidence in the buffers that we're using, using these
17 approaches.

18
19 **CHAIRMAN SWEETMAN:** Mr. Anson.

20
21 **MR. ANSON:** Thank you, and so Dr. Porch answered at least one of
22 the questions I had, but his discussion prompted another one,
23 but I guess, just I guess to be clear, Dr. Nance, on this
24 second-to-last bullet, where it says we may need to slightly
25 modify the approach, and that is -- I think Dr. Porch answered
26 it, but that's due to the sectors that are not present in
27 typically the commercial sector? Okay. All right.

28
29 **DR. NANCE:** Basically, the Pacific is utilizing their
30 assessments, and our assessments are more complex, as you know,
31 and so we have different allocations and those types of things,
32 which we have to take into account using this approach.

33
34 **MR. ANSON:** Thank you, and then, Dr. Porch, your description
35 there of using the historical assessments, and kind of the
36 performance, if you will, or the difference, the variance,
37 amongst the estimates there, and you said that, once you have
38 that established, there's little work, but it will be -- Once a
39 new assessment is completed for that species, then those
40 assessment results are going to be eventually incorporated into
41 that variance in the future, correct, for that particular
42 species, and it's not going to be like a static, and we're just
43 going to run with what we have today, looking at the historical
44 assessments that have been completed, and then that's just going
45 to be it forever, and, I mean, it will still require some extra
46 work, each time the assessment is reevaluated, to go look back
47 at the previous assessment, or the current assessment, and
48 include it with the previous assessment's variance, and is that

1 correct?

2
3 **DR. PORCH:** You could update it with every assessment, but you
4 don't have to do it, because, if you look at enough data over
5 the time series that we've been conducting assessments, these
6 numbers will start to stabilize, and so just adding -- Like if
7 you conducted another assessment for any given species, say
8 amberjack, if you redid the analysis with that new assessment,
9 it probably won't change the numbers very much, and so you don't
10 really need to do it every single time you do an assessment.

11
12 It could be useful to do it, you know, every five or ten years,
13 or something like that, but, because there has been so many
14 assessments in the past, I really don't expect the number to
15 change.

16
17 The big issue, right now, is these numbers were calculated based
18 on Pacific assessments, and we expect that our assessments might
19 be a little more uncertain, and so these values might -- Instead
20 of 0.403, I don't know, and maybe they're 0.5, or something like
21 that, and so we just want to take that first step, look at all
22 the assessments we've conducted so far, calculate that by
23 species group, and I think that could be revisited in five
24 years, or ten years, but I don't expect it to change much on an
25 annual basis.

26
27 **CHAIRMAN SWEETMAN:** Dr. Nance.

28
29 **DR. NANCE:** Thank you, and just to reiterate that, when this was
30 presented to us, probably six or seven months ago, at a meeting,
31 we did talk about just using the Pacific values, using 0.36, and
32 we were uncomfortable with that, and so let's use this approach,
33 and we're comfortable with the approach, but I think apply it to
34 Gulf stocks, and so we would be more comfortable with the output
35 from that, and that's what the Southeast Fisheries Science
36 Center is doing for us.

37
38 **CHAIRMAN SWEETMAN:** Okay. Any further discussion on the ABC
39 Control Rule? Okay. Seeing none, thank you very much, Dr.
40 Nance, and that moves us into Other Business, and I do not
41 believe we have any, and so, Mr. Chair, I yield about twenty-
42 five minutes back to you.

43
44 (Whereupon, the meeting adjourned on January 30, 2023.)

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