GULF OF MEXICO FISHERY MANAGEMENT COUNCIL

REEF FISH MANAGEMENT COMMITTEE

Marriott Plaza                                San Antonio, Texas

AUGUST 8-9, 2017

VOTING MEMBERS

10 John Greene .................................................. Alabama
11 Kevin Anson .................................................. Alabama
12 Patrick Banks ................................................. Louisiana
13 Leann Bosarge ................................................. Mississippi
14 Doug Boyd ...................................................... Texas
15 Roy Crabtree .................................................. NMFS, SERO, St. Petersburgh, Florida
16 Pamela Dana .................................................... Florida
17 Dale Diaz ......................................................... Mississippi
18 Tom Frazer ...................................................... Florida
19 Martha Guyas (designee for Nick Wiley) .......... Florida
20 Campo Matens .................................................. Louisiana
21 Paul Mickle (designee for Jamie Miller) .......... Mississippi
22 Robin Riechers ................................................ Texas
23 John Sanchez ................................................... Florida
24 Greg Stunz ....................................................... Texas
25 Ed Swindell .................................................... Mississippi
26 David Walker ................................................... Alabama

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29 Glenn Constant ................................................ USFWS
30 Dave Donaldson .............................................. GSMFC
31 LCDR Stacy McNeer ........................................ USCG

STAFF

34 Steven Atran ................................................... Senior Fishery Biologist
35 Assane Diagne .................................................. Economist
36 Matt Freeman ................................................... Economist
37 John Froeschke ................................................ Fishery Biologist-Statistician
38 Douglas Gregory ................................ ............. Executive Director
39 Beth Hager ....................................................... Administrative Officer
40 Karen Hoak ..................................................... Administrative & Financial Assistant
41 Ava Lasseter ................................ .................... Anthropologist
42 Emily Muehlstein ............................................... Public Information Officer
43 Ryan Rindone ................................................... Fishery Biologist/SEDAR Liaison
44 Claire Roberts ................................................ Fishery Biologist
45 Bernadine Roy ................................................... Office Manager
46 Carrie Simmons ............................................... Deputy Director

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<td>Motion to approve the Greater Amberjack ACL and Management Measures and that it be forwarded to the Secretary of Commerce for review and implementation, and deem the codified text as necessary and appropriate, giving staff editorial license to make the necessary changes in the document. The Council Chair is given the authority to deem any changes to the codified text as necessary and appropriate.  <strong>The motion carried on page 41.</strong></td>
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PAGE 159: Motion to combine Action 2.4 into Action 2.3. The motion carried on page 159.

PAGE 185: Motion in Action 2 to remove Alternatives 3 and 4. The motion carried on page 190.

PAGE 199: Motion in Action 1 to make Alternative 4 the preferred alternative. The motion carried on page 199.

PAGE 212: Motion to direct staff to construct allocation alternatives that reflect spatial patterns in biomass and recreational trips with options for weighting the two. The motion carried on page 218.

PAGE 218: Motion to reconstruct the allocation tables and truncate the landing series through 2009. The motion carried on page 220.

PAGE 221: Motion that the allocation table include a formula that looks at the percentages, for the best ten years for each state, from the series 1986 through 2015 as the percentage of allocation. The motion carried on page 224.

PAGE 227: Motion to remove Action 3, Modify the Federal Recreational Minimum Size Limit, from the document. The motion carried on page 228.
The Reef Fish Management Committee of the Gulf of Mexico Fishery Management Council convened at the Marriott Plaza, San Antonio, Texas, Tuesday morning, August 8, 2017, and was called to order by Chairman Johnny Greene.

OPENING COMMENTS

MS. LEANN BOSARGE: Before we get started with our Reef Fish Committee this morning, we do have a special guest in the room, and so I’m going to turn it over to Dr. Crabtree to make the introduction.

DR. ROY CRABTREE: We’re pleased to have Chris Oliver with us this morning, and Chris is the Assistant Administrator for Fisheries. I think, Chris, you’ve been there about a month now?

DR. CHRIS OLIVER: Just over.

DR. CRABTREE: Just over a month, and Chris comes out of the council process, and probably many of you have known Chris for years, but Chris was the Executive Director of the North Pacific Council for fifteen or sixteen years, something like that, for a long time, and so we’ve seen Chris for many, many years at CCC meetings and other national meetings that bring all of the councils together.

Chris is also from the Southeast, and he was born and grew up here in Texas, not very far from here, as I understand, and so Chris will be with us, I think, through Wednesday, and I encourage all of you to say hello, and I will turn it over to Chris.

DR. OLIVER: I just had a few brief remarks. I wanted to introduce myself and say it’s good to be back in my home state. I have only been on the job for about a month. I know many of you, and I know some of you pretty well from other venues, both council members and staff and some folks in the audience.

I did grow up about a hundred miles south of here, in Rockport. In fact, on Thursday, I am going to drive home and visit my mom this weekend, and perhaps avail myself of some of the extended fishing seasons that are in place this year. I do want you to know that Roy has not delegated his vote to me. I am just here for a few minutes to say good morning.

As Roy mentioned, I have spent the last twenty-something years in Alaska, and I thought that we had some pretty complicated issues up there, but I have come to realize that we actually had
it pretty easy, in a lot of ways. We had only one state, for example, that we managed fisheries off of, and I am starting to gain a very keen appreciation for this council and other councils that deal with issues that cut across many states.

I don’t have any magic bullets or silver bullets for a lot of the issues that you’re dealing with. I am still very much in the learning mode, and I wanted to visit, as soon as I could after taking this position, visit each of the councils. It’s one thing to get briefed by folks up in Headquarters, but it’s another thing to actually go to council meetings and really get a better appreciation for the issues that you’re dealing with, and I look forward to that experience.

I am here for the next couple of days, again, and I want to meet folks and learn more about your issues. I have had the pleasure of working with some of you, including your chairperson. You have got a great chair, and I look forward to seeing your process in action, but I know, at a national level, Leann has been quite a great participant in that process, and I’ve been involved with that for many, many years, and so I wanted to give some kudos to Leann for that.

I don’t have a lot else to say. I, again, look forward to learning a lot more about your issues. I know that you have some tough stuff that you’re dealing with. I feel comfortable at this table. I feel like I’m back at a North Pacific Council meeting, but this is a little bit bigger, and a lot more people at the table, but I’m a big believer in the council process, as I think would come as no surprise to you.

I know that we have put some regulations in place this year that were not done through the council process, and I won’t talk too much about that. That happened before my time, and I would just say that that regulation does provide some breathing room for this year, but I realize that the longer-term solution for particularly the red snapper issue, and I know that’s not the only issue you’re dealing with, but I understand that it’s going to take a lot of commitment by our agency, working with the commissions and the various states and stakeholders, to develop long-term solutions for that.

Again, I am happy to be here. I’m happy to back in San Antonio, and I look forward to talking to many of you on the side. Thanks.

**MS. BOSARGE:** Thank you, sir, and we’re very happy to have you here. I am sure you will learn plenty today. It’s going to be
Reef Fish all day, and so fun and exciting stuff for you. I am sure that we’ll get to the red snapper topic.

We have worked with Chris in the past, and Kevin has worked with him too, as a former chairman. He does an amazing job, and Mr. Boyd, and we are very excited to have somebody in that position that has as much fisheries background as you have. You have a very diverse background, coming from here in Texas, coming from this area, and then up to Alaska, and so we’re pleased to have you.

If there is ever anything we can do for you, please don’t hesitate to call upon any of us. With that, I am going to turn it over to Captain Greene to take us through our Reef Fish Committee.

ADOPTION OF AGENDA
APPROVAL OF MINUTES
ACTION GUIDE AND NEXT STEPS

CHAIRMAN JOHNNY GREENE: Thank you. Good morning. We’re going to go ahead and get started. You have an agenda that has been provided before you, and is there any additions or modifications to the agenda? Ms. Guyas.

MS. MARTHA GUYAS: I would like to add yellowtail snapper to the agenda.

CHAIRMAN GREENE: Okay. So noted. Any other additions? Dr. Crabtree.

DR. CRABTREE: I would like to talk for a little bit about the extension of state waters to nine miles for reef fish management purposes.

CHAIRMAN GREENE: Okay. Thank you. So noted. Any additional modifications? Seeing none, is there any opposition to the agenda that has been modified before you? Seeing no opposition, the agenda will be modified as suggested.

Approval of the Minutes, is there any changes to the minutes that we would like to make or corrections? Mr. Anson.

MR. KEVIN ANSON: I just have one, Chairman Greene, and that is on page 39, line 23, add “no” before longer.

CHAIRMAN GREENE: Thank you. Any further changes to the minutes? Any opposition to the changes in the minutes? Seeing
none, we will move on to our next agenda item, which will be the Action Guide, Tab B, Number 3, which has been provided for your review, to kind of help us keep up where we’re at, and that will lead us on into our next agenda item, which will be Final Action, Framework for Greater Amberjack ACL and Management Measures. That will be Tab B, Number 4(a), (b), and (c). With that, we will go to Dr. Froeschke.

**FINAL ACTION - FRAMEWORK ACTION - GREATER AMBERJACK ACL AND MANAGEMENT MEASURES**

**REVIEW OF AMENDMENT**

**DR. JOHN FROESCHKE:** Good morning. I am going to go through this framework action, just to get you up to speed. It’s a two-action document. The plan is we have this posted for final action, and we have two actions that we have not selected preferred alternatives, and so, to move this forward, that would be -- We would be looking to select some preferred alternatives.

Before we dive into that, I do want to just give you a brief background, in case you have forgotten or you’re new. Amberjack is a species that has been under management difficulties for a long time. The stock was first assessed in 2000, and it was reassessed in 2006, 2010, 2014, and 2016. Each time, the answer has been the same. It’s been overfished and overfishing.

As a result of that process, there have been a number of regulations and quota adjustments in the downward direction. Unfortunately, they haven’t been enough to change the trajectory of the stock, and so here we are again.

It’s an interesting reading of the background, and I won’t dredge through it, but that’s sort of the gist of why we’re here. In a nutshell, what has seemed to have been the theme is that, as we’ve learned more about the stock, we have reduced our estimate of the productivity of the stock, and so a smaller biomass, which means a higher fishing mortality at a constant yield, and so, in order to get that mortality -- In order to reduce the mortality to something that would rebuild the stock, we need to reduce the harvest.

Action 1 considers some management alternatives that would reduce the ABC down to the level that was recommended by the SSC. The SSC provided a yield stream of 1.182 million pounds in 2018, rebuilding to 1.794 in 2020.

We have options to do that. Just for your clarification, this species is managed using an ACT, meaning the quota is set at
this level. This is also a stock with payback requirements, and so, if the harvest exceeds the ACL, then the catch the following year is reduced from both the ACL and the ACT, on a pound-for-pound basis. There have been a number of overages in recent years, more recently in the recreational fishery.

Alternative 1 is not a viable option, because the ABC exceeds the recommendation of the SSC. Alternatives 2 and 3 have two options, and so I will just talk about the alternative first. Alternative 2 would set the ABC at the yield schedule recommended by the SSC, and it would have a step level increase in each year corresponding, and so the ACLs are based on the sector allocation, 73 percent to the recreational and 27 to the commercial.

Option a would use the ACL/ACT control rule, which, if you recall, looks at the harvest relative to the targets, and it is used to calculate a buffer, if appropriate, to account for management uncertainty, and so we applied that. That’s our standard procedure, and it results in a 13 percent buffer for the commercial and a 17 percent buffer for the recreational sector, which would allow some gap, if you will, between where the quota is set and where the accountability measures would actually kick in, and so those values are in Option a.

Option b would remove the ACT as the management target, and so the ACLs would be the same. It’s just that you would set that equivalent to the quota, and you wouldn’t enact that buffer, if you will.

Alternative 3, the options are the same, either using the ACT, Option a, or don’t, Option a. The difference is those year-by-year stepped increases in 2019 and 2020 would not kick in, and we would just retain the recommendation of the 2018 level. This would be a more conservative way to do it, and, if you recall, this is a similar process to what we used in red grouper just recently, and so that’s the option, and I will open that up for discussion.

CHAIRMAN GREENE: Thank you. We need to pick some preferreds as we go through this, and so any discussion about this action item?

MS. BOSARGE: Okay, ladies and gentlemen. I know it’s early. Have another sip of coffee, and let’s look at our options here and see where we think we’re headed on this first action item. We only have two, and so it won’t be that bad. We can do this.
CHAIRMAN GREENE: Mr. Diaz.

MR. DALE DIAZ: To get our discussion started, I will throw a motion out there that we make the preferred alternative Alternative 2, Option a.

CHAIRMAN GREENE: Okay. Mr. Diaz has a motion, in Action 1, make Alternative 2, Option a the preferred. Is there a second for this motion? It’s seconded by Mr. Sanchez. Is there discussion? Mr. Sanchez.

MR. JOHN SANCHEZ: I will second it for discussion, but I’m kind of leaning towards Option b, Alternative 2, but let’s talk it out.

CHAIRMAN GREENE: Okay. Is there further discussion? Mr. Matens.

MR. CAMPO MATENS: I am going to jump into the fray here. We all know this is a sticky-wicket, and I would hate to see us come back here, and maybe I won’t even be here in a couple of years, but still facing it overfishing and overfished, and I respect the opinion of the SSC. Accordingly, I would like to offer a substitute motion for Alternative 3.

CHAIRMAN GREENE: Okay. We have a substitute motion to make Alternative 3 the preferred alternative.

DR. FROESCHE: Option a or b?

MR. MATENS: There was just one thing in 3. Can I see 3 again, please? Thank you. Where I’m coming from with this is kind of the constant catch and not have it move up incrementally. Accordingly to that, I think Option a is what I would prefer.

CHAIRMAN GREENE: Okay. We have a substitute motion in Action 1 to make Alternative 3a the preferred. Is there a second for this motion? Second for discussion by Ms. Guyas. Is there discussion? Mr. Riechers.

MR. ROBIN RIECHERS: Camp, I understand, obviously, the way you led in, the rationale being more conservative with Alternative 3 and going with the constant catch scenario. I guess I would lean, if we were going to go that way, to then not add the buffer on top of that, as opposed to also buffering it in that way. That’s just a thought there, because, if we’re already being conservative in not releasing more of the fish, but then adding a buffer in those subsequent later years, you’re even
taking more fish off the table that could be caught, and so 
that’s just a thought.

MR. MATENS: To that point, Robin, I think that’s a good point, 
and, if you would agree and the seconder would agree, we could 
amend this in that regard, and I would be in favor of that. My 
real issue here is when we start putting these quotas on fish 
and they increase through time, when we have a fishery that’s in 
as much trouble as these guys are, and has been in as much 
trouble for such a long time, I think it’s difficult for us to 
remain to keep credibility here. If that’s something that, 
Martha, you would agree to, if we could amend this motion in 
that regard.

CHAIRMAN GREENE: We have a motion on the board, and now you 
wish to go back and amend it, and so let’s make sure that we get 
the motion as you wish on the board. How would you like to 
change it, Mr. Matens?

MR. MATENS: I might need some help here from the professionals. 
I always do.

MR. RIECHERS: It would just switch to Option b if you wanted to 
do that.

MR. MATENS: Okay. Martha, is that okay?

MS. GUYAS: Sure.

MR. MATENS: Thank you.

CHAIRMAN GREENE: Okay, Mr. Matens. Does that motion on the 
board reflect your wishes?

MR. MATENS: It does, sir. Thank you.

CHAIRMAN GREENE: I will read the motion for the record. The 
substitute motion is, in Action 1, to make Alternative 3, Option 
b, the preferred. Alternative 3 is set a constant ACL to the 
lowest ABC level recommended by the SSC for 2018-plus. This 
alternative is projected to rebuild the stock by 2024. Option b 
is do not use the ACL/ACT control rule to set the ACT. The 
quotas would be equal to the ACLs. The seconder has agreed to 
this modification. Is there any further discussion on this?

Dr. Crabtree.

DR. CRABTREE: I certainly understand why you might want to be 
conservative in this case, because we have had a history with
amberjack where we had projections that indicated that the stock would rebuild very quickly, but then the reality, when we get to the new stock assessment, has been the stock hasn’t responded as we expected it would.

The only thing that I would caution you about not using the buffer and the ACT is remember that there is a payback in greater amberjack, because it’s overfished. Given the issues we’re all familiar with in the recreational fishery and when the data comes in, the chances of going over the quota or going over the ACL -- That’s what happened this year, is we had a pretty substantial payback, and that caused a very short season, and so the paybacks are pretty disruptive and hard to deal with.

The odds of having the payback happen are probably greater with Option b than they would be with Option a, and so you need to weigh that into your decision, I think.

MR. MATENS: To that point, Roy, I know you’re right, but I also see that we’re going to have further discussion about seasons and the like in this venue today, and maybe there’s some things we can do in there, but I have grave concern about some of the things about these seasons, and I know everyone does. I get it. I understand all the economics, and I get it, but I still think that we need be very conservative here, and so, yes, Roy, I understand, and thank you very much for your comment, but I still would like to see this thing voted up or down.

CHAIRMAN GREENE: Mr. Banks.

MR. PATRICK BANKS: I am trying to resolve, in my mind, between the original motion and this one. It seems to me that Alternative 2, Option a, with the buffer, allowed us to give fishermen more fish each year as the stock rebuilds, so they get some credit for constraining harvest.

It doesn’t seem like, in this case, the fishermen get any credit for constraining harvest. They’re stuck at the same amount every year. Now, I recognize that it rebuilds quicker, and maybe that’s the credit they get, that it’s rebuilt by 2024 instead of 2027, but it seems like, to me, if we went back to the original motion, we’re giving the fishermen some credit each year for good deeds that they’re doing in terms of constraining the harvest, and is that the way that I’m seeing it?

CHAIRMAN GREENE: Thank you. Further comments? Dr. Crabtree.

DR. CRABTREE: I think that’s exactly right, Patrick. The
trouble is, when we’ve done that in the past, we would get to the new assessment and find out that the stock didn’t actually recover, and we’ve raised the quotas up when we probably shouldn’t, and that’s been a problem.

Now, I don’t know if that issue is resolved or if that’s going to happen again. I have never exactly understood why greater amberjack doesn’t seem to be responding to management like you might expect that it would, but I think that’s fundamentally the difference between the two.

The original motion assumes the stock will rebuild and allows the quotas to go up. This motion sets the quotas at the most conservative level and holds them there until we get a new stock assessment, and so, over a period of a few years, this is a more conservative approach to it, but it doesn’t do as you say and give the fishermen credit for recovery that hopefully will occur.

CHAIRMAN GREENE: To that point, Mr. Banks?

MR. BANKS: Somebody remind me when the next stock assessment is going to -- Can somebody remind me?

MS. BOSARGE: In 2020, we have greater amberjack standard as our number two priority. Let me look up the list and just make sure there’s nothing higher than that. Yes, and so, in 2020, and it would have a terminal year of 2019, and it would begin the winter of 2020, and we would see results from that assessment in the spring of 2021.

MR. BANKS: Did the discussion we had yesterday about the red snapper stock assessment change that trajectory at all?

DR. BONNIE PONWITH: No, and, and whatever changes we do with red snapper, it will have its most immediate impacts on 2018 and 2019. I think, by 2020, things will clear.

CHAIRMAN GREENE: Thank you. Ms. Guyas and then Mr. Riechers.

MS. GUYAS: I guess I’m a little bit torn here. I guess we have been stuck in this rut, where we keep taking actions to rebuild greater amberjack and not really getting anywhere, although the difference this time is we raised the size limit substantially last year, and we have an assessment that did not account for that, and so it could be -- I would like to think that that’s going to make the difference and maybe give us an opportunity to actually make some progress, but I’m not sure whether to do
Alternative 2 or 3 at this point.

Alternative 3 seems to be the more conservative option, but, if that size limit does help us make some progress here, then maybe Alternative 2 would be a good option as well, but I feel like we just don’t know at this point.

CHAIRMAN GREENE: Thank you. Mr. Riechers.

MR. RIECHERS: Patrick, you raised a good question, and I was fumbling and trying to find that schedule at the same time that you raised it. That means, basically, with that coming in 2021, we wouldn’t be enacting a different rule until 2022, and so, Camp, basically the motion is a constant level of catch until 2022 and not just the three years that’s presented here in the table, and so I think we need to think about that as we weigh Option 2 versus Option 3 and those tradeoffs, because we really won’t have any new information to help us, other than landings information, prior to that next stock assessment, and that’s assuming that stock assessment is on time and all the other sundry assumptions with that that we see change through years, as we go on, and so —

MR. MATENS: To that point, and correct me if I misunderstand this, but the issue here is the recreational sector and not the commercial sector, correct? Yes, and so — Who knows what the effect of raising the minimum size to thirty-four inches and having more reproductive females out there really is, and how long does it take for that to be reflected in catchable fish? All of that considered, I stand on my motion.

CHAIRMAN GREENE: Thank you. I saw a hand over on this side of the table. Mr. Sanchez.

MR. SANCHEZ: Thank you, and I appreciate the discussion from the substitute. I am obviously going to support the original motion that we had that was substituted that Dale made, but I have had an epiphany, and I will be Option a oriented now. I don’t want to see paybacks and all of that stuff. You very well can’t borrow yourself out of debt.

CHAIRMAN GREENE: Thank you. Is there further discussion? We have a motion on the floor. Dr. Simmons.

DR. CARRIE SIMMONS: Thank you, Mr. Chairman. I just had a question for Dr. Ponwith about the MRIP calibrations that we have scheduled for greater amberjack. That said the terminal year for those species would be 2017, and so that will be an
actual update assessment, and it would include landings through 2017, and so I guess I just wanted clarification that we might get some new projections at the time of the completion of the MRIP calibration updates for greater amberjack.

CHAIRMAN GREENE: Dr. Ponwith.

DR. PONWITH: What I will have to do is take a look at the schedule, because, if we do the update lite, those are not a true update. The only thing we do is drop the calibrated landings data for recreational into the model and rerun the model with everything else being held constant, whereas, in an update, you update everything, the fishery-independent indices, the commercial, the age structure of each of the sectors, and, for the update lite, the only thing that changes are the calibrated recreational data being dropped in. I can go and take a look at that and see whether the intent was to do an update or whether it was to do an update lite for that, but that’s the distinction between those two.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: Dr. Ponwith, even if we do an update lite on amberjack in 2018, those results would still give us new catch levels or no?

DR. PONWITH: The intent of those would be to show how the calibrated data, with estimates that are generated based on the new methodology, would change the outcome of the assessment, so that you can take that under advisement in your management decisions while we wait for the next stock assessment.

What it does, is it gives you a feel for whether the status of the stock is positively influenced or negatively influenced, whether the sector allocations are disrupted or not by the change, and so I don’t think that these would be used for setting different ABCs, but I will double-check on that. I think the intent on it is to inform the council as to how different the status of the stock is based on the change in the landings.

CHAIRMAN GREENE: Mr. Riechers.

MR. RIECHERS: Camp, I steered you to b, and I’m looking at 600,000 pounds left on the table, which concerns me, as well as I’m looking at the increase in the minimum size limit, which means we’re going to kind of be back into this whole notion that we’ve seen in other fisheries, where we’re reaching those
targets quicker because of the average size of the fish being landed is going to be greater.

It just worries me, as we move forward three years and we leave that many pounds on the table, but I am going to try to support you here in committee, and I may not be with you at Full Council.

CHAIRMAN GREENE: Mr. Boyd.

MR. DOUG BOYD: Just a comment for the committee. It is very hard to argue, at any time, against the most conservative management of the fishery in this case, because we are overfished, and we are experiencing overfishing.

The other problem that I have is what Roy pointed out. Without a buffer in there, we probably will exceed, and so I don’t know if I can support this motion, because it doesn’t have the buffer in, but, also, we need to take into consideration the fishermen and the charter/for-hire grouper and the headboat group.

If we limit them down, when we don’t know what’s going to happen with red snapper and some of the other species, we could cause harm to them also, and so I’m not sure that I can support this particular motion, but, again, I’m kind of like Robin. I don’t know exactly what I will do in Full Council. Thank you.

CHAIRMAN GREENE: Thank you, Mr. Boyd. Dr. Crabtree.

DR. CRABTREE: Coming back to Bonnie’s discussion of the update lite, I think whether we would get an ABC out of that partly will depend on how the SSC looks at it and things. This one will -- There is a lot of reasons to think that it could make a big difference in this fishery, because it’s predominantly recreational. I think it’s about 70 percent of it.

It doesn’t have any strong fishery-independent information, and I don’t think it’s an age-based assessment, and so it’s quite possible that the magnitude of the catches could really play into the outcome, and the other thing is I think, back around 2004 or 2005, we set an interim allocation for amberjack based on some set of years, and, when they recalibrate the landings, that is likely to be changed as well, and so it could make a real difference when we see the recalibrated.

The only other comment that I would make, with respect to trying to hold a constant catch scenario over a number of years, is it’s great to be conservative, and I applaud you, if that’s what
you want to do, but bear in mind though, at this time, if the stock does respond to management and we show some real improvements in stock status, and we’re trying to hold the constant catch over a period of four or five years, it’s going to be difficult, and the seasons are going to get shorter, and we’re likely to have real problems with going over quotas and things. Those are just all of the things that you have to weigh.

CHAIRMAN GREENE: Thank you. Dr. Mickle, I apologize for skipping over you a minute ago, but please take the floor.

DR. PAUL MICKLE: That’s all right. I will weigh in quickly. With what we’ve seen with amberjack and the rebuilding plan that we’ve seen, being overfished and currently undergoing overfishing, one of the problems we’re having is it’s not rebounding as quickly as the model projected, the original model, with the full standard.

When I was on the SSC, we discussed this quite a bit, and a lot of the conversation we’ve seen here and in the SSC is very similar to triggerfish, right? So we’re truly missing something in these models, and I think a lot of folks will agree with me on that, and so, as a scientist and as a manager, you have to identify the unknowns, and so we have a lot of unknowns with this species.

Because of that unknown, I would hate to restrict a fishery, being over-conservative, because we don’t know if that will even have an effect, and so, with all of these unknowns, I certainly don’t want to take access away from a fishery, and so I’m going to have a hard time supporting this. Because of the unknowns, we don’t even know if being this conservative is actually going to have that benefit.

The fishery has the signs of coming back, but understanding the recruitment unknowns is still a major void, and so being over-conservative may not be a benefit in this situation, because there is no evidence that being over-conservative will even have a benefit.

CHAIRMAN GREENE: Thank you. Is there further discussion? We have a motion on the floor, and we’ve had a good bit of discussion about it, and so, at this time, we’re going to go ahead and call a vote. All those in favor of the motion on the board before you, please signify by raising your hand.

EXECUTIVE DIRECTOR DOUG GREGORY: Two.
CHAIRMAN GREENE: All those opposed, like sign. The motion fails two to thirteen. This will revert back to the previous motion.

This will be, in Action 1, to make Alternative 2, Option a. the preferred. It would set the ACL equal to the ABC recommended by the Scientific and Statistical Committee, SSC, from 2018 to 2020-plus, based on the Southeast Data, Assessment, and Review, SEDAR, 33 update assessment in 2016. This alternative is projected to rebuild the stock by 2027. Option a is apply the ACL/ACT control rule, landings from 2013 through 2016, to establish a 13 percent buffer to the commercial sector and a 17 percent buffer to the recreational sector. Is there any further discussion about the motion on the board before you? Seeing no further discussion, is there any opposition to the motion on the floor before you? Seeing no opposition, the motion carries.

Dr. Froeschke.

DR. FROESCHKE: Thank you. A second action in the document considers changes to the recreational fishing season for greater amberjack. Currently, there is a two-month fixed closed season each year, June and July, and this was put in place a few years ago, in part to allow the fishing season to remain open longer in the parts of the year where access to red snapper was limited. For various reasons, it no longer really fills that intended goal.

For your information, the commercial sector is closed each year. There is a spring closure, March through May, and this is, in part, to protect the stock during the spawning season. There is a lot of different research about the spawning season of the stock. It is thought, in some parts, it’s likely from January through June, with a peak in the Gulf in March and April. The South Atlantic is probably April and May. There is some differences there, but it’s a fairly long spawning season.

The Alternative 2 would mirror the commercial fishery and close it during that spawning season. It would extend the season later into the year. There is a decision tool that was presented at the last meeting, and so part of the analysis of this is you would put in the closed season and then see if you still would hit your management target, either the ACT or the ACL, whatever is selected in Action 1.

If you would hit that before the end of the year, you would start closing days from December 31 back until you close enough days to constrain to the management target, and so it would --
All of the alternatives work that -- Alternative 2 would still be likely that you would -- You wouldn’t have enough fish to stay open all year.

Alternative 3 is a variation of this. It just would extend the fixed closure one month longer, to June 30. The difference is you would provide some additional protection, probably, towards the end of the spawning season, and you would also prohibit the harvest during June, which is historically a month of very high harvest, and so it would likely extend the season much farther into the fall, but it still would require, likely, a closure before the year end.

The Alternative 4 would be the first six months of the year kind of a closure, and the same rationale. It’s essentially the same benefits, and then Alternative 5 would extend that one month further, and Alternative 5 would be -- As it stands, I don’t believe there would be enough days left to hit the ACT under this one, and so you would likely be leaving some fish on the table.

There is a table in the back, on page 17, and it’s Table 2.1.1. As it stands now, Alternative 2, Option a, would give you the estimated days corresponding to what you have just selected in Action 1.

CHAIRMAN GREENE: Okay. Thank you. I think everybody is looking at page 17 at the moment, and so, with that, I will go ahead and call for any discussion on this particular item. Ms. Guyas.

MS. GUYAS: Since we last met, I’ve gotten a number of emails and messages and had conversations with folks in Panama City, and some in Destin as well, that are interested in looking at some additional options here. Most of them seem to be converging around some kind of split opening, maybe opening in March and some into April and then reopening again in the fall.

Now, I think, under the decision tool that we have, if we did that, we may not get to the fall part, but I think some of these folks are also interested in looking at that in conjunction with some kind of vessel limit or fractional limit, and so I thought I would bring that up, and I’m willing to put some motions out there to that effect if folks are interested in going that way.

CHAIRMAN GREENE: Thank you. Is there further discussion? Mr. Sanchez.
MR. SANCHEZ: I would be interested in hearing in more detail kind of what you’re suggesting, and I don’t know, given the timeliness of what we’re trying to accomplish today, whether we can gain some insight into if some of these, I guess, suggestions that you’re about to make and what they result in, in terms of looking at east and west and looking at some biological credits we gain from vessel trip limits.

I would hope we give some credence to carrying capacity, in doing such and proceeding with such, and taking a look at that and see if we can kind of, in doing so, entertain some of the economic concerns while we’re also giving some serious deference to spawning seasons and a fishery that’s compromised right now.

CHAIRMAN GREENE: Thank you. Is there further discussion? Dr. Stunz.

DR. GREG STUNZ: I mean, I am certainly interested, Martha, in hearing more about what you have, especially the vessel limits and that kind of thing, but, just to give some perspective from the western Gulf on the split season, particularly -- Obviously you’ve got the spawning thing going on in the spring, but, for our region in the western Gulf, there’s a difficult time getting out, and so, just from a weather constraint, and so a lot of our fleet has approached me about that’s not real workable for us, because, while the quota is being caught in the eastern Gulf, we are essentially tied to the dock in our region, and so that is a problem also, and it clearly begs for some type of regional management in this situation, where everything is not always the same across our region, but that’s a whole other issue, but the spring opening is a little bit of an issue for our region.

CHAIRMAN GREENE: Yes, ma’am, Dr. Dana.

DR. PAMELA DANA: Thank you, Captain Greene. Is there a particular area where the amberjack are congregating for spawning in the spring?

DR. FROESCHKE: A lot of the spawning is thought to take place in south Florida. There is some information in Chapter 3.3 about the life history and spawning information and stuff in there, and it’s worth a good read.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: Just a timing question, because I’m assuming Martha maybe has some motions of some other things that she wants to look at. If Martha was to add some other options -- I
am thinking about the options that are on the board for changing
the season, and, if we add things to it -- We have one more
meeting this year, in October, and so would we be able -- I am
going to have to look to the NMFS side of the house over here.

If we bring this thing back in October and we were to take final
action on it, with Martha’s new alternatives in there, would it
be able to be in place, if we were to choose something that was
a fairly early opening, or what is this going to look like,
time-wise?

DR. CRABTREE: If we -- One is that I would encourage you to go
ahead and take final action on Action 1 to adjust the ACL at
this meeting, so we can get that done before the fishing year
starts. Our next Gulf meeting is in it looks like the first
week of October, and that really would be pushing it, to get
through a proposed rule, a thirty-day comment period, and the
cooling off, and so I think, if what you want to do is not have
the fishery open on January 1, if you wait until October to
decide that, I don’t think we can get to the effective date of a
final rule that quickly, and so the fishery would likely open on
January 1, and so you have to factor that in.

MS. BOSARGE: Thank you. That was my concern. If we do want to
-- I am just thinking about the spawning season and if we do
want to have closures during the spawning season, and I have no
problems with looking at what you want to look at, Martha, but I
just didn’t know if maybe we should proceed through this
document and then start a separate amendment to look at what you
-- It really depends on what you all want to do as far as this
coming-up season and what you want to see happen, but it could
definitely still be considered in a separate amendment if you
want to have something in place for this season first.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: I have thought about those things as well, and I
know that there is a number of people here that came, I think,
to speak on this issue, and so I definitely want to hear what
folks have to say about this tradeoff, whether we wait and then
we have the fishery open on January 1, and we’re probably going
to be in the same situation we were last year, or we move
forward today with some kind of action -- Or I guess this week
with some kind of action to finalize some of this and maybe get
some season changes under our belt and at least wait on the
opening until a time where it seems to be a little bit more
amendable to people.
I am willing to put some motions out there today, for people to chew on, and I don’t know if people want to discuss it more, or I can put them out there and we can just continue discussion there.

CHAIRMAN GREENE: Mr. Swindell.

MR. ED SWINDELL: I am a little concerned about any fishery that we’re targeting to allow fishing on a spawning cycle, period, in the waters of the fishing activity, especially a fishery that is now in an overfished condition and not recovering near as fast as what was proposed.

You have said that the main spawning occurs in south Florida, and is that far offshore, or is that closer inshore? It’s hard for me to believe that the fish that are in Texas are swimming all the way over to south Florida to spawn, and so it looks to me like perhaps there is just an offshore/inshore kind of spawning for this fish, and is that not correct?

DR. FROESCHKE: They know more about the spawning in the South Atlantic than they do in the Gulf, and this is the information that has been available, but, most of those, they are thought to be in fairly deep water, but it’s a situation of, just because it hasn’t been documented in the western Gulf, it doesn’t necessarily mean it’s not happening.

MR. SWINDELL: That being the case then, when people around Panama City are fishing on these fish, is this truly part of the spawning stock, or have the fish already spawned, perhaps, or are they waiting to go out later? I mean, what is the -- I get a little concerned about Dr. Mickle’s comments about the lack of data and the information reliability or whatever on the SSC committee.

I am a big supporter of what information we get from the SSC, and now I’m kind of led to believe that perhaps that’s not near as good as what it should be in this fishery, and, that being the case, then we, as managers of this resource, have to make darned certain, whatever limited information we have, that we don’t allow fishing to occur during the spawning cycle of this resource.

I don’t like to do that, but I certainly don’t want it to happen and never have a recovery of this resource, and so that gives me a lot of concern as to just what to do, because I really don’t know if we do the right thing and if we have the right dates as to when spawning is really occurring and are we really hurting
this resource if we allow fishing to continue, and so I am just
expressing my concerns here about these dates and whether we --
Just what kind of action we should take. Thank you.

CHAIRMAN GREENE: Thank you. Mr. Anson.

MR. ANSON: Thank you. Martha, you had asked an open question
relative to interest among the members to look at some seasons,
and I know that I have heard some interest in trying to get
possibly an August opening over my way, and Dr. Stunz mentioned
something about the western Gulf potentially would like
something a little bit different than what’s going on, and so I
think maybe, keeping in mind what Mr. Swindell just mentioned,
that maybe there is an opportunity, maybe, to avoid some of the
spawning, at least, that’s going on with a two-season opening,
but we have to -- We need to keep in mind, at least, that, you
know, Wave 2 recreational data for last year showed that the
whole quota would be caught in that wave, and so maybe not a
full two months during that time, but, if you -- I guess I would
be interested in seeing what you might want to look at and such,
but, relative to comments of timing of the document and such, I
think that would have to also come into play, but I think it
would be interesting to see, maybe, some possibilities of trying
to spread the fish out over the year, to maybe get some other
states some opportunity to get some fish.

CHAIRMAN GREENE: Mr. Sanchez.

MR. SANCHEZ: Thank you. Yes, this is a tough one. We’re
having to make a decision here on a fishery that’s, you know,
overfished and undergoing overfishing, and, ideally, I would
have liked to have seen some way to split it up. In other
words, there is many different roads to the same place, and we
could have maybe split it up a little bit east/west, because
it’s not fair right now that the east will shut out the west
before they get a shot. I mean, clearly I have some
reservations with that.

Given that we have to do something right now, my question is, if
we were to come back with another plan, management plan, where
we could address and tweak this a little bit down the road, how
long would it take? Because, if we don’t do something here,
there is going to be nothing in place for this upcoming season.
How long would it take to do, I guess, a management plan down
the road, where maybe we can do these difficult things like
figure out where we’re going to divide east and west and what
would be the logical boundary line?
Maybe split some TAC, so everybody gets a little shot, yet we’re biologically addressing where we need to be, with some seasonal month closures, and, of course look at some trip limits that address carrying capacity and give everybody a shot at some fish, but get us where we need to be biologically in the long term, and how long would it take to do something like that? Would we be able to make address this as a council, subsequent to this FMP, at some other meetings, and possibly have them in place for not the upcoming season, but maybe the following one?

CHAIRMAN GREENE: Thank you. I’ve got a couple of people on the list here. Mr. Walker.

MR. DAVID WALKER: Thank you, Captain Greene. I was just going to add that I used to do a lot of amberjack fishing, and I fished them from Florida all the way to Texas, and I can tell you the months that they were the most accessible and catching larger fish was the months of March, April, and May.

After, it’s the season where they’re harder to catch, and so there’s not really an alternative up here that goes from January to May 31, or I don’t think there’s one there, but that was something that I would lean more towards, and that’s from hearing from recreational fishermen whose kids were in school, and they really don’t have the opportunity to fish more until it gets to the summertime.

Then you have the charter fishery too that has different opinions, but I was just going to say that I think the commercial and the recreational should at least coincide to have March, April, and May closed, to at least have those three months closed, whatever alternative we go with.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: To I guess go back to some of the things that John mentioned, if we go down this split season road, and I will put out a motion and see where it goes in a minute, but it may make sense to do some kind of split quota. In my mind, it probably would be simpler to do it on a -- Split it temporally, and so like part of the quota would be available in one season and part would be available in other season, rather than trying to draw lines geographically.

That may be something to consider here as well, to make sure that fish are still available in that later part of the season, but I did send a motion over to staff, based on the comments that I have received, and so I will go ahead and put that out.
now.

That motion is, in Action 2, add a new alternative that would modify the recreational closed season to be January 1 through the last day of February and May 1 through August 30.

I was going to do those two things separately, and so maybe you can ignore the vessel limit part, but you can see where I’m going.

CHAIRMAN GREENE: For the time being, just delete the second paragraph there. Okay. Ms. Guyas, that motion is correct? All right. Is there a second for this motion?

MR. ANSON: Second for discussion.

CHAIRMAN GREENE: Second for discussion by Mr. Anson. Dr. Crabtree.

DR. CRABTREE: My suggestion is, if this is the path you want to go down to, what I would recommend that you do is select no action on this action, Alternative 1, and vote this amendment up and be done with it at this meeting.

Then have staff come back at the next meeting with a suite of alternatives to address the season, with the understanding that, depending on how many things you put in it and how you come at it, it may be the 2019 season before we can actually get those things allocated, but I would like to see us go ahead and vote up and take action on Action 1 in this amendment, and then, if you want to return to this in October, we can do that and bring it back to you, but you would need to give staff a pretty clear indication of the alternatives that you want them to look at.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: I hear what you’re saying, and I think I can get onboard with that approach, but I kind of do want to vote on this, just so that folks can kind of see where the council is on this concept, and, if we need to tweak the concept or tweak the dates, then that will give folks some indication about what people are thinking.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: The first blush on this is I will go back to my comment that I made earlier, in that, looking at the landings, at least recent landings, from March and April, is we would meet
Effectively, we would nearly meet the quota, if the previous action item we voted on, at least in the first year -- we might be able to squeak by in subsequent years, but so, as you mentioned, you know, just to kind of feel the waters, so to speak, I think there is some interest, at least from my perspective, in looking at this, in an effort to try to, again, spread those fish out over a different time of year, and then we can realize, potentially, some benefits, if we carved out more of the time that they’re spawning, to let them spawn, and have no harvest occur, and use that as kind of the rationale for justification for the split season, and so I think Dr. Crabtree -- Probably his point is well served here, is that maybe we ought to look at that, and, granted, it won’t be until 2020 until maybe we can get that in place, but that’s kind of where I’m leaning, and so I won’t support this motion, based on the two-month period that would be available, where most of the quota would be caught.

CHAIRMAN GREENE: Mr. Riechers.

MR. RIECHERS: Martha, I support the concept, and possibly the two sets of closures that you’re discussing. I’m a little bit like Kevin, and I may not support these actual dates, and you said throw some out.

Certainly, from my perspective, March, April, and May, in the peak of that spawning, if we could get that protection more centered around that, and I am not saying that it has to be fully that, but it seems like, starting May 1, we’re ignoring too much of that spawning period, but I want to follow up now with a question to Dr. Crabtree, if I may.

Roy, the notion that you’re trying to move this forward so we can go ahead and open, but, if we’re going to actually consider closing January 1 to some time period, that would give us enough opportunity to get a better look at these at the next meeting, and does that give us some wiggle room to do that with that timing, that, by the time we would get out of the October meeting -- Yes, it puts a gun to our heads in October, and I understand that, but it actually -- Would that then give us enough time, where we wouldn’t open and we could -- I mean, I don’t know what your timing is. You said that it was going to be tight, but I didn’t hear that end date.

DR. CRABTREE: If you voted it up in October, we would probably try to get a proposed rule to the Federal Register by the end of October and then a thirty-day comment period, and then you’re into December, and it would be very difficult, I think, for us
to get a final rule effective by January 1, and so I think, if your goal is not to have the fishery open on January 1, you need to take some action at this meeting to establish a closure that goes into effect.

Now, we might get to an effective date of a final rule by the end of the January or sometime in February, and then it would kick in, but, to be assured that the fishery — That your rule is effective by January 1, I think you would need to take action at this meeting, if that’s what you want to do.

MR. RIECHERS: So part of our thought process could be, if we absolutely know that we want to move to a model similar to this, and we -- Basically, we could just close from January 1 through that period that we think gives us that opportunity to then come to October with a more fleshed-out set of guidelines, and that means that we’ve got to be good about what we do between now and October and have some good options on the table for staff to analyze, because we’re not going to be able to veer too much from that at that October meeting, but we could -- If we wanted to think about it that way, we could buy ourselves time, but have that closure set up right here.

DR. CRABTREE: I suppose you could choose one of the alternatives that establishes a closed season January 1 and then come in in October and vote some alternative scenario that would then kick in and modify all of that later in the spring.

CHAIRMAN GREENE: Mr. Gregory.

EXECUTIVE DIRECTOR GREGORY: In consulting with John here, we could -- I don’t think it would make much difference in timing if we did split this into two frameworks and you approved Action 1 today and then we brought a framework back to you with just seasons in October and then that gets voted up or down and have it be implemented just like Dr. Crabtree was saying. That would give you some assurance that at least the ACL is in place in a timely manner.

The other thing is we have an SSC meeting in September, and so we’ll take this to the SSC, and I just want to say that I think there is reason to be optimistic, with the change in the size limit. Up until then, the recreational fishery, which has over 70 percent of the allocation, was fishing on juveniles as well as adults, and we’ve corrected that.

They’re no longer harvesting juveniles, and, if we can do something -- I know some fishermen want to fish in the spring,
but that is the spawning season. If we do something to protect some of that spawning season, the stock, just given some old-fashioned commonsense, will do better than it has done in the past, but we would definitely have the SSC look at this again, but the main thing that I want to say is that we can still split this into two frameworks and bring the season back in October and have it implemented say by February, like Dr. Crabtree said.

The other thing we can do is look at our SEDAR schedule, when it goes before the Full Council, and move amberjack up a year or two. Instead of yellowedge grouper or tilefish, maybe do amberjack.

CHAIRMAN GREENE: Mr. Diaz.

MR. DIAZ: I want to thank Ms. Guyas for bringing this up. I think this is a great discussion for us to have, being as we all got so many emails from folks in the Panhandle area and Panama City and I guess Destin and all.

I did want to ask you a question about your motion though, Ms. Guyas. I noticed that you have the -- Where it’s the season would be open for March and April, and it seems like, in a lot of the emails that we got, people were saying that they wanted it from April through May, and, if they had to lose something, they would rather lose April, but I’m just trying to figure out your rationale on the dates and see if maybe you could respond to that. Thank you.

MS. GUYAS: I’ve got a stack of them printed out in front of me, and there are some that are March and April, and there are some that are March and May, and there are some that are April and May.

I am somewhat sensitive to avoiding, perhaps, fishing during the peak spawn, and so I kind of went on the earlier side of that. Also, I think, again, if we didn’t do some kind of split quota situation, I don’t know that we would even be able to do March through May. I think that those fish would be caught up pretty quickly, and so that’s kind of where I started on this, but, again, I’m kind of open to ideas here.

CHAIRMAN GREENE: Dr. Frazer.

DR. FRAZER: Thank you, Mr. Chair. A question I have here is I guess we have a decision tool, right, at our disposal, and so one of the things that we could do is simply run one month in that spring period prior to the spawning season.
In my opinion, it looks like the peak spawning season is probably March and April, and, as many people have said already, I am pretty keen on trying to defend that pretty vigorously without excluding people from fishing or having some opportunity in the spring. If we want to go to a split season, we can at least run that scenario for one month and see where we end up.

CHAIRMAN GREENE: Mr. Sanchez.

MR. SANCHEZ: Thank you. I really appreciate what Doug said about maybe the way to go would be Action 1 right now and then we tweak Action 2, to get it to where I think we want it to be, so that there is some east and west participation, yet we’re addressing some spawning protection. I don’t know. I think we could probably, as a group, come up with some better alternatives by Full Council, maybe, so we could kind of push this forward.

CHAIRMAN GREENE: Dr. Froeschke.

DR. FROESCHKE: The decision tool, January, 58,460 pounds would be the estimated harvest for the recreational sector. That’s for if you just wanted to know the estimated harvest during the month of January.

DR. FRAZER: Can I get that number for January and February?

DR. FROESCHKE: February is 52,803, and so 110,000.

DR. FRAZER: Thank you.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: Thank you, Chairman Greene. Just to kind of keep everybody on the same page, if you all do want to do something sort of like what Doug mentioned, and I have really heard a good, decent amount of consensus, at least about the January/February part of this closure. It seems like that, around the table, is okay with everybody.

I don’t want to put words in your mouth. This is not my pot of tea, and so you all figure out what you want to do here, but, if that is what you want to do, based on the timeline that Dr. Crabtree gave us, yes, we’ll have to do another document, like Doug said, but I think you will still have to pick one of the alternatives in Action 2 that gives you a closure on January 1.
You know, I guess it doesn’t really matter which one you pick, if you intend to come back in and make a change, but, to make sure it’s closed January 1, with the timeline for implementing, if we do something in October, you’re probably going to need to pick one of those alternatives today and then come back with another document in October.

CHAIRMAN GREENE: Mr. Gregory.

EXECUTIVE DIRECTOR GREGORY: If you look at page 100 of the amendment, the framework action, in the appendix, Figure 2 gives you estimated landings by month, and so that’s a good ballpark.

CHAIRMAN GREENE: Okay. I am going to give everybody a minute to kind of look at this, but we’ve got a motion on the board.

EXECUTIVE DIRECTOR GREGORY: That is page 100, and that’s the graph there.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: I will let Patrick go.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: What is the timeframe of this? Is that the average landings in January over a certain amount of years?

DR. FROESCHKE: Yes, and I think it’s a model-based. I could -- Let me get back to you on that.

MR. BANKS: Okay. I was just curious, and thank you.

CHAIRMAN GREENE: Ms. Gerhart.

MS. SUSAN GERHART: Looking at the decision tool, the alternative that’s in the motion on the board, which would have an opening for March and April and then a closure and reopening on September 1, the decision tool shows a closure again then on September 26 for the quota closure. Just another thing that we ran quickly is, if only the month of May were open, and then reopening on September 1 for the fall, there would not be a closure at that point predicted.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: I don’t want to jump too far ahead, but I think just about most of the people that I have heard from about doing the
split season idea also were interested in doing some kind of vessel limit or fractional bag limit, to hopefully stretch out the number of days that it could be open, and I don’t know what that would look like, but that would also be something that I would be interested in discussing once we, I guess, get past this discussion, and so that’s just something to keep in the back of your mind.

CHAIRMAN GREENE: Okay. Thank you. We’ve got this graph up here, and everybody has had a chance to look at it. We’ve got a motion on the floor, and we’re kind of drifting away from it, and so we need to kind of get back to the motion and decide if we want to add any more to this document.

I think there’s been some great ideas brought forth about what we’re going to do with this document and do we want to split it apart and move forward, and I think that’s probably to our best interest at this point, but that’s just my opinion. With that, I am going to turn your attention back to the motion on the board. Is there any further discussion about the motion on the board before you? Dr. Dana.

DR. DANA: Sorry, and not to belabor this, but so if we vote to have this action or, on this motion, if we vote for this motion, what essentially that does is it allows it to go to Full Council, but also to hear public testimony from folks about how they feel about this particular motion and also -- Yes, because the emails that we’ve been getting that would like this motion are primarily coming from Panama City, and I do believe Destin. I know the Destin fleet voted to support something of this sort, and that’s two cities, and so I would like to hear from other Gulf regions in public testimony, to see if this is the right direction to go.

The spawning peak season really concerns me, and, if we’re trying to rebuild, and we know fish are in a certain area at a certain time, we need to take this very seriously, and we don’t want to shut out the western Gulf by catching all the fish while they’re spawning in the eastern Gulf. Anyway, I am okay with this going forward at this point, but I really want to hear public testimony from the fishermen about how this would impact them, Gulf-wide.

CHAIRMAN GREENE: Thank you. Mr. Sanchez.

MR. SANCHEZ: I am going to support this, just because I don’t want Martha to go down in flames by herself, but I think we can come up with something that addresses some of these concerns
better in the very near future.

CHAIRMAN GREENE: Thank you. Is there further discussion about the motion? Mr. Matens and then Dr. Crabtree.

DR. CRABTREE: To me, it would be cleaner if you decided what you wanted to do with this amendment at this meeting, and it seems, to me, the real question you have is do you want the fishery to open on January 1 or not.

If you don’t want it to open on January 1, you need to choose one of the seasonal closures that keeps it from opening on January 1 and then tell staff what you want them to bring to you in October to take a look at, which I think really what this motion is referring to is what you want to look at in October, but it kind of leaves the issue open as to what are we going to do with this amendment at this meeting.

CHAIRMAN GREENE: Mr. Riechers.

MR. RIECHERS: I would leave it up to the Chair and Martha regarding the motion on the board, but I am prepared to make a motion in Action 2 when you can entertain that.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: Let’s vote, and then we can move on.

CHAIRMAN GREENE: Okay. All right. Let’s vote this up or down. I think everybody kind of, kind of, understands what we’re trying to do here. There is a motion on the board before you. All those in favor of the motion before you, please raise your hand.

EXECUTIVE DIRECTOR GREGORY: Five yes.

CHAIRMAN GREENE: All those opposed, like sign.

EXECUTIVE DIRECTOR GREGORY: Eleven. The motion fails five to eleven.

CHAIRMAN GREENE: The motion failed, and so now we’ll go back and look at the options that we had previously in this document, and I believe Mr. Riechers --

MR. RIECHERS: Before I make the motion, I have one question to General Counsel. Shep, if we wanted to modify Alternative 4 and 5 and truncate either one of those to a different timeframe, do
you think we can do that? I really am not that concerned about it, but I wanted to ask the question. Otherwise, I will just move one of those two alternatives, with the notion that we’ve got to come back in October and that these are really an interim closure of that time period, but we can build that on the record or we could basically truncate one of these to a February 28 or a February 1, and that would give us enough time after October to put the rule in place.

CHAIRMAN GREENE: Mr. Grimes.

MR. SHEPHERD GRIMES: Just so I’m clear, the question is can we modify at this meeting and change that alternative and vote that up as a preferred alternative and move forward with it? Yes, I think you could. I would have some general discussion of the effects on the analysis that’s in the document now. If you’re shortening the season, obviously that would be less of a closed season, and just to give some general flavor and inform people before you made the final decision at the meeting.

MR. RIECHERS: Given that conversation, I think I will just take the more simpler approach and move Alternative 4 as the preferred alternative. If I get a second, then I will have some discussion about the intent of interim and so forth.

CHAIRMAN GREENE: Okay. We have a motion by Mr. Riechers to move Alternative 4, which would modify the recreational closed season. Mr. Riechers.

MR. RIECHERS: I think we just kind of had a little bit of that discussion, but I want to make sure that it’s really clear that this is just an interim closure, and we may even want to modify the text a little bit, if we can, to reflect that or add a bulleted point here somewhere, as we maybe come to Full Council, that this is an interim measure closure, with the expectation that we’re going to flesh out some additional options that will deal with this basic east/west issue and try to have those for our October meeting, so that, by the time we would reach the point of wanting to open one of those seasons, we basically would have laid over this closure a new set of alternatives, and then they would take effect, as opposed to this closure that would run all the way to June 30. I don’t want to signal to folks that we’re going to be closed all the way to June 30 in any way. We’re going to come in in October and fix that.

CHAIRMAN GREENE: Okay. The motion is, in Action 2, to make Alternative 4 the preferred, which would modify the recreational closed season to be January 1 to June 30. It was seconded by
Mr. Matens, and then Mr. Riechers had laid out some further discussion. Any discussion about the motion on the board? Mr. Gregory.

EXECUTIVE DIRECTOR GREGORY: Just some clarification about the follow-up. The council should, I think, in our mind, give us some alternatives to look at before we finish the meeting. I would be reluctant to just say, well, have staff come back with a range of closures, but we could do that.

CHAIRMAN GREENE: Mr. Diaz.

MR. DIAZ: I will wait until after we vote this motion up or down.

CHAIRMAN GREENE: Thank you. Is there discussion about the motion on the board before you, before we move into the other discussion that Mr. Gregory was referencing? Mr. Walker.

MR. WALKER: I could support this motion or alternative, but I would also support one, as I mentioned earlier, that went January through May 31 as well. You have the opening of snapper around June, and it seems to me that maybe the possibility that some folks may focus on amberjack or may focus on snapper, or they may focus on both, but, one thing about it, if it’s later, and the snapper season is closed, there may be some interaction with snapper when they’re amberjack fishing, but I will support your motion, your alternative.

CHAIRMAN GREENE: Okay. Is there further discussion about the motion? Seeing no further discussion, is there any opposition to the motion on the floor before you? Seeing no opposition, the motion carries. Ms. Bosarge.

MS. BOSARGE: I just want to say how proud I am of everybody. I think we’re all playing so nicely together, and everybody is thinking about the other side, and I just -- I love it. I hope we continue this trend.

CHAIRMAN GREENE: Well, I am not going down that path. We haven’t got to Thursday yet. Mr. Diaz.

MR. DIAZ: It’s because of good leadership, Ms. Bosarge. I don’t think this requires a motion, but Doug has said they would like some guidance on some stuff that we would like to see, and, based on Ms. Gerhart’s comments a minute ago, I would like to see some analysis on an opening for the month of May and then a reopening on September 1 in the document as an alternative.
My rationale on that, based on a conversation around the table and a comment that Dr. Frazer made a minute ago, is May is outside the strongest peak. I think you said March and April is what you considered the strongest, and so we’re a little bit outside the strongest peak of the spawning season, and the decision tool -- At this point, it does look like it could remain open through the end of the year, based on Ms. Gerhart’s comments. I also wouldn’t mind seeing it open for the month of May with a reopening on August 1 and see how that works out, and so that’s just my two-cents on that. Thank you.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: Another thing I would like, season that I would like, for staff to look at would be to open on April 1, the whole month of April be open, and then open August 1. According to the decision tool, keeping the bag limits the same, that would end the fishery sometime around November 15.

CHAIRMAN GREENE: Is there further discussion? Mr. Banks.

MR. BANKS: I like that idea, Kevin. The things that I have been thinking about are certainly having some fish available for the folks in the western Gulf later in the year, but then it certainly strikes a chord with me, as a council member, the comments we’ve heard from the Panhandle of Florida, where a lot of folks, it seems like, based on the written comments at least, have built their business on at least somewhat of a spring season.

It concerns me that we would be harvesting at that time on spawning fish, but certainly somehow allowing them to have some sort of a season I think is maybe where you were going there, and I like that idea.

CHAIRMAN GREENE: Thank you. Further discussion? Okay. Then I will weigh in a little bit now, since there is no further discussion, as Chairman, if you will indulge me. I did not catch an amberjack this past year. They were closed, and so, when you think about the western Gulf, it ain’t west of the Mississippi River. It’s at the Florida/Alabama line.

I know there is a spring season that happens in Florida, but it doesn’t happen anywhere else, and I cleaned a good many amberjacks last year, and there was a lot of roe in those fish in March and April and May, and that’s when some of the bigger ones are caught, and they are caught in deeper water.
I fought that battle really hard between me and Mr. Fischer, back and forth about going up on the size limit and trophy fish and keeping one open when one was closed, and, ultimately, I will heed to Mr. Fischer that he was right on the season. We should have closed it sooner than what we did, so I will admit that I was wrong in that regard, and I did pay attention to that, and I will man up and say that.

I do know there is a spring season, and it happens not far east of me. I see it, and I understand it, and I can almost hear some of those guys on the radio on a good day, but it doesn’t happen in places too much further to the west, and so, as you think about the east Gulf and the west Gulf, don’t think Mississippi River. Think Florida/Alabama, because that’s pretty much where the line is. As you move forward in your decisions, I just want to heed that to your attention. Any further discussion? Mr. Anson.

MR. ANSON: Seeing that we have a relatively short timeline to get this action completed, but going back to, Martha, your comment relative to bag limit and size limit, and it might need to go to a vote, maybe, in lieu of staff time needed to maybe complete the analysis for the next meeting, but, if you have sincere interest in looking at a reduction, do you have a proposed number of fish per vessel, perhaps, maybe that you were thinking of going to, Martha, that maybe the council can decide on whether or not that would be something we want to -- Again, in light of the short time period that we have for analysis, that we can offer to staff, if in fact council members agree that would be a good option to go down at this point?

MS. GUYAS: I don’t have hard numbers, because I don’t know what vessel limits or fractional bag limits would actually yield more days, and so that would be the goal here, would be to do that and get more days, and so I don’t know if that’s okay with staff, but, once the tools to do this analysis are put together, and you can toy with it a little bit and see what gets you the most bang for your buck.

I know there was some fractional bag limit stuff that was done before I was on the council, and I just am not familiar with the results of that and what kinds of vessel limits and fractional limits resulted in an extended season, or even if that information would be valid at this point, since it was several years ago.

CHAIRMAN GREENE: Mr. Anson.
MR. ANSON: Again, I was just trying to keep it brief, if you had a specific number, that maybe you can just offer one or two vessel limits, perhaps, Martha, maybe half of a standard limit now of three or four anglers on a private boat or whatever, a six-pack vessel, that limit would be, if you had a specific number.

I mean, there is -- In the decision tool, you can change the bag limit and kind of play with the numbers yourself, I guess, but, again, trying to give some direction to staff, so they can kind of stay focused or one or two options, potentially, and that’s all.

CHAIRMAN GREENE: Mr. Gregory.

EXECUTIVE DIRECTOR GREGORY: Fractional bag limits were something we looked at a long time ago, and one of the complicating factors is how many people on a boat, headboat versus charter boat versus recreational boat, and that would take a lot more analysis than we can do between now and October, and so that would have to be in a different framework amendment, but we can start pulling that together, but we certainly won’t have something, I think, definitive for you to look at in October.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: I guess, for October then, if that’s the case, I definitely would want to look at vessel limits, whether it’s -- Again, the idea would be to extend the season here. If it’s one fish per vessel or two fish or three fish, and I don’t know what would get us a longer season.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: Well, I am hearing some rumblings over here, and I think that the vessel limit -- It sounds like that analysis is going to be kind of the same as what you were thinking about before, and so they can get started on it, but they’re not sure that they would have that for you in October. Just a heads-up, and I don’t know if that changes how you all are looking at things or not.

CHAIRMAN GREENE: Mr. Riechers.

MR. RIECHERS: Well, John, is it -- I tried to look for it quickly, but do we have just a regular bag limit analysis? I
was trying to scroll to the backend of the document and see what’s there. Not that it would be the same analysis, but it would give clue and some level of at least illumination of what you would think some of those types of analyses would actually provide.

DR. FROESCHKE: We have done those in the past. I don’t believe, for this one -- Once the Regional Office developed a tool, that had already been removed from consideration for management in this framework action.

CHAIRMAN GREENE: Dr. Mickle.

DR. MICKLE: With partial bag limits, in the State of Mississippi, we have discussed them on certain other species and things, and I always like to get feedback from law enforcement on how easy or difficult that actually can be, and so I would like some input, maybe from law enforcement, on seeing how realistic -- I mean, no decisions we make has any effect unless law enforcement is onboard and understands and has the ability to do the decisions we make, and so I would like a little bit of input, at some point, on partial bag limits.

CHAIRMAN GREENE: Okay. Thank you. I’m sure he can check into that and get back with you on it. Is there further discussion? I don’t see any further discussion, and so, Dr. Froeschke.

DR. FROESCHKE: The last time this was discussed was in Amendment 30A, and there is a whole section in there on that, and so, if we want to pull that up for some light reading, that would be good. Also, while I have the mic, on this amendment, we need a motion to approve and submit to the Secretary of Commerce.

CHAIRMAN GREENE: Okay. Dr. Crabtree.

DR. CRABTREE: Please, staff, make sure we put some language into the amendment, in big letters, that makes it clear that this is an interim closure and the council will revisit this, so that we don’t get people too worked up.

CHAIRMAN GREENE: Okay. We’re going to need a motion to send this to the Secretary of Commerce.

MR. DIAZ: So moved.

CHAIRMAN GREENE: So moved by Mr. Diaz.
MR. ANSON: Second.

CHAIRMAN GREENE: It’s seconded by Mr. Anson. The motion would be to approve the Greater Amberjack ACL Management Measures and that it be forwarded to the Secretary of Commerce for review and implementation and deem the codified text as necessary and appropriate, giving staff editorial license to make the necessary changes in the document. The Council Chair is given the authority to deem any changes to the codified text as necessary and appropriate. It was moved and seconded. Is there any opposition to the motion on the floor before you? Okay. With that, we will move on. Dr. Froeschke.

DR. FROESCHKE: I think that’s it. Emily, do you want to go over the public comments?

SUMMARY OF PUBLIC HEARING AND WRITTEN COMMENTS

MS. EMILY MUEHLSTEIN: I would be delighted to. Thank you. If you look at Tab B, Number 4(b), that is a summary of written comments. Now, that summary ended last Wednesday, is the last comments that we included in that summary. However, we have received some comments between then and now, and so my oral summary of our comments will add in some of the comments that we have received since this written comment summary was produced.

We have received eighty-five comments on the greater amberjack rebuilding plan document. I will go through the action-specific comments first and then end with the amberjack-specific comments that we received.

Action 1, which considers modifying the rebuilding timeline, along with annual catch limits and annual catch targets, we heard support for Alternative 2, because the annual catch limit should be set equal to the acceptable biological catch recommended by the SSC.

We also heard support for Alternative 3a, which would retain the annual catch limit/annual catch target control rule to establish a 13 percent buffer to the commercial sector and a 17 percent buffer to the recreational sector. We also heard, for Action 1, that an annual catch target should be used to ensure that the annual catch limit isn’t exceeded.

Moving to Action 2, which considers modifying the recreational fishing season, we heard support for Alternative 2, which is to modify the closed season to be March 1 through May 31. We also heard support for Alternative 4, which would modify the
recreational closed season to be January 1 through June 30, to ensure that there are no more mid-season closures, which are detrimental to tourism.

We also heard that a late summer and early fall season is necessary to ensure charter customers have a mixed bag of fish to harvest throughout the year. We heard dissent for a fall-only amberjack season, and we heard support for the season to be open April and May and again sometime after July.

We heard that a fall amberjack season would be detrimental to businesses, because the fleet needs a fishery in the spring. We heard that, in the spring, amberjack are the only fish available to fishermen in the Panhandle of Florida, and we heard that customers have come to expect certain fish during certain seasons and removing the spring amberjack season would be harmful to charter businesses.

We heard that fishing in the spring for amberjack is much less dangerous than in the fall fishing for amberjack, because of weather, and the council should consider a May spring season, with the remainder of the quota being harvested sometime in the fall. The council should consider closing amberjack from September through March each year. We also heard that the season should open on January 1, so that there is a fish to target at the beginning of the year.

We heard that, after a spring season, amberjack should open in mid-October for a fall season, and we also heard that, if triggerfish is open in the spring, then amberjack can open on August 1, and we heard support for an April and May season in conjunction with a one-fish per two-angler bag limit and a six-fish boat limit.

We also did receive comment on what was Action 3, and that did consider modifying the recreational minimum size limit. At the last council meeting, the council moved this action to Considered but Rejected. However, we did hear support for no action, that the current recreational minimum size limit should not be modified, because the thirty-four-inch size limit needs to be in place for a while before we can understand the full effect of the regulation.

Now, we also heard a number of amberjack-specific comments that were not necessarily specific to this document or to the actions in this document. We heard that the council should not take final action on this amendment at the August meeting. We also heard that the council should consider creating a one-fish for
every two people bag limit, which was shown by National Marine
Fisheries Service in Amendment 35 to reduce charter and private
harvest by 45 percent and to reduce headboat harvest by 39
percent.

We heard that amberjack should go back to thirty-two inches with
a one-fish bag limit all year-round. We heard that the council
should consider capping the boat limit of amberjack at six fish,
and we also heard that it is unlikely that we reach the
recreational amberjack quota at the time of year in such few
days with the worst weather.

We heard recreational anglers need longer amberjack seasons and
that the amberjack population is much healthier than the science
reflects. We heard that the early amberjack closure, in
conjunction with no triggerfish and a small red snapper season,
is killing recreational angling.

We heard that commercial and for-hire sectors should have their
quotas cut instead of recreational fishermen for amberjack. We
heard that, if amberjack is overfished, then commercial fishing
should be severely restricted.

We heard that, if amberjack is overfished, then all fishing
should be stopped. You can’t make restrictions for one sector
and not the other. We heard that amberjack under thirty-four
inches are plentiful around the Destin, Florida area. We heard
that the amberjack stock is healthier than ever, and this should
lead to longer seasons and higher catch limits.

We heard that the spawning season should be closed for both
commercial and recreational anglers and that amberjack should be
reallocated more in favor of the recreational sector and that
the amberjack allocation should be split 85 percent recreational
and 15 percent commercial and that the recreational size limit
increase has made amberjack fishing better.

We heard that changes to amberjack regulations should be made to
the recreational sector, because they already have a majority of
the fish and are allowed to harvest smaller fish during
spawning. We heard that the council should take a strong
precautionary approach when making adjustments to the size
limits and seasons for greater amberjack, because the stock has
struggled to rebuild.

We heard that amberjack needs to meet its rebuilding
requirements to provide a more stable fishery and that the
council should consider trip limits, seasons, size limits, and
IFQs to manage the fishery.

We heard that a spike in phone surveys taken from the recreational sector in the Panhandle area of Florida caused a false increase in the estimated amberjack landings, and, finally, we heard that red snapper are overpowering amberjack and pushing them off the structure.

You will also notice that, in that comment summary, the written comment summary, in Tab B, Number 4(b), that there is a number of other comments that we received that are not necessarily specific to amberjack or to this document, and so I just want to refer you that those are there, and they are summarized, and so, rather than read them out loud, I just want to make you aware that they’re there, and that concludes my report.

CHAIRMAN GREENE: Okay. Thank you. I believe we’ve taken care of the codified text as well. The next item is the codified text, Tab B, Number 4(c).

CODIFIED TEXT

MS. BOSARGE: Shep, the codified text is Tab B, Number 4(c). Do you need to tell us anything about that, or do we just need to reference that it’s there for our review?

MR. GRIMES: Just a second, Madam Chair. I’m sorry.

EXECUTIVE DIRECTOR GREGORY: I would like to ask -- I know, when the council members are talking to one another, that you like to look at the person that you’re responding to, but it’s important that you speak directly into the microphone and not turn your head away this way, because the people in the audience are having a hard time hearing the council members talk, and I think that’s the reason why. You just really need to speak into the microphone.

MR. GRIMES: The only thing I would note is that the seasonal closure language will reflect your preferred alternative in the document. Otherwise, I think it’s all going to be just that, but you have given editorial license, and so it will come back to the Chair if there are any changes. Thank you.

CHAIRMAN GREENE: Okay. Anything else before we leave greater amberjack? Dr. Froeschke.

DR. FROESCHKE: Could we get a motion just to direct us to begin this new document and maybe some language about the alternatives
and if you want to consider the fractional bag limits?

CHAIRMAN GREENE: Absolutely. Does anyone want to make a motion to that nature? Mr. Riechers.

MR. RIECHERS: I move that we ask staff to develop a framework action regarding greater amberjack management measures dealing with seasons. I wish Ms. Guyas was still over there, to see whether she wants to still try to put in some fractional bag limits, but it sounded like she still wanted to have that opportunity, and so we’ll add that as well.

CHAIRMAN GREENE: Mr. Grimes.

MR. GRIMES: Thank you, Mr. Chairman. I would also note that the numbers in the codified text that is before you today do not reflect your preferred alternative, because there was no preferred alternative when they were developed, but, when those numbers are put in, they will reflect the decisions you make here at this meeting, at Full Council. It will probably have everything in it when you see it at Full Council. Thank you.

CHAIRMAN GREENE: Thank you, sir. Okay. Mr. Riechers, is that motion correct? Okay. Is there a second for this motion? It’s seconded by Dr. Frazer. Is there discussion? Mr. Anson.

MR. ANSON: I don’t know, and maybe Doug or Dr. Froeschke could comment on it, but, fractional bag limits, is there a -- Robin, is there a difference in that, between that and vessel bag limits? Are you talking about both angler and vessel bag limits?

MR. RIECHERS: I am assuming this is a vessel bag limit, and I want to make it absolutely clear that I am not necessarily supporting this as I make the motion.

MR. ANSON: I understand. I think it’s just the fractional bag limit might be more complicated, or there might be less analysis on that. I don’t know, but I am just asking staff to see if that covers or captures --

MR. RIECHERS: If I may, it sounds as if some people would prefer for me to say “vessel bag limits”, and so let’s just go ahead and move that to “vessel bag limits”, if my seconder will agree.

EXECUTIVE DIRECTOR GREGORY: Yes, it will be vessel limits, and what we might do is bring two framework actions back, one for
the season and one for the vessel limits, because the vessel limits, if I’m correct, will take a lot longer to develop.

CHAIRMAN GREENE: Mr. Riechers.

MR. RIECHERS: Just as a point of discussion, and not necessarily to this motion, but I think it will be helpful, at the Full Council, or in the minutes, if we could make sure we put in those different options that different folks spoke to, because I think that will then allow, at Full Council, for people to see if there was a gap in a time period that they wanted open or something, and we could add that then at Full Council.

I’m trying not to overload staff with too many options, but still realizing that there may be something specific that Martha or the State of Florida was trying to do when she put her motion up on the board.

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

MR. STEVEN ATRAN: It sounded like there was a little confusion about a fractional bag limit versus a vessel bag limit, and, when we did Amendment 30, which became 30A, we were talking originally about vessel limits, which was going to be a fixed number of fish per vessel, regardless of the size of the vessel or how many people were on it.

What we’re calling fractional bag limits was suggested by some charter boat fishermen during an Orange Beach scoping meeting, and they said, instead of doing it that way, let’s have a certain number of fish for every two fishermen, or for every three fishermen. In other words, it’s proportional to the number of fishermen on the boat, and so you can have different bag limits depending on the number of people on the boat, and it’s not fixed to the vessel.

CHAIRMAN GREENE: Thank you. What Mr. Atran is referencing was a half an amberjack per person type of thing. That’s what was brought up, and I remember it very well. It was very confrontational. However, an example of a vessel bag limit would be one warsaw per boat type of a thing, and so it’s not something that’s completely unfamiliar and out of the range of ideas. We have a motion on the floor, and it’s been seconded. Is there further discussion about what you would like to add into this?
It was mentioned that maybe we separate it into two different one as well, and so, if you want to have one just for the seasons and then one for the bag limits, then that should be a consideration. I heard some talk around that, and I don’t know if anybody wishes to do that or if you want to just keep it all in one, but it’s your committee and whatever you choose. Mr. Sanchez.

MR. SANCHEZ: I think, too, I don’t want the analysis with vessel bag limits to hold up the other one. I think we need to get on that one pretty quickly.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: I understand that it might hold it up, but I think it makes sense to look at these two things together, because I mean -- I am afraid, if we end up dealing with the seasons first and then coming back and addressing bag limits in a separate one, we will end up addressing the seasons again, because, depending on what vessel bag limit you choose, you may be able to stretch out the season and maybe optimize fishing opportunities, where we wouldn’t have that option just looking at seasons alone. I know there is some concerns about that delaying, but I don’t know. To me, it makes sense to look at them together.

CHAIRMAN GREENE: Okay. I am going to turn back to staff and then I will go to you, Mr. Diaz. John, would you refresh me again about why you were thinking we would be better to have two, as opposed to one?

DR. FROESCHKE: The rationale, I guess, would be the different pace at which those might proceed, but I do agree that they are likely intertwined, and so you would want to know where you’re going on bag limits if you were trying to extend the season to the end of the year for a given reopening date or something.

CHAIRMAN GREENE: I understand, but I just couldn’t remember what it was. I know you’re not trying to tell the council what to do, but I just couldn’t remember what your point was there, and so, Mr. Diaz.

MR. DIAZ: I am just trying to get it straight in my mind, so I know what I’m voting on. A minute ago, we said that these fractional bag limits and some of this other stuff was a difficult analysis and we weren’t sure that we could have it ready for the October meeting.
If this motion here will not have us with something ready to go at the October meeting, our next meeting is January, and so, if we try to take final action in January to impact this season, this next season, I don’t know that we can do that. I almost feel like I would like to support something in this motion that brings us to a point where we can take final action next month, and so that’s where I would like to see us be moving towards, and so, if this motion doesn’t do that, please address that. Thank you.

CHAIRMAN GREENE: Mr. Gregory.

EXECUTIVE DIRECTOR GREGORY: We will do our best. I mean, I hear what everybody is saying, and we’ll do our best to bring everything together in one document in October, and, if the vessel bag limits is inadequate at that point in time, you can separate the two, but we won’t be putting it off, but we’ll do the best we can. We just think, given the complicated nature of it, it will take more time, but we will certainly -- We’ve got eight weeks between the two council meetings, and we’ll do the best we can to address both issues at the same time.

CHAIRMAN GREENE: Thank you. Ms. Guyas.

MS. GUYAS: Yes, and I guess one more thought. Given the discussion that we just had about potentially moving the amendment that we have forward with the ACL and a season option in there, it kind of would be strange to go back in October and choose another season with no additional new information and then do another amendment with the vessel bag limits and then the seasons, potentially, again. I guess, as I’m kind of thinking through this, it’s making more and more sense to address these two things together in a separate amendment.

CHAIRMAN GREENE: Okay. We have a motion on the floor, and let’s go ahead and vote this motion up or down. Then we’re going to take about a quick ten-minute break and let everybody kind of digest this. Then, if we come back and we decide we want to do something a little different, we can pick it back up before we get into the next couple of agenda items before lunch. With that, I will go ahead and call for a vote.

The motion is to have staff develop a framework action for greater amberjack management measures dealing with seasons and vessel bag limits. Is there any opposition to the motion on the floor before you? Seeing no opposition, the motion carries. With that, we’ll go to Dr. Crabtree.
DR. CRABTREE: Just a procedural thing. Doug, could we start having -- I would like to hear the public comment report from Emily before we start picking preferreds and things. It seems out of sync for us to hear it after we’ve already done that.

MS. BOSARGE: Yes, and we had that same sidebar discussion over here, and I was actually going to get with staff and see if -- Because it is on the agenda as letter a to hear those public comments, but then, if you look at the Agenda Item IV, the first tab that we have on the agenda is that Tab B, Number 4(a), and so I think just if we tweak a little bit the way we lay out the agenda, maybe add one more line item to it underneath that and not have that tab right there, maybe it won’t be so confusing for us as we’re going through, and it’s not staff’s fault. We should have picked it up over here, but, yes, you’re correct. I think, in this case, luckily, we got most of the emails personally, and so we did know what most of the comments were, but I agree that we want to hear that before we get too far into it. Thank you, sir.

CHAIRMAN GREENE: With that, we’re going to go ahead and take about a ten-minute break, and we’ll get back at 10:35.

(Whereupon, a brief recess was taken.)

CHAIRMAN GREENE: We are going to -- Before we leave greater amberjack, I am going to circle back around. There was a lot of conversation about seasonal limits, and we were asking staff to come up with some options. However, when I got up from the table, staff kind of asked if there’s some way that we can narrow down some of those options. If there’s something in that we just absolutely think is not going to work, then we to get it out, or let them know that, so that we don’t have to analyze that, because we’re going to be in a big time crunch.

If there’s something that someone is leaning toward, then make that known now, if possible. If you’re not quite there yet, then maybe, between now and Full Council, we can get with staff and let them know what your intentions are and do that, so they will have some clear, absolute understanding, by the time we leave here, of what it is that we’re trying to do, and sometimes it’s hard to kind of figure the intent of the council, and sometimes even of yourself, whenever you’re trying to keep up with this thing, as much as it’s moving, and so, before we leave greater amberjack, does anybody wish to weigh in or make any comments or anything? Dr. Stunz.

DR. STUNZ: Really quick, Johnny. What you’re talking about is
they will provide us with some type of list or table or something, so we can kind of see if it’s capturing what we’re envisioning?

CHAIRMAN GREENE: Well, I don’t know that they’re going to provide you anything before this meeting, but, if you have some idea of a time series that you like or don’t like, please just get with them and try to come up with something. Before I speak for the staff, let me go to Dr. Simmons and see if she can help out and offer a little direction here.

DR. SIMMONS: What we can do is just put it in the committee report, and, thank you, Mr. Chairman, what we heard currently, and then everyone will look at that again, and, if there is anything that you don’t want to consider that was considered in the current framework, that’s also good information to have before we leave here on Thursday. Thank you.

CHAIRMAN GREENE: Okay. Dr. Stunz, that kind of hits that point, and are you comfortable with that?

DR. STUNZ: That would be great, if it could go in that report.

CHAIRMAN GREENE: Okay. Thank you. Anything else before we leave greater amberjack? With that, we will move on to our next agenda item, which will be Amendment 42, Reef Fish Management for Headboat Survey Vessels, and Dr. Diagne.

AMENDMENT 42 - REEF FISH MANAGEMENT FOR HEADBOAT SURVEY VESSELS REFERENDUM ELIGIBILITY REQUIREMENTS

DR. ASSANE DIAGNE: Thank you, Mr. Chair. We are going to discuss the referendum eligibility criteria that you have to define for participation in the referendum for Amendment 42, the headboat survey vessels allocation-based management program. These options were presented to you and discussed, if I recall, in October, I believe, last October.

We have essentially four alternatives in this document. Alternative 1 would be the no-action alternative, and it would not specify eligibility criteria. Obviously that wouldn’t be a workable alternative to pick. The remaining three alternatives would pick various annual average landings, and those are expressed in number of fish.

For each one of the alternatives, we present two options. One option would be, essentially, for one permit, one vote, and the second option would have the votes weighted based on the catch.
The table essentially provides the number of voters based on the various criteria that we have in the document, and some more actually. For the no action alternative, without defining any criteria, everybody would vote, and we would have the universe, essentially, of seventy-one participants, and all of them would vote.

Alternative 2, which would require that participants have an annual average of a hundred fish over the period between 2011 and 2015, for all of the five species included in Amendment 42, we would essentially have sixty-four out of the seventy-one possible participants voting, and they would represent still 99.8 percent of the landings.

Alternative 4, which would set a larger threshold, let’s say of 1,000 fish, on average, would represent still 91 percent of the landings, but it would significantly decrease the number of voters to forty-three out of the seventy-one. Last time you discussed this, you considered Alternative 2 as perhaps a preferred course of action, and I will stop here and try to answer questions, if you have any. Thank you.

CHAIRMAN GREENE: Okay. Is there discussion by the committee? Ms. Guyas.

MS. GUYAS: Just two questions, and I can’t remember if we discussed this before, but why are these based on landings since 2011 specifically? Then I’m trying to remember the years of the headboat IFQ EFP. Was that 2014 and 2015, Assane?

DR. DIAGNE: Yes, and the EFP was, as you mentioned, in 2014 and 2015. For the eligibility requirement, 2011 to 2015 would represent essentially the cleanest and most accurate data that we have for these participants, and that is why that is the interval chosen.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: Assane, describe to me how they’re cleaner and the most descriptive. Is it just because of the changes of ownership of the permits and transfer of permits in that time period, and how did the data stream differ prior to 2011?

DR. DIAGNE: Part of it has to do with -- Let’s say I think it
was prior to 2009 or so, and we had the landings, but not attributed to the vessels, and so essentially, by the time you looked at the vessel ID and the vessel name and have that cleaned up, 2011 was determined to be the best starting point.

CHAIRMAN GREENE: Anyone else wish to make a comment? Seeing none, Dr. Diagne.

DR. DIAGNE: Mr. Chair, these are the four alternatives in the document, and so, if the council elects to do so, you would pick, or recommend, I guess, an alternative, and that would be the alternative that would be considered when the time would come to start or request initiation of the referendum, but this would be the first step, essentially, to select an eligibility criterion, so that, when the time comes to request the initiation of the referendum, we would know that it will be based on whichever alternative you selected as a committee and then as a council, if that is the course of action you want to take.

CHAIRMAN GREENE: Okay. Mr. Sanchez.

MR. SANCHEZ: I would make a motion that we select Alternative 3, Option b as the preferred.

CHAIRMAN GREENE: That’s in Action 1, correct?

MR. SANCHEZ: Correct.

MR. BOYD: Assane, what page is this on in the document?

DR. DIAGNE: The alternatives are on page 5 and 6, or PDF page 9 and 10, I believe.

CHAIRMAN GREENE: Okay. I’m trying to give them just a second to get the motion up on the board and let everybody have time to get there. Mr. Sanchez, we’re getting the motion on the board, and I assume that is correct as written? Okay. I’m going to give them just a second to get it on the board and get it on one screen and make sure everybody understands.

We have a motion on the board, and is there a second for this motion? It’s seconded by Mr. Walker. I will read the motion into the record and we will have some discussion. In the eligibility referendum requirements, to make Alternative 3, Option b, the preferred alternative. Alternative 3 is restrict participation in the referendum to persons who have a valid or renewable federal reef fish for-hire permit issued to a landings
history vessel and who have substantially fished for red
snapper, gray triggerfish, greater amberjack, red grouper, or
gag based on landings submitted to the SRHS during the
qualifying years. A vessel qualifies as a LHV if it has
individual landings history recorded by the Southeast Region
Headboat Survey by December 31, 2015. For-hire federal permit
holders whose vessels landed an annual average of at least 400
fish of all species combined are considered as having
substantially fished. Annual average landings are based on
landings recorded by the SRHS between 2011 and 2015. Option b
is each eligible permit will have one vote regardless of the
relative size of the vessel’s catch history. Is there
discussion on the motion before you? Mr. Anson.

MR. ANSON: I’m wondering -- Assane, did you, in the analysis of
this -- Were there any vessels that were participating in the
pilot program, the 2014 and 2015 pilot program, that may not
make that cut, the 400? I mean, if they were a relatively small
vessel, in terms of their historical landings, and then only
were provided a certain number of fish, would that number of
fish for those two years impact their average landings such that
they may not make this?

DR. DIAGNE: We did not specifically look at that as you framed
the question, but keep in mind that the program is a
multispecies program that would address five species and that
the EFP was limited to red snapper and gag grouper, and the
likelihood of that would be extremely small.

CHAIRMAN GREENE: Thank you. Is there further discussion? Dr.
Stunz.

DR. STUNZ: Dale had his hand up first.

CHAIRMAN GREENE: I’m sorry, Mr. Diaz. You’re at the end of the
table, and sometimes I miss you, and I apologize.

MR. DIAZ: That’s okay. If I am looking at this chart
correctly, we’re in Alternative 3, and the folks have to have
captured at least 400 fish, and about fifty-six people would be
able to vote, and is that correct what this motion would do?

DR. DIAGNE: Yes, fifty-six out of the seventy-one will be
eligible to vote, but they would still account for 98.2 percent
of the landings.

MR. DIAZ: In the past, the way that I’ve kind of thought about
this is I think that the standard is they have to have
substantially fished, and we’re going to define substantially fished, and what this motion would do is say 400 fish is substantially fished.

We’ve got fifty-six people out of seventy-one that could vote, but the other folks -- To me, I like to keep the bar real low on substantially fished, because the people here have valuable boats, and they may not be able to vote on this referendum, and the outcome of this vote could affect the value of their boat, and so, at this time, I am going to have to speak against this motion, and I would be more in favor of choosing a standard of substantially fished that would be less than 400 fish, and so that’s my thoughts on it. Thank you.

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

DR. STUNZ: Dale made most of my points there with the Alternative 3 versus 2, but that is eight other vessels, I guess, and I’m wondering about those eight other vessels, who they are and who we would be excluding by going to that. I don’t necessarily not support the motion, but, kind of like Dale, I wanted to make sure that we’re not missing some key folks in those eight vessels, and I am trying to get some idea who that might be.

CHAIRMAN GREENE: Thank you. Ms. Guyas.

MS. GUYAS: One of the things that I’m kind of wondering, since the cutoff is 2015, is, if we had 2016 data in here, if that would potentially expand the number of people that would be eligible to vote, if there have been permit sales between then and now. We have finalized 2016 data at this point, don’t we, for the headboats?

CHAIRMAN GREENE: Ms. Gerhart.

MS. GERHART: Just to remind you that you did put a control date in of December 31, 2015, and so that was why that date was used.

CHAIRMAN GREENE: Mr. Diaz.

MR. DIAZ: This is a question for Assane. Could we even choose Alternative 1 if we wanted to? It does say “substantially fished”, and, in Alternative 1, they would have zero fish caught. Is that even viable?

DR. DIAGNE: I would defer to -- I would ask for legal advice,
but it seems to me that “substantially fished” and having caught zero fish -- I don’t know how to reconcile that, but I will ask Mr. Grimes.

CHAIRMAN GREENE: Mr. Grimes.

MR. GRIMES: Thank you, Mr. Chairman. Well, I would say I don’t like -- I wouldn’t like the idea of do not specify eligibility criteria. That’s not what you’re doing. You would be setting it at zero, and I too think there are sort of conceptual challenges to saying that catching zero fish means you substantially participated or substantially fished, excuse me.

CHAIRMAN GREENE: Mr. Sanchez.

MR. SANCHEZ: If the seconder would agree, I will withdraw and look at Alternative 2.

CHAIRMAN GREENE: All right. The seconder agrees with that, and so you’re going to withdraw your motion?

MR. SANCHEZ: I would like to make a motion for Alternative 2, Option b as well.

CHAIRMAN GREENE: All right. We’re going to get that on the board, and it will take just a second. John is proposing a new motion, which will be Alternative 2. Is there a second for this motion? It’s seconded by Mr. Walker.

I waited last time for them to get the language up on the board, because everybody was trying to get to their pages, but, this time, I kind of think everybody knows where we’re at. Is there any further discussion while they’re getting the motion up on the board? Mr. Boyd.

MR. BOYD: I am going to back up just a minute. Several meetings ago, we changed the terminology that we’re using to landings history vessel instead of headboat, and there’s been a lot of discussion in public comment, and there’s been a lot of discussion behind the scenes, about what is a headboat, and I know there’s a lot of discussion within the charter group, because some of the boats that have high capacity are, quote, unquote, moved into their sector, and that causes a problem for the charter/for-hire guys, when you start doing allocations, if you do them within their sector.

I don’t think that landings history vessels are the way to go in this allocation, because it’s an arbitrary decision on who is in
that group. It’s an arbitrary decision based on reporting and not on Coast Guard capacity and not on vessel capacity and not on anything.

The other point that I would like to make is that we’re moving to a referendum here in this document, and we haven’t picked a preferred on management alternatives yet. How do we know that we’re even going to need this? Thank you.

CHAIRMAN GREENE: Thank you. Is there further discussion? Dr. Diagne.

DR. DIAGNE: Just perhaps a little comment. As far as the split of the for-hire sector component, as we may call it, into two pieces, the only objective criterion we have today would be those that have landings at the headboat survey in Beaufort versus those that don’t have it.

To the extent that we want to move forward with two separate amendments, and that decision, of course, is for the council to make, that would be the only objective criterion that we have to be able to separate those two groups. If perhaps that is back on the table, perhaps the structure of these amendments would have to be rethought, depending on the direction that you want to take.

As far as the second comment, in terms of referendum, this is just an indication of the eligibility requirement. There are many, many steps to come after this, and one of which being the formal request letter requesting the initiation of the referendum, and that can happen much later in time, after the amendment is further developed, and so this is still a very preliminary stage. Thank you.

CHAIRMAN GREENE: Okay. Mr. Anson.

MR. ANSON: I want to go back to a comment that Mr. Diaz had made on the previous motion, but it still applies to this motion, relative to the value of the permit and allowing enough people who have the headboat, or the LHV vessels, to vote on 42 and what’s being discussed in Amendment 42.

I want to see what are the options for the permit holders? I mean, currently, they can sell to another individual, and that individual can put it on another vessel, and, as long as the Coast Guard certification equals the passenger limit on the permit, then they can take the passenger limit that’s on that permit, and I know that might change over time, depending upon
the vessel, in that certification process, but this permit will still be able, after we go through a referendum, if 42 goes forward, will that permit always remain as a LHV permit and it won’t go to a charter boat permit? Is that correct, maybe Sue or Assane?

**DR. DIAGNE:** Yes, that’s correct. I will let Ms. Gerhart elaborate on that, but, in the amendment, we did include text to essentially preclude, quote, unquote, double-dipping, to be in 42 and get shares and so forth and then take the permit and say that I want to go to the other side, but I will let her explain more.

**CHAIRMAN GREENE:** Ms. Gerhart.

**MS. GERHART:** I am not sure that I have additional to that, but we do have various actions in the amendment about even creating a new permit, so that there are separate permits in the future, or an endorsement to the permit. Those are options that the council can look at to keep these separate, but, yes, we have put provisions into the amendment for not allowing a single permit or vessel to be in both of the different programs. You’re either in 42 or 42.

One follow-up that I wanted to have about the referendum is just to remind you that, once you decide on the criteria and submit the letter to NMFS, we would still have to go through rulemaking for the criteria for the referendum, and so there will be a proposed rule with comment period and then a final rule, and so we’re talking a five to six-month period just to get the criteria for the referendum in place before it could take place, and then it’s always still the council’s option of when to have that referendum after those criteria are in place.

**CHAIRMAN GREENE:** Thank you. Is there further discussion? All right. We have a motion on the floor. Any further discussion about the motion on the floor? **Is there any opposition to the motion on the floor before you?** Seeing none, the motion carries. Mr. Diaz.

**MR. DIAZ:** I just want to clarify something on the last discussion, because my memory is not -- I am not remembering this exactly. Based on what we just said -- At one time, we had talked about folks in 42 could opt out and join 41 if they wanted to, and I think, at one time, we talked about not allowing them to opt out, and where is it currently in the document right now? Can they opt out, or do they have to stay in 42?
DR. DIAGNE: Folks in 42 will stay in 42, and the remainder of the for-hire will be in 41, and the issue was discussed also during the joint meeting, if you would, let’s say the entire for-hire component, and it would be difficult to track if people were allowed to get in and get out, opt in and opt out.

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

MR. ANSON: I don’t want to belabor the point, but, if we had -- We may have had language to this earlier, but, for that individual headboat owner that would be identified as a landings history vessel, and if they’re under the 100 fish regime right now, it may not be in their best interest to go forward with 42 and maybe to have a one-time opt-out. Then they are just -- That would depend on the timing of the two amendments, and I understand that too, and having an opportunity for them to be included in 41 calculations, but it may not make much sense to them if they’re stuck then at that level and then they’ve got to kind of continue to have their business practice around that size of a fishery, and so that’s what just struck me by your comment earlier, Dale.

CHAIRMAN GREENE: Dr. Diagne.

DR. DIAGNE: Yes, Mr. Chair, and I have to correct something that I just said. The action to allow folks to make the decision to stay in 42 or to get out is still in the document. What is no longer in the document is to be able to allow them to do it back and forth as we move forward, but, at the onset of the program, the option is theirs to decide to be in this or to leave.

CHAIRMAN GREENE: Mr. Boyd.

MR. BOYD: Assane, if they opt out, where do they go? Do they go into the other sector?

DR. DIAGNE: They will continue to be managed under the federal recreational regulations applicable at that time, essentially. Whatever regulations are on the books at that time will be applicable to them.

MR. BOYD: Okay, but I don’t think that answered my question, for me anyway. Do they go into the private boat recreational sector, or do they go into the charter/for-hire sector?
DR. DIAGNE: They will be a portion of the recreational sector and not in 41. That being said, a portion -- They will come with their fish, quote, unquote, or I will let Ms. Gerhart talk about that.

CHAIRMAN GREENE: Ms. Gerhart.

MS. GERHART: I think the way we have it designed is, if you’re a for-hire vessel, you’re in either 41 or 42, and so then, if you’re not in 42, you would be part of 41.

MR. BOYD: A follow-up, Mr. Chairman. So, hypothetically, a sixty capacity boat who is in 42 could move to 41 and take its allocation with it?

MS. GERHART: It’s up the council to decide if they’re going to allow those kinds of options. Those are part of the actions that are in the amendment, and the council will decide if they want to allow that or not.

MR. BOYD: Thank you.

CHAIRMAN GREENE: Mr. Riechers.

MR. RIECHERS: Assane, I think someone asked it earlier, and I will try to ask it again. At this point, we haven’t analyzed, and it’s really fifteen vessels, if you go 400 or less, and we haven’t analyzed those by capacity or with a notion of whether we think there would be greater incentives for them to move to 42 to 41 and looking at some of that passenger capacity. Have we done that yet?

DR. DIAGNE: For this amendment, we have the landing records of each one of the vessels, the catch histories, as reported to the headboat survey, and so that is what we are using. The passenger capacity issue is one of the key pieces in 41, because, over there, we don’t have the landings history, and so that analysis is there.

MR. RIECHERS: Yes, and I understand that we’re using that catch history here that we have, but I mean, as Kevin, I think, was alluding to, certainly there may be a point where it just doesn’t behoove people to stay in this system based on those lower catches that they’re going to receive as allocation.

If they were going to go to a different system and there was -- I am not saying that any of these are going to necessarily move forward in the way they are now, but, if there was going to be
this fish and redistributing fish again and that sort of thing, it may behoove them to move.

I think some of the questions that we’ve heard from others is what happens with these -- Like I said, I am counting them as fifteen vessels that are under 400 fish, and those are probably the more likely, but one could even argue that it could be under 1,000 fish and how those capacities might impact.

DR. DIAGNE: I am afraid that I am not understanding the question.

MR. RIECHERS: I will get with you on a break.

DR. DIAGNE: Okay, because, if each one of them has their catch histories, and, collectively, as a sector, they can make a decision to go to this new program or not, essentially.

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

DR. DIAGNE: That’s all we have for this. The amendment itself was attached, just for reference, and so we will, I guess, proceed and prepare a letter, and that will be brought before you at a later time. Thank you.

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

DR. CRABTREE: So where we are now is you would prepare a letter requesting that we move forward with this rulemaking to establish procedures, but you’re going to bring that letter back to us at the October meeting to review?

DR. DIAGNE: Yes, Dr. Crabtree. We will bring the request to initiate the referendum letter to them.

DR. CRABTREE: At the October meeting?

DR. DIAGNE: Yes.

DR. CRABTREE: All right. I’m good with that.

CHAIRMAN GREENE: Mr. Sanchez.

MR. SANCHEZ: Is there a reason why we’re waiting until October, other than -- Usually we’re at final action and we’re kind of ready to go, and I kind of want to understand that a little better.
DR. DIAGNE: These are the steps that we followed when other referendum or referenda, I guess, were administered for the allocation-based programs, just to make sure that we follow the steps, as we have them laid out.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: So we don’t have to have a motion then. When we take final action on other things, there is this motion to send it to the Secretary and all of that, and this is my first time to go through the referendum. Is there a special motion that we make here, or are we done?

DR. CRABTREE: Well, we’re not technically taking final action now. We have chosen our preferred, and staff will then put the letter together and bring the letter to us at the October council meeting. At that time, I would presume that we would entertain a motion to submit the letter or not send the letter. That’s my understanding of what we’re doing.

DR. DIAGNE: Yes, we can do it that way. We will essentially prepare the letter based on your preferred here and bring it to the October meeting.

DR. CRABTREE: So you would need then to notice this again as final action at the October meeting, and we would review the letter and then vote whether to send it or not.

CHAIRMAN GREENE: Mr. Sanchez.

MR. SANCHEZ: I am kind of with Leann, in that -- Normally, I guess, when we’re at final action, we kind of, following the final action decision, which we just had, we vote to send it to the Secretary for approval. Perhaps there is some different nuance, being that it is a referendum document, but I would just like to note that I find that kind of odd that, having a final action schedule, you’re not ready to follow up with that letter. I find it somewhat strange.

CHAIRMAN GREENE: Dr. Diagne.

DR. DIAGNE: Perhaps we can go through the nuance and look at the final point. Following this motion, as a committee and the council, what you can do is formally pass another motion that would request that we bring the initiation letter or that you request the initiation of the referendum, so that we prepare that letter and bring it to you. Typically, it’s an amendment,
and you do final action and you send it to the Secretary, but this is a little bit different.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: My request to you, and what I hope that you will do, is not go ahead and make a final decision on proceeding with the voting procedures, but to make that decision at the October meeting, when we have the new council members seated. At that time, they can look at the preferred and what we’ve done here, and they can make a decision about what to do, but I would encourage you to hold off that final step until the October meeting.

CHAIRMAN GREENE: Mr. Sanchez.

MR. SANCHEZ: I do appreciate that, but, as we know, there’s going to be a change in the composition of the council in October, and I, for one, would rather see the folks that are vacating their seats that have had the benefit of countless hours of public testimony, public written comment, and have been through years of meetings that have brought us to this final juncture to be able to weigh in on that, rather than the two, I guess, replacement council members who don’t have the benefit of that.

CHAIRMAN GREENE: Dr. Crabtree, to that point?

DR. CRABTREE: Well, I appreciate that, John. I guess I’m looking at it that where we go with Amendment 41 and 42 now though is going to be a decision of the new council that will take their seats in October and for some time after that.

This is linked to those amendments and part of the decision they’re going to have to make, and so my preference is to defer a final decision on this until the new members are here and we then see where we’re going with this, because we know how many — I just think we need to see where the new council wants to go with it, and I appreciate your position on that, but I think that’s the best course of action.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: Would there be anything that would prohibit the new council in October from overturning this, if they so chose?

CHAIRMAN GREENE: Dr. Crabtree.
DR. CRABTREE: My view is no. The new council can change the decision or do something different.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: Then it seems like, to me, that we vote it as John proposes. Then, if the new council chooses to change it, then they choose to change it. That seems to be the best course of action here, rather than just assuming that they may change it.

CHAIRMAN GREENE: Further discussion? Ms. Bosarge.

MS. BOSARGE: I guess I’m confused procedurally. I guess, if we want to delay this and have a letter come to us in October, we make no motion, but, if we want this to be our final action and then allow the new members to come in -- If they have a difference of opinion on what we’ve done, then I guess we go back and revisit this, but, if we want this to be the final action today -- That’s why I was asking Shep if there is a motion that’s made or how does this typically proceed? Do you have to have a motion for this to be final? Procedurally, where do we go?

MR. GRIMES: I would say that the council -- Whatever decision the council makes, and, if you want to request that the Secretary or the agency start to initiate the rulemaking process for this referendum, then you could say, okay, this is what we consider substantially fished and move that the Secretary proceed with the rulemaking to work towards conducting this referendum.

Yes, I would say that some sort of motion, a clear decision by the council, and I apologize, because I have not been involved in this whole process, and I may be missing something, but there are regulations for these referenda, and, to initiate the referendum on a proposed IFQ program, the relevant council must have held public hearings on the FMP or FMP amendment in which the IFQ program is proposed. The council must have considered public comments on the proposed IFQ program. The relevant council must have selected preferred alternatives for the proposed IFQ program.

You haven’t done the latter two, right? I totally get that it takes a while to conduct the rulemaking that’s going to allow the referendum to occur, but the referendum is on your proposed IFQ program. You don’t have that, I would say. I mean, you have documents and alternatives and actions, but it seems to me that you wouldn’t -- Well, again, I apologize if I don’t have
all the background, but you would be requesting that the Secretary start the process, the rulemaking process, for a referendum to approve an IFQ program that is not well defined at this stage.

CHAIRMAN GREENE: Dr. Crabtree and then Mr. Anson.

DR. CRABTREE: The way I’m looking at it, in terms of how staff laid it out, that they’re going to bring us the letter and we’ll decide what to do with it in October, I think, if you want to instruct staff to write the letter and request that the Secretary initiate the rulemaking, you would need to make a request and pass a motion instructing staff to proceed with the letter before the October meeting. That’s how I’m reading it.

CHAIRMAN GREENE: Dr. Diagne.

DR. DIAGNE: I think it may look pretty straightforward, but I was refreshing my memory here, looking at the referendum on Amendment 29, and perhaps the confusion comes from the fact that we all now are seeing the preferred alternative for substantially fished, and so, in I guess most of our minds, then why not just have the letter and proceed, but there is another motion that, as a council, that you need to pass, and that motion, in specific terms, requests that NMFS initiate the referendum.

In that letter, you lay out the eligibility criteria that you have selected and you put some analysis behind it. We have most of that analysis, but you also need a regulatory impact review for the criteria that you have selected to accompany that request.

It may seem straightforward when we say that we have picked 100 fish, but now, based on that 100 fish, you have to write a letter detailing the impact of that, as well as a regulatory impact review, and submit that to NMFS for them to proceed.

That is the step that is missing, and that is the main reason why we will bring the letter back to you in October, but you have taken final action, and that’s final, and so, based on this, we are going to bring the letter with the analysis and the regulatory impact review. Then you will request that NMFS move forward.

CHAIRMAN GREENE: Thank you, sir. Dr. Crabtree.

DR. CRABTREE: Just to that point, remember that you’re not
requesting that we initiate the referendum. You’re requesting that we initiate a rulemaking to set up the voting procedures, and I also would disagree a little that it’s final, because you could come back at the October meeting and decide that you want to revisit this and choose another preferred alternative or whatever you wanted to do, but you can’t bind the next council meeting, the council, from making some other decision, although that would delay things, obviously.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: I had a couple of questions, and one was related to my trying to understand the process a little better, and so the previous two individuals, Dr. Crabtree and Dr. Diagne, helped to put that in clearer mind for myself.

I just wanted to pick up on the point that Dr. Crabtree had made earlier that, in deference to the new council members -- Leann made a comment at the beginning of yesterday’s committee meetings about the timing of this particular meeting relative to the new membership, and I was involved with the decision-making process that selected this meeting and this time period, and so I will take equal responsibility for having an inopportune meeting relative to the new members, and I apologize for any inconvenience and extra heartache that may have caused the new members as well as the old members.

In light of that, however, we’re having discussions that we would normally have with new members, and I think there is something to be said for that. It doesn’t mean to say that council members can’t offer motions on the board, and so, if a motion were to come up to want to try to make this a little bit more firmer, as far as the timeline to get the eligibility requirement document going, I would not be in favor of that.

I kind of agree with Dr. Crabtree to go ahead and continue on with the timeline and have staff bring it back to the next council meeting, and it could be up for another vote at that time, but that’s where I stand.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: Shep, I want to make sure, whether we do it here or at the next meeting, that we have everything in place to actually make this decision. You said something about having preferreds, and I guess I was confused.

I thought you meant what you were referring to is that the
regulation, the Act, said that we had to have a preferred in the
documents, which I thought that you were talking about 41 and
42, before we can take final action on this referendum
requirement.

Can you clarify that for me, because, if that’s the case, I
would need to make sure that 41 and 42 are on the agenda for the
next meeting, to pick preferreds, to even be able to take final
action there, and can you clarify this for me, please, sir?

MR. GRIMES: I will try, and I think this probably merits some
more discussion, and so I am going to characterize this as a
preliminary response to you, but, if you look, the statute
itself says that we have to have a referendum, and, in the Gulf
of Mexico, multispecies permits substantially fished, and so,
codified at 50 CFR 600.1310, are regulations for New England and
Gulf of Mexico individual fishing quota referenda. Those are
regulations that were promulgated in Headquarters, and they are
not council-specific regulations.

This council and the New England Council are the only ones that
have this referenda requirement, and the regulations clearly say
that the councils can’t submit, and the Secretary can’t approve,
an FMP amendment that would create the program until that
program has been approved by a referendum.

Then it says, to initiate the referendum, all of those things
that I read to you need to be done. The relevant council must
have considered public comments on the proposed IFQ program,
which I think you have Draft 41 and 42, but those -- I don’t
want to say that they aren’t proposed programs, but I would say
there is not a -- You haven’t even selected preferred
alternatives for a lot of those, and so what are you -- I don’t
think that has been satisfied, at least if you’re talking about
requesting the rulemaking as being initiating the referenda.

Then, if you come down through those regulations, later in the
regulations, it talks about actions by the Secretary and what
the Secretary will have to go through in conducting the
referendum, and it says that NMFS shall promulgate specific
referenda procedural requirements, voter eligibility and all of
that, and it talks about proposed and final rule.

The regulations, I would say, characterize that proposed and
final rule as initiating the referenda, right, and you don’t
want to initiate the referendum, or can’t, until you have a
proposed plan. The regulations are going to go out and specify
the voting criteria for approval of some specific IFQ plan, and
so how do you move forward with this without a more concrete plan that’s developed? You are looking like that didn’t clarify anything.

CHAIRMAN GREENE: Ms. Gerhart.

MS. GERHART: Let me explain to you the timeline that we had put together last year when we were sort of at this same point, before we delayed action on 42 to coincide with 41. At that time, we were looking at, in October, the referendum voting criteria, as you are now, and the timeline we had with that was, if that was approved by the council at that October meeting, we would go ahead and publish the proposed rule sometime in November, and the final rule -- There would be a comment period and the final rule publishing in the first of February, with the effective date of March 1.

That effective date, at that time, because we were trying to get done to start the program in the following year, we would immediately start the referendum on March 1 through the end of March, and so there would be a full month of voting time.

The idea, at that time, was that, during the January/February council meeting, the council would approve or would pick the final preferreds and approve a public hearing draft to go out to the public and a DEIS as well, and so that there would be comment period during the same time as the referendum voting period, or rather public hearings during the same time as the voting period, but, at that point, the preferreds would have been picked.

Then that timeline then would allow for final action by the council at the April meeting, and that would allow the program to start the following January, and so that’s the timeline we had put together last year for that, which is slightly different than what Mr. Grimes is saying, in terms of when the preferreds are picked. In our case here, we had the preferreds picked before the referendum was actually conducted and not before the criteria were picked, as you’re doing today.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: If I may, I want to make a suggestion for Chapter 5 of this document, which is the next step, because what Shep just outlined, his timeline of events and when preferreds needs to be picked versus public hearings and when this referendum goes out, is different from what Ms. Gerhart just described.
Can we have that, whatever that real timeline is, and not necessarily with dates, but at least the sequence of events that need to happen, laid out in this next steps a little bit clearer, and it’s not completely clear in here now, just so that everybody kind of knows what we’re working with, if we’re going to come back and revisit this in October?

Then, also, when that referendum ballot goes out, is it really explaining what is mailed to people, and is it just the ballot, or is it the whole amendment as well, or is it also an analysis of what that person would be getting or what that vote would be getting? I think having some more information here would be helpful, it sounds like to all of us and probably to the people that would be affected by this.

CHAIRMAN GREENE: Mr. Gregory.

EXECUTIVE DIRECTOR GREGORY: Let me join the confused. I thought, along with what was planned for last year with 42, that, if the council took final action on a referendum, and not the amendment, but the referendum, at this meeting, or at any meeting, that we would write a transmittal letter for the Chair to sign without it coming back to the council, but clearly -- Then NMFS does rulemaking to set up the criteria for the referendum, but the referendum doesn’t happen until the council has finished its preferred action on the amendment itself, and that could take one meeting or it could take six meetings.

After the council has finished tinkering with the amendment, we would write an initiation letter to NMFS saying that we want you to initiate the referendum and we have no intentions of changing the amendment anymore until after we get comments from the referendum.

I get the impression that the two letters are confused here, and we never bring a transmittal letter back to the council for approval. That’s done by the Chair. Correct me if I’m wrong with this, and the IPT -- I mean, we set all of this up for final action, and so even most of us on staff are confused.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: The thing is that normally we would have a motion to transmit this request to the Secretary, which no one has made at this meeting, and there is some who have raised that they would be more comfortable doing that at the next meeting.

My thing is the voting procedures and how you do this are sort
of linked to the amendment as well, and we’re going to have a
new council come in that may have very different views on what
the preferreds in the amendment should be, and there may be
substantial changes, and they may play into what you might want
to do with the voting procedures.

I don’t know, and so what I’m asking is that we hold off on that
step of voting to transmit this until the next meeting and we
see where the new council is and where they want to go with
this, and so, if that’s our thing, then we’re done with this at
this point, and it will be back on the agenda and we’ll take it
up again at the next council meeting.

CHAIRMAN GREENE: Madam Chair.

MS. BOSARGE: I am going to let the council decide where they
want to go with it, but I just want to formally apologize, on
the record, to -- Because this is a strange situation we have,
but Mr. Phil in the audience, and then we have David and Dr.
Dana here, and all of their input is important.

I want to make sure, definitely, that David and Dr. Dana,
sitting at this table, do not feel slighted, as if their input
is somehow less valuable, because we do appreciate your time,
and we appreciate you being at this meeting and participating
the full term that you have been appointed. Your input is
valuable. Mr. Phil, yours is very valuable too, and thank you
for giving up a week of your time to come sit in the audience
with us.

Maybe I am missing -- I don’t know what I am missing here. I
didn’t see this as that controversial of a decision. I mean, we
just made a decision on 100 fish, and I don’t know. I thought
we had some good discussion, and I guess I don’t see maybe where
those two amendments are headed that this would be that
significant of an impact on the -- I mean, hey, from what I hear
a little bit in these comments, maybe these amendments are not
headed anywhere. Okay. Well, so be it, but I don’t see how
that really affects what substantially fished is in these
referendum requirements.

If that is the direction that the new council chooses to go,
then it would just put a screeching halt to everything, but I
don’t really think that it would change our decision on what
substantially fished means. It would change our decision on
where we’re headed with those amendments, or not headed, and I
can see that, but I guess I just don’t see how this is all that
controversial. I guess I am missing it.
CHAIRMAN GREENE: To that point, Dr. Crabtree?

DR. CRABTREE: I mean, I think, to bring -- If we want to move forward with this, then I think someone needs to make a motion to instruct staff to send a letter to the Secretary and requesting that they initiate rulemaking to establish voting procedures, and, that way, folks who want to move it now and have you done with it can vote yes. Those who think it should be looked at at the next council meeting can vote no, and we will be clear where we are.

CHAIRMAN GREENE: Mr. Sanchez.

MR. SANCHEZ: That said, I am going to make that motion, but, before that, I just want to thank Shep for showing grace under pressure. He got thrown in this saddle, and here you are, and you've done a great job of going through all of this that was thrown in your lap, and thank you for that.

CHAIRMAN GREENE: Mr. Grimes.

MR. GRIMES: Thank you, Mr. Chairman. I appreciate that, Mr. Sanchez. Looking at the regulations a little more, and the final rule language, in order for NMFS to conduct the final rule, or conduct the referendum, NMFS must publish a final rule as soon as practicable after the council determines that the IFQ program proposal and supporting analysis are complete and ready for secretarial review.

Clearly the regulations envision that you don’t have to have a final, final plan ready to be submitted until you are getting ready to publish the final rule, and I haven’t seen the timelines, and I don’t know what length comment period they’re talking about, but I think this clearly allows for you to request the process, the regulatory process, for initiating the referendum to occur before you have a final FMP amendment with an IFQ program decided by the council in front of you, but I don’t know, in terms of the timeline, how close those need to be.

It seems to me that you have a lot of decisions to make in 41 and 42, and perhaps you shouldn’t be talking about initiating a referendum until you have more clarity as to how 41 and 42 are going to develop.

CHAIRMAN GREENE: Thank you. Mr. Sanchez, you said you were going to make a motion, and did I miss that? I apologize if I
did, but I’m just trying to keep up.

MR. SANCHEZ: I would like to make a motion that we send this to the Secretary. We can finish up with 42 as we will or we won’t and pick preferreds and do all of that good stuff, but, right now, we’re final on this, and let’s send it to the Secretary and see what happens. Thank you.

CHAIRMAN GREENE: I am going to give them just a second to get it on the board and make sure it’s correct. Mr. Sanchez, is that your motion?

MR. SANCHEZ: Yes, but maybe add “for approval”.

CHAIRMAN GREENE: There is a motion on the floor before you. Is there a second for this motion? Seconded by Mr. Walker. Is there discussion? Dr. Crabtree.

DR. CRABTREE: I think we’ve discussed this a lot, and you all know that I’ve been supportive of looking at these amendments, but I think, at the timing we are, it’s kind of awkward, but I think that we ought to defer this motion off to the next council meeting and give the new council an opportunity to weigh in, and so I’m going to vote against the motion, and I would urge you guys to do the same, and let’s take this back up again in October.

CHAIRMAN GREENE: Further discussion? Mr. Banks.

MR. BANKS: I am a little troubled by the comments from Roy and from Kevin, but I understand where you’re coming from, but I am just troubled by it, simply because it almost makes me think that, if that’s the general feeling of the majority of the council, then why in the world did we call a meeting? Why would we even be doing this work if we feel like we need to put everything off until the next meeting for these new people to come on?

If that’s the case, then maybe that’s what we should do, if that’s the general feeling of the majority of the council. I am concerned about all of our additional conversations going forward. If we can’t move some of these -- Not necessarily for this issue, but I am just thinking ahead of the line here for some of our state amendments that we really want to work on, and, if that’s the general feeling of the council, then really what are we doing here? Is that what I’m hearing? I certainly heard it from two folks, but I don’t know about the rest of the members.
CHAIRMAN GREENE: To that point, Dr. Crabtree?

DR. CRABTREE: I am not suggesting that at all, Patrick. I am referring to this specific issue, and it’s the same with Amendment 41, but we just did recommend final action on amberjack, and I expect that we are taking final action on amberjack, and so I am not -- I am not going nearly as far as you are, but I just have concerns about these two specific issues, and I don’t think there is any great time crunch on this to not to be able to do this. I don’t think we lose anything.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: I just wanted to share one more thing. In addition to getting lots of emails about amberjack, I did get some emails from the for-hire industry about these two referenda, and having them on the agenda, even though it’s been on the agenda before, seemed to catch some people off-guard, and they just didn’t know that it was going to be coming for this meeting, and they had expressed interest in coming to the October meeting to attend, since it is at that time that the season has winded down for a lot of people.

I guess, just hearing what Shep and staff have said, that maybe we’re just not there yet, and there is really no -- At least we’re not under a time crunch, and I think I would be inclined to not support this motion.

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

MR. SWINDELL: I guess I’m having a little difficulty here in trying to understand why the council should delay any kind of action, regardless of what it is, just waiting on new members to come on. Does this set a precedent that, come next July, we should wait before we do significant action of any sort for new council members that come on next August, which there will be, perhaps. I think the council is an organization that should act as it sees necessary, and so I don’t see any problem with taking action on it today. Thank you.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: I think the difference is, Ed, is this is just one step in a process of putting in place Amendment 42, and that’s not a process we can complete today. It’s going to be a decision that has to be made by the incoming council, and so I
think, just this particular step of the process, we would be
better off to let them deal with as well, because it’s going to
be their decision where to go with it, and so it’s not like this
is a final action on putting something in place. It’s just part
of a process.

CHAIRMAN GREENE: Yes, sir, to that point, Mr. Swindell.

MR. SWINDELL: In other words, you would just rather wait for
another council meeting to take place, regardless of whether
those new members are there or not, at this point?

DR. CRABTREE: I just view the decision on this as tied into
where we’re going with the whole amendment, and I think we need
to see what the new council wants to do with the amendment and
this particular step.

CHAIRMAN GREENE: Okay. Any further comments? By a show of
hands, all those in favor of the motion on the board before you,
please raise your hand.

EXECUTIVE DIRECTOR GREGORY: We’ve got six yes.

CHAIRMAN GREENE: All those opposed, like sign.

EXECUTIVE DIRECTOR GREGORY: Ten. The motion fails six to ten.

CHAIRMAN GREENE: All right. The motion fails six to ten. With
that, I guess that will wrap up 42. Am I correct, Dr. Diagne or
staff? Can someone assist me here?

DR. DIAGNE: Yes, Mr. Chair. That will wrap it up, but if we
can get, I guess, some guidance as to the next step. Is this
something to be re-discussed at some further date? Just some
guidance.

CHAIRMAN GREENE: All right. Staff is seeking some guidance
here. Committee, how do you feel? What do you wish to relay to
them? Dr. Crabtree.

DR. CRABTREE: I think we bring this back at the October
meeting.

CHAIRMAN GREENE: Mr. Riechers.

MR. RIECHERS: I also heard enough confusion around the table,
between the IPT and General Counsel, and I would hope that,
between now and that meeting, that you all actually work through
...what you think that schedule and next steps, both from a reasonable standpoint of having the information needed to make those judgments as well as let’s see if we can’t get ourselves on the same page.

CHAIRMAN GREENE: Mr. Boyd.

MR. BOYD: To that point, Martha asked a while ago if we could have a detailed list of the criteria for the timeline and for -- I don’t remember everything, Martha, but I would like to be sure that that got to staff, or do we need a motion for that to be put into the document?

DR. DIAGNE: I am not sure about what was requested, and so a motion would be helpful.

MR. BOYD: Martha, I would ask you to do that, if you would.

MS. GUYAS: Okay. Let me remember everything. I don’t know that it needs to be a motion, but I was looking at the next steps section of the document, and I guess -- If I’m going to make it a motion, my motion would be to include, in the next steps section of the document, a detailed outline of the process that needs to occur before after the referendum.

MS. BOSARGE: Martha, I hate to interrupt you, but just to add something into the body of the document that’s further elaboration, I don’t think you need a motion, but if you will please spell it out very clearly for staff. If it was an alternative or an action, yes, we would need a motion, but go ahead.

MS. GUYAS: Right. Just expanding on what’s there, and so a detailed outline of the process needs to occur before and after the referendum and also, when that referendum occurs, what is mailed to folks, and so it talks about how there would be ballots mailed and all of that, but hopefully they’re also getting a copy of the amendment, so they can actually read about what they’re voting on, and then I would like to see them also get information about what it would mean to them, in terms of shares that they would get for each of those species, if that’s something that can be done. At least we need to spell out in here exactly what is going to go out to people and when it’s going to occur. That’s kind of what I’m getting at.

MR. BOYD: I second the motion.

CHAIRMAN GREENE: Madam Chair just advised me that it did not
need to be a motion, and so we will take what she said and make
sure that it is captured into that. Madam Chair, do you want to
elaborate?

MR. BOYD: A point of order. That is a motion that’s on the
board by a sitting council member, and it is seconded.

MS. BOSARGE: Well, I didn’t ask for a second, because I
interrupted Martha in the middle. Martha, would you like this
to be a motion, a very long-winded motion, to add text into a
section of the amendment, or would you like it to be instruction
to staff?

MS. GUYAS: I am fine with it being instruction to staff.
Hopefully, since I’ve said it twice on the record, it will be
included in the updated document.

MS. BOSARGE: Dr. Diagne, are you clear, crystal clear, what Ms.
Martha would like in the document?

DR. DIAGNE: Yes, I am clear on it. Thank you.

MS. BOSARGE: Mr. Anson.

MR. ANSON: If I were to add that maybe the same verbiage,
although cleaned up, relative to 41’s intent might be included
in 41 too, at this point. That would be probably specific to
that, as far as the next step, a general format of how things
will go. It may be exactly the same, but the same reader might
not be reading both documents, or one reader may not be reading
both, and so they may not get that.

CHAIRMAN GREENE: So noted. We’ll get into 41 here in a minute,
and we will turn to that at that point. I saw a hand from Mr.
Sanchez.

MR. SANCHEZ: As far as instruction on where we should go with
this, I am ready to start picking preferreds on Amendment 42
whenever everybody else is.

CHAIRMAN GREENE: All right. Thank you. Is there further
discussion? Okay. Staff, are you good with everything? Just
one final time, everything is good with 42?

DR. DIAGNE: Yes, Mr. Chair. In October, we will bring back the
expanded referendum eligibility criteria for discussion. That
is, I guess, the gist of it.
CHAIRMAN GREENE: Okay. Thank you, Dr. Diagne. With that, we will leave Amendment 42. I have conferred with Madam Chair, and we’re going to go ahead and take our lunch break. We will return at 1:15 and pick up with a vigorous conversation about Amendment 41.

(Whereupon, the meeting recessed for lunch on August 8, 2017.)

August 8, 2017

TUESDAY AFTERNOON SESSION

The Full Council of the Gulf of Mexico Fishery Management Council reconvened at the Marriott Plaza, San Antonio, Texas, Tuesday afternoon, August 8, 2017, and was called to order by Chairman Johnny Greene.

CHAIRMAN GREENE: I will go ahead and call the Reef Fish Committee back together. I think most everybody is here, and it was kind of a quick lunch for everybody, I’m sure. While I am waiting just a minute here to let Dr. Freeman have a moment to get his stuff ready, we left a long conversation on Amendment 42. Is there anything, after lunch, that anybody thought about that they would like to bring up before we roll into Amendment 41?

I don’t see any discussion on 42, and so, with that, we will carry on with our scheduled agenda, which will pick up with Amendment 41, Allocation-Based Management for Federally-Permitted Charter Vessels, and Dr. Freeman.

AMENDMENT 41 - ALLOCATION-BASED MANAGEMENT FOR FEDERALLY-PERMITTED CHARTER VESSELS

REVIEW OF DRAFT AMENDMENT 41

DR. MATT FREEMAN: Thank you, Mr. Chair. We will start, and so, as a reminder from our June council meeting, where we left off with Amendment 41 was we had selected a few preferred alternatives, and I will go over those briefly, again, as a reminder.

The council had selected, in Action 1, making Alternative 2, Option 2b, the preferred, which would establish a PFQ program. In Action 3, Alternative 2, Options 2a 2b, and 2c were selected
as preferred, which would include red snapper, greater amberjack, and gray triggerfish into the management program. Lastly, as a portion of the adaptive management, in Action 6.1, it would make Alternative 3, Option 3a the preferred alternative, and that was setting the cycle length in the adaptive management.

Since June, staff has been updating the amendment, in particular the introduction, to reflect the additional four species that the council had under consideration, in addition to the original, which was red snapper. At that point, I will stop and see if the council has any questions about the current actions or the amendment updates in general.

CHAIRMAN GREENE: Thank you. Mr. Diaz.

MR. DIAZ: I just have a comment. In Action 2.2, where we picked the preferreds as red snapper, greater amberjack, and gray triggerfish, we took gag and red grouper off of there, because they are mostly caught in the eastern Gulf, and I may have even said this at the last meeting, but I think gray triggerfish is mostly a northern Gulf thing, and, if that rationale of just being an eastern Gulf is good for those two, I don’t know why maybe even gray triggerfish and amberjack -- If that rationale might not be good for pulling them also.

I know there has been a lot of public comments about 41 and 42 staying consistent and running along the same tracks and being generally the same thing, and I don’t think, in 42 at the last meeting, we did anything to adjust the species that we’re looking at in 42, and so I would just bring up those things. When I was reading this document, it was something that stuck out, and I thought it was worth making a note of. Thank you.

CHAIRMAN GREENE: Thank you, Mr. Diaz. Are there further comments? Mr. Anson.

MR. ANSON: I know I was part of the vote to get us to the preferred options in Action 2, but kind of the contrary to what Dale just said is, depending upon which way we go -- You know, if we’re in a situation where we don’t have landings history and the document proceeds without attempting to try to get landings history that could be used for that initial allocation, then including these other two species might be a benefit, because there is, at least for red snapper, and maybe, to a lesser extent, greater amberjack and gray triggerfish, there is some distribution there among the Gulf, whereas they’re not very concentrated in some areas of the Gulf and less concentrated in
When you look at those two species that we took off from preferred, they wouldn’t be in a situation where they could be traded if you, again, were talking about a situation where you don’t have any landings history. Then, if you’re doing equal distributions of those fish, then they will be of value to some vessels, but not to others, whereas, those vessels that they’re not valuable to, they might need other fish.

So, just thinking in terms of trying to make it more equitable, and trying to have the permit holders redistribute those shares, that maybe there might be -- It might need to be relooked at, I guess, is all, to make it more worthwhile, or more equitable, in that swap of fish. I am not prepared to offer a motion to change our preferred, but it’s something to consider, depending upon how this amendment continues relative to the initial distribution.

CHAIRMAN GREENE: Thank you. Is there further comments? Seeing no further comments, Dr. Freeman.

 REFERENDUM ELIGIBILITY REQUIREMENTS

DR. FREEMAN: Thank you. If staff could go ahead and pull up the referendum at this point for Amendment 41. Great. I know, before I start into it, two comments. First, I did take note of the comments by Ms. Guyas with reference to the referendum for Amendment 42, in terms of the next steps, and I will work with Dr. Diagne to update that for this as well.

To highlight the items under the eligibility criteria, and that’s on page 7, I believe, of the document, unlike the referendum for 42, in part due to the lack of landings history for these vessels, we don’t have options here. There was no way, simply due to lack of existing data, to determine substantially fished, and I know that was mentioned for the referendum for Amendment 42, and so the way this is laid out is simply, in the second paragraph, that participation -- It’s the first sentence.

Participation is limited to valid and renewable federal for-hire permit holders who do not participate in the SRHS and thus are not eligible to participate in Amendment 42, and so each permit held on the day that the referendum rulemaking becomes effective would provide the permit holder with one vote in the referendum.

There is a note there that a unique permit holder may hold more
than one Gulf charter/headboat permit, and we do have information regarding that in Table 3.1. At this point, I will stop and see if there are any questions or other items that I can go into more detail.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: When you say “unique permit holders”, if I was a permit holder and you were a permit holder and then you and I together had a permit, would that be three unique permit holders or two in this case?

DR. FREEMAN: That’s a good question. In this case, that would be considered three.

CHAIRMAN GREENE: Mr. Riechers.

MR. RIECHERS: Just a comment, Dr. Freeman. Certainly, given the way we do our creel, we may not have the data for Table 2.2.1. You would have the catch data for Table 2.2.

DR. FREEMAN: I’m sorry, but can you reiterate that, so I can jot it down? You said it was for Table --

MR. RIECHERS: You won’t have the targeted trip, as you do in the MRIP portion, but you would have those that landed fish, and it just hasn’t been included here.

DR. FREEMAN: Okay. Perfect. Thank you.

CHAIRMAN GREENE: Thank you. Mr. Boyd.

MR. BOYD: Looking at Table 3.1, as a scenario -- Can you describe how many votes a person would have if they hold four permits with seven permit holders?

DR. FREEMAN: Certainly. At this point, in terms of who constructed this table, if you don’t mind, I am going to redirect that question to Dr. Stephen from the Southeast Regional Office, and I believe she’s going to come up to the podium at this point.

CHAIRMAN GREENE: Thank you. Dr. Stephen.

DR. JESSICA STEPHEN: Sure. If you’re looking at that table, there is number of permits held, more than four, that last row, and we have seven unique permit entities that own four or more permits, and, in total, those seven own forty-nine permits, and
so that would be forty-nine vessels. Did that answer the question?

MR. BOYD: Well, the question would be how many votes would those people have? If there is forty-nine vessels, but it’s seven holders, do they get forty-nine votes or do they get seven votes?

DR. STEPHEN: So, the way -- If you would do one vote per permit, if someone in that group say had ten, say one entity held ten permits, they would have a vote for every permit, and so they would have ten votes. I do have the breakdown of it, but we kind of go into confidentiality of information as we start talking about that a little too much.

CHAIRMAN GREENE: Mr. Riechers.

MR. RIECHERS: Well, so that begs the question of it can be one vote per each permit or it can be one vote per each permit holder, and so there could be an Option a and an Option b, in that context as well, much like we had in the previous document, but, I mean, that could be a distinction here, because, basically, you’re weighing it by permit if you say it’s one vote per permit, as opposed to one vote per individual persons holding a permit.

DR. STEPHEN: We could do that, if you wanted to look at it by permit entity. We have that in our database and can identify unique permit holders that way, if that’s desired.

CHAIRMAN GREENE: Ms. Gerhart.

MS. GERHART: Just to clarify also, when we say “unique permit holder”, you could hold a permit as an individual, and you could also have a corporation that you own, and that would be a separate unique permit holder, and so, if we did it by unique permit holder, you still would be getting two votes, because the permit holder would be unique. Does that make sense?

MR. RIECHERS: So you all don’t require incorporated entities to give you a primary agent or the 50 percent ownership or anything like that?

DR. STEPHEN: Currently, right now, for the charter/for-hire, we’re not enforcing collection of who owns the businesses. I would say we probably have it for 80 percent, but not necessarily for 100 percent of them, and there are people who will incorporate each vessel differently, for business reasons,
outside of this action.

MR. RIECHERS: Sure, and I understand the business reasons and liability and some of those, but, when you say you’re not enforcing it, does it mean that we have a rule on the books and we’re just kind of letting them not do that or does it mean that we have never collected it and it’s not a rule on the books?

DR. STEPHEN: We do enforce it for commercial reef fish permits. It’s the same permit application that is collected for everyone. Now, that also -- We could force the collection of that prior to a referendum vote, if that’s desired, and I think that’s the pathway that we were going to go down anyhow, is send a letter out before any type of referendum vote for either 41 or 42 and collect that information, because we will need it for share caps regardless, and so that information has to be collected. It’s just, at this point in time, we don’t have it.

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

MR. RIECHERS: Just so -- I mean, I’m assuming we need to make a motion if we want to have options, or did we get enough around the table to talk about those two different options?

DR. FREEMAN: If members would make a motion, that would be appreciated.

MR. RIECHERS: I move that we include an Option a and b, and you all don’t have any preferreds or any alternatives in here, because you just have it in paragraph form, but that would basically -- Include an option that would create the voting interest by unique number of permit holders and also a weighted option by unique permit holders and total permits held.

CHAIRMAN GREENE: Okay. I believe she got your motion as you put it up, but I just want to sure, Mr. Riechers, that it’s correct. Okay. There’s a motion on the floor. Is there a second for this motion? It’s seconded by Mr. Boyd. Is there further discussion? Seeing no further discussion, is there any opposition to the motion on the floor before you? Seeing none, the motion carries. Madam Chair.

MS. BOSARGE: Robin, just -- Staff thinks they understand what you say, but I don’t think I understand, and so we make sure we bring the right thing back, a weighted option by unique permit holders and total permits held, and where do you want that weight at on that, exactly?
MR. RIECHERS: Well, by default, the way they described it, it was a weighted option, because it was the number of -- You get a vote for every permit you own, and so, if you own, like some of these people, four-plus permits, you could vote for each permit. Another way to do that is, even though that person owns four permits, they only get one vote, just like a person who only owns one.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: Robin, in that scenario, what would happen with a permit that had five owners, for example? Would they each get one vote each?

MR. RIECHERS: No, because they have a partnership, and either they have -- Depending on how they’ve set their partnership up, they either own 20 percent share in that, at five owners, or they may have a primary owner that owns 50 and the other four guys have twelve-and-a-half, but it would be up to them to figure out how they create that one vote.

DR. CRABTREE: So they would have to submit one vote for that permit?

MR. RIECHERS: Yes.

CHAIRMAN GREENE: Okay. Is there further discussion? Okay. Dr. Freeman. I’m sorry. Dale.

MR. DIAZ: I just want to make sure that I understand. One of the options will be one permit and one vote. Is that covered under this motion or not?

MR. RIECHERS: Yes, it is, but some of those people may have multiple permits, and they would get one vote. That is also covered under this option, and that’s really how it’s described in the document now.

CHAIRMAN GREENE: Okay. Are you good, Dale?

MR. DIAZ: As long as there is an option for one vote for one permit, I am good.

CHAIRMAN GREENE: Okay. I think that’s been pretty well described. Okay. Anybody else? Dr. Freeman.

DR. FREEMAN: Thank you. So we will have this updated and bring
this back to the council in October for review, and, at this point, if there are any other questions or comments for the referendum in general, please let me know.

CHAIRMAN GREENE: Okay. Any other comments by the committee? Okay. I don’t see anything, and so do you have anything else for 41?

DR. FREEMAN: That’s all. Thank you, Mr. Chair.

CHAIRMAN GREENE: Thank you. Before we leave 41, I will stop one more time to make sure that everybody is comfortable. Okay. With that, we will move into our next action item, which will be Review of For-Hire Permit Moratorium and Transfers, and Ms. Roberts. This will be Tab B, Number 7(a) and Tab B, Number 7(b).

REVIEW OF FOR-HIRE PERMIT MORATORIUM AND TRANSFERS

MS. CLAIRE ROBERTS: Continuing on our trending topic of for-hire permits, I am going to be walking through the Reef Fish and Coastal Migratory Pelagic For-Hire Limited Access Permit Review Document. This presentation mirrors the document pretty much entirely. I really just pulled out the big-picture stuff, and so, if you want to follow along in the document itself, feel free. Otherwise, I will walk you through and give you a synopsis of what we came up with here.

Just to kind of provide some insight on why we’re here, in Reef Fish Amendment 25 and CMP Amendment 17, an indefinite limited access program was established to cap the number of available federal for-hire permits and also require that the council review the effectiveness of the limited access system at least every ten years, and so that’s why we’re here. This is a review of that.

I wanted to get into just a little bit about how we got here by reviewing some of the history of management. In 1987 and 1996, respectively, the CMP and reef fish permits were established. In 2002 and 2003, Amendment 20 to the Reef Fish and Amendment 14 to CMP established a three-year moratorium on the issuance of new charter vessel or headboat permits for the reef fish, CMP, and dolphin wahoo fisheries.

Following that, there was an emergency rule enacted that eliminated some of the eligibility criterion that were established in Amendment 20 and 14, which allowed -- It eliminated the eligibility criterion that an applicant had to
have a valid Gulf for-hire permit on the effective date of the final rule, and the emergency rule allowed persons ineligible under the original rule to receive their open access for-hire permits until they could obtain a new permit under the revised moratorium criterion.

Then, in 2003, in Corrected Amendment 20/14, a final rule was implemented revising, again, some criterion for how to qualify to retain a permit in the fishery. Moving on to 2005, another emergency rule provided a limited reopening to the application process.

The reopening allowed those that qualified to provide documentation of economic harm and apply for a moratorium permit or a letter of eligibility, which may have been redeemed for an appropriate permit, and I already briefly mentioned Amendment 25 and 17. When the expiration of the moratorium was approaching, the council decided to establish an indefinite limited access program, and it necessitated the review of that program every ten years.

In 2008, Amendment 30B required that federally-permitted reef fish vessels comply with the more restrictive of federal or state fish regulations on fishing in state waters. In other words, when federal waters are closed, the federally-permitted vessels cannot fish in state waters.

Amendment 34 occurred in 2012, and it removed income qualification requirements for renewal of commercial permits and reef fish permits and also increased the maximum crew size to four for dually-permitted vessels, those that had both a for-hire charter permit and a commercial permit.

In 2013, an abbreviated framework was established that removed the requirement to submit a current certificate of inspection with an application to review or transfer a CMP or reef fish for-hire permit. This was enacted to allow greater flexibility for for-hire permit holders to carry additional passengers for purposes that weren’t fishing related. However, it still requires that, when fishing, the permit still restricts the number of fishing passengers to that of the original moratorium permit.

With the history covered, this is Chapter 3 in the document itself, looking at the number and distribution of permits, and these figures correspond to Figure 3.1 and 3.2 in the document itself, and so the big picture here is that the number of valid or renewable permits in both fisheries has decreased since
Amendment 25 and 17 -- Since the moratorium went into place.

The reef fish for-hire permits decreased from 1,677 to 1,311, and that’s as of May 26 of this year, which is a total reduction of 442 permits, and the CMP fishery decreased from 1,765 in 2005 to 1,323 in 2017, a reduction of 366 permits.

This plot just indicates basically the reverse of the last two. It shows the number of terminated permits. Of interest here is that both of the fisheries follow a similar trend in the number of permits that have been terminated, and I wanted to note that -- The permits can decrease either due to termination or surrender.

The majority of permits have decreased due to termination, and a permit is terminated after a permit is expired and the permit holder has one year to renew the expired permit. If, at the end of that time, they haven’t renewed, then the permit terminates. By 2017, there have been less than ten permits per year that have been terminating.

Looking next at the geographical distribution of permits by hailing port, state, these numbers haven’t substantially changed in the last thirteen years, with the exception being that Other Category, where there has been a reduction in 2004, from 4.65 percent to, for the CMP, 2.4 percent, and reef fish is 1.2 percent in 2017. Just as a little extra bit of information, that Other Category includes Delaware, Indiana, and North and South Carolina.

This is the equivalent of Table 3.2 in the document, and, again, the big-picture take-away here is that the majority of permitted vessels in the CMP and reef fish fisheries are six-pack. This is based on the lesser capacity between the COI of the vessel and the permit capacity, and it’s also worth noting that vessels without Coast Guard documentation cannot have a vessel passenger capacity greater than six.

Moving on to Chapter 4, and please stop me at any time if anyone has questions, and so we’re looking here at permit transfers for CMP and reef fish. A permit transfer has to occur anytime there is a change in the vessel and permit holder relationship, and examples include change in ownership of a vessel, change in permit holders, or a change in the vessel associated with the permit.

The annual average transfer for the CMP fishery is 17 percent, or 244 permits, in a given year, and the average annual transfer
for reef fish is 256 permits, or 18 percent, in a given year. As you can see, there has been an increase in the number of permits transferred, and the percentage of permits transferred, and while this probably isn’t entirely explained by the number of decreasing permits, that undoubtedly plays a role. As there are fewer permits total, the number transferred could remain the same and the percentage would increase.

This figure is 4.1 in the document, and it’s just a graphical representation of the last table. I think it is interesting to note how closely the two fisheries and the trends in the percentage of permit transfer by year and how close they mirror each other, and so I thought this was valuable to really visualize that.

The next stuff that I get into is going to be reef fish permit transfer specific. In January, the council passed a motion to have staff review federal for-hire permits transferred for the purposes of fishing outside of the federal red snapper season, with the concern that, following the passage of 30B, there might have been a loophole created, allowing for fishermen with for-hire reef fish permits to transfer those permits on and off of various vessels, regardless of the size or passenger capacity, to take advantage of both the federal and state red snapper seasons.

For the next couple of slides, I’m going to talk about permit transfer by vessel and by permit, and so transfer counts by permit refers to the number of times any one permit has been transferred, regardless of the vessel or entity, in whatever time series of the data this is, and so, in this case, on this graph, it’s annually. In the next couple, it’s going to be over the course of eight years.

Transfer counts by vessel refers to the number of times any permit has been transferred on and off of a given vessel, regardless of the permit number or the entity doing the transfer.

Here, you can see that the trends in the percentage of vessels or permits with multiple transfers in a given year, and so more than one transfer in a given year, has stayed relatively stable, up until that -- The red line on the right refers to the passenger capacity restrictions were lifted, and you see that there is an increase in the percentage of transfers following that, but a sharp decline in 2016.

Next up, we looked at the number of unique permits transferred
throughout the time series of data that we have access to, and so from 2008 to 2016. Over the course of that period of time, there were 982 unique permits. Of those, 82 percent were transferred less than four times over that entire eight-year period, and so that’s a total of 804 of the permits.

There were some outliers here, in that six-plus category. There was one permit transferred ten times and one transferred sixteen times and one transferred seventeen times, and so there are a few outliers in that dataset, but the overwhelming majority were transferred one, two, or three times.

This looks at unique vessels, and there were 1,863 unique vessels in the dataset from 2008 to 2016. Of those, 96 percent, or 1,790, were transferred less than three times, and so 96 percent of vessels were transferred one or two times from 2008 to 2016.

Again, this dataset had an outlier, with the greatest number of transfers for any one vessel being nine times, and the two pie charts are just representative of Table 4.2 and Table 4.3 in the text. In the text, it seemed more appropriate to have tables, but I think this graphical representation is a little bit better for the sake of the PowerPoint, and so the values in those tables will be consistent with what you see here.

Moving on to -- This is Chapter 6, and I did not include anything in this PowerPoint regarding the change in biological status of the stocks. I think the gist of it is that there’s been a reduction in the number of stocks undergoing overfishing since the implementation of the moratorium. I will talk about that a little bit more in the conclusions.

Regarding for-hire fishing effort, there is a definition of how headboat data are collected, in terms of how the number of angler days is estimated, and there has been a steady increase in the number of angler days since 2011. You can see the very large dip in both of these tables in 2010, likely due to the Deepwater Horizon oil spill, and, in terms of charter boat angler trips, it’s been much more variable than the headboat angler days. Compared to 2006, five years had fewer trips, and five years had more trips.

This is a snapshot of some of the data available in Table 6.4, looking at for-hire landings. I looked at red snapper, greater amberjack, and gag grouper. When the moratorium started in 2006, 54 percent of the total recreational landings came from the for-hire sector, and, by 2016, that was at 31 percent, with
an average of 37 percent over those ten years.

For greater amberjack, 65 percent of the landings were due to for-hire landings, and 29 percent in 2016, with an average of 50 percent across years, and gag grouper has been pretty stable, with 28 percent in 2006, 26 percent in 2016, and then an average of 24 percent.

Overall, these values have stayed relatively stable or decreased, the exception to that being king mackerel and Spanish mackerel. You can see that there is an increase between 2006 and 2016, although I think that, if you took the average, it would kind of level out.

The conclusions from this paper were that the limited access program appears to have met its objectives. The active and renewable permits have gradually declined, and the geographical distribution has been relatively stable, suggesting the program has contributed to social and economic stability, and the transfer markets indicate that the moratorium has provided enough room for change and accommodated permit transferability.

In regards to the reef fish permit transfer, the review doesn’t indicate that there was an usual permit transfer behavior going on there, primarily driven by the fact that the frequency of unique vessel or permit transfer over a period of eight years was relatively low, and, also, something that I didn’t consider when I started reviewing that data, but was interesting, was how closely the CMP fishery mimicked the reef fish fishery in terms of the frequency of permit transfers, which might be suggesting that the factors driving the transfer of permits might not be specific to the fishery.

Lastly, I have here that the moratorium has likely had a positive impact on the status of stocks, but it’s important to note that these are obviously all mixed-use fisheries, with commercial and recreational components, and so the improvements recorded in the biological status of certain stocks cannot be exclusively attributed to the moratorium. That’s all I’ve got.

CHAIRMAN GREENE: Thank you. Are there questions? Mr. Riechers.

MR. RIECHERS: On your conclusion, basically that the review does not indicate unusual reef fish permit transfer, and you indicated that was mainly because of the low number of transfers, have you explored it to look for any transfers that go away from a vessel and then come back during a given year? I
mean, have you done that sort of analysis that would -- I will use an example.

We have done it with recreational license holders, where you basically look at what they’re buying each and every year, and it’s that same sort of notion, going back over a period of 2008 to 2016, and look at how licenses may get transferred and if they just go to another entity, or is there any of this going to another entity and then coming back?

**MS. ROBERTS:** I think, as I was reviewing the data, one of the most challenging things here is that it’s fairly easy to prove that a permit is not undergoing unusual transfer, namely if it’s being transferred in the middle of the federal red snapper. That doesn’t really make much sense, if they were trying to take advantage of the two seasons.

It is much more challenging to prove the reverse, because there a huge margin on either side of the season that people might be using to make transfers, and so I guess the biggest problem that I saw with doing that is what kind of timeline are you talking that would make it suspicious. I don’t know if that completely answers your question. We did look a little bit at the vessel and the associated entity, but, because multiple entities can own the same permit, that made it kind of challenging to dig into that level of detail.

**CHAIRMAN GREENE:** Ms. Gerhart, to that point.

**MS. GERHART:** Yes, and, actually, I think Dr. Stephen can address that, to some extent.

**CHAIRMAN GREENE:** Dr. Stephen.

**DR. STEPHEN:** We did look a little bit in detail at what’s going on, and the permit world is kind of a little bit challenging, because a permit transfer can be if the vessel changes, the permit entity changes, or the permit number changes, and there were maybe just a couple of vessels that seemed to be sharing a permit between two of their vessels.

That’s something that we had kind of noticed before, when we were looking into what is a headboat and what’s a charter, and there’s a couple who share it, by far and large, most of the vessels are not doing that.

**CHAIRMAN GREENE:** Mr. Banks.
MR. BANKS: She answered my question. Thanks.

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

MR. ANSON: I had a question relative to the slide that you showed with the number of angler trips between headboats and charter boats for the time period. You mentioned, and you could see in there, the significant increase in headboat trips in 2010 and 2011, and I am wondering if you looked at the database to look at vessel capacity, if that increase in trips was related to transfers of vessels or identification of vessels that -- New vessels into the headboat program and their vessel capacities changing significantly around that time period, again from 2010 to 2011. I'm just curious if there were any permits that were acquired that had larger vessel capacities around that timeframe.

MS. ROBERTS: I am going to have to punt this question to Dr. Diagne. He focused more on the analysis for the limited access permit review section, and I focused much more on the reef fish permit transfer bit, and so maybe he can answer this better than I can.

DR. DIAGNE: Thank you. I will try. I don’t think that we’ve seen, in the data, anything suggesting that it was because of a change in increased capacity. I mean, it was a marked increase, but, overall, looking at the time series over these eleven years, it was not a whole lot, if you average it out.

MR. ANSON: I guess, looking at the charter boats, it’s kind of similar too between the two years, and so the economy probably picked up and probably contributed mostly to that. Thank you.

CHAIRMAN GREENE: Thank you. Ms. Guyas.

MS. GUYAS: Just a couple of questions. Looking at the CMP and the reef fish graphs, clearly they track each other pretty closely, and my assumption there would be that, if you have one permit on your vessel, you have the other one, and is that accurate, Claire or Jessica?

Then I guess, if that is true, when you’re seeing these transfers occur, are the transfers of both permits? If you have one vessel with both permits, are they transferring both permits during a transfer, or are they just doing one or the other?

MS. ROBERTS: To answer the last part of your question, I do not know the answer to that. Maybe Dr. Stephen can shed some more
light, but we didn’t look very closely into the transfer behavior for the CMP fishery, and the only reason we delved into the level of depth we did for reef fish was specifically addressing that council motion from January. Regarding the dually-permitted question, I think it’s like 1,100 of the vessels are dually-permitted, and so it’s most of them.

CHAIRMAN GREENE: Thank you. That would make sense. My understanding of the charter industry is that, if you’re going to have one, you’re typically going to have the other. Now, whether they transfer just one off and leave the other one on the boat, that may be something that may be of interest to you.

I have a couple of questions, but I am going to hold them until then end and give every committee member an opportunity to speak. Is there any further comments? Okay.

If you go back to the for-hire fishing effort thing, I will just point out a few observations that I had on my behalf. On the headboat side, it follows differently than the for-hire, and so, if you look over on Slide 12, which would be the for-hire effort, over on the right-hand side, you notice that there tends to be a little difference between headboats and for-hire boats.

Obviously there’s a lot more for-hire boats than there is headboats. Typically, headboats are a little larger than the average whatever, but just a couple of things to point out in this. In 2008, we did have a crash of the economy, and fuel prices went way, way, way, way up, and we also had -- It was the first time we ever had two states that were non-compliant with federal regulations.

I think 2009 is a fallout of the near five-dollar-a-gallon fuel that you ran into, and I think that will kind of go back and forth between the two. Obviously, in 2010, it was the oil spill deal, and, in 2011, I think the headboat deal may have been a little more steady than the for-hire industry in the fallout in the subsequent year after the BP oil spill.

It seemed to affect that industry more so than it did the headboat industry, and then it seemed to pick on back up, and then I think 2014 may have been the year that we had a really short season on the for-hire, but, yet, in some regards, in the headboat, you had some of the EFP stuff that was going on and various other things that were brought up.

That is pretty much it, and I’ve got one other comment, and I’m going to wait until we get through this document, but before we
leave this section, and so does anybody have anything else? Okay. Thank you for that presentation, and we appreciate it.

Now, the one thing that wasn’t talked about in 41, and it kind of dawned on me as we were going through this, is that there is a number of about less than twenty historical for-hire permits. They were issued to individuals and not vessels.

I have had several of those people contact me and say that they would like to try to find some way to resolve that and either have that permit issued to a boat or something, because there is a difference between how that permit is handled as opposed to a vessel permit.

Now, I certainly have not briefed any of the NOAA staff to prepare them for any of this, and it just kind of dawned on me a minute ago, but that is something out there, and this may be the place that we should look into that.

I believe that that individual has to be on the vessel for it to be active, and it is not a true vessel. It is a historical captain permit, and I think it came out sometime during that timeframe, and maybe someone wants to speak to it and maybe not, but I just bring it up to your attention, and it has been brought up to me several times.

I don’t know if you want to do anything with that or not. I don’t know how it would go, but I do know that that stuff was incorporated into 41, within the referendum stuff, and a conversation with Dr. Stephen just moments ago. I just bring that to your attention. If you want to do something with it, that’s fine, but I’m just throwing it out there.

MS. ROBERTS: Thank you, and I guess that would be more of a Dr. Stephen and Ms. Gerhart kind of question, I suppose, than something that I could address, but, anyway, that’s really all I’ve got for you guys, and so thank you for your time.

CHAIRMAN GREENE: Okay. Thank you very much. We appreciate it. Mr. Grimes.

MR. GRIMES: Thank you, Mr. Chairman. I am not sure that I understand you, but my recollection is, when this council passed that permit moratorium long ago, when I was doing it, there was a provision that allowed historical captains to participate, and the council specifically made a decision, and those permits have always been non-transferable.
That vessel permit is the standard way that vessel permits were always issued to the vessels, and those were transferable, and that historical captain provision was created to allow those guys to remain in business and doing what they were doing and transfer those permits, but the permits were only valid when they were captaining the vessel, and they were otherwise not transferable and were going to be gone when those guys were no longer captaining the vessel.

CHAIRMAN GREENE: I understand, and I believe you’re absolutely correct. However, the issue is that, if that captain is not on that boat today, then that boat can go fish in state waters. If that captain is on that vessel, then he’s going to have to fish in federal waters, and, through Amendment 40, we addressed that, and it seems like it may be surfacing as somewhat of an issue. I don’t expect a great big answer now, but I just want you to kind of put it on your radar screen. Boy, did I throw a monkey-wrench in that. All right. Dr. Dana.

DR. DANA: I just pulled up the SERO/NOAA permit page, and, looking under the historical captain for the charter/headboat, on both reef fish and CMP, there is several of the permits that say, under the category, renewable and transferable, and so that kind of is in conflict with what you just said, Shep.

DR. STEPHEN: I can speak to that. It’s just kind of a language problem in how we have that automatically generating. We have used renewable and transferable to indicate something, and it hasn’t been adjusted for that permit being different. It does mean that that historical captain needs to renew it every year in order to keep it, but it’s not, quote, transferable, and so it’s just kind of a typo, in that sense.

DR. DANA: I would think you would want to straighten that out, because it says right there that it’s transferable, under category. The other say “valid”, but then there’s a number of renewable and transferable.

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

MR. ANSON: Johnny, you may have opened up a little bit of an issue here, but, at least relative to further discussions of 41, I just want to confirm, for the analysis that’s been conducted, for everything that’s in 41 currently, those historical captains are included? Okay. Thank you.

CHAIRMAN GREENE: Yes, sir, and I did confirm that before I brought it up. I did have a few minutes before that ah-ha
moment hit me. Anybody else have anything? Dr. Simmons.

DR. SIMMONS: Thank you, Mr. Chairman. Just before we leave this topic, I had a question, just to make sure that we’ve crossed everything off of our to-do list. As Claire brought up in her presentation, in January of this year, you asked us to look into the transfer of these federal permits, and so we just want to make sure that this has satisfied your request or if you wanted to move forward with any other action, and if this completes the review, our ten-year review for the federal for-hire component, or if there is other things that you wanted to see and bring back to you.


MS. BOSARGE: Well, I will throw something out there, I guess, since we don’t have anything. I thought that your conclusions pretty much told me what I needed to know, and I can’t think of anything else that stands out as something that I really want you to bring back to me. I feel like I am comfortable with where we are, but I invite anybody that disagrees or has anything else to please speak up.

CHAIRMAN GREENE: Okay. Well, I think part of this was due to the issue that we had seen a presentation early in the year, and it showed some state-water landings in the for-hire industry, and I think that was the big question, is where did those landings come from?

I think the concern was were people taking their permits off their boats and fishing the state-water season and putting a permit back on their boat and fishing the for-hire forty-day season and taking them back off and fishing again, and I think that’s where this came from.

Now, I know there has been a little bit of an issue in my area, being that we’re so close to Florida. We’re right on that line, where people will take their permits off the boat and go fish in the Florida season and do that, but yet my understanding is that, in Amendment 40, we had conquered that and it wasn’t going to be allowed to transfer on and off.

However, I am not sure if that’s the case, and, if it is, if it’s crystal clear, and so I think that was where we were trying to get at with this. I don’t know that it really was in that, but, if anybody from the Center would like to weigh in on that or anybody else, I would be curious what they had to say. Dr. Crabtree.
DR. CRABTREE: Well, I think there is some language in Amendment 40 about how the landings are counted, but I don’t think there’s anything stopping a vessel right now from taking the permit off their boat and then being able to fish in state waters. If that’s enough of a concern that you want to address it, we would need to look at some manner of limiting how many transfers you can do or something to keep people from doing that.

CHAIRMAN GREENE: Okay, and so, if a vessel did transfer its permits off and fish inside a state-water season, are they pulling out of the purely recreational quota or out of the for-hire quota, because I think that is where we were really getting at with this.

DR. CRABTREE: I can’t answer that just on the fly, Johnny.

CHAIRMAN GREENE: Okay. Well, I hate to steer the committee, but it’s something that I would be curious in finding out, how that happens, and so, if anybody else shares the same interest and would like to direct staff forward, then that’s fine. If not, I will do it at Full Council. Mr. Anson.

MR. ANSON: Sue, going back to what Dr. Crabtree stated, that he couldn’t answer that, it’s my impression, as far as the data collection is concerned, that -- It’s my impression, as far as the data collection is concerned, that the federal landings and the state landings are derived based on the dockside interview, essentially.

You have the number of trips that are collected by the vessel through the phone survey, at least in the eastern Gulf, that those trips are then collected in federal and state waters, and so the boat that would have transferred its federal permit and taken it off and is now participating in a state fishery, they’re going to reply that they -- They, more than likely, are going to reply that they were in state waters, and then the catch, if that same trip is then accessed at dockside, then the catch is going to be reported from federal waters in Alabama, if it’s more than three miles, and that is where some of this might be coming in, but, if it was in Florida, it would more than likely be a state-water trip, and it would be a state effort, matched with the state trip, and so it shouldn’t be much of a distinguishing thing, or it shouldn’t penalize, I guess, or it shouldn’t take out of the federal catch in that situation.

There is a little bit more of a situation in Alabama, with the way the survey, and in Mississippi, with the way the survey is
set up, in that state waters are three miles. Anything beyond
three miles, regardless of where it is conducted, is considered
federal waters.

CHAIRMAN GREENE: Okay. To be fair, I do know of some private –
- What I would consider private recreational entities who have
bought a permit to be allowed to fish that as well, and so I am
not a fan of it going back and forth. I don’t like that at all,
but we’ll get into that at another time. Dr. Stephen.

DR. STEPHEN: Just to address this a little bit too, when you’re
in the headboat survey, and Bonnie can correct me if I get this
a little bit wrong, you’re in the survey, and they don’t collect
the permit information. The Regional Office does that, and it
kind of looks at that later, and so, even if they move their
permit off, they were in for the year, and they would be
reporting, regardless, for the year.

There is also at least one vessel currently, and, in the past,
there might have been more, that were not federally permitted
that are in the headboat survey program, and so that kind of
combination adds to some of those landings outside the seasons.

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

MR. BANKS: I just want to make sure I’m clear, based on what
Roy had said. If I am a charter/for-hire permit holder, I can –
- After that forty-nine-day season was over, I can take my
permit off of my boat and then fish the state season. Then,
before the charter/for-hire season next year starts, I can put
the permit back on that boat, and there is no prohibition on
that scenario at all.

MS. GERHART: We don’t restrict the transfers. However, the
vessel -- If it has a charter/for-hire permit on it at any point
during the year, those landings are supposed to count towards
the charter/for-hire quota. That is how the regulations state.
How the data is collected, however, I can’t guarantee, through
all the states, that that’s how it is credited.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: But, in terms of my ability to move the permit off
of my vessel and take advantage of the state season and then put
it back on my vessel to take advantage of the next federal
season, there is nothing wrong with that, or is that prohibited?

MS. GERHART: I think that was part of what the request in
January was about, was are vessels doing that, and, again, we
don’t restrict vessels from transferring. We don’t say you
can’t take it off of this vessel and put it another vessel, and
so, if that vessel no longer has the permit that originally had
it -- I am going to look to Mr. Grimes to correct me if I’m
wrong, but that vessel no longer is under the federal obligation
to abide by the stricter of the rules, because it no longer has
a federal permit, and so there isn’t a way for us to enforce
that.

DR. STEPHEN: I will just add to that, too. Transferring a
permit is a somewhat timely process. You have to mail it in,
and our permits office is a little backlogged, especially in the
summertime, when a lot of them are due, and so it’s not
something that occurs instantaneously.

CHAIRMAN GREENE: Okay. Sir, I’m sorry, but I don’t know you,
and would you please state your name for the record?

MR. CHARLES TYRE: I am Charles Tyre, and I’m a Special Agent
with NOAA Law Enforcement. I am the Supervisor for the Gulf of
Mexico. Just overhearing what the council is discussing, the
current regulations state that, if any vessel that’s been issued
a charter permit in the reef fish fishery, at any time during
that year, they are considered a charter vessel. Even if they
take the permit off, they’re still, by regulation, considered a
charter boat, and they can’t fish state waters.

CHAIRMAN GREENE: That was current through Amendment 40, and is
that correct?

MR. TYRE: I don’t know that answer.

CHAIRMAN GREENE: Okay. That’s fine. I appreciate an I-don’t-
know answer. It’s kind of getting at it, but some of the issue
is also that you have these private recreational vessels who
purchase these that are now a charter boat, and so that’s going
to be something that we really need to look into as we move
forward, and so I see Dr. Diagne back there, and I’m sorry that
I passed you a moment ago, Dr. Diagne.

DR. DIAGNE: Thank you, Mr. Chair. I understand some of the
concerns expressed here, and that would have been the second and
third tier of our analysis, and mostly Claire’s, had we found a
very large percentage of vessels with multiple transfers, but,
as she mentioned during her presentation, for 96 percent of the
vessels over the entire time period, they had less than three
transfers, and so, if there is someone taking on and off, let’s
say, over the course of, for example, two years, to go after this requirement, it would be really a very marginal activity, if you would.

It is possible that someone fishes the regular season and then, after December, switches the permits on and off. It is possible, but does it rise to the level of something that requires regulation? At least the preliminary investigation doesn’t suggest that, because, the majority here, again 96 percent of the vessels, have had less than three transfers between 2006 and 2016, and so they are not doing it. Within the 4 percent, it is possible that one or two vessels may try that.

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

EXECUTIVE DIRECTOR GREGORY: I worked with Ms. Roberts a little bit on this, and we tried to drill down to get that number, and we got some preliminary numbers, but then were told later by National Marine Fisheries Service that there was some problem working with the entity rather than the vessels, but, with the entity, during the latter years, which had the highest number, there were about fifteen boats that were transferring permits more than once a year, and so they could have been going back and forth, and so it was about fifteen boats. To me, that’s easier to get my head around that 4 percent of what.

CHAIRMAN GREENE: I understand. Dr. Dana.

DR. DANA: Thank you, Chairman Greene. Martha and I are over here a little bit confused about what -- I guess what Charlie Tyre had just said about law enforcement. Is he still here? We were hopeful that you could repeat what you said, because --

MR. TYRE: Sure. Currently, in the CFR, in the regulations, a vessel who has been issued a federal reef fish charter permit at any time during the calendar year, they are considered, for that whole year, to be a charter boat, and the regulations state that a charter boat, in the federal fishery, cannot fish in the state when the state water is open, in the state fishery.

CHAIRMAN GREENE: Okay. Mr. Anson.

MR. ANSON: If you need the permit to be in possession or to take people, paying passengers for-hire, Coast Guard regulations notwithstanding, but, to go fishing in federal waters, you need the permit to be in possession of fish, and so, if they take the permit off the vessel, and they just go fishing with their family or whatever, or friends, and it’s not a charter trip, by
definition, as far as exchanging money, they’re still going to be considered a charter vessel, and, if you board that vessel then, and you were to check the documentation, that they would have to be abiding by the regulations regarding a federally-permitted vessel then?

If they fished the state season, for instance, and they take their vessel out and the permit is no longer on the vessel, and it was at one time earlier in the year, but now it is not, they would then be considered a charter boat and would be issued a violation for fishing during the season, private recreational season, and not the federal for-hire season.

MR. TYRE: The main answer to your question is you’re correct. However, it’s two different issues. The issue you just brought up is different, in that, because the charter fishery has a separate component for their fishery, when they are — The regulations also state, when the charter component is closed, that vessel may not possess red snapper the rest of the year, even in state waters, because their component of the fishery is separate from the normal recreational component. In your scenario, they would be issued a citation for possessing red snapper on a vessel that their component is already closed.

CHAIRMAN GREENE: Thank you. Mr. Diaz.

MR. DIAZ: Mr. Tyre, at this point, could you go back and look at the record of these fifteen vessels that have done multiple transfers and see if they have landings in state and federal waters and if there’s a need for a violation to just tackle it at this point? Is that something that’s doable?

MR. TYRE: Anything is doable, but I didn’t follow the whole fifteen vessels conversation, and so if you could --

MR. DIAZ: I believe Mr. Gregory just said that, the chart that’s on the board right now, we’ve only got 4 percent of the vessels that have transferred more than three times during the last several years, and so that 4 percent equates, or the number of vessels that you just said, Doug, that have done multiple transfers is fifteen vessels, and so could we actually go and look at those vessels and see if they’ve got landings in state and federal waters in one calendar year and then pursue a violation at that time without needing any new regulations?

MR. TYRE: I’m sure we could. I mean, that’s what we do, is investigate, and I can look into almost anything, and love doing it.
MR. DIAZ: Thank you, Mr. Tyre.

CHAIRMAN GREENE: Okay. Thank you. I will get you in just a second, but you said, at any point during the year, if they put a permit on their vessel, then they have to adhere to that. So, if they put a permit on their boat in mid-May and fish the fall season, and then they’re a charter boat the rest of the year, beginning January 1, if they do not have a permit on their vessel, then they’re considered recreational until May, when they apply the permit, and did I follow that correctly?

MR. TYRE: That’s correct.

CHAIRMAN GREENE: Thank you. Mr. Anson.

MR. ANSON: Just a different scenario, but it’s the same process, but I want to just make sure that I understand this, as it relates to the vessels that we deal with and the folks that we talk to from time to time.

Going back to my example of the boat with the charter boat permit and then going and acting as a private boat, what if it’s a dually-permitted vessel that also has a commercial permit? Now they want to go and catch red snapper with shares that they’ve acquired, in some shape or fashion, and they have snapper outside of the federal season? Are they able to do it, assuming they’ve got the commercial permit, but not the charter boat permit, for this discussion?

MR. TYRE: Yes, sir. The dual-permitted vessels have specific regulations specifically for them, and they have a crew size limit that determines if they’re a charter or a commercial trip.

MS. BOSARGE: Don’t you all have to hail-in and declare what you’re doing if you have that commercial permit? I mean, you actually have to declare if you’re going out on a joyride and not fishing at all. You’ve got to declare it to the government before you leave the dock, I think.

MR. ANSON: Yes, and I understand that process, but, to the point that was made earlier about any fish that are caught off of that vessel throughout the year, then are now going to be allocated or part of the commercial -- I mean the charter’s allocation and not the private allocation, but, yet, in this other situation, even though the regulations say that you can have this wiggle room, and maybe that’s what we need to get to, but, now that they’re fishing commercially, that’s taken out of
the commercial share, because, of course, they had to acquire shares to begin with, but there’s a distinction in there that, you know, even though the permit is no longer on the vessel, again, that the charter boat permit is on there, it can go divert back to commercial, but it can’t divert back to private.

CHAIRMAN GREENE: Mr. Walker.

MR. WALKER: I am just going to mention, if that’s the case, in the federal, when they’re taking the permits and fishing in state waters, that — According to our SOPPs, that maybe something we need to look into to see if there’s any violations from the landscape of the AP members.

CHAIRMAN GREENE: Okay. Further discussion? Sir, I appreciate your time, and I appreciate you being here, and thank you for helping us try to clarify what we’re doing, but thank you for your time, sir.

Okay. I guess the question from staff was where do we go from here, and it sounds like we’ve raised some concerns. Does anybody want to move forward on any of this stuff and direct staff to that, in that direction, or not?

MS. BOSARGE: I’m sort of an outsider on this one. It sounds like there’s an issue there, and I guess my question would be is it an issue that — Because it sounds like we already have some leeway, from an enforcement side, to deal with this, at least in one direction, I guess, and is it something where the industry may need to self-police itself and maybe alert law enforcement that I think maybe you should check on this or check on that specifically, or is something that we need to do around the table and — I don’t know. I am asking, but create some sort of amendment to deal with something, if there’s a loophole. I am not sure which way is the best way to proceed, and I’m looking for guidance.

CHAIRMAN GREENE: Okay. Does anybody want to weigh in? Well, I will do it. Either way. If the committee has no problem with that, and if you’re fine, I will kind of lead a little bit. I think that it’s something that we need to look into. I think it’s something that we should continue to move forward with.

I’m not sure in what matter, but I think that this is something that, given some of the short seasons and the way things are laying out, this could become a problem. I don’t think that the private recreational guys are going to want charter boats fishing into their allocation, and I don’t think it’s going to
be the same the other way around. I think we need to draw a pretty clear line here at some point.

I mean, we need to something, because I just think this is something that people are just now starting to figure out, and I think it may become more of an issue down the road, and, if we can do a simple language change that would eliminate that problem and make it easier for enforcement and make it easier for everyone to understand, and make it easier for the states who are collecting that data that these fish go here and those fish go there, I think it’s something that we should look at, but I will do more with that on Thursday and think more about it.

Maybe we’ll all pick it back up at that point. I guess, at this point, Dr. Simmons, we’re going to kind of just let it lie, and maybe we’ll give you some more direction come Thursday. Okay. Anything else before we leave this action item? Okay. With that, we will move on into our next action item, which will be to Modify the ACT for Red Snapper Federal For-Hire and Private Angler Components, and this will be Tab B, Number 8, and Mr. Rindone.

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

MR. RYAN RINDONE: This document is a framework action to modify the recreational red snapper annual catch target buffers, and, just to review the purpose and need real quick, which is on page 13, the purpose is to adjust the ACT buffer for the red snapper recreational sector, or sector components, to a level that will allow greater harvest without exceeding the component ACLs, and the need is to allow the recreational sector components to harvest red snapper at a level that’s consistent with achieving optimum yield, while preventing overfishing, and to achieve more fair and accurate implementation of the ACTs and to address social and economic impacts with keeping those fishing seasons open as long as possible, while also hitting the rebuilding target.

We have done some tweaking to the alternatives, which are in Chapter 2, and you might see these look a little bit different, and so we’re going to review these in full this time.

Alternative 1, of course, doesn’t do anything. We maintain our current 20 percent buffer, which was established in 2014 and was based on a 15 percent risk of exceeding the ACL.
Alternative 2 would modify the respective component ACT buffers based on the performance of the existing buffers for recreational red snapper, and so what Alternative 2 says is that, if the ACL is exceeded by the average landings of a component during the most recent three fishing years, then the buffer between that component’s ACT and ACL in the following fishing year will equal 20 percent plus the percentage by which the ACL was exceeded by the average landings for those previous three years.

Likewise, if the ACL isn’t exceeded by the average landings during those three years, then the buffer between that component’s ACT and ACL in the following year will equal 20 percent minus the percentage by which the ACL was not exceeded. However, that buffer cannot be less than some percentage, which is shown in Options 2a through 2c, and so either maintaining a minimum 2 percent buffer between the ACT and ACL, 5 percent, or 10 percent. Does anybody have any questions about Alternative 2 and how it functions?

CHAIRMAN GREENE: Is there discussion? Dr. Crabtree.

DR. CRABTREE: Ryan, under Alternative 2, if the ACL was exceeded by let’s just say 100 percent, then you would no season the next year and it would be zero? Is that what would happen?

MR. RINDONE: The way it’s written, yes.

DR. CRABTREE: Okay.

MR. RINDONE: Another thing to make note of is that this is something that would be evaluated every year, and so it’s a rolling three-year average sort of application. Does that make sense to everybody? This isn’t like a set-it-and-forget-it sort of thing.

CHAIRMAN GREENE: Mr. Diaz.

MR. DIAZ: Ryan, to Dr. Crabtree’s point, the way it’s worded, the way I’m reading it, it’s average landings during the most recent three years, and so, if it was exceeded by 100 percent, that would be factored into the average landings for the previous three years, and that’s the way it would be looked at.

MR. RINDONE: Right, and so if it was -- If you caught the ACL in two of those three years, and, in the third year, you caught 100 percent more than the ACL, then that would be spread out, of course, for your three-year average. I took what Dr. Crabtree
said to be if the average was 100 percent exceedance. If that
wasn’t what he meant, then --

DR. CRABTREE: Yes, that’s what I meant. It was just a
hypothetical.

MR. RINDONE: Okay. I would expect that, if the ACL had been
exceeded by 100 percent two years in a row, that we probably
would have done something before that third year, but, if that
were the case, then yes. If the average was over 100 percent
exceedance, then there would not be a season the following year.

CHAIRMAN GREENE: Is there further discussion? Seeing none, Mr.
Rindone.

MR. RINDONE: Thank you, Mr. Chair. Alternative 3 would, again,
modify the respective component ACT buffers based on
performance, and it says that, if the landings for a component
do not exceed that component’s ACL, on average, during the three
previous fishing years, then the buffer between the ACT and the
ACL will be reduced in the following fish year, in accordance
with Options 3a through 3b, but it may not be less than a
specified percentage of the component ACL, Options 3d through
3f.

Options 3a through 3c specify the degree to which the buffer
would be reduced, and so Option 3a says that the buffer would be
reduced between the ACT and the ACL by 1 percent for every 3
percent by which the landings are less than the ACL. Option 3b
says 1 percent for every 2 percent, and Option 3c is each
percent for percent, and I believe that I have an example of
this, if I can direct you guys to it.

If you scroll down into the discussion, I will read the example,
because I realize this is a little bit more tricky. For
example, under Alternative 3, if say the for-hire component only
harvests, on average, 87 percent of the for-hire component ACL
for the 2018 to 2020 fishing years, then the for-hire
component’s buffer between the ACT and the ACL would be reduced
from 20 percent, which is what it is now, to 16 percent under
Option 3a, or a 1 percent buffer reduction for every 3 percent
under the ACL. It would be reduced to 14 percent under Option
3b or to 7 percent under Option 3c. However, if, in 2021, the
for-hire component exceeds its ACL by any amount at all, then
the for-hire component’s buffer between the ACT and the ACL for
the following fishing year, in 2022, would be increased back to
the original 20 percent.
That’s kind of like the safeguard to it. If there is any exceedance of the ACL, no matter what reduction has already occurred in the buffer, the buffer resets back to the 20 percent level. Does that make sense to everybody?

CHAIRMAN GREENE: Is there discussion? Dr. Crabtree.

DR. CRABTREE: Ryan, is there anything in one of the alternatives that links a buffer adjustment to the overall recreational ACL, both for-hire and private combined, or is it all linked to the specific sectors?

MR. RINDONE: It’s all done component-specific, because that was what you guys had indicated was what you wanted to do when we had a little Q&A session about this a while back. I had asked you a lot of questions about this and the carryover, and you guys were pretty explicit that you wanted these things to be component-specific.

DR. CRABTREE: Okay.

CHAIRMAN GREENE: Mr. Diaz.

MR. DIAZ: I think, in my mind, we have to be component specific. Say if I got hired by the Gulf of Mexico Fishery Management Council, and they said, Dale, we’re going to hire you and your pay is going to be $100,000 a year, but our accounting department is notoriously slow, and, at some point, we may have to cut you off and clear the books and fix everything.

If, after three years, I had only been able to collect $70,000 a year, I would be pretty aggravated with that, and that’s basically the situation we have the charter/for-hire folks in right now. They’ve been fishing for three years, and they’ve been able to fish on about 70 percent of this ACL, and so it has to be component-specific, but I think each component should be accountable and judged on their catch history. Thank you.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: This is the old classic case of be careful what you ask for, because I made this motion to go down this road, and I apologize to everybody. I certainly didn’t intend for it to get this complicated.

What I was mainly trying to do was build upon Dale’s concern about the charter/for-hire not catching their quota and being under their quota and giving them some kind of a way to help
meet that quota to be completely efficient, and I am not so sure this was the way to go. Can that be accomplished without any kind of issue with the buffer? Can it simply be accomplished by an adjustment of the way you guys model their projected season, Roy?

**DR. CRABTREE:** I think the carryover partly addresses this. If we carried their uncaught quota over to the next year, then they would effectively get it credited to them and get to catch it, and so it seems to me the issue that we’re trying to resolve here is much less of an issue if we got the carryover, and I know somewhere we’ve got another amendment that’s looking at doing that, but, of course, that carryover, I think, has in it provisions of did we go over the overall ACL, and that’s what is a little worrisome to me with this one, is because I understand Dale’s logic about they have to be separated, but the statute does tie them together, ultimately. That’s the best I can tell you, Patrick.

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

**MR. RINDONE:** The carryover document, you guys will see that again in October, but it does pair well with this particular document, in terms of ways to address what’s left and how best to use it and how best to handle the risk of exceeding the ACL.

That being said, I think some of the concerns that you guys have might be alleviated in Alternative 4, and don’t get scared away by it when I say that I do need to explain it a little bit to you, but you guys have actually been living Alternative 4, more or less, for the last few fishing seasons. Alternative 4 is essentially how you got to the 20 percent buffer in the first place. If you remember --

**CHAIRMAN GREENE:** Hang on before we go to Alternative 4. Martha had her hand up, and I want to make sure that she is ready to move on.

**MS. GUYAS:** I guess the carryover thing, yes, could help, but I think, to get to what Patrick is saying, if we’re in a pattern where charter/for-hire or whatever sector is consistently catching 75 percent of their ACT, it seems, to me, that the remedy for that is to give them a 25 percent longer season, so that they can hit their ACT. I mean, we don’t necessarily need a framework action to do that, but it would just mean adjusting that model, which I think is what Patrick is trying to say here. I don’t know, because we were kind of having the same
conversation here, if it’s some kind of reopening in the fall or just tweaking the model in the first place, but it seems, to me, that that’s one way to deal with this.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: But I thought NMFS has to try and hold them to their ACT and not their ACL.

MS. GUYAS: Right, but if they’re catching 75 percent of their ACT, we should be setting a season where they can catch 100 percent of their ACT, right? Either we need to adjust the model that we’re using the calculate that season to meet the ACT or maybe set that season and look at see what happens. If there is still fish on the table, either do the carryover thing or do some kind of reopening in the fall, but I don’t know that a framework is necessary to do that.

CHAIRMAN GREENE: Thank you. This might be a good time now to go into Alternative 4. Does anyone else want to weigh in? Okay. Mr. Rindone.

MR. RINDONE: Thank you, Mr. Chair. Alternative 4 would modify the respective component ACT buffers and specify the ACT corresponding to a specified risk of exceeding the component ACLs, as determined through pre-season yield projections, and this risk you would specify is in Options 4a through 4c. 4a is 25 percent risk of exceeding the component ACL, which is a greater risk than Option 4b, which is 20 percent, and Option 4c, which is 15 percent.

Now, in 2014, you guys got the 20 percent buffer by specifying that you were willing to accept a 15 percent risk of exceeding the total recreational ACL, and so that 20 percent buffer between the ACT and the ACL came from an acceptance of a 15 percent risk of exceeding the ACL.

What is being proposed for Alternative 4 is essentially the same thing, but apply it to the specific components, and so, instead of saying that the buffer is going to be X percent, you’re saying that we are willing to accept the risk of exceeding the ACL at this percentage, and, whatever that turns out to be in a buffer is what it is, but that’s the risk that we’re willing to accept.

The more accurate the data collection and the more stable the seasons have been and the more stable the catches have been, those are all things which can play into the uncertainty around
what the landings could be for the following fishing year, and those will all play into how large the buffers could be, and so let's move down into the discussion of Alternative 4 and go to the example. Table 2.1.2 is the demonstration of how this has been working.

Let's pretend that Option 4b is selected as preferred, and then that means that the ACT would be set at an amount which corresponds to a 20 percent risk of that component's ACL being exceeded. In this case, we would be applying that to both. If you guys wanted to apply a different risk for the for-hire and a different risk for the private anglers, we could do that.

This 20 percent risk would be determined by assessing the state season lengths for the fishing year in question, the available data on the average weight of red snapper landed by that recreational component, and that component's catch rates, for instance on weekdays and weekends.

Since the data used to make this determination change annually, this constitutes a very dynamic way of looking at the buffer. It would account for differences in season lengths, different trends in effort as the effort environment matures and evolves over time, and it would more accurately encompass the uncertainty around the landings, as opposed to just setting it and forgetting it.

Now, in Table 2.1.2, you guys can see the recreational-component-specific risks of exceeding the ACL by year at a 20 percent buffer, and so, when you guys got the 20 percent buffer in 2014, it was at that 15 percent risk of exceeding the ACL.

The risk around the buffer wasn't evaluated in the same fashion for 2015, but you can see how those season lengths were determined in the length down there under the little footnote for 0.2. For 2016, the risk of exceeding the ACL for the private anglers was approximately 17 percent. It was over a range of 10 to 26 percent, which represented the mean risk of exceeding the ACL across the model runs that they did. For the for-hire sector for 2016, there was a 15 percent risk.

For this past season, for the original three-day season which was projected, a 20 percent buffer corresponded to a 20 percent risk of exceeding the ACL for the private anglers and a 4 percent risk of exceeding the ACL for the for-hire group, and the links to all of these determinations and how all the math works out and everything are in those PDF links that you guys see down there underneath the table.
Again, you’ve got your 20 percent buffer that you have now, based on the 15 percent risk, and so, if you think that that level of risk is acceptable, you could select that. If you want to select a less conservative approach, there is 20 percent and 25 percent that are offered, or, if you guys want something else put in there, we can add that before we start doing the in-depth analyses.

At this point, if there any questions about Alternative 4, please ask, but we do need some direction from you guys as to how to proceed. Do we write Chapters 3 and 4 and do the in-depth analyses, or is there some other way in which you guys want us to look at modifying the ACTs?

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

MR. RIECHERS: Ryan, and I recall somehow we got the 15 percent tolerance and how that led us to a 20 percent buffer, and I think we had a range of alternatives basically with a 50 percent tolerance all the way to 15, or less than that, and then we selected the one that matched up to the 20 percent buffer.

For Alternative 4, you went through a great explanation there, and you basically talked about how it either tightens up or loosens, depending on catch rates and staying under and everything, but that’s also -- That’s the same data we used to make that projection, and so I think it kind of comes back to the whole notion of is there a way of adjusting our projection on these things, because, if we’re really just trying to fix the fact that we’re under on a certain sector at the moment, that same data is feeding into the risk that’s also feeding into the projection.

MR. RINDONE: Sure, and so consider this. In 2017, that 20 percent buffer corresponded to a 20 percent risk of exceeding the ACL for the private anglers, but only a 4 percent risk of exceeding the ACL for the for-hire group, and so, if you were saying that you were willing to accept a 20 percent risk of exceeding the ACL, period, that would mean that the buffer for the for-hire group would be much smaller than 20 percent. Does that make sense?

MR. RIECHERS: Yes, it makes perfect sense, but I’m just not certain there’s not an easier way to get there.

MR. RINDONE: This way that’s being proposed in Alternative 4
offers a way that is going to be, like I said, really dynamic, and it’s really going to encompass everything that we have available to consider when we’re setting these season lengths and trying to determine how much can actually be caught.

The other options that are available to you in Alternative 2 and 3 use the most recent three years, which certainly also is going to be -- It’s also going to be a dynamic approach, because it’s going to capture what’s happening very recently, and they are bracketed with certain safeguards, to make sure that things don’t get too out of hand, but, aside from just determining that one sector is going to have this buffer and another sector is going to have another, we would need some input from you guys on what else you might like to see us explore.

CHAIRMAN GREENE: Thank you. Mr. Diaz.

MR. DIAZ: Thank you, Ryan. I think you did a pretty good job of explaining the alternatives. I started talking about this last August, before we even had any idea that the private recreational were going to go over, and, looking at the charts that were available to us last August that are similar to the charts in this document that don’t have 2017 in them, it was apparent that the ACTs, that we should be looking -- To me, it was apparent that we should be looking at a way to be more accurate and fair on how we set the ACT for each component, and that’s what we’re trying to do with this document.

We’re at this point of the year where we’re going to get some preliminary numbers off of what’s happened so far this year, but we’ll only get them probably through Wave 3 by the next meeting. We won’t have Wave 4 that would capture all of the charter/for-hire season. I do think, by the next meeting, we could apply some average daily catch rates to the charter/for-hire season and get some kind of idea about where they’re going to fall out.

I hear Martha’s comments about adding more days, and I think we’ve had an opportunity to do that over the last three years, and we’ve done a little bit of it, but, off the data we have in front of us right now, from what we have right now, the charter/for-hire industry has not been able to effectively catch their ACL, and they have not met their ACT.

When I read through the document, out of the alternatives that I see here, Alternative 4 seems to appeal to me the most. The reason it appeals to me the most is that, under Alternative 4, will set a level of risk that we’re willing to accept. Each component will be evaluated based off their past catch history
for that component, and, when I read through it, Alternative 4 seems like we’re working at what we have in the purpose and need, to be more accurate and fair.

I did not bring this up last August in any way to hurt the private recreational folks. That wasn’t even on my mind. It was just looking at a way to be more accurate and fair, and the people that are not being able to participate fully right now are the charter/for-hire.

In October, the picture will be a little bit clearer, but we’ve got to make a decision whether we’re going to keep moving this document or not. If we are going to move it, we have to talk about timing, especially if we want to impact next season, and so, I mean, I think we have to make some decisions, and I appreciate the discussion that’s been had so far. Thank you, Mr. Chair.

CHAIRMAN GREENE: Thank you, Mr. Diaz. Dr. Frazer.

DR. FRAZER: Thank you, Mr. Chair. To Dale’s point, I guess what I am looking for is a simpler option here, or an alternative, and is it possible, or within our purview, to just simply set the ACT for the for-hire sector at, or very close, to the ACL?

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: To Dale’s point about the charter/for-hire, I’m not so sure it’s that they can’t catch their ACT. I don’t know that we have given them the right amount of opportunity to do it, and I’m not so sure that has anything to do with the buffer. I think it has to do with the season length, it would seem, but I agree with you that it doesn’t appear that they need a 20 percent buffer.

Would it be at all helpful to us, and maybe this would delay it too far, to where we could actually use it for next season, but would it be helpful to us to have the SSC look at this in September and give us some of their ideas or their recommendations? I think what Ryan put together was very, very good, and he certainly explained it to where I could follow it, and I appreciate it, but it would be helpful, in my mind, to have the SSC weigh in on some of these options and let us know what they would recommend.

CHAIRMAN GREENE: Thank you. Dr. Crabtree.
DR. CRABTREE: The problem I see here that we’ve got to somehow deal with -- I understand the logic of the sectors should be separate, but the fact of the matter is the statute ties them together in Section 407(d).

At some point, we have to consider the overall level of risk of exceeding the overall ACL, and it seems to me where these take us, given the recent performance of the fishery, is, yes, the buffer on the for-hire guys gets smaller, but the buffer on the private guys is going to get bigger, and the problem I see is I think there is a cap on how big the buffer on the private guys will be, because so much of the catch is coming out of state waters.

You can say the buffer is going to be 60 percent on the private guys, but, if 80 percent of the quota is being caught in state waters, it is meaningless, and, somehow, we’ve got to tie it together to the overall risk, and I think that gets tricky, and that’s the part that I have struggled to try and figure out, but, somewhere in the amendment, we’re going to have to deal with the overall risk of the combined sectors going over the ACL and how we’re keeping that level of risk within acceptable levels. I think we will have some more landings data and be able to better evaluate that in October, but it’s not clear to me how to do that.

CHAIRMAN GREENE: Thank you. Mr. Matens.

MR. MATENS: Thank you, Mr. Greene. I too struggled last August, as Dale did, with these numbers, but I was struggling from a different perspective. We were talking about a very few days for the private sector, and my personal thoughts were that we were accepting too much risk, but, if we were going to accept less risk, we were looking at one day or something like that.

I don’t remember the exact numbers, but that’s where we were, and I am still uncomfortable with accepting so much risk that we run over. I don’t know what the answer is, and, Roy, I really appreciate your comments on this. It’s a conundrum. I don’t have any ideas, and I wish I did, but I wanted to share with you guys that I’ve been thinking about this for a year. There has got to be a solution, and I think we need to work towards that.

CHAIRMAN GREENE: Mr. Riechers.

MR. RIECHERS: Well, Roy, and maybe you were getting at this, to some degree, but certainly, at least in Alternative 4, as Dale suggested, and, frankly, Ryan, I wanted to indicate to you that
it’s quite an elegant solution here, even though I think it has some issues, because we’re using the same things we’re using for our projections, and so I think it’s fraught with some of those same difficulties that we’re seeing now, but at least you are normalizing the risk level with that alternative, and so, in some respects, Roy, that’s, I think, what you were suggesting we need to do, but they’re still going to have to come together, from the overall catch perspective, at some point in time in the document.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: I am just ready to pull my hair out trying to think about all of this. Is there any way, Dr. Crabtree, that we can determine that we can focus only on the risk we can control and make our decisions based on that, because this council only has purview over certain things.

We cannot tell the states what to do with their waters. Those are their state waters. That’s their domain, and they make those choices as they decide is the right way to go. We also can’t -- We have no control over seasons that are set outside of this body right here. I mean, if we had to buffer for that, what would we do then? My goodness, I can’t imagine what that buffer would look like, and so can we not decide to buffer based on the three-day season we set and what landings those look like for the private anglers?

If we did a good job with that, that’s great. That’s what we had control over. That’s what we looked at. We don’t have control over state landings and their seasons, and we don’t have control over the additional days that were set, because what I see happening here is that we -- The for-hire sector has tried to improve their data collection, right, in order to get a better idea of what their landings are, in order to be more accountable.

By doing so, we are better able to estimate things for them. We have a better handle on that, and they’re staying under their ACT buffer, which is way under the ACL, and yet they’re going to be punished somehow. Them staying under and being accountable, for some reason, we’re saying that -- I know what the Magnuson Act says, but, for some reason, we’re saying, well, we appreciate you being accountable, but we can’t give you any net benefit for that.

It’s because of risks that are outside of our control, that we don’t control here at this table, and so is there any way to
make these decisions based off of things that are within our
control and our purview, rather than having to buffer for things
that we have no idea what they’re going to be?

DR. CRABTREE: Well, that would be a different approach than
what we’ve used in the past, and I guess you could try to make
that rationale and do it, but I suspect there is -- I will defer
to Shepherd, but I suspect there’s a lot of vulnerabilities to
trying to put a rationale like that together.

I mean, I have struggled with this too, but the fact of the
matter is that the statute requires a recreational quota, of
which the private and the for-hire are both part of, and I don’t
know how to de-link those two. Only Congress can de-link them,
and maybe they will do that, but, so far, they haven’t, and so
it’s not clear to me how you can separate them totally and do
what you’re talking about doing, but I certainly don’t rule it
out that maybe there is a way to come to that sort of argument.

CHAIRMAN GREENE: Mr. Rindone.

MR. RINDONE: Thank you, Mr. Chair. I am going to work
backwards from Leann’s comments and into Roy’s original comment.
For Leann’s comment about trying to specify the buffer based on
the things that we can control, one concern that you guys might
want to keep in mind is that it’s kind of like saying that
you’re going to buy the house based on the salary that you make,
but you’re not accounting for things that you can’t control,
like the housing market.

You’ve got your sights set on this one thing, but you’re
ignoring this portion of it that you can’t control, which we
just classify as uncertainty, and you’re still trying to make
the same decision, which may end up not being something that you
can accomplish.

The way that we’re currently looking at setting the seasons
accounts for the things that we can control, like previous
season lengths and what the catch limits actually are, against
the things that we can’t control, such as the actual pace at
which the landings come in and how good at fishing fishermen are
in a given year, on a given day, et cetera.

Then, working back to what Dr. Crabtree was commenting on
originally, about 80 percent of the landings coming from state
waters, but if there is a 40 or a 60 percent buffer, then,
esentially, there is no federal season, and one thing that we
could add to Alternative 4 would be something to the effect of
modifying the respective component ACT buffers at some unified level of risk, say 15 percent -- The way it’s written right now, it’s 15, 20, or 25 percent risk for both. We’re not looking at them separately, and so I think that satisfies the 407(d) concern, but you could add options below that say that the buffer would not go above some certain amount, say, arbitrarily, 30 percent.

If a 20 percent risk of exceeding the component ACL means that the buffer for the for-hire sector is going to be 3 percent, and it’s going to be 26 percent for the private anglers in one year, but then, in the following year, it would have been 33 percent for the private anglers, again just as a hypothetical example, then you have selected a cap though of a 30 percent buffer between the ACT and the ACL, and so the private angler buffer would not be more than 30 percent. Is that something that you guys would be interested in?

CHAIRMAN GREENE: Discussion? Dr. Crabtree.

DR. CRABTREE: I think, at some point, you have to recognize that, given the patterns in the fishery, the private buffer, effectively, can’t be larger than some amount, because, at that point, there is no season in the EEZ, and saying it’s going to be larger is rather meaningless. I don’t know exactly where that is, and I don’t know how stable that is, but, as a practical matter, there does seem to be an amount that it couldn’t really go over.

CHAIRMAN GREENE: Thank you. Is there further discussion? Okay. I don’t see any further discussion. Mr. Diaz.

MR. DIAZ: I think the goal for today was to let staff know if the alternatives in the document were sufficient and if the document needed additional things to move on, and so I’m not really sure that we have accomplished that goal to get where the staff knows exactly where we’re at with this document.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: I would say it again, and I would look for the other members to let me know whether this would be useful or not, but it seems like that -- I don’t know which of these alternatives are best at this point, because I don’t know that it really gets us to where I was hoping we would go, and that would be to help the charter/for-hire sector be able to have more access, because they have been under their ACT for three straight years. I will ask again. Would it be advantageous to have the SSC weigh-in in
September? Is that possible? I would think it would be, but I may be missing something.

CHAIRMAN GREENE: Mr. Gregory.

EXECUTIVE DIRECTOR GREGORY: It is possible, yes. If the council would -- We would like to have a motion, so we can put it on the SSC agenda.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: I would like to make that motion, to ask the SSC to review this and provide some guidance. I wasn’t prepared, really, to make a motion, and so somebody can help me with the wording, please. To review the alternatives outlined in the document and provide an SSC recommendation, I guess, or even additional alternatives.

CHAIRMAN GREENE: Mr. Gregory.

EXECUTIVE DIRECTOR GREGORY: It may be possible that the SSC could recommend a preferred approach, but, more than likely, they would just comment on the feasibility of maybe the different alternatives.

CHAIRMAN GREENE: Okay. That document would be the Allocation-Based Management for Federally-Permitted Charter Vessels, I assume. We need to put that in there. I think everybody understands that’s what we’re trying to do. Is there a second for this motion? It’s seconded by Dr. Frazer. Is there further discussion?

Okay. We have a motion on the board, and everybody is clear on the motion, and staff is clear on what the intent of this is, and everybody understands what we’re doing? Okay. There is a motion on the floor before you. Is there any opposition to the motion before you? Seeing no opposition, the motion carries.

Anything else before we leave this item? We are going to take a fifteen-minute break and pick back up in fifteen minutes.

(Whereupon, a brief recess was taken.)

CHAIRMAN GREENE: We will pick up where we left off, which will be the Presentation on the Grouper-Tilefish IFQ Five-Year Program Review, Tab B, Number 9, and Dr. Diagne and Dr. Stephen. It looks like Dr. Stephen is making her way to the table now, and so, as a reminder, this will be Tab B, Number 9.
PRESENTATION ON THE GROUPER-TILEFISH IFQ FIVE-YEAR PROGRAM REVIEW

DR. STEPHEN: We’re going to go over some preliminary results for the grouper-tilefish five-year review program. Just a little bit of background information to remind everyone where we’re at, the grouper-tilefish IFQ program started with Amendment 29, and the first year that we implemented it was January 1, 2010.

For the review, we’re looking at the first five years of the program, and we’re not going past that. It’s 2010 through 2014. During this timeframe, all account holders needed a reef fish permit in order to acquire shares or allocation and land species. They did not need the permit in order to maintain their shares.

You guys saw the review requirements that came through a couple of council meetings ago, and we’re required to evaluate the progress of the grouper-tilefish program in meeting its goals and objectives, and that requirement is that you look at the first five years and then, thereafter, you look at anywhere between five to seven years of the program.

This initial review is looking at what happened before the IFQ program compared to what happened during those first five years of the program, and there is very specific guidance for how to conduct the review of this catch share program, including what elements would need to be analyzed. If you guys remember from the red snapper five-year review, we didn’t have this guidance at the time, but that review actually drove a lot of what we’re seeing in the guidance now.

I will remind you of what the program goals and objectives were. They were to rationalize the effort and reduce overcapacity within the fishing fleet, in order to achieve and maintain the optimum yield, and this had a lot of anticipated benefits that we thought would go forward to it, and one of them would be increased market stability, elimination of quota closures, improved safety at sea, improved profitability and harvest for commercial fishermen, and, of course, it’s to balance the social, economic, and biological needs within the industry and reduce discards and associated discard mortality. Keep those kind of program goals and objectives in your head as we go through some of the results.

I kind of want to go back again. We tend to have, sometimes,
remembering the shares and allocations, and so, going through this, each share is a percentage of the commercial quota, and remember that all shares must sum to 100 percent. Allocation results from shares. It’s the shares times the quota, and that’s given to the shareholder in their account. That allocation is what they use to harvest species, and it’s annual allocation. That means that it expires when we get to the end of the year.

Just, again, this is an illustration that we’ve used in the past. If you have 1 percent of the share, depending on what the quota is, you will get a different amount of allocation. In the first example, it was 1 percent of the share, and the quota was around three-million pounds. That results in an allocation of 30,000 pounds. If, in the next year, the quota drops to one-million pounds, you still have 1 percent of that quota, but now it only results in 10,000 pounds.

In the grouper-tilefish program, we have five different share categories. We have two single-species share categories, red grouper and gag, and then we have three multispecies share categories of deepwater grouper, which contains yellowedge grouper, snowy, warsaw and speckled hind, and tilefish, which contains golden, blueline, and goldface, and then the shallowwater groupers, which contain black grouper, yellowmouth, yellowfin, and scamp.

I would like to point out a few things on this slide. You see some of the species listed in the multispecies categories have a line through them, and these were species in the program in 2010, but they were dropped out in 2012.

Red grouper and gag have what we call a multiuse category, and I will go into that next, and then warsaw, speckled hind, and scamp have a flexibility measure, which I will also talk about.

Keep in mind, with the multiuse and flexibility measures, this was put in place in order to help reduce discards, and that was the purpose behind it. For multiuse, which exists in red grouper and gag, when we release the quota, we automatically create two new categories, a red grouper multiuse category and a gag multiuse category, and what these are is they are a percentage of what would have been the red grouper or gag allocation that gets converted to multiuse. This has always been done, since 2013, on a formula, and the formula works with using the ACL of both of these species, that you can never exceed for the ACL for either one species.
Multiuse allocation can be used to either land gag or red grouper, although there are very specific ways in which that’s done, and I will get to that shortly. For example, if you had red grouper shares, that converts behind the scenes, in our system, to red grouper allocation. Then, based on the formula, we take that and break it into red grouper allocation and red grouper multiuse. In this example here, the formula would have said that 4 percent was multiuse, and we take then 4 percent of each individual person’s shares and allocation and convert that to multiuse.

Similarly, the same thing happens with gag. In this example, I want to note that, in the formula for one of the years, we had gag multiuse that was higher than gag, and so that can occur, where 70 percent of the gag allocation was converted to multiuse.

With the flexibility measures for speckled hind and warsaw grouper, if you have run out of all of your deepwater grouper allocation, you can then land them under shallow-water, and the reverse is true of scamp. If you’re out of shallow-water grouper, you can land them under deepwater. I want to point out that the system controls how you use this. It’s not something the fishermen decide in and of themselves.

Now, they can probably figure out ahead of time what the system will do and make sure their account is correct, but you can only use the flexibility and multiuse measures after you have exhausted the primary category. Therefore, you can’t use red grouper multiuse to land red grouper until all of your red grouper allocation is empty, and you cannot use it to land gag until all of your gag and gag multiuse allocation is empty.

There is different types of accounts in the IFQ system, and we’ve gone over these before as well. There is the shareholder account, and this is an account type, and it is always created by unique entities for it, and it may or may not hold shares and allocation. It’s just capable of holding them.

The shareholder account is used to transfer shares and allocation, and it’s frequently associated with vessel accounts, and so you can think of the shareholder account as a parent company to the child vessel accounts. The other stipulation for a shareholder account is that you must be a citizen or permanent resident alien.

The vessel account is related to the shareholder account, and it has to have the same names on the permit that is associated with
that vessel account as a shareholder account. That’s actually how we created shareholder accounts in the first five years of the program.

The vessel account needs to have sufficient allocation put on that account prior to landing. All landing transactions go between the vessel account and the dealer account. The dealer accounts must be associated with a federal reef fish permit, and what the dealer does is they initiate the landing process through the dealer account. It’s verified by the vessel account, by entering the vessel account pin, and then the dealer completes the transaction. Upon completion of that transaction, allocation is deducted out of the vessel account.

The dealer account also collects the cost recovery fee from the fishermen, and I want to be very clear on this. The cost recovery fee is being paid by the fishermen at the time of landing and being collected by the dealer. The dealer then submits that to NMFS on a quarterly basis.

The other important thing with dealer accounts is that they cannot hold shares or allocation, and so, if a dealer wanted to participate by holding shares or allocation, they would have to obtain a shareholder account. In those first five years, they would need a permit, a reef fish commercial fishing permit, in order to obtain a shareholder account and then in order to acquire shares or allocation.

Each shareholder account is held by a unique set of entities, and they can be either a single individual or multiple individuals jointly owning it, and so you can think of John Smith by himself owning it, and maybe John and Jane Smith own an account.

They could also be single or multiple businesses, and think of John Smith LLC as an example of a business, or it can be a combination of individuals and businesses, and so, when we talk about entities involved in these accounts, an entity can be related to more than one account, and so, using kind of the John Smith example, John Smith has an account by himself. He is the unique entity on that account, similar to as we were talking earlier today about permit entities.

John and Jane Smith might have an account that is a unique entity, but it is related, because John Smith is involved in both, and, if John Smith has a company, John Smith LLC, if he is a shareholder in that company, he is related both to the John and the John and Jane Smith accounts. I point this out because
this idea of related accounts will play into analysis as we get
further into this.

Just to remind you what people can do with their share and
permit combination, if you have a permit, regardless of whether
you have shares or not, you’re allowed to harvest fish, and, in
the first five years, you’re allowed to obtain more shares or
allocation.

If you have shares and don’t have a permit, you can no longer
obtain more shares or allocation in the first five years, nor
can you harvest, and, if you have no shares and no permit, which
is very rare in the early first five years of the system, you
can’t obtain shares or allocation nor fish. Most people who
fell into this category are people who were selling their shares
and selling their permit and then just neglected to close their
IFQ account.

IFQ is a joint management of the program, and so we have the
limited access privilege program branch that runs the program,
for the most part, and so we have customer support during
business hours. These people help answer questions about how to
set up an account, in order to set up an account, and we also do
QA/QC on the data, audit the data, and we do any kind of
analysis, like the annual reports that are created every year.
This branch is also involved in any kind of program development
or improvements to the program.

We work hand-in-hand with Information Technology System, and
they are the people who help maintain the online database and
the behind-the-scenes database, and we work with the answering
service. This is a twenty-four-hour answering service for pre-
landing notifications, paid for by cost recovery fees. A final
piece to this is law enforcement, which does dockside and at-sea
monitoring and controls the VMS.

I want to remind you how we go fishing with the IFQ system, if
someone wanted to go out fishing. The first thing they need to
do is declare a fishing trip prior to leaving, and they can do
that through VMS or through VMS’s call service center, which is
different than the call service system that I was talking about
earlier.

They go out and they go fishing, and they need to do a pre-
landing notification, or what we call an advance landing
notification. This must be done three to twenty-four hours in
advance. For the first few years of the program, it was three
to twelve hours, but we changed that a couple of years ago.
Landing notifications can be done through their VMS unit, through the IFQ website, or through the SERO call service center. They can then land at approved locations. They can land at approved locations twenty-four hours a day. There is no limit on when the landing can occur. They cannot offload their fish except for between the daylight hours of 6:00 a.m. to 6:00 p.m.

The dealer then completes that landing transaction. That transaction must be completed on the day of offload or within ninety-six hours of the notification, whichever occurs sooner. At the time of the dealer landing transaction, the allocation has been deducted from the account. I am going to take a brief stop there and see if there’s any questions about the structure of the IFQ before we get into the analysis.

CHAIRMAN GREENE: Thank you. Mr. Boyd.

MR. BOYD: Just a process question. Is the IFQ program for grouper-tilefish managed within the same system that the other IFQ programs are?

DR. STEPHEN: Yes, that’s correct. The red snapper and grouper-tilefish are in one system, and they actually use one account for anyone who is participating in both programs, and, in the whole database system, there is not a real way to distinguish both. We distinguish participation by activity, and so someone who has shares or has landings of something tells us whether they function in the grouper-tilefish versus red snapper system.

MR. BOYD: Thank you.

CHAIRMAN GREENE: Further discussion? I don’t see any, Dr. Stephen.

DR. STEPHEN: Okay. So, a lot of this information stuff, we also publish in our annual reports, and you can go there if you need to see further information on it. The first thing I wanted to talk about was what accounts actually have shares, and so, if you notice overall, there’s been a decrease in the number of shareholders overall and within each share category.

You will notice, in the next few slides, we’re going to have a very similar setup. I will show each share category by itself and then show the total, if it’s applicable for the program as a whole, in the bottom right-hand corner.
The other thing I want to point out is that the majority of accounts are what we call small shareholders. They are holding less than 0.05 percent of the shares individually, and I just want to point out that most of the decreases we see in shareholder accounts occur in the small shareholder account and sometimes in the medium shareholder account, and this isn’t necessarily unexpected, as we expected some consolidation to occur.

You also notice that a lot of the first consolidation of accounts occurred within the first year of the program, and so the initial line you see there is what was given to them on January 1, 2010, and that’s somewhat representative of what their past history had been, because that’s how we decided who got what amount of shares from it.

What I showed you before is how many people hold accounts, and it’s interesting also to look at how much of the total shares they hold. In here, for those most part, you see the medium and large shareholders are holding the majority of the shares in the program, and, again, that’s not necessarily unexpected when you consider the size of how we broke down small, medium, and large shareholders.

As I said before, this is a multi-share category program, and so what we also did is take a little look at, well, how many people hold shares in more than just one share category, and what you will see is the bulk of the people who participate in the program hold shares in at least three categories, if not all five categories. This percentage has changed a little bit over time, but not really significantly. We have a very small percentage that only holds shares in one or two categories.

Now I’m going to move on to accounts with allocation. As mentioned before, you don’t need shares to get allocation. Shares give you the original allocation, but then we have a lot of transfers of shares that occur throughout the year, and one thing you will notice here is that the accounts with allocation are greater than the accounts with shares, showing that allocation is moving to those accounts that do not have shares as well.

Overall, the number of allocation holders has decreased over time, slightly, and what I put in here was what percentage of those accounts, and this is number of accounts, are also associated with shares, and, in the start of the program, about 94 percent of all the accounts that had allocation also had shares, and we’ve seen a slight decrease in this over time.
I do want to caution you that that decrease needs to be looked at further with respect to related accounts, as I mentioned earlier, and there’s been kind of movement of some fishermen of separating their assets or getting different accounts that are not necessarily related to their account with shares or their account, per se, with the permit.

Looking at dealers over time, we have seen a reverse trend from share and allocation holders, where the number of dealers has increased over time. Most of our dealers are what we consider a small dealer. They’re only landing, at that dealer, about 1 percent of the total landings for grouper-tilefish. There are a handful of larger dealers who land greater than 3 percent.

We did see kind of an increase, in 2014, of more of the smaller dealers, and a lot of this might be driven by some fishermen deciding to become their own dealer as well, and so kind of cutting out the middle-man, so to speak. We did see an increase both in the red snapper and grouper-tilefish program, at some point in time, that, through discussions with some industry members, indicated that’s what they were doing.

When we look overall at the number of vessels, I am going to point out that the first slide is our pre-IFQ counts of vessels, and that’s an average from 2007 through 2009, for comparison, and so, when the IFQ program started, the number of vessels decreased, and it has kind of continued to decrease overall, as a whole, and, in different areas, that decrease was more significant than others.

I think, in tilefish, we saw one of the larger decreases. In general, that amount of decrease in vessels was around 30 percent, and that is working towards our goal of reducing overcapacity.

Delving a little bit more into those accounts that actually hold shares, what we can do is we can break them out into accounts who hold shares and hold a permit and accounts who hold shares within a permit. Overall, the bulk of the accounts hold a permit and hold shares together. We have seen a slight increase, over time, in those accounts that hold shares, but do not hold a permit.

As of 2014, still three-quarters of the accounts held shares with a permit, and, again, a little caution on just taking too much into this, in that we do have, again, those related accounts, and that’s at play when we start looking at what’s
going on with the non-permitted shareholders.

You will see, when we get to 36B, that I think roughly around 50 percent of all IFQ accounts are related to each other, and, of those for what we’re calling the public participant in that one, those people without a permit, about 20 percent of those, in 2014, were related to another account, and that compares fairly similar to the 26 percent of accounts that had shares without a permit.

If we want to look at how many accounts had shares without a permit, and we wanted to look at how much of the shares are held, by far the majority of shares are still held in accounts that have both a permit and shares in every share category, and so there’s only a minority of shares being held by these accounts without a permit.

We can also look at what’s occurring with landings based on their share status, and, again, we see the majority of landings are coming from accounts that also hold shares, although the amount coming from accounts that do not hold shares has increased over time. In particular, with tilefish, you see that there’s actually a greater number of accounts in 2014 coming from those without shares than with shares.

Looking at annual landings over time, for the most part, we’ve come pretty close to the quota for every share category and as a whole in the program. The exception, of course, will be 2010, which was Deepwater Horizon, and so it’s understandable that not as many landings were created in those years. Shallow-water grouper is another share category where we tend to have a lower percentage of the quota landed over time.

Another thing I want to point out to you is discard ratios, and so this information was taken solely from the Reef Fish Observer Program and not from discard logbooks, and so we will have additional information in October combining the two together, and the Reef Fish Observer Program began in 2007, and so we’re limited, with our pre-IFQ comparison, to those years.

If you look overall for red grouper, we see that the IFQ program years have shown a lower discard ratio for red grouper for both vertical lines and longlines as well as by region, in Florida as well as the Other Gulf.

We did the same analysis for gag grouper. In gag grouper, we see a little bit different of a story, and one thing that I want to point out are the numbers in 2011 that seem rather high, and
I want to remind you that there was an extreme quota drop, from about 1.4 million pounds to 0.1 million pounds for the first half of the year, and then, for the second half of the year, and I think it was around June 1, we raised it to 0.4 million pounds.

That’s most likely driving these high discards, because we weren’t allowing them to catch a lot of gag, and so their allocation was much less than the previous year, and, thereafter, as the gag quota increases, we see some discard ratios that are more in line with what we expected. Overall though, we did see an increase in discard ratios for gag grouper in the longlines, the Florida Peninsula area, as well as a slight increase in the Other Gulf regions.

When it comes to ownership caps, we do have a share cap for the grouper-tilefish program, and that share cap is by share category, and I have listed the share caps down there below for you to see.

They range from as small as around 2 percent with gag to as high as almost 15 percent in deepwater grouper, and then we have an allocation cap, which is the combined allocation across all share categories, in order to create that allocation cap, and that is done on a single point in time and not a cumulative basis. I am going to turn the rest of this over to Assane.

**DR. DIAGNE:** Thank you very much, and we will try to talk about transfers and prices and touch on a few studies that have been conducted for this review. I will start with transfers. Overall, what we see here is a decrease in the number of share transfers, but the average size of those transfers has been going up for most of the categories. If you look overall, essentially the number of share transfers were divided by two between 2010 and 2014, but the average size increased.

When it comes to allocation transfers, one thing we would have to keep in mind is that the percentage of the quota is going to be more than 100 percent, because one pound of quota can be traded multiple times, if you would, and that is what we see here, and, over time, the percentage of the quota traded has gone up, showing essentially the activity, the level of activity, in the transfer market when it comes to allocation.

Let’s look at the share prices, and we have the prices in nominal terms as well as in inflated-adjusted, or real, terms. Overall, we see an increase in prices as the time goes, and, essentially, that signifies many things, changes in quotas as
well as the level of confidence in the programs as we move forward.

In terms of allocation price, these really would be a reflection, if you would, of the expected ex-vessel price that one would get when one harvests a pound of fish and sells it, but, over time, we have seen, depending on the species, some increased and some decreased, reflecting, if you would, the abundance and the desirability of the various species.

Looking at the ex-vessel prices that we just mentioned, these are the market price, if you would, collected, and they just reflect the overall demand for the different species here, but that’s all that I wanted to mention on this slide.

Let’s look at the few studies that were conducted, and the first one looked at the impact of IFQ programs on ex-vessel prices. In this study, a system of demand was estimated and some of the species included for this analysis were red grouper, red snapper, other groupers, dolphin in the Gulf as well as in the South Atlantic, and the imports for snappers, groupers, and dolphin imports.

Monthly data for 1997 to 2014 were used, and the main conclusion of this study was that the IFQ programs, after you account and control for other factors, have not had a significant influence on ex-vessel prices.

There is also no evidence on long-term trend in prices in the Gulf of Mexico, of course, after controlling for other factors, and so the prices did go up, but, essentially, the price increases were due to other factors. For example, after the economic downturn of 2008 or so, everything went up. All the prices went up, and that was captured here, and so the time trend would show some of that.

The study did highlight limited seasonal changes in demand for some of the species. For example, we have a higher demand for red snapper in the February and March timeframe, and the demand for red grouper appears to be relatively low between let’s say February and April.

Another study conducted looked at market power at the landings level, at the shares level, and at the allocation level. Essentially, market concentration and activity at those three levels were looked at for red snapper and the grouper-tilefish IFQ programs, for both programs, essentially. The major conclusion here is no evidence of market power has been found,
at the landings level, at the shares level, as well as at the allocation level.

A third study conducted within this review looked at fishing capacity and technical efficiency. The study was based on multi-output, looking at the five share categories that we have in the grouper and tilefish program, and multi-gear, vertical versus bottom longline, and several input production functions, if you would. Just to make sure that we are talking about the same thing, we included, on this slide, definitions for fishing capacity, capacity utilization, and overcapacity.

In terms of the conclusions of this study, they were in line with a previous study that was conducted for red snapper. There were similar conclusions so far, namely the average technical efficiency scores were higher post-IFQ, after the implementation of the program.

Number two is the gains in technical efficiency is primarily driven by the exit of the least-efficient vessels, essentially those who typically choose to sell their share and exit the fishery.

The IFQ program is expected to result in some cost savings for the operators, because they have more flexibility in making adjustments over their input mix and what it is that they choose to harvest. In addition, the program has been found to have a positive impact on capacity utilization. What we noted was that fishermen begun taking fewer trips, but longer trips, during the IFQ program.

Another study conducted within this review looked at safety at sea and the IFQ programs. As you know, commercial fishing is a very dangerous operation. It is the second-most dangerous occupation in the U.S. The average fatality rate for fishermen is about 80.8 deaths per 100,000 full-time equivalent workers, and the national average for all occupations is on the order of 3.3, and so many orders of magnitude higher.

The major conclusions of this study would be that both IFQ programs, the red snapper IFQ program as well as the grouper-tilefish, reduced the number of fatalities. For the red snapper, the reduction was on the order of 1.25 fatalities per 100,000 FTE, and, for the grouper-tilefish, it was much larger, about five times larger, let’s say seven fatalities per 100,000 FTE.

For the grouper-tilefish IFQ, we have to note that, in 2010, the
Coast Guard passed what is known as the Coast Guard Authorization Act, which tightened, really, security requirements and safety requirements, if you would, for vessels, and so this reduction in fatalities is partly due to the 2010 Coast Guard Authorization Act.

The study also highlighted that, once you implemented the IFQ programs, captains’ attitudes toward risk changed. Essentially, captains became more risk-averse, if you would. I think that was the last study that we had included in this presentation, and perhaps we will stop here and take questions and finish by talking about our proposed timeline to complete the review. Thank you.

CHAIRMAN GREENE: Thank you, Dr. Diagne. Any questions or comments? Mr. Boyd.

MR. BOYD: Assane, a question about share prices and allocation prices. In 2010, share prices were at $5.35. In 2014, it’s $30.18. Do you know what they are in 2017?

DR. DIAGNE: We should have 2016, and maybe Dr. Stephen will tell you in a minute.

MR. BOYD: Okay, and the same question for allocation price. In 2010, it was $1.18. In 2014, it was $2.04.

DR. DIAGNE: Do you have a particular species in mind? Was it gag?

MR. BOYD: Gag. I’m sorry. I just pulled gag out.

DR. DIAGNE: Okay.

DR. STEPHEN: I have 2015 with me. Gag’s share price in 2015 was around $21.97, and so it actually decreased slightly from what we see in the 2014. The allocation price also decreased in 2015, to about $1.90, and, previously, it was around $2.06. We will have the 2016 out within another month or so in the annual report.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: Assane, when you looked at 2010 prices, did you weigh into that that could be somewhat of an outlier? I will say that I’m not sure from the snapper or the grouper standpoint, but from a commercial shrimping standpoint, that was a pretty rough year. What do you think?
DR. DIAGNE: Absolutely, yes. 2010 was a pretty rough year for everybody pretty much, but, here, what we have done was just presented the prices. We haven’t really derived any conclusions whatsoever, but, in the report, we will discuss, perhaps, the fluctuation.

MS. BOSARGE: I will just follow-up, if I may. For example, as a fisherman, and this may seem unrealistic now, in hindsight, but, during that period, there is an oil spill, and they shut down all fishing and shrimping and the like, and, honestly, fishermen were wondering will I ever be able to fish again and is this something that damaged the ecosystem to a point where, oh no, I can’t make a living the way I have always made a living, and I would imagine that would have some influence on share prices for that year. If you’re uncertain if that is going to be worth anything in the future, it surely had an impact on the price.

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

MR. WALKER: I was just going to make that comment. I personally know, as far as in the snapper -- During the oil spill in 2010, I know of some folks who panicked about everything that we were up against and sold their shares for less than what the value of what they were before the oil spill.

Sometimes these like grouper -- I know the shares have dropped some and the price, the lease price, and a lot of it was availability. You’ve got some good fishermen that couldn’t catch the fish, and so, when they couldn’t catch the fish, there was actually more allocation left around, and so the price dropped as the year went along, and it became harder to catch the fish.

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

MR. WALKER: I just have a question. Maybe it’s a Doug question or -- Do we still have a grouper ad hoc panel for the grouper species, any type of ad hoc panel?

DR. DIAGNE: I am not sure. Some of the panels have been disbanded, and so I’m trying to remember, but we can look and get back to you with that.

MR. WALKER: I was just saying, if not, I think, as we get
further into this, I would like to convene that panel to look at some of this as well. I am talking about the IFQ grouper.

EXECUTIVE DIRECTOR GREGORY: No, we do not. We have an IFQ red snapper ad hoc panel, but we do not have a grouper-tilefish ad hoc panel.

MR. WALKER: For industry, that may be something that we need to look at forming, to have that industry come together as a group and forming a grouper ad hoc panel to look at these.

EXECUTIVE DIRECTOR GREGORY: A bird told me that someone was interested in having a combined red snapper and grouper IFQ panel, such as disbanding the red snapper, but reconvening and re-advertising for a combined red snapper and grouper IFQ panel, and that’s doable.

CHAIRMAN GREENE: Mr. Walker.

MR. WALKER: So maybe we can hear some testimony. I think there are some grouper fishermen and red snapper fishermen here that we can get some testimony on the ad hoc.

CHAIRMAN GREENE: Okay. Dr. Lasseter.

DR. AVA LASSETTER: I was just going to point out that that is actually on the agenda for under 36B, but, if you wanted to go ahead and discuss that under the review, that would be fine, but, yes, we do have the ad hoc red snapper one, and that is a point of discussion for the next agenda.

MR. WALKER: Then we can just wait until the next agenda.

CHAIRMAN GREENE: Okay. Thank you. All right. Is there further discussion?

DR. DIAGNE: Yes, Mr. Chair. The discussion here reminded us that there is one extra step that we would have to consider. Essentially, our proposed timeline would be to take a draft report to the SSC for discussion and then present the SSC recommendations and suggestions to you at the following meeting. Then take your suggestions and rework the report.

Here, it says to bring it back for final approval, but the line of questions that we just went through reminded us that, before we do the final, final approval, we would perhaps need to convene the AP, whichever AP is designated, to review this also and add their voice and suggested revisions and recommendations.
to this, and so, essentially, we would add one step to this, AP
review, and bring those also to you before final approval.
Thank you.

CHAIRMAN GREENE: Thank you. Is there further discussion?
Okay. I am not seeing any. Assane, does that wrap up
everything?

DR. DIAGNE: Yes, Mr. Chair. Thank you.

CHAIRMAN GREENE: Okay. That will wrap up the grouper-tilefish
IFQ five-year review, and we will move on to our last agenda
item of the day, which will be Revised Options Paper, Amendment
36B, Modifications to Commercial IFQ Programs. This will be Tab
B, Number 10, and Dr. Lasseter will lead us through it.

Just reading through the rest of the agenda items, the Fisheries
Service will respond regarding referendum requirements and we’ll
have a discussion of ad hoc IFQ AP, and so, with that, I will
turn it over to Dr. Lasseter.

REVISED OPTIONS PAPER – AMENDMENT 36B – MODIFICATIONS TO
COMMERCIAL IFQ PROGRAMS

NMFS RESPONSE REGARDING REFERENDUM REQUIREMENTS FOR AUCTIONS

DR. LASSETER: Thank you, Mr. Chairman. We have brought you
back the options paper for Amendment 36B, located at Tab B,
Number 10, and, at the last meeting, as a refresh, you did pass
a couple of motions, the first of which was to request a formal
written determination as far as the use of auctions for IFQ
programs. I wanted to let you know that I was informed by NOAA
GC that the written determination is still in the review process
and was not ready in time for this meeting.

REVIEW OF AMENDMENT 36B

The only other motion that you passed at the last meeting was to
add a potential alternative to the document, and we have done
so, but we really haven’t made many more changes to the
document. Especially Chapter 2 is pretty much the same. In
Chapter 1, we’ve done some revision of the text, and added some
literature review, but, essentially, the document is really the
same.

What we’re really looking for from the committee is some further
guidance on these goals and objectives, and so, if we could turn
to pages and 17, we have expanded on this section to talk about
considerations for new red snapper IFQ and grouper-tilefish IFQ
program goals.

There is a bit of a literature discussion here, and then, if we scroll down, to about the top third of page 17, this is what we’ve kind of pulled out, the little bulleted list here. We have pulled this out from your discussion, and we did discuss these items. They were in the committee report from the last meeting as well.

These are kind of some themes that we’re hearing you talk about, but we haven’t really determined if these are the goals or if this is the purpose of what you’re trying to do through this amendment, but let’s review them.

The first one was reducing discards from the expanding red snapper population, especially in the east. Requiring shareholders to actively participate in fishing, and I want to stop here and pause on this one for a moment, because we hear this phrase “actively participate in fishing” a lot, but this is going to be really difficult for us to define, and staff would definitely need some more clarification as to what you are meaning by this.

Are dealers considered people that actively participate in fishing? Are you talking about people that are actually on the water? If we pursue this goal, we’re going to want to develop this more and perhaps be a little more refined in how we’re discussing this.

There is definitely a body of literature that identifies the idea of leasing and whether or not people are actually on the water as a social impact of IFQ programs, but I don’t find any literature that talks about how people have addressed this successfully, and so I see criticism of this elsewhere, but it’s difficult for staff to find ideas to present to you for this as well.

We do cite a paper in this document, and it’s actually about a program that Mr. Chris Oliver’s council developed, and so I think he is a great resource for us here this week as well, to pick his brain about how they have addressed some of this. When they implemented their program, they actually began with some active participation measures, but, again, that was at the time the program was developed, as opposed to five, seven, or eight years down the line implementing them, and so it would be different effects as well.

Let’s move on to the next one then, assisting the next
generation’s entrance to the IFQ programs. We’re hearing that as well, and then, finally, the extracting resource rent through auctions or royalties, which I have just provided you the update on the NOAA GC determination there.

Currently, our purpose and need on this action, we’re not really sure where to go. Right now, we’re talking about reviewing and considering updates to the IFQ programs goals and objectives, and you have just received a preliminary review for the grouper-tilefish program, and, more or less, the results are similar, in terms of overcapacity has been reduced.

Of course, further capacity could be achieved, and safety at sea has been improved, but the actions you’re considering in this amendment, some of which are supported by existing programs and goals and some of which are not, or we’re not clear where you’re trying to go with that.

I am going to pause there for just a moment and see if there’s any discussion on the goals and objectives and see if you want me to go through these potential actions or should we try and connect some of your ideas for goals and objectives to these potential actions, and let me just pause there for a moment.

CHAIRMAN GREENE: Is there discussion? Ms. Bosarge.

MS. BOSARGE: Ava, tell me -- There is two bulleted lists, like when you look at 16 and 17. There is four bullets on page 16, and there is four bullets on page 17. What is the difference between the two sets of bullets exactly?

DR. LASSETER: The first section, this is -- In a sense, it’s a literature review. It’s kind of tying together things that we’re hearing here from the public and from the council members, and then I went and found similar issues in some of the literature and tried to connect that.

Especially in this first bulleted list, I have provided a citation there. Dr. David Griffith and a team was contracted by the Science Center to produce this study, and these are some of the major points that came about from his study, which included access to shares and allocation by those actively fishing, including the small participants, and that was also similar to the red snapper IFQ program five-year review. It was really the small participants that were struggling, of course, and were not as positive in their views of the program as were the larger shareholders and such.
Dr. Griffith and his team noted the changing relationships in the fishery, such as between dealers and fishermen, and these new participation roles, and, of course, people can participate in multiple ways in the program, and so being a broker is just one way that a person could be participating, and then this was one of their specific results in their executive summary, was that the profits were accruing to shareholders who did not assume that physical and economic risks of fishing, which were taken by captains and crew.

Now, on the flip side of that, that’s also been pointed out that, prior to the IFQ program implementation, permit holders were not necessarily fishing. You have owner/operators who are holding permits who are actually fishing, but, even before the IFQ program, you had permit holders who hired captains and owned the vessels or just even they held the permit, but not necessarily a vessel, but they had an arrangement with a vessel owner. I do want to emphasize that, before the program, we did have this distinction, and this does exist in other IFQ programs as well, and I will pause there.

MR. WALKER: I was just going to say, back then, with the permits, before the IFQ system, there was leasing going on back at that time, too. There was people actually leasing their permits out to some folks.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: Thank you, sir. Yes, I guess I do have a little bit of angst about that last bullet item. I mean, profits accruing to shareholders who do not assume the physical and economics risks of fishing, which are taken by captains and crew, I don’t know. I mean, I see that as like a -- I can look at that even outside the IFQ system and have angst with that, almost like somehow the owner of the company takes no risk because he’s not out there. I don’t know.

I have an issue with that. I would assume that the shareholder -- Yes, he’s probably got some risks somewhere. Maybe he owns the boat, and that, in itself, is a risk. He had to take -- Is that what we’re talking about here, because the shareholder is not on the boat actively fishing and it’s the captain and crew that are taking all the risks and not the man that may own the boat and have worked the boat previously? Is that what we’re saying?

DR. LASSETER: Okay. I am going to point out that I am taking this directly from Dr. Griffith and his group’s report. This
was one of their conclusions, and my understanding from that report was he is speaking about shareholders that maybe do not own a vessel, and so somebody buys -- I would have to go back and look at his report for what specific examples he was citing, but shareholders that have bought shares or are investing in shares or are leasing the allocation associated with those shares do not own any of the physical capital associated. They just lease the allocation, if I remember the report correctly.

MS. BOSARGE: Okay. Well, that may be a different scenario, but, if that is that is the case, maybe we should clarify that bullet a little bit more, because I could see where that could get confusing, and we could go down a road that maybe we don’t want to go down.

CHAIRMAN GREENE: Mr. Walker.

MR. WALKER: I was just going to add, if you are a vessel owner and your captain or crew does some kind of violation or something illegal, it’s more likely that the vessel owner is going to end up with the fines and not the captain and the crew, and the captain and crew change quite often, at least on a lot of vessels.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: I guess, I mean, I don’t want to derail any other discussion on this, but Ava had asked how we want to proceed relative to the purpose and need section and trying to clean that up and maybe marrying that with the proposed action items that are in here, is that maybe we proceed down that line, with an eye toward trying to refine the purpose and need statement to better define what it is the council would like to do with this document, the amendment, and I think that’s what I would suggest we do.

CHAIRMAN GREENE: Okay. Further discussion? Okay. I don’t see any further discussion, and so I guess we’ll pick that up on Thursday, I guess, about the purpose and need. Is that the only thing that you need?

DR. LASSETER: Well, I -- Okay. I guess, to carry on with Leanne, I will clarify that bullet point to say “profits accruing to non-vessel-owning shareholders”, and that might have been Dr. Griffith’s point. Then, to carry on with Kevin, although I just saw his hand, and let me pause. I’m sorry.

CHAIRMAN GREENE: Mr. Anson.
MR. ANSON: Unless I missed something or the Chair has some other plans, I thought that we still had time to go through the document now, rather than Thursday.

CHAIRMAN GREENE: No, I was speaking specifically to the purpose and need and modifying it at this point. I still intend to go through the rest of the document.

MS. BOSARGE: Yes, and I’m okay with that. I just am not sure that it’s the place of this council to start delving into who gets what profit. I can understand participation and having people enter the fishery and this and that, but, when we start trying to dictate profit margins and such as this, I think that might be a little beyond our scope, but that’s my only comment.

CHAIRMAN GREENE: Okay. Anything else on the purpose and need? Okay. Then we’ll continue on, Dr. Lasseter.

DR. LASSETER: Okay. Hopefully, through further discussion, it will help staff to revise this purpose and need. You have seen all of these potential actions in here, but we’ll go through them, hopefully with the focus of the second bulleted list and this idea of the general issues that could be goals and objectives, or perhaps some new ones will arise through the discussion.

On page 18 is the beginning of Chapter 2, our potential actions, and the first one, again, this label of Program Participation, we have incorporated two of the items from your original list, which were, one, reconsidering the requirement for shareholders to have a commercial reef fish permit, and, two, considering a restriction on the amount of shares and/or allocation that may be held by a shareholder without a commercial reef fish permit. Again, we’re on page 18.

MS. BOSARGE: Ava, can I interrupt you for just a second? Did we actually read through the purpose and need? We went through the body of the document that leads up to the purpose and need, but I am thinking that Kevin wanted to actually read through the purpose and need and maybe make some comments there. I do think we -- You did read it all the way through? Okay. Sorry. I guess I was still on the bullets. All right. Go ahead.

DR. LASSETER: I apologize. I summarized it. Basically, it says -- I explained that, currently, the purpose of this action is that we’re reviewing and considering updates to the IFQ program goals and objectives and that staff is going to need
further feedback from the committee and the council on this, so that we can properly develop a purpose and need for the amendment. At the moment, the purpose and need states the purpose of this action is to review and consider updates to the goals and objectives.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: To help frame, I guess, people’s minds around the table, as you go through the document and we start looking at these individual actions, you mentioned the statement that staff feels like the items that are already in here for purpose and need may not make the cut, in regards to providing an informative purpose and need or a purpose and need that meets an amendment-level type of thing, or what is it that staff is looking for, because there are some certain things in here, and they happen to match what you described on 16, for the most part, that have been issues that have been identified in other programs, and so I think we’re trying to get there, and are there specific items that are in the purpose and need statement on page 17 that conflict with one another that causes some umbrage among staff, or I guess I’m needing some more of what is it that you’re looking for, what more.

DR. LASSETER: The last paragraph and bulleted list before the purpose and need contains some themes that we have pulled from your discussion over several meetings. At the last meeting, I strongly urged, with all due respect, for motions that kind of tell us directly that you do want to refine the objectives from the goals, as stated, or you want to add some, and so I’ve heard these themes, but I don’t have consensus. I don’t have motions from the council to know is this the direction we’re going.

That’s why the actual purpose and need statement does not include those. Right now, we’re not sure what of these you were trying to do, and I will throw out an example here. Currently, you have the goal to reduce overcapacity. The first item under the potential actions, requiring people to have a permit again, that could be very much in support of your existing goal and objective, and so that would -- If you retain that you and you do make that requirement, we can work with that. We can develop a purpose and need from that. That’s clear.

If you want to officially make a goal to reduce discards from the expanding red snapper population, that’s a little more in conflict, potentially, with your goal to reduce overcapacity, because what you’re actually trying to do, under that, would be to provide some allocation, I think, to people that maybe don’t
have it, potentially increasing capacity.

That’s why, right now, we’re not sure which of these bulleted lists you really do want to go forward with and make official goals. Do you want to officially make them goals? We would definitely need some more definition for “actively participate in fishing”. Then there is other ideas also that you’ve talked about, in terms of providing allocation for small shareholders. We get into that later on in the document too, and so I guess that’s where I’m going.

We have kind of put this together with issues and problems and perceptions of problems, what we’re hearing from you all and from the public, and these are some themes, and now we’re trying to get some formal guidance from you as to how to move forward.

Maybe this will make more sense if we get into the actions. Let’s look again at the Program Participation on page 18. I just read off the two items that made it into this document, and, just to refresh everyone, when we first started working on 36, before A and b were split, the council had compiled a list of items, and they also came from the red snapper IFQ five-year review, and we took that list of items, and we gave it to NOAA GC, and they made determinations of which ones we could pursue in an amendment and which ones would not, unless it triggered a referendum, and so these are a couple of the items that were left in that list, and we felt they were related, and so we are presenting them in this first potential action labeled “Program Participation”.

There is three potential sub-actions within this, and I’m going to kind of go over them generally first. The first considers what people would need a permit to do, what shareholders would be required to have a permit in order to participate in the program, and so they would have to have a permit in order to participate in the program in certain ways. The next one addresses who would need a permit, and then the third one would address exceptions to that, and I will come to that in just a moment.

As I just noted, in terms of the bulleted list, the idea of requiring a permit again is not necessarily in conflict with this goal to reduce overcapacity, and so, here, we’re on more solid ground, in terms of goals and objectives.

Now, this is not going to reduce discards in the east. If you do want to pursue that as a goal, then you may not want to pursue this action, or there may be certain alternatives that
you would want to consider that would be consistent with such an
objective. Let’s go through each one of these potential sub-
actions a little more thoroughly, and so the first one starts on
the bottom of page 18. I will pause.

MR. DIAZ: I don’t want to get too far off, but we’re talking
about discards, and I think that’s an important thing for us to
consider. The current program probably reduces some discards,
by virtue of having some leasing programs, but I do remember
having a conversation with a gentleman when we met in Florida,
and I don’t remember his name, but, basically, his boat carried
about 5,000 pounds, and his expenses were pretty high, and he
couldn’t afford to ice down too many red snapper, and he had to
lease, with his capacity, and so, I mean, for him, he couldn’t
afford to -- It didn’t make sense to try to ice down a bunch of
red snapper, and I don’t know how many he caught, but that
wasn’t something that was economically viable for him, for what
he was having to pay to lease them, based off of what he made
after the sale, and so, anyway, if there’s a way for us to have
that as a goal in here, I think that’s a worthwhile goal.

CHAIRMAN GREENE: Mr. Riechers, did you wish to weigh in at this
time, or are you going to wait?

MR. RIECHERS: I just think we’re getting a little torn between
some possible tension in purpose and need, and the reality of
where we are in the document now is we have these broader
categories, and we’re trying to figure out how we’re going to
put them in a document, or if they’re going to survive into that
document, and the specific example you have used twice is the
notion of we would be increasing capacity if we find a way to
maybe reduce these discards.

We would be not necessarily -- I mean, you could call it
increasing capacity, but, since you’re in an IFQ program, you’re
not really increasing capacity, to the extent that you’re
increasing catches, but you’re just going to find some way to
maybe allocate those into places where you reduce discards, if
you try to do that, and so I don’t think we should get hung up
on those minor tensions at the moment, and we need to try to
figure out what are some of the things we’re going to do, and
then we can write a purpose and need broad enough to -- I mean,
in some respects, the purpose and need is to review the programs
and come forward with any changes that the council and National
Marine Fisheries Service sees that we need to make now.

CHAIRMAN GREENE: Thank you. Is there further comments or
discussion? Dr. Lasseter.
DR. LASSETER: Okay. I am not sure -- I am going to maybe come back to the idea of discards then, but I think that would be great if we could come back to that. Going back to the first potential sub-action, our status quo is that, currently, shareholders are not required to possess a valid or renewable commercial reef fish permit, and, as we recall, for the first five years of each permit, a permit was required to obtain shares, to get additional shares, to buy them or to open an account and get shares in that respective program.

People that already held shares were not required to maintain their permit within those first five years. Before that first five years was up for each program respectively, you as a council did publish a control date notifying the public that you could be exploring this in the future, and so that’s all kind of summarized in that little background section there.

With that understanding as that being our current situation, what you’re now wanting to consider is to require shareholders to possess a permit, but what exactly do you want to require them to have a permit to do?

At the top of 19, here is some potential alternatives to require shareholders to possess a valid or renewable commercial reef fish permit to open an account, just obtain a shareholder account, or you could require them to have the permit to possess the shares, including the ones that they already hold, or just to obtain additional shares, or to require shareholders to possess that permit to obtain or transfer allocation. Again, this first one, the theme is kind of what a permit would be required to do and how you could participate in the program, the way you could participate in the program.

Our next potential sub-action, moving into the middle of page 19, addresses who would need the permit, and so, again, I went over kind of the current status quo. Potential alternatives for this could be to require all shareholders to possess the permit, or you could require all shareholders who enter the program after January 1, 2012, and so that being the date of when red snapper opened to public participation, or the date that the grouper-tilefish went open to public participation, January 1, 2015, as another potential alternative.

Finally, all shareholders who enter the program following implementation of this amendment, and so kind of grandfathering everybody in until this document is implemented and then, from there on, requiring shareholders to have a permit. That’s the
second potential sub-action under Program Participation.

Then the third one is to provide exceptions for this, and we talked about this some last time as well. There are shareholders, captain, and even crew, we’re hearing, that do not own the vessel, that do not own a permit, but are seeing their livelihoods involved in the industry, and they’re buying incrementally small amounts of shares, and so there may be -- That’s one example who you may want to exempt from the requirement from a permit, people who are small shareholders that are working on building up their investments in the fishery.

Some potential alternatives here could be shareholders that can demonstrate direct participation in the fishery. Again, we would have to define that. They may not be required to possess the permit.

On the next page, the top of page 20, you could put this in terms of proportion, the size of the shareholdings, and so shareholders that hold less shares than some determined amount, and we would provide those as options for you. You could not require a permit for those people that are the small participants.

There, we could provide a range of share values. It could be a percentage of shares or the equivalent pounds of allocation represented by those shares, and we would need to specify if this applies to a particular share category of IFQ-managed species or is it going to apply to all share categories across both programs, and then also we would need to define the scope of how people are related to other shareholder entities. Again, this gets into the related accounts issue that Dr. Stephen touched on during the grouper-tilefish five-year review presentation.

Then there is several tables provided that go into the number of accounts and proportion of shares that are held in these accounts with and without permits, and then there is also several tables that go into these related accounts and public participant accounts, which we’re defining as people that do not have a permit attached associated with their shareholder account. I am going to pause there for those three sub-actions, potential sub-actions, and see if there is any discussion.

CHAIRMAN GREENE: All right. Is there discussion? Mr. Anson.

MR. ANSON: Ava, I don’t want to jump ahead, but I’m going to be
jumping ahead here to the next action, and that is the Phase-In Commercial Reef Fish Permit Requirement/Divestment of Shares. I guess what you’re proposing here, in this first action you have just reviewed, is to allow somebody to continue to possess shares and be able to utilize those through leasing and such in an environment where they’re not actively fishing in that, whereas, the second one, you’re going to do the same thing, except potentially have the fishing requirement as part of that, and is that correct?

DR. LASSETER: Really, whatever you are interested in looking at, we can work into it. This is just how we tried to operationalize the two items that you were interested in considering. To require shareholders to have a permit, who did you mean? There may be situations that you may want to exempt, or maybe you don’t, and so you want to remove that completely.

Also, there is many ways that people participate in the program, and so we provided you some potential alternatives there too, but these are all still potential sub-actions and potential alternatives. This is staff trying to, again, operationalize the items we heard you mention, and so, if there’s anything in here that you want us to expand on, or if there’s anything that you definitely don’t want to consider, some guidance on that would be great.

CHAIRMAN GREENE: Further discussion?

DR. LASSETER: Okay. Hearing none, and, as Mr. Anson just briefly touched on, 2.2 begins on page 30, and this is directly related to the previous section, and so, if you’re going to pursue requiring shareholders to have permits, again with all those different potential sub-actions and ways to implement it, you also may want to consider a phase-in period for the requirement.

Currently, again, shareholders are not required to possess the permit, and so some potential alternatives could be that a commercial reef fish permit must be obtained and associated with a shareholder account on the effective date of the final rule implementing this amendment or giving some grace period, before the beginning of the calendar year following the effective date of the amendment, within one year, within three years following the effective date. These are just potential alternatives.

What would not really be a decision, but how NMFS would probably likely treat this is that any account not having that commercial reef fish permit by the period, as determined, if we pursue
this, the shares and allocation would be reclaimed by NMFS, and then there is potential actions later on in the amendment where we're also addressing how you're going to redistribute shares that were reclaimed to these non-activated accounts, as you accomplish in 36A, and so there is ways to explore distribution of any kind of reclaimed shares.

Again, this action addresses a bit of a time period, a phase-in, for that requirement for obtaining a commercial reef fish permit, and I will stop there for a moment for questions or discussion.

CHAIRMAN GREENE: Any discussion? Dr. Crabtree.

DR. CRABTREE: I agree, if we did this, there would have to be a phase-in period, because you would have to give people time enough to find a permit, and they would have to buy a boat and all those kinds of things.

A lot of shareholders -- My understanding is a lot of people have multiple accounts, and they may have shares in one account, but they have other accounts that don’t have any shares in it, and it seems like what we would want to do is make sure that, for a shareholder, somewhere he has a reef fish permit, but not necessarily every account he has has to have a reef fish permit, and do you follow what I am saying?

DR. LASSETER: I think the IPT kind of assumed that, if you had this requirement, people with related accounts would likely consolidate these accounts. If the council wanted to allow this diversification of assets to continue, then maybe there is a way we could rephrase it, in terms of allowing that associated accounts. There is probably, I am assuming, ways that your staff -- That we could work this out.

DR. CRABTREE: Right, and then the other concern I have with this is that my understanding is that there are a number of dealers who have an account and then they will lease shares out to people who sell to the fish house to cover fish that they caught and didn’t have enough, but that dealer may not necessarily have a vessel or a permit, but it seems like, in a sense, they’re providing a valuable service that may reduce discards and those kinds of things, and so this is one of those things that your initial reaction is that, yes, it sounds good, but then, when you start getting into how the fishery is set up, it’s a lot more complicated than it sounds at first blush.

DR. LASSETER: Actually, the dealer example, I did want to point
that out. In terms of this expression “actively engaged in fishing”, are dealers included in that? That would need to be defined. That would need to be a determination by the council. Do you consider dealers actively engaged in fishing?

Now, from that report from Dr. Griffith, the study that was done, he noted that participants in the fishery, even those who were leasing all of their allocation, were actually okay with dealers leasing them, being shareholders without permits and leasing them fish, because they felt like they were engaged in the fishery.

I am not sure if that sentiment is shared amongst the council and others as well, but that was a point made in the study, was that they did feel that dealers were, but that would be something for the council to decide. Are they actively participating in the fishery, and what exactly do you mean by “actively fishing” or “actively participating in fishing”?

CHAIRMAN GREENE: Is there further discussion?

DR. CRABTREE: Then it gets complicated, because I think anyone can get a dealer permit. I think you have to have a physical address, but I don’t think there is any minimum amount of fish you have to sell or anything like that, and so, again, it gets complicated.

CHAIRMAN GREENE: Dr. Lasseter.

DR. LASSETER: Okay. I do agree that it’s very complicated.

DR. CRABTREE: Thank you.

DR. LASSETER: Moving on to the next potential action, the next section, 2.3 begins on page 32, and this was your item about quota redistribution or quota set-aside, and so, of course, if you are pursuing this item, several issues would need to be addressed. First, you would have to determine how much quota and from which share categories would be set aside and who would be the recipients of this quota.

We have a series of potential alternatives, which would also likely be sub-actions as well, and so, again, currently, annual allocation is distributed to shareholders by January 1 each year or at the time of an in-season quota increase.

Some potential alternatives are we would need to determine the share categories to which the redistribution or set-aside is
going to apply, and you could set a threshold of quota, above which this redistribution of set-aside occurs. The threshold could be based on future increases to the commercial quota, quota at the time the program was implemented, the largest quota within a selected time period. Again, these are just potential alternatives that we’re throwing out for you and hoping to get some feedback on.

Next, you would need to determine the recipients of the quota and are shares or allocation only going to be distributed. Recipients could be small shareholders, and, in Amendment 36A, we did work on defining small shareholders. We actually had a sub-action that was exploring that that was moved to Considered but Rejected in 36A, and so the IPT could definitely bring that back to you to start working from again.

The next generation of fishermen, allocation-only account holders with a commercial reef fish permit and landings in 2015, and we have added “or the most current year”, for that share category. Again, these were all options that were considered as the recipients of shares held in the non-activated accounts. Remember back from 36A that you had the one action that closed those non-activated accounts in each respective program, and NMFS will be holding the shares until you finalize this amendment and determine how to distribute those, but these were options for distributing those at the time.

Then determining the method of distribution. How are you going to do it? Again, inherent in this is whether you’re talking about shares or allocation only. Distribution methods could be equally amongst all eligible recipients, whoever you define as the eligible recipients, or the method of distribution could be an annual or multi-year cycles, based on fishing participation, and this was something that you expressed interest in at the last meeting. Developing a quota bank or a lottery is another potential alternative.

This is how the IPT is conceptualizing this potential idea for a quota redistribution or quota set-aside, but none of this is directly related to either reducing overcapacity or increasing safety at sea, and so we’re wondering if there’s a way that we could maybe have a discussion on what is a potential goal and objective here, and then maybe we could even incorporate that into potentially new goals and objectives, and so let me pause there for discussion.

CHAIRMAN GREENE: Thank you. Is there discussion? Dr. Crabtree.
DR. CRABTREE: I think what we’re trying to get at is providing some more economical way to get quota into small participants or new participants hands, and so this is like a quota bank, right? If you held a set-aside of some percentage of the quota, and that goes into this, and then you had some qualifying set of criteria that someone would have to meet, and then they could apply, and then that amount of quota would be distributed out to those guys, based on some sort of formula on it.

Essentially, they would get allocation, but they wouldn’t have to pay anything for it. Now, the tricky part of all of this, of course, is the amount you set aside is coming out of the shareholders pockets, essentially, and then you would need to think about what impact would this have on the price of leasing.

I guess, if you set enough quota aside, it would drive down the price of leasing allocation, and I don’t know if you want to do that or not, and then it does seem to me that the allocation that went out from a quota bank would be that whoever gets it has to fish it on their vessel and they can’t sell it or trade it or lease it out to anyone.

That could end up in some allocation never being fished, and I’m not saying I think this is a good idea or not a good idea, but we did get a couple of letters in our comments that were interested in doing some of this, but it might be a way of addressing some of the issues with leasing that have been raised, but it’s not clear to me how much you would have to set aside to have enough pounds of allocation to really have a noticeable impact on the fishery, and I’m not quite sure how to get at that.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: To Dr. Crabtree’s comment, it brought to my mind that we had asked for a letter to be generated by staff and sent to NOAA legal counsel asking some specific instances that would kind of be tied in with this document relative to referendum requirements on quotas and charging for quotas and such, and do you have -- What’s the status of that letter? Does anybody know?

DR. LASSETER: I apologize, but I think I started with that. I was most recently informed by NOAA GC that it is in the NOAA GC review process, and it just was not ready for this meeting.

MR. ANSON: Thank you. I missed that.
CHAIRMAN GREENE: Mr. Walker.

MR. WALKER: This has the question of would this trigger the referendum?

DR. LASSETER: All of the items that are currently considered in here were reviewed by NOAA GC for not requiring a referendum.

DR. CRABTREE: I think, if the quota you set aside in this, if you then said we’re going to auction it off, that’s a different situation, or if you said we’re going to sell it, and that would then be a royalty, and that’s likely a different situation.

CHAIRMAN GREENE: Dr. Mickle.

DR. MICKLE: To Roy’s point about having these shares and then, within this 2.3, I think I’m going to wait and maybe make a motion when we get to 2.4, but to understand that, in 2.4, it’s a lot more clear, and I’m sorry for jumping ahead, but, when these shares are potentially lost, such as in 2.4, the distribution of non-active accounts, I think it becomes more clear, and so I think I will wait for my discussion, but I am probably going to make a motion, when we get to 2.4, to instruct staff to draft a document that explores reef fish allocation banks for species under IFQ management. I apologize for getting ahead, but, again, it’s the same conversation, but I think it becomes a little easier with the next section, and so we’ll wait.

CHAIRMAN GREENE: Thank you. Mr. Riechers.

MR. RIECHERS: Roy, I don’t know if you’re foretelling the letter from GC with your recent comments, but that’s an interesting take you had, because you said, if it’s an auction or a different way of basically distributing the shares -- It seems to me that the litmus-test question is does taking new quota and distributing it in some way into new entrants, no matter how you choose to distribute it, is kind of the litmus of whether or not a referendum would go forward and not the mechanism you use to do that distribution, but I will wait on GC’s letter of response to us.

DR. CRABTREE: If I could just quickly -- Except that there’s specific language in the statute that is unique to auctions and royalties, and so I think that’s the key thing, but I haven’t seen whatever draft legal opinion has been written. All I have had is the benefit of what our previous advice has been,
CHAIRMAN GREENE: Further discussion? Dr. Lasseter.

DR. LASSETER: If I can kind of repeat back a little bit of what I heard, especially from Dr. Crabtree, it’s suggested that a potential goal or objective of what you’re trying to do here could be providing for the next generation or for small participants.

If that is something that you identify and you feel is a problem, feel is an issue, I would consider -- I would encourage you to consider that as a potential goal for the program that could support pursuing this action. If that is something that you’re interested in, staff would love to have motions about this.

Then, just on another note, another of these potential issues that were in that bulleted list of something that you could be doing with the redistribution or some amount of set-aside through a quota bank, however you distribute it, would be to address the red snapper bycatch, additional bycatch, in the eastern Gulf. That was one of those other potential issues. That could be foundation for pursuing something like this, and I will pause there for a moment.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: Yes, because I think one of the scenarios you spoke of earlier, where someone didn’t want to use up space in the hold with red snapper, because they had to lease and so the profit margin is less, possibly is changed by this, depending on how much quota you put aside.

CHAIRMAN GREENE: Thank you. Further comments? Mr. Anson.

MR. ANSON: Ava, your comment relative to the motion, the document has been created, and are you looking to go basically action-by-action, or section-by-section, and make a motion to say, okay, of this particular page that you’re on, we want to go forward with quota banks and lottery. Are you looking for that specific, or are you just saying this is the document and we would like to proceed with these items as written, or I mean how -- How much direction are you looking for?

DR. LASSETER: We’re really looking for goals and objectives. We’re really looking for what you want to do, because that will shape the alternatives. Staff will be able to craft a range of alternatives that could be more applicable to what you’re
specifically trying to do.

It might be different if -- Alternatives might be different if you’re trying to provide allocation for the next generation and small shareholders versus trying to provide allocation for additional bycatch in the eastern Gulf, and so I guess we’re wanting to know, for each one of these -- One goal could have multiple actions.

We don’t need a distinct goal for each one, but staff has a list of things you want to do, but now we need the why behind them, or the problem behind them, so that we can label those as goals and objectives and have that drive the actions and alternatives, and so we’re not so much looking for you to scale down the potential alternatives, although, if there are things that additionally you want us to add or you definitely don’t want to consider, feel free to do so, but we really are trying to get you to focus on goals and objectives.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: I tend to agree with Ava. It’s not entirely clear to me what we’re trying to do, and so, if our goal is to provide an avenue for new entries to get in with less upfront capital, okay, and maybe this quota bank idea is the way that -- If your goal is to reduce the profits from just leasing your quota, then maybe there’s a way in this to reduce the cost of leasing, so that it’s less profitable.

It’s not clear to me, for example, what our goal is by requiring shareholders to buy a vessel. I mean, I understand the visceral feeling about it, but it’s not clear to me exactly what that actually accomplishes. I think Ava is right that we haven’t really been very clear about what it is we’re trying to do here and what the specific problems in the program are, and I think that makes it difficult to come up with a range of alternatives.

CHAIRMAN GREENE: Okay. Mr. Anson.

MR. ANSON: Relative to that then, I would like to make a motion that, in the Modifications to Commercial Individual Fishing Quota Programs Document, that we identify quota set-asides to address small entrants and new entrants. I think that’s all I will leave it at for right now. Small participants and new entrants. Thank you.

CHAIRMAN GREENE: They’re going to go ahead and get the motion up on the board, and it will be in this document. The motion is
to identify quota set-asides to address small participants and
new entrants. Is there a second for this motion? It’s seconded
by Mr. Banks. Is there discussion? Dr. Crabtree.

DR. CRABTREE: I am, generally speaking, okay with that, and I
might offer a little more detail, that we relate this to issues
relating to discards, replacement fishermen, small shareholders,
and then a way to get at that would be some type of quota bank
that would include the revoked shares that we have as a result
of 36A, possible consideration of quota set-asides, and maybe
making it clear that additional accounts that are closed out or
quota that’s revoked would go into it and that kind of thing,
but I think that’s right along with the things you’re thinking
about here. I don’t know if that mirrors your kind of thoughts,
Kevin, or --

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: It does.

CHAIRMAN GREENE: All right. Dr. Mickle.

DR. MICKLE: Ava, this is directed towards you, and so that
would be a really long motion, and so does this give you the
directive enough to approach what Roy said, with the detail of
quota banks and having that entry of dealing with discards and
all these different issues that we’ve talked to today? This
motion, does that engage your direction for preparing something
to bring back?

DR. LASSETER: I think there’s two things that were touched on
there. First, what I heard was that a potential new goal would
be that this document -- A new goal would be to assist small
participants and new entrants. Then I heard from Dr. Crabtree
some ways to go about doing that, and I am not sure if all of
that needs to be in the same motion, and so I guess we would
like some clarification.

A potential goal could be to assist the small participants and
new entrants, and then this action could be supported by that
goal and objective. The next action that we’re about to get to
could potentially be -- Well, actually, the next one is already
-- We have already reclaimed the shares, and that was a
recommendation of the red snapper IFQ program five-year review,
and so that was the purpose of that one.

Other things that we could do that are proposed in this
amendment could support that as a new goal, but what we’re
looking for is a motion, an approved motion, of a potential new
goal, and I do see that here.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: Kevin, would you be willing, as just a friendly
amendment, to add reducing discards as a potential benefit of
this?

MR. ANSON: Yes, and I didn’t include it in this motion right
now, because I didn’t know how well that would be received, and
I didn’t want it to kill it, but I would certainly -- As you
look at the Gulf, as the stock is rebounding, there is more
access and more issues related to discards in the eastern Gulf,
and so it would be more focused on the eastern Gulf,
potentially, with this.

If that’s the desire of the rest of the council, is go towards
that road and that you would potentially be identifying those
new entrants and small participants that are just in the eastern
Gulf, and so I didn’t know if that would necessarily cause some
folks not to agree with that, but I can accept it and we can go
with the vote and see how it goes.

DR. CRABTREE: If I could, I am not meaning to suggest this gets
limited to the eastern Gulf at all, but it’s just that one of
the things we would take into account, as we look at this, is
potential benefits in terms of reducing discards, but I am not
at all suggesting that this be regionally limited.

MR. ANSON: Then, yes, go ahead and include addressing or
reducing discards.

CHAIRMAN GREENE: We have a friendly amendment. We’re going to
add some additional text, if the seconder agrees with that. All
right. I had a couple of people on the list before this motion
came up. I had Patrick and Dr. Frazer. Are your comments
relative to the motion? Okay. Dr. Frazer.

DR. FRAZER: Thank you. I mean, what I was wondering, Kevin, is
whether this motion was specific to this Action 3, and I think
that’s what we’re trying to get, and that’s why it gets a little
confused with the language that Roy added, because I think it’s
very specifically addressing new participants or small
shareholders, I guess, and new participants, and is that
correct? Yes.

CHAIRMAN GREENE: Mr. Walker.
MR. WALKER: I was just going to mention that I have heard some groups offer to do that, from the industry standpoint, and it could be run very efficiently, and, as Roy added, it’s not just the eastern Gulf. Look where the biomass is. Is it a bigger problem in the eastern Gulf or could it become a proportionally larger problem in the western Gulf? The industry has volunteered to take this upon itself, and it’s already working on some of these bycatch issues.

CHAIRMAN GREENE: Okay. Mr. Anson.

MR. ANSON: I appreciate their efforts toward that goal, but I think the -- As I have seen it, a quota bank, as it’s been presented to me, continues, and potentially exacerbates, some of the problems that we have identified to be in the fishery relative to ownership and the profiteering, if you will, and so, if we have a quota bank that’s established outside of the shareholder realm, that we could potentially reduce or curtail or circumvent some of those very issues, and so I see it as, if that’s the incentive for some to look at this, that would potentially -- If we talk about royalty rents, then the royalty rents would go to the government, and that’s certainly an issue that some people have brought up that they would be interested in, whereas the setting it up by the shareholders would potentially continue on with those very issues that have been discussed here.

CHAIRMAN GREENE: Thank you. Is there further discussion about the motion? Mr. Swindell.

MR. SWINDELL: I guess I am a little concerned about identify quota set-asides to reduce discards. That doesn’t seem to go well with the whole purpose of what you originally proposed, and so I guess I would probably vote against this, because I don’t see how quota is going to be there to reduce discards.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: Imagine someone who is a new fisherman and has gotten into the reef fish fishery and doesn’t have any capital and can’t afford to lease, and so he fishes for vermilion snapper and other things, but he catches some snapper, but discards it, because he doesn’t have the capital to lease it. If we had a quota bank that made it available to him without the upfront cost, that seems to me that it would increase his profits and reduce his need to discard, right? At least that’s
my thinking with it, and we’re just coming up with things to analyze right now, but I think there are ways that it could be helpful, and there are parts of the Gulf, and I guess it’s more in the eastern Gulf, where, during the qualifying periods for the initial distribution, we really didn’t have red snapper, and so that’s also another part of it, but I think, as David said, there could be problems in the western Gulf as well.

CHAIRMAN GREENE: Mr. Walker.

MR. WALKER: I would just like to mention that a lot of folks haven’t been around here for the inception of the IFQ and how it worked and the years that were chosen, and a lot of that was either the -- The industry has asked for the first ten years or the last ten years, and the council took it and said any ten years. Well, all of a sudden, we became very diluted, and a lot of people said, well, we got back to 9.12.

Well, we really didn’t get back to 9.12 until we got to the twelve-point-something million, what we were actually catching at the time, and so I think industry is all in support of helping address these discards, and they’re working, I think, successfully to -- Maybe, when you get -- I don’t know, but I would like to hear from industry on where we get to a certain threshold or something, but a lot of folks don’t understand that.

When you say that they went from 9.1 to twelve, and twelve really got us back to where we were, because most people took close to a 30 percent cut at the time, and so, actually, when we got back to twelve, a lot of guys -- Because it had been diluted, and I just want to make sure that a lot of folks knew that that weren’t on the council when it was developed.

CHAIRMAN GREENE: Thank you. We’ve still got a couple more sections to go in here, and it’s 5:20. Madam Chair, how would you like to proceed?

MS. BOSARGE: Well, I just checked, and our social is not until 6:30 tonight, and so let’s see if we can make it through these last three action items, because, for once, we are actually having a conversation about this, and we’re making a little headway and actually communicating, and so I’m excited about that. I did let you have a lunchbreak today, and so count your blessings.

CHAIRMAN GREENE: Okay. We have a motion on the floor. Is there any more comments germane to the motion we have before us?
All right. Any opposition to the motion on the floor before you? One in opposition, and the motion carries. Dr. Crabtree.

DR. CRABTREE: Just, Ava, some things that I think that staff ought to look at, along with this motion, is the sources for the quota bank could include the revoked shares from 36A, possible set-aside of quota, and then consideration of additional revocation of shares from accounts that haven’t been active in say a period of three or four years or something like that in the future, so that it would just kind of automatically happen and then the shares would go over, and so that’s just some thoughts that I have about things to look at.

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

MR. WALKER: One thing I kind of thought about was the goals and objectives was overcapacity, and has the overcapacity been reached? There’s so many questions and so many variables and so many different things to take into consideration.

CHAIRMAN GREENE: Thank you. Dr. Lasseter.

DR. LASSETER: Thank you, Mr. Chairman. If we move on to Section 2.4, which begins on page 36, this addresses distributing the shares from non-activated accounts and reclaimed shares, and so this exact action was removed from 36A, at your April meeting this year, and you moved it here to consider it further, and so you had selected a preferred alternative, and then there was public testimony, and your final discussion, before you moved it, was, well, we want to have a little more time to think about how to do this, how we could do this, and, hence, the action is now here.

As Dr. Mickle noted, this action could also be combined with what we’re -- It’s similar to what we’re doing in 2.3, in terms of distributing the shares, and so, currently, when Amendment 36A is approved and implemented, the shares from those non-activated accounts would be removed and held by NMFS until the distribution system is developed and approved through this action, through this amendment, and so these potential alternatives are the alternatives from the 36A action.

Alternative 1 would be to do nothing. The accounts are closed and the shares are held, but they would continue to be held by NMFS. Alternative 2 was your preferred in Amendment 36A, before you moved it to this document, and it was to redistribute the shares from each share category equally among all shareholders of the respective share category.
Alternative 3 is redistribute the shares from each share category according to the proportion of shares held by shareholders of that share category at the time the shares are redistributed by NMFS, and so 2 is equal and 3 is proportional, meaning those who already hold more shares in a respective share category would get more and those who hold less would get respectively less, but I do want to remind you that, even at the time we finished 36A, the amount of pounds held in those still non-activated accounts was continuing to decrease, and it was quite small, and so we’re not talking about a large volume of quota here.

Alternative 4 is redistribute the shares equally from each share category to the allocation-only account holders, those without shares, with a commercial reef fish permit and landings in 2015 for that share category, with the caveat that those allocation-only account holders are not related to other accounts with shares, and so this would take some work for NMFS to identify these related accounts.

Then some other potential alternatives would be to add these shares considered under this action that are being reclaimed by NMFS from those non-activated accounts, for example to a quota bank, as explored in the previous potential action, 2.3, or another potential alternative is to distribute them through a lottery. The Table 2.4.1 on the next page, page 37, provides you the amount of shares and quota that were held in those accounts as of mid-December, 2016, and so I will pause there for discussion.

CHAIRMAN GREENE: Thank you. Is there discussion? Dr. Crabtree.

DR. CRABTREE: As I have thought about this over time, I have become more favorably inclined towards the quota bank idea, and it seems, to me, if that’s where we wanted to go towards, then this action could essentially be rolled into 2.3 and be a starting point for a quota bank.

The lottery idea is sort of a one-time deal, but I think the quota bank might be more effective at addressing some of the long-term issues, but I think the main thing with the quota bank is deciding how much to put in it, but, if that’s where people are inclined to go, I think rolling this into the previous action seems reasonable.

CHAIRMAN GREENE: Mr. Riechers.
MR. RIECHERS: I was going to say the same thing, in some respects, because, really, the quota bank and the lottery are the delivery system, and then this is just whether we’re going to take this out of these shares and move them over there.

CHAIRMAN GREENE: Thank you. Mr. Walker.

MR. WALKER: I was just going to add, again, I think the industry-run quota bank could be a good idea, and the reason I say this, and it was opposed to the other one, and I think the industry should run this, and I’ll just give you an example. I know someone who leased some snapper to someone. The guy called him and said, I need some snapper to get by for the year, and the guy said, well, I will try to help you out and how much do you need, and he said, I need 5,000 pounds, and that will address my bycatch for the rest of the year. The guy said, okay, and so that’s good, and I might need some of your grouper or whatever.

Anyway, this guy leases this guy the snapper. Well, about three or four weeks later, he calls the same guy up again and goes, listen, I need some more snapper. He said, what do you mean? Then said, well, I got out there and I was having some engine problems, and I couldn’t catch vermilion, and I knew where some snapper were, and I went over and targeted some snapper and caught my 5,000 pounds in one trip.

I mean, these are things that a lot of people are not going to know unless you’re in the industry, and so I’m just thinking that it would be more efficiently run if the industry had more input on how the quota bank -- However it was explained to Kevin, maybe that could be worked out, but I just think an industry-run could be of much more efficiency.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: To that point, Dr. Crabtree, I know we’ve talked about this at prior meetings, and is there agency action that is required for the shareholders to set up a quota bank? I mean, is there something that has to be done, regulatorily, that would allow them to set up a quota bank? I mean, do you have to account for something internally to track that, or can they just go out and do that on their own anyway now?

I know there was an issue with the funding and trying to get, through the federal government, some kind of like small business program and such, that entrants could access that, but, I mean,
in my mind, I think they can go and set up a quota bank that
would be independent of the one we’re talking about here, and am
I incorrect?

DR. CRABTREE: My understanding is they’ve already done that and
there already is, and, David, correct me, but I think they
already have an industry-run quota bank.

MR. WALKER: Maybe we can get Eric to give us a little more
testimony, or someone from the shareholders to give us more
testimony on it. I’m not involved in the quota bank, but I am
familiar, somewhat, that they’re having success with it. When
it’s industry keeping an eye on the industry and trying to help
out the industry, and they can’t help out everyone.

They have to interview people and talk to them and try to
address it, but there are things outside of this quota bank that
I have heard, as I just explained, that people are taking
advantage of it. They’re just using it to get some allocation,
and they’re not using it for bycatch. They are using it for a
directed fishery.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: Thanks. Ava, I’m not sure what shape the document
is going to take, just because of all the different motions, but
if we, at some point, start working on the next generation of
fishermen, or new participants or small participants, I did like
that Alternative 4 that was in here, where we redistribute
shares to the allocation-only account holders that aren’t
shareholders, and so it’s essentially the man on the water
that’s been out there fishing and landing the fish, but has no
long-term ownership in the fishery.

I don’t know where that would fit in at all as you develop this
document, but, if we do end up going down a road like that, I do
like that as one of our options.

CHAIRMAN GREENE: Dr. Lasseter.

DR. LASSETER: Thank you, Mr. Chairman. Actually, that’s
perfect, because, in Section 2.3, under the Determine Recipients
of Quota, under the quota redistribution set-aside, we have that
listed, allocation-only account holders with a commercial reef
fish permit and landings in 2015, and so, yes, absolutely. They
could be the eligible recipients under a quota bank. I mean,
these are multiple sub-actions.
To Dr. Crabtree’s point, yes, rolling this into 2.3, I think that could streamline the document as well. We, of course, would need a motion for that, and let me say one thing about quota banks.

We had a presentation on quota banks, and it may have been a year ago now, and it was during 36A, but I believe Eric Brazer actually gave a presentation on the Shareholders Alliance quota bank, and I think we had Paul Parker down here from New England also, and I provided a presentation on some of the other quota banks around the country, and we can include that in the briefing book for the next document, as kind of a refresh for everybody, if they would like.

CHAIRMAN GREENE: Mr. Walker.

MR. WALKER: I was just going to add that we have public testimony tomorrow, if some folks have some questions about how the quota bank runs. I’m sure Eric could explain it.

CHAIRMAN GREENE: Thank you. I am looking around the room, if somebody needs to make a motion, and we’ve got two more sections to go, and so who is ready to make a motion or move on?

DR. CRABTREE: Are we looking for a motion to roll this action in with the previous one? This is Action 2.4, and we’re going to roll it into 2.3? All right. I would make a motion that we combine Action 2.4 into Action 2.3.

CHAIRMAN GREENE: Okay. We have a motion to combine Action 2.4 into Action 2.3. Is there a second for this? It’s seconded by Dr. Frazer. Is there discussion? I think everybody is pretty good with everything we’re trying to do here. Any opposition to the motion? Seeing none, the motion carries. Dr. Lasseter.

DR. LASSETER: Great. Thank you, Mr. Chairman. The next section begins on page 41, and this is Section 2.5, Restrictions on Share and Allocation Transfers, and so this section is probably the most vague.

The last feedback we got from the council was to bring you a lot of information, ways to look at the data tables, and so we have done that. There is a lot of information in this section. If we start on page 43, Section 2.5.1, we’ll start with the share transfers.

Currently, there are no restrictions on the transfer of IFQ shares. Any U.S. citizen or permanent resident can open a
shareholder account and can hold and transfer shares and/or allocation, but we’ll get to that part. They can transfer shares between accounts, as long as the account is not in a suspended status, and we define suspended status there, and that refers to people who have not submitted or updated their address and citizenship information, which is required every two years.

This is the one where we were most unsure about where you’re trying to go with it and what is your potential goal and objective, and so some of these potential alternatives -- I wouldn’t even really call these potential alternatives, because they’re not quite specific enough, and you will see that some of them are also related to that commercial reef fish permit, and Dr. Crabtree has noted this before as well.

What you’re trying to accomplish here, does the first section, the program participation and requiring a permit, are you addressing it under that requirement? If not, what aspect of it and what new goal and objective are you trying to -- What problem are you trying to solve, and so what goal or objective might we want to add to the programs?

Thinking in terms of the new entrants and next generation and small participants, as you just passed a motion, do you want to restrict share transfers, some amount of share transfers, to that body, to those people? That would be a way that you’re taking a goal that you have identified now and then trying to relate it to this action that you’re potentially taking, and so that’s what we’re really looking for here, is what are you trying to do. Then that will help us craft a range of alternatives.

Just what we’re throwing out here as potential alternatives, restrict the transfer of all IFQ shares. Well, we need a little more specifics there, of course, and do you want to restrict the transfer of IFQ shares by shareholders not actively engaged in fishing? For example, shares could only be transferred to an account that is associated with a vessel account with landings in recent years, and that would be a way that we could operationalize it.

Restrict the transfer of IFQ shares to only those entities that possess a commercial reef fish permit and restrict the transfer of IFQ shares to only those entities that possess a commercial reef fish permit with which IFQ landings have been made in recent years, both of these are specifically provided as those potential alternatives in that first section under one of those potential sub-actions, and so you can see where there appears to
be a lot of overlap here.

Finally, restrict the transfer of IFQ shares to allow transfer only to entities defined as small participants, and so, again, these would not be stand-alone alternatives on their own. We would definitely need a little more guidance about the direction and the scale, the scope, how large of share transfers might be restricted by this.

Let’s look at the allocation one, and then I will turn it over for discussion, and so that’s 2.5.2, Restrictions on Allocation Transfers, and that begins on page 47. We have that same little gap right there of potential goals and objectives. Again, for allocation, similar to the shares, currently, there are no restrictions on the transfer of IFQ allocation.

IFQ program participants can transfer allocation from their shareholder account to their associated vessel account for harvest or transfer it to another account that may or may not be a related account or to another shareholder’s vessel account.

Again, our potential alternatives are very similar to the previous section. Restrict the transfer of IFQ allocation. I mean, that’s just broad, and we definitely need to refine that and define that.

Restrict the transfer of IFQ allocation to shareholders not actively engaged in fishing, just like the previous one. For example, allocation could only be transferred to an account that has landings in recent years. Restrict the transfer of IFQ allocation to allow transfer only to entities that possess the permit with which IFQ landings have been made in recent years. Again, these are tied, again, to those permits.

This is the one item that staff needs the most guidance on, in terms of what you’re trying to do, what specific problem you’re trying to solve, and that would enable us to craft a more refined range of potential alternatives, and so I will stop there for both of these sub-sections.

CHAIRMAN GREENE: Okay. Are there questions? Mr. Anson.

MR. ANSON: Ava, in my mind, when you’re trying to relate this particular item or action in with the permit requirement, in my mind, I was trying to get to a place where -- To provide some stability in the fishery or get back to ground-zero, if you will, of the fishery, where the initial shareholder distribution was based on your historical landings. You had landings, and
you were a fisherman.

The program has morphed into something that’s gone beyond that, and it goes with the long-term ownership of the shares, as it’s currently set up, and so, in my mind, you’re asking a couple of questions here, and so tying those two sections together, I would think -- You have to have a permit in order to harvest fish, and I think that would be straightforward and easy for folks to understand.

I realize that there are now more shareholders, potentially, than there are permits, but, in regards to allocation then, and I haven’t seen it, but this idea that was brought up in Amendment 41 of cyclical redistribution, and so you can set it up whereby you can have, over a certain period of time, those shareholders that either cannot get a permit or don’t want to get a permit, in order to go and fish those shares, and they could still utilize those shares over a certain time period, but, over time, those shares would migrate back into actual fishermen, and so that, I think, gets to some of the aspect of this.

The red snapper fishery is different than other fisheries that have used the IFQ program, and those are more of corporation type, large companies that have a lot of investment in capital to do the vessels and to prosecute the fishery.

In the red snapper fishery and other Gulf fisheries, we don’t have that situation, and that’s not to say that we don’t have individual shareholders who have several vessels that are a part of their particular shares and their operation, but we have basically individual fishermen that are going out here and prosecuting the resource, and so, in my mind, that’s what I was going to try to get to, and there is certainly several different ways that you can go about doing that.

There is certain timelines that you can go about doing that, but that’s where I thought it potentially could be brought up for discussion, is having the use or the requirement for a permit, which would then be -- Obviously you would have to go harvest a certain percentage of that permit in order to maintain your shares, but, over time, that those shares could be redistributed back to fishermen who are going to be engaged in the fishery, and so that’s what I would like to do.

Now, to answer your question or try to get us to that point, I think that’s where I would like to go, is to have that permit tied in with use. You mentioned the use-it-or-lose-it here in
this section, and that would be tied in with some sort of
cyclical redistribution formula, to give folks that, again,
don’t want to get a permit some time to try to get a permit or
have some residual benefits that they would be able to acquire
in the transition timeline, from them to go from shareholder
amount to no shareholder amount.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: The way I am thinking about this -- The issue I
hear about has to do with the absentee ownership or shareholders
without a vessel or a permit, and I know there’s another action
in here that gets at that, but one way to get at this, and what
I would do with this action, would be to have just only one
thing here, and that’s restrict transfers to entities that have
a commercial reef fish permit.

I think it’s -- This is about allocation transfers, but share
transfers as well, and this was a big source of the debate when
the program was put in place, and David was there. The
commercial guys, by and large, wanted to keep the requirement
that you have to have a reef fish permit, and we didn’t do that,
and it phased out after five years, and that’s resulted in the
problems, but, if we only allow transfer of allocation to an
entity with a permit, and I guess there’s another action that
will look at transfers of shares, but, if we require that you
have to have a reef fish permit to do that, it seems, to me,
over time, everyone who is in the fishery would have a permit in
some way.

When we’ve talked about use-it-or-lose-it kinds of things, it
always gets really complicated, and I worry that we’re getting
into folks’ business too much, but I do think that looking at
that restriction on transfers, that you have to have a reef fish
permit, is a reasonable thing to look at and might address some
of the concerns, and it might be easier than coming in and
trying to phase in a permit requirement on the existing
shareholders. This would be more over time, as shares are
transferred, to address the problem.

CHAIRMAN GREENE: Dr. Lasseter.

DR. LASSETER: What I just heard Dr. Crabtree outline is also
contained within that Section 2.1, and so there is a potential
sub-action that would talk about what people would need a permit
to do to obtain additional shares, and so I am not sure that we
would need this as a separate section, because that could be
contained in 2.1.
Then, to reference something that Mr. Anson also talked about, that recycling of the shares, you requested that to be added to the document, through a motion. You did request that to be added to the document, and we put that in 2.3, and so, under this quota redistribution and quota set-aside, determining the method of distribution, you have in annual or multiyear cycles, based on fishing participation.

I have heard you guys mention some of these ideas before, and I am seeing them maybe more appropriately explored in these other potential actions, and so I will stop there for a moment.

CHAIRMAN GREENE: Further discussion? Mr. Walker.

MR. WALKER: I am just going to try to -- I was going to try and stay silent on all of this, but just take everyone back to years ago, before the IFQ. I can bet you there was 100 percent of the folks that were just about unhappy with it, and I can tell you one thing, that you’re never going to make everyone happy.

We got together, as an industry, and developed a program that we thought would work really well for the fishery, for the industry, and we had input and we had meetings and everyone came, and everyone had to give up some things, and allocation was a big thing, just like it was on the state management, but we all came together, and we worked it out, because we knew where we were heading -- We were heading probably to a zero-day fishery.

Fishermen, since then, were given something that was changed from what they actually asked for and some of the things that were complained about today, and I know that I’ve said this before, but fishermen also learned how to adapt to these things, whether it was leasing or whatever it was, and they learned how to adapt and make it work for the industry, and it’s been successful.

I can tell you that I’ve been here a long time and looked at a lot of FMPs for different sectors, when you’re talking about reef fish and red snapper, and I see that the charter industry has tried to come together and do something, and the charter industry has tried to get support for it.

The commercial industry, we’ve been there before. People say it looks like the commercial industry is driving this, and, yes, I guess we were. We were behind those folks. We were behind the charter folks, and we were also behind the private angler folks.
We tried to get them to form an AP to come up with solutions. We would try to come up with things of what they want, and, no, we don’t want that. Well, what do you want? Well, we can’t decide on what we want.

Well, then they blame it on the council and say it’s the council’s fault. It’s not the council’s fault, and was to a point where it took a long time to form an AP, until we got the right blend of folks on this council to move forward and give these people an opportunity to develop some profiles for a private angler fishing management plan that would give them more access, give them more things that they’re looking for, just like the charter industry is looking for it.

Then I guess you just have to sit back and listen to testimony and hear from other folks too, but the record reflects -- I have been on this council, other than trying to hold onto the allocation that belonged to the nation, to the net benefit of this nation, the way I feel, and, other than that, we have tried to help these private anglers, and it’s been disappointing.

I’ve had people say things to me that weren’t true, and I’ve had a lot of ugly things said about me, but, you know, when it comes down to the end of the day, pick up the record, and you can look and see where David Walker voted. Did he vote against the private anglers, to try to hurt them? No. I tried to support them, and I will continue to support them when I’m off this council.

I want them to have something better, and I will be in this audience, trying to come here and talk to this council and move forward for a plan for the charter boats and the private anglers, and I guess what I’m getting down to is fishermen have adapted to this. Let them come forward to the ideas and approve it. They have came forward with these quota banks, with a loan program.

We have offered a lot of things to move forward and be successful, and so just listen to the testimony. I know the commercial industry wants to improve their program, but we’ve already had a program, and we’re up for review, for some tweaks. We will bring it to you, but, like I said, we have already adapted. I appreciate the time that I’ve had here, and I do look forward to continuing working with you when I’m in that audience.

CHAIRMAN GREENE: Thank you. Is there further conversation?

Mr. Riechers.
MR. RIECHERS: Ava, based on your past comments regarding these two sections, moving back into that other section, do you -- I mean, I think we are all in agreement that those sections can umbrella under there. You don’t necessarily need a motion for that? Will you just do that on those two sections?

DR. LASSETER: If I can say that I have consensus from the committee to remove Section 2.5, because it is reflected in previous sub-actions, and I am seeing nodding around the table, and so I am satisfied with that. Thank you very much.

I will just go ahead and roll right into the last sub-action, which is 2.6, which addressed allocation caps. There is an allocation cap in the grouper-tilefish IFQ program. It was not required at the time, and it’s not required. You need to explore it. You should explore it. I should use careful language.

You don’t currently have one in the red snapper IFQ program, and so this potential action is provided for you to evaluate whether you would like to put an allocation cap on the red snapper IFQ program.

Some potential alternatives would be to cap the amount of red snapper IFQ allocation that could be landed either by a single vessel over a year or to cap it that could be held in an account over the course of the year or the account at any point during the year.

For background for the grouper-tilefish program, the allocation cap is set equally, and it equals the sum of the maximum allocations associated across all five share categories in the grouper-tilefish program, and it’s in terms of it could be held in an account at a single point of time, and, to provide an example, in 2015, the final allocation cap for the grouper-tilefish program was 540,967 pounds. It was very large. I will stop there for a moment and turn it over for discussion.

CHAIRMAN GREENE: Is there discussion? Dr. Crabtree.

DR. CRABTREE: It’s not clear to me why we need this and what positive would come out of it. I guess, unless I hear some need to do this, my feeling is that this isn’t something we need to look at any further. I would be curious what David thinks.

MR. WALKER: I have heard from both. I have heard some people complain, but I have heard a lot of them complain. Maybe we
could wait until we get a little testimony at Full Council with it, but I don’t see -- For every action you take, there is a reaction, and there will be ways around it. There will be ways to adapt to it, and so maybe we can hear some public testimony on it from the industry.

CHAIRMAN GREENE: Okay. Is there further discussion?

DR. CRABTREE: I am okay with hearing testimony and coming back to it.

CHAIRMAN GREENE: Okay. Dr. Lasseter.

DR. LASSETER: That is the last sub-action, and so I am finished, if there’s no more discussion.

CHAIRMAN GREENE: All right. Madam Chair, I will hand it back to you, a smooth hour late. My apologies to everyone.

MS. BOSARGE: In my world, you’re five minutes early, because I was going to cut you off at six o’clock, and so you ended up at 5:55, just under budget. I like it. All right, guys. You’re done for the day. Let’s see what time we come back tomorrow. 8:30. I will see you all at 8:30 in the morning.

(Whereupon, the meeting recessed on August 8, 2017.)

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August 9, 2017

WEDNESDAY MORNING SESSION

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The Full Council of the Gulf of Mexico Fishery Management Council reconvened at the Marriott Plaza, San Antonio, Texas, Wednesday morning, August 9, 2017, and was called to order by Chairman Johnny Greene.

CHAIRMAN GREENE: Good morning. We will go ahead and get started where we left off yesterday. We did not get all the way through the Amendment 36B agenda as it was written, and so we’re going to pick up with the Discussion of Ad Hoc Red Snapper IFQ AP and/or Grouper-Tilefish AP. Ms. Bosarge.

DISCUSSION OF AD HOC RED SNAPPER IFQ AP AND/OR GROUPER-TILEFISH AP
MS. BOSARGE: Guys, this is something that I brought up at the last meeting, and I was supposed to bring it back up at Full Council, to get some more input from you all, and I just forgot, and so I put it back on the agenda for us to discuss, and you may need to think about it again until Full Council, but we have our reviews that we’re working for the red snapper and grouper-tilefish IFQs, and we have a document that we’ve started on with the 36B.

At some point, we’re probably going to need to get some feedback from -- We have an existing -- I’m not sure what exactly it’s titled, maybe Red Snapper Ad Hoc IFQ, and so we do have one group that was formed years ago, and we can probably get that membership up on the board, but we’ll need to take a look at that and see if that is going to be sufficient for what we’re needing to do and if that group has both red snapper membership and people that operate in the grouper-tilefish IFQ or if we need to look at having two separate groups, use that old one plus a new one for grouper-tilefish, if we don’t think that there’s enough coverage there, or re-advertising both of them, and so there’s a lot of options on the table.

Essentially, what I thought we would do is kind of put the names on the board for the existing ad hoc and let you kind of look at them. You may be familiar with many of these people and know their background, if they operate in red snapper or if they operate in grouper, or if they don’t operate in either one of those. They may be some of those new entrants that we’re thinking about, and I don’t know. Maybe we have some dually-permitted people on there. There is the list.

Take a look at that, and let’s think about it, and, this time, I won’t forget to come back to you at Full Council, and let’s see if we can decide how we want to advertise it or if we want to advertise it, if we want to stick with what we have or do we need to re-advertise, do we think we have the coverage that we need. Were there any questions? Yes, sir, Mr. Anson.

MR. ANSON: When was this committee membership last voted on and when was the last time they met?

EXECUTIVE DIRECTOR GREGORY: I am not sure. Carrie.

DR. SIMMONS: Thank you, Mr. Chairman. I am not exactly sure when they were formed, but I know that we convened them in November of 2013, when we first started working on 36, before we split it into A and B, and I believe that’s in the back of 36B,
the report that they had. We would have to look it up, when
they were formed.

EXECUTIVE DIRECTOR GREGORY: My understanding, Madam Chair, is
you would like to make sure that this committee or the new
committee is made up of a mixture of snapper and grouper-
tilefish IFQ holders, so it can address all aspects of 36B.

MS. BOSARGE: Yes, and I definitely -- Whether we do it one
group or two, I think, yes, we need to make sure that we have
coverage for both of those. If we’re going to end up reviewing
both of them, we need input from people that operate in both of
those.

EXECUTIVE DIRECTOR GREGORY: It would certainly be inefficient
to have two different committees, given our experience with
separating people. It’s better to keep them together, so you
can get full input. Otherwise, they tend to go off in different
directions and sometimes conflict.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: I would like to see it a little bit broader than
necessarily than just shareholders. I think some folks who
lease and are small operations, I think it’s important to give
them a chance to have some voice.

MS. BOSARGE: Thank you, because I think that was part of my
discussion and our discussion during the last meeting as well,
and so just be thinking about this. I don’t expect you to make
a decision right this second, because I know we didn’t have
anything really in the briefing book to give you, per se, but
think about it between now and Full Council, and I am going to
put it on my agenda, do I do not forget during the committee
report, and we will and try nail this down, so that we can -- If
we need to advertise, we can go ahead and advertise, because
that’s going to take a couple of meetings before we would ever
actually be able to meet these groups. Mr. Boyd.

MR. BOYD: Has staff sent this out to us or do you want us to
just look it up on the website?

EXECUTIVE DIRECTOR GREGORY: Yes, we have it on the website as
well, with their names, and I don’t think the contact
information is available on the website. What is the link to
get to that?

MR. BOYD: So we can download a copy of it, just so we can look
and see who is on there. Thank you.

EXECUTIVE DIRECTOR GREGORY: They will send out a link to it.

CHAIRMAN GREENE: Okay. It looks like they’re sending an email out now that will have that link. All right. Any further discussion about the APs? Seeing none, we will get back on track on our regularly-scheduled deal for day two, and so we’ll start off on Options Paper, Status Determination Criteria and OY, and Mr. Atran. This will be a presentation, followed by the options paper, and this will be Tab B, Number 11(a) for the presentation. The document will be Tab B, Number 11(b). Mr. Atran.

OPTIONS PAPER - STATUS DETERMINATION CRITERIA AND OY

MR. ATRAN: Thank you, Mr. Chairman. This options paper is addressing four of the biological reference points that we’re required to address either under the Magnuson-Stevens Act or the National Standard 1 Guidelines.

We have actually kind of been working on this, off and on, for several years, more off than on, but, recently, it’s been elevated to a higher priority, and so we’re trying to get back to this, and we did address a portion of this just recently, in Amendment 44.

This is going to examine our MSY proxies, maximum fishing mortality threshold, minimum stock size threshold, and our definition of optimum yield for all of our reef fish, and also, at the moment, we’re also including red drum in this, because it looks like red drum also have these issues.

If you want to leave red drum in this, it will become a joint amendment, a joint Reef Fish FMP/Red Drum FMP, and that’s one of the questions that the IPT would like to get some clearance from you on, whether to do that as a joint or only address the reef fish on this.

I am going to start out, and there’s four actions in here dealing with each of those reference points. We’re at a fairly early stage on putting the options paper together, and the SSC has not had a chance to look this over yet. They will look it over in September, and so what the IPT felt was that, as an introductory presentation, we just kind of briefly go over each of these references, and I will give you what we currently have for options, but these may change in the next iteration of that.
Starting with MSY proxies, the definition of maximum sustainable yield in the National Standard 1 Guidelines says it’s the largest long-term average catch or yield that can be taken from a stock or stock complex under prevailing ecological, environmental conditions and fishery technological characteristics, such as gear selectivity and the distribution of catch among fleets, and so, basically, it’s the maximum yield that can be taken under conditions.

The Science Center uses a more conservative definition of MSY. They feel that, under this definition, it’s possible that — Well, first of all, it’s possible that you could end up with discard mortality accounting for the entire maximum yield. Secondly, you tend to get maximum sustainable yields at SPR levels that are very low.

In fact, they calculated it for red snapper, and it would maximize red snapper at 12 percent SPR, which the SSC and the Science Center felt was too low of an SPR, and so they use what they call a global MSY, where they calculate what the yield would be if you held off on harvesting the fish until they were some optimal size and then you caught all of them and you had no bycatch mortality, no catching the fish above or below that size.

That yield is unrealistic, but it is realistic to try to attain the biomass or the egg productivity that’s in the ocean that could theoretically achieve that, and so we have a problem also when trying to define maximum sustainable yield. It depends upon some additional data.

Probably the biggest item is that we need a reliable estimate of the stock recruitment curve, and we usually don’t have that. There is very few stocks where we have enough data. Most of the time, we either don’t have enough data or the data has a lot of volatility, a lot of variability, or it only covers a very narrow range of the potential stock abundance.

While the computer models can generate some stock-recruit relationship, the Science Center folks and the SSC usually don’t have a whole lot of confidence in that, and so, rather than use an actual estimate of MSY, they prefer to use a proxy.

The other thing to think about, when you think about MSY, is that there is two components to maximum sustainable yield. There is the maximum part, and there is the sustainable part. As I indicated just a moment ago, the scientists really don’t have a lot of confidence in their ability to be able to reliably
tell you what the maximum yield is, and so they focus more on
the sustainable yield, and there is a body of published
literature that has looked at stocks from all over the world and
lots of different species that suggest that, in general, if you
keep your SPR levels at between 20 percent and 40 percent SPR,
that your stock will be sustainable over that range of SPRs.

Just before I get too much into the alphabets, I think most of
you know this, but SPR is spawning potential ratio. A lot of
people think of it as a biomass ratio, but, actually, the way
it’s used, it’s a measure of productivity. It’s a measure of
egg production, and so it’s how many eggs are being produced on
an annual basis by the stock currently compared to the estimate
of how many eggs would be produced if there were no fishing. A
lot of times, that’s related to the biomass ratio, but it’s not
exactly the same.

When we’re setting up proxies, there is different types of
proxies that can be used. We generally use a proxy that’s based
upon some aspect of fishing mortality, such as the yield when
fishing at F 30 percent SPR, or, for at least one of our stocks,
we use maximum yield per recruit, in which case we call it the
yield when fishing at Fmax.

Sometimes we don’t have an estimate of fishing mortality,
especially if we don’t have a stock that has had a stock
assessment. The assessment is used to calculate a fishing
mortality rate. It’s not something that you can just go out and
measure, and that’s with a lot of our data-poor stocks, and so,
in those cases, we might be able to calculate an MSY that’s
based upon the yield from one of the data-limited methodologies.

For example, many of our data-poor stocks, we have used Tier 3a
of our ABC control rule, where we’ve looked at the average catch
over about a ten-year period and calculated some standard
deviations and said that ABC is one standard deviation above
that average and OFL, the overfishing limit, is two standard
deviations. We don’t know if that’s maximum or not, but we’re
assuming that it’s a sustainable yield. Since, in that case,
the OFL doesn’t fluctuate from year to year and it’s a constant,
it could be used as a proxy for the maximum sustainable yield
for those data-poor stocks.

Then, also, the National Marine Fisheries Service has what they
call their data-limited methods toolkit, and it’s a series of
methodologies to try to assess the status of stocks where there
is very limited data. It does require more information than
what our Tier 3 of our ABC control rule uses, but they’re more
sophisticated methods. They can’t be used with all of the data-
poor stocks, but they can be used with some of those.

You’re going to set your MSY proxy based on SPR, and that’s what
we’ve generally done for most of our stocks. Again, I said that
the literature supports using proxies that are between 20 and 40
percent, and so that’s what we’ll set this at, and this is just
kind of a hypothetical line.

It’s loosely based upon some information that we got a couple of
years ago from the Science Center on what the yields would be
for red snapper at different SPR levels, and, as it turned out,
in the case of red snapper, the lower the SPR, the higher the
yield. At some point, this is going to turn around. They said
a 12 percent SPR, but, as I said before, below 20 percent SPR,
the scientists feel that that is a very dangerous level to go
to, and so they don’t endorse going below 20 percent.

What I am trying to show with this graphic is that you’re
trading yield for risk when you decide what SPR proxy to use.
If you use a very conservative proxy, such as 40 percent SPR,
you have got relatively low risk. In this case, risk means
having recruitment failures, having a lack of spawn, or maybe
having that over multiple years, and so you end up with a
deprecated stock, because you’re not producing enough offspring.

At 40 percent SPR, the risk is relatively low, but the reward,
which would be the yield, is also relatively low. As we go to a
lower SPR, we’re producing fewer eggs, and so the risk of
recruitment failure is increased, but, in return, the yield is
increased.

I was hoping to be able to come up with some sort of a risk-
reward ratio so we could quantify this and you could actually
use some numbers to figure out what your optimum risk level is,
and, unfortunately, I haven’t been successful in doing that, and
I’m going to ask the SSC if they have any ideas. Otherwise,
it’s just, in general, realize that you’ve got a higher risk for
a higher yield when you set your SPR.

In most cases, we have set the SPR right in the middle of this
range, at 30 percent SPR. With red snapper, we had a little bit
of additional analysis that was done in previous years, most
recently in 2005, that suggested 26 percent SPR was a
sustainable yield.

What we’ve got for alternatives at the moment in the options
paper is three alternatives. Alternative 1 would be no action,
leave the MSY proxy undefined for many stocks, and we can’t do
that under the Magnuson-Stevens Act, because we need an MSY
proxy in order to do the next step, which is to calculate the
maximum fishing mortality rate thresholds and minimum stock size
thresholds.

Alternative 2 would be to define an MSY proxy for all reef fish
and red drum on a stock-by-stock basis. I am not going to go
directly into the options paper, but I’ve got a table that’s in
that options paper that lists every one of the thirty-one or so
reef fish plus red drum, and there are columns to check-off at
40 percent SPR, 30 percent, 25 percent, 20 percent, or use one
of the data-limited methods.

The idea I had in mind was that we would get recommendations
from the SSC on each individual stock of where to set the SPR
level and then come back to the council and, when you take
action, when you select the preferred alternatives, you would go
through it and then see if you agree with the SSC or would
prefer a different SPR level or data-limited option, and you do
that for every single stock.

Alternative 3 would be to take some of the stocks and group them
together. You could use Alternative 3 along with Alternative 2,
and we already have some stock aggregates, for the purposes of
setting ACLs, for example the deepwater grouper complex and the
mid-water snapper complex and the jacks, other than greater
amberjack, and there is a couple of others.

We could group these stocks where we have fish that have
something in common and then either come up with a group MSY or
select one of the stocks where we do have an assessment and use
that as an indicator stock for that particular group, and so
that’s an option, if we wanted to try to reduce the number of
MSYs that we’re trying to keep track of.

As I said, those are where we’re going, and, although we do have
MSY proxies for some of the stocks, I have included those stocks
in with the ones that you might want to consider. I know, a
year or so ago, the council was specifically interested in
possibly revisiting the MSY proxy for red snapper, and so I
decided to put all of the stocks that we have proxies in there
for you to consider.

The next item is minimum stock size threshold, and I don’t think
I really need to go over too much on this. You just dealt with
minimum stock size threshold for seven stocks that already had
that threshold assigned. We reassigned it to 50 percent of
BMSY, and what this amendment would do would be to address MSST for all of the remaining reef fish stocks and for red drum.

Just as a reminder, the minimum stock size threshold is a requirement under the National Standard Guidelines. We allow the biomass level, or the egg production level, of a stock to drop below its MSY level, under the assumption that it may fluctuate during the natural fluctuations and come back on its own, but, if it gets too far below the MSY level, then it would be declared overfished, and we would have to put a rebuilding plan into place, and so the question is how far below that MSY level should we put the minimum stock size threshold?

What happens is, as I said, is the stock would be declared overfished when it drops below the threshold. As it rebuilds, when it comes back up above the threshold, the overfished designation would be removed, but the stock would still be in a rebuilding plan. It would still be required to be rebuilt until it gets back to the MSY level.

The schools of thought for where to set MSST would be, number one, the conservative school of thought would be to just allow enough of a buffer between MSY and MSST to allow for these natural fluctuations, and, if we get below that, then catch that decline early and get the rebuilding plan in place and built it back up to the MSY level.

That could lead to a lot of instances where a stock might be declared overfished, and, when we need to be in a rebuilding plan, the council has less flexibility in what it could do than when we’re not in a rebuilding plan.

The other school of thought would be to put a wide buffer in and just make sure that we avoid what’s called recruitment overfishing. The initial form of overfishing, which is growth overfishing, means that we’re catching the fish before they have reached the size that would produce maximum sustainable yield.

It’s not necessarily a dangerous level of overfishing, but it means we’re making an inefficient use of the resource, but, as the stock abundance and egg productivity drops lower and lower, we get more and more into a situation where the stock may not be able to produce enough new fish to be able to keep itself sustainable, and some of the literature that’s out there suggests that this capability becomes impaired if we drop below 50 percent of the MSY levels, and so the National Standard Guidelines set that as the floor. That’s the lowest we can go, and, in Amendment 44, that’s where you went with those seven...
stocks that we addressed.

Previously, we had been using a formula of one minus M times BMSY, where M is natural mortality rate. For a stock with a very low mortality rate, such as red snapper, which is somewhere around 0.1, or actually a little lower than that, that would put the MSST very close to the MSY level, maybe so close that we might not even be able to significantly tell a significant difference between those two levels.

In Amendment 44, we were trying to get a wide enough buffer that we knew that we had a separation between MSY and MSST, and, ultimately, the council decided to go down to 50 percent SPR, in order to have the maximum flexibility to address any declines before you get forced into a rebuilding plan.

When you go down that low, basically, you are counting on being about to use the fishing mortality rate requirements to control the stock, and the requirements for the fishing mortality threshold are more stringent than they are for the biomass. You’re not allowed to have that buffer, and so, if we’re successful in controlling fishing mortality rate, we will never get down to the 50 percent biomass rate. The question is how successful are we going to be in controlling the fishing mortality rate?

That is basically what I said, and I’m getting ahead of myself on these slides, but, if we set the MSST too close to MSY, we might not be allowing for natural fluctuations, and we might not be able to really tell the difference between an overfished stock and one that’s just right about at MSY. If it’s too far — We don’t know exactly where that recruitment overfishing level actually is. That 50 percent is just a rule of thumb, and so we’re assuming that we’re avoiding the recruitment overfishing threshold if we go down that low, and we’re also assuming that we can control the stock through fishing mortality thresholds alone.

If we do get the stock down below 50 percent of BMSY, then the overfished designation kicks in, and we would have a more restrictive rebuilding plan requirement than if we had the MSST at a higher level.

One other thing is, as I said before, we have a lot of stocks where we have no stock assessment, and that means we really don’t have anything that I could come up with to use as a biomass estimate or some proxy of a biomass estimate.
As I said, for the MSY levels, we could use OFL from the data-poor methods as a proxy, but, as far as what we’re leaving in the water for biomass, I couldn’t think of anything, and I’m going to ask the SSC if they have any ideas. If not, then, for those data-poor stocks, setting MSST would basically be just using it a placeholder, until such time as we are able to get stock assessments on some of these, either data-poor stocks or stocks that we just haven’t gotten around to having an assessment on.

Again, this is just a graphical representation of what the MSST levels look like. The top line there is your MSY biomass. If we’re using the formula, with a stock that has a low natural mortality rate of one minus M, we end up with an MSST threshold that’s only slightly below BMSY.

75 percent of BMSY, which is what the council had considered, is a wider buffer. It’s a definite buffer, but it’s still not that far away from the MSY level. Then the 50 percent of BMSY level, which you used in Amendment 44, gives you the maximum buffer that you’re allowed under the National Standard Guidelines.

It gives you the most flexibility to end some declines, if you see them occurring, but it also ends up with having to put in the most restrictive rebuilding plans, if you do drop below that level, and so, for alternatives in this section -- At the moment, what I have put in is the same alternatives that are in Amendment 44. There are six alternatives there.

The IPT felt, and I agree with them, that we probably don’t need all of these in this amendment, and so one of the guidance that we would kind of like to get from the council is if we can remove some of these alternatives, and what we were thinking of was Alternative 3 that you see up there is kind of a combination. It’s an either/or alternative. It says you either use the formula of one minus M times BMSY or 75 percent of BMSY, whichever gives the wider buffer.

That adds kind of a level of complexity, and I don’t think we really need that in here, and so we were thinking about just eliminating that Alternative 3. Then Alternative 4, which would set the MSST at 85 percent of BMSY, that’s a little bit closer than what we had been looking at. It was requested by a council member to be included in the Amendment 44, but, if we’re trying to get a wide enough buffer to be able to definitely tell the difference, the 85 percent doesn’t seem to do a whole lot, and so what we were thinking about doing was eliminating those two alternatives, 3 and 4, and keeping the remainder ones.
The no action, where MSST is undefined, we have to leave that in place, but it doesn’t comply with the Magnuson-Stevens Act. Use the formula, Alternative 2, because, historically, that’s what we have used. Alternative 5 would set the buffer at 75 percent of BMSY. Then Alternative 6, which was the one adopted in Amendment 44 for seven stocks, would set it at 50 percent of BMSY, and so we were thinking about going with just those four alternatives instead of the six that we currently have in place.

The next item is fishing mortality threshold, and the fishing mortality threshold is the other controlling factor. We have two controlling factors when managing stocks, the biomass threshold, which was the MSST, and the fishing mortality threshold, which is the MFMT. What we want to do is try to keep the fishing rate from exceeding this level. If it does, then we consider overfishing to be occurring, and we need to drop it down.

Now, we do have estimates of MFMT for all of our reef fish stocks. For most of them, they have been defined as F 30 percent SPR. For some of them, there’s been a little bit different definition, but, if we start changing some of our MSY proxies in Action 1, then that definition of overfishing doesn’t match up with the MSY proxy, and so we might want to look at adjusting these proxies, plus there’s another item that I wanted to point out.

Well, first of all, we determine overfishing one of two ways. If we have a stock assessment and have a current estimate of what the fishing mortality rate is, overfishing is the current rate that exceeds whatever this threshold is. If we don’t have a stock assessment, then we use the overfishing limit, the OFL. That theoretically is what the catch would be if you fished at the maximum fishing mortality threshold, and so it can be used as a substitute for MFMT, and, if we exceed the OFL, then overfishing is occurring.

One problem, and one that I was kind of hoping to get the council interested in addressing, is that when we’re in a rebuilding plan, setting the maximum fishing mortality threshold equal to the MSY level is not going to get us rebuilt within our timeframe.

If you look at this graph, we’ve got two curves on the graph, and this is just some theoretical stock that’s overfished and we are rebuilding it by a certain date. If you look at the lower line, that would be fishing at FMSY, which is how we currently
define maximum fishing mortality threshold, and, yes, we would
eventually rebuild the stock, but we would not rebuild it by
what our deadline is. We would still be below that, and so we
have another reference point that’s called F rebuild, and, if we
fish at F rebuild, which is a lower fishing mortality rate, then
you can see we would rebuild by our deadline. Then we go above
our rebuilt status, unless we made adjustments once the stock
was completely rebuilt.

We have got a situation where we could have a stock that
technically is not undergoing overfishing, because the fishing
mortality rate is below FMSY, but it’s above F rebuild, which
means that, even though we’re not undergoing overfishing, we’re
not going to meet our rebuilding target, and so one way to get
around that is to say that, when we’re in a rebuilding plan, the
maximum fishing mortality rate would be F rebuild, and, in all
other cases, when we’re not in a rebuilding plan, then it would
be FMSY or the proxy.

The alternatives that we have right now in here for MSST is
Alternative 1, no action. As I said, we do have current
definitions of MFMT for all of our stocks, but we could just
continue to go with those.

Alternative 2 would be to set the maximum fishing mortality
threshold at the F proxy that you adopt back in Action 1 for
each stock. I think, in most cases, that isn’t going to change
things from Alternative 1, but, in a few cases, it may.

Then Alternative 3 would be what I was just talking about. If
you’ve got a stock that’s not in a rebuilding plan, then MFMT
would be F proxy, and, if you do have a stock that’s in a
rebuilding plan, it would be F rebuild, and so your maximum
fishing mortality rate would always be at a level that would
allow you to either rebuild or maintain the stock at a healthy
condition.

Finally, I wanted to talk about optimum yield. We have been
asked to have definitions of optimum yield for all of our
stocks. That is one of the fundamental parts of the Magnuson-
Stevens Act. It says that we’re supposed to manage stocks based
on optimum yield, and we have kind of forgotten about that,
because, with all of the ABCs and ACLs and ACTs, we have gotten
kind of caught up in some of the other benchmarks, but we do
need to define optimum yield.

Optimum yield, there is two types of optimum yield. The one
that we need to be concerned with is a long-term average,
similar to maximum sustainable yield, which is a long-term average of the maximum yield that you can get on a sustainable basis, OY would be a long-term optimum yield. The annual OY, which is the one that we’re not really going to get too concerned about, would be the level of yield on an individual year if you fished at the FOY level, and that could fluctuate from year to year, whereas this long-term average doesn’t.

OY, according to the Magnuson-Stevens Act, it’s based on maximum sustainable yield as reduced by relevant economic, ecological, or social factors. You will hear the social scientists refer to EES on this, and so that’s why I put that in there.

One of the issues that we have is that, right now, where we do use an OY definition, we have simply set it to some formula, 75 percent of FMSY, for example, and we’re not even talking about these economic, ecological, and social factors. We’re just assuming that they’re in there.

We could possibly go ahead and do that, or we could explicitly account for them, and so what we’ve got for alternatives right now in the options paper, Alternative 1, the no-action alternative, where OY would remain undefined for many of our stocks, but we need to try to get some OY definitions in place.

Alternative 2 would be that we use a formula, such as 75 percent of MSY, and we state that we are implying that that accounts for all of these social and economic and ecological considerations. We’re not going to explicitly state them and how they interact, but we’re just going to say that, yes, by setting a wide enough buffer, we have accounted for all of these.

Alternative 3 would be to find some way to explicitly account for some of these concerns, by putting together a decision table. One thing we could do is we are working on a stock prioritization table tool that does consider a lot of the considerations that would go into OY.

It does consider the importance of the fishery, the economics of the fishery, and these are things that would fall in with how OY is to be defined, and so we would need to look at it a little bit more, but possibly we could develop a tool based on the stock prioritization tool that would explicitly account for some of these factors and come up with some OY that does actually account for these, and so, basically, it’s either do nothing, use a formula that implicitly accounts for these other factors, or use some sort of a decision tool that explicitly accounts for them and enumerates their importance.
Basically, that’s what we’ve got. As I said, the options paper is in an early stage. We will have the SSC look at it at their September meeting. As I indicated, there are some places that I really want to get some input from the SSC, on appropriate MSY proxies, on possible proxies for the data-poor stocks, and, if you have any input that you would like us to consider as we move forward with developing this, we would welcome your guidance.

Right now, the two things that we really would like are, number one, should we leave red drum in this and keep it as a joint reef fish/red drum amendment, or should we only address reef fish? Then the other one is about simplifying the number of alternatives we have for minimum stock size threshold to just a few of the ones that we know you’re likely to consider, and so, basically, that concludes the presentation. If you have any questions, I would be glad to answer them.

CHAIRMAN GREENE: Okay. Thank you, Mr. Atran. Any questions? Ms. Bosarge.

MS. BOSARGE: The slide we were just on, that stock prioritization tool, have you all looked at that? I am trying to -- I remember seeing something at one of the SSC meetings that kind of looked at that and prioritized stocks, and I think that was more for thinking about SEDAR schedules and things of that nature, but is that the same tool that you’re talking about?

MR. ATRAN: Yes, it is, and the SSC is going to be reviewing it, the current status, at their upcoming meeting, and I know Ryan is more familiar with the prioritization tool than I am, but it does -- As I said, it prioritizes stocks based upon, in part, some of the socioeconomic factors that we would be considering when setting OY, if we explicitly addressed those considerations.

MS. BOSARGE: Thank you, and I wanted to say that’s one of the best presentations on this, because it gets very technical very quickly, and that’s probably one of the easiest presentations that I’ve ever sat through on this, and I think I probably learned more from it than most of the others.

One suggestion that I would have, as we go through the section and develop it in this document for the MSST decision, is you said that, if the MSST gets too far from BMSY, then the stock can become in danger of recruitment collapse, and you said that a lot of that is dependent upon the fishing mortality rate and
how confident we are that we’re going to hold that fishery to
that fishery mortality rate.

As we develop that section, if we could see some historical
information on those specific stocks, where maybe we haven’t
been holding the fishermen to their quota and that our
management style is not keeping them within that quota, I would
think that that would have some bearing on how much risk we want
to take for those particular stocks in setting that MSST too far
from that BMSY. Thank you.

MR. ATRAN: Thank you. I’ll see what we can find. What I was
really trying to get at is, when we set MSST, we’re allowed to
set it below the MSY level, to a certain point, and so we’re
allowed to be a little less conservative than declaring the
stock overfished as soon as it drops below MSY.

When we’re looking at the fishing mortality threshold, we can’t
set a buffer. We can’t say that we can wait until the fishing
mortality rate gets 10 percent above FMSY. As soon as it
exceeds it, we’re overfishing, and so that’s what I was getting
at when I said the fishing mortality rate. If we can enforce it
properly, it’s a more stringent criteria than the MSST
threshold.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: Steve, could you back up to the yield/risk figure
you had? I think it was PDF 7. I think this a little
oversimplifies things. I don’t think it’s accurate that the
lower SPR necessarily means higher yields.

It seems, to me, that’s only the case if there is no stock-
recruitment relationship, and, in the case of red snapper, the
assessment uses an average level of recruitment, and sort of the
assumption is there is no stock-recruitment relationship, but
that’s not necessarily true. There very well could be one, but
it’s just that we haven’t detected it yet, and that may be
because we have never collected much data when the stock was
actually at those high biomass levels.

If you fish at a low SPR, meaning a high fishing mortality rate,
the stock may never rebuild to the levels where those higher
recruitments would occur, and so you could, in fact, if the true
FMSY is closer to 40 percent SPR, but you manage assuming it’s
20 percent SPR, you could actually give up potentially millions
of pounds of yield every year because you’re fishing too hard
and you never allowed the stock to actually rebuild.
I think whether that holds or not really is dependent on what the underlying shape of the spawner-recruit relationship is, and part of the reason we don’t know what that is is, for a lot of these stocks, like red snapper, they were fished down in the 1960s and 1970s, and our data collection programs really didn’t get started until maybe the early 1980s, at best, and so we really don’t know what we would see, in terms of recruitments, if the stock was really fully rebuilt.

I just want you to understand that there is risk of fishing too hard that’s not necessarily just the risk of whether it’s sustainable or not, but you could, if you’re wrong about your assumption, you could give up quite a bit of yield by doing that.

MR. ATRAN: Yes, and, just to that point, I was thinking about red snapper when I put this together. That line does not go up indefinitely. There is going to be some point at which it turns around and starts going down, and that might occur somewhere within that range for other stocks. For red snapper, it didn’t, but you’re right, Dr. Crabtree, that it might occur at a different level for other stocks.

DR. CRABTREE: It’s only that way with red snapper because of what we’re assuming about not having a spawner-recruit curve, but we really don’t know if that’s right or not.

CHAIRMAN GREENE: Thank you. Mr. Diaz.

MR. DIAZ: Thank you, Mr. Atran. I also want to commend you on that presentation. I think that was an excellent presentation, and you explained it on a level where I think a good many of us could understand most of the stuff, and so it’s very complex topics, and I appreciate that.

I am trying to -- You had asked about whether or not to leave red drum in the document or take it out of the document, and can you talk a little bit about the pros and cons of leaving it in?

MR. ANSON: I don’t really know that there is any problem with leaving it in. Both the Red Drum FMP and the Reef Fish FMP are solely council FMPs. I wouldn’t want to include the mackerels or the coastal pelagics in this, because it would complicate things by bringing the South Atlantic Council into this, plus I think those stocks already have definitions for their various biological reference points.
What we could do, since, at least for finfish, the reef fish and the red drum cover pretty much all the other finfish that we manage, and I think we could leave it in, and, unless Doug knows of some complication of having a joint amendment, I don’t think there’s really going to be any problem with leaving red drum in.

One thing I would like to point out is, since we don’t have a recent red drum stock assessment, and I don’t know if we’re going to get one, and I forget what happened with red drum being in the data-poor methodologies, but, for some of these proxies we’re talking about, we may have to use placeholders, because we don’t have the information to set a definite FMSY or MSY proxy or BMSY proxy. We would have to see what’s available on red drum.

CHAIRMAN GREENE: To that point, Mr. Diaz?

MR. DIAZ: Thank you for that, Mr. Atran. Based on your answer, I think I would be in favor of leaving red drum in the document. I believe we tried to do a data-poor assessment on red drum and the SSC told us that there just was not enough data to do the data-poor assessment.

It’s my hopes that we can start working through some sources of grant money to collect some of this data that we need and eventually evaluate the stock, to where we could make some decisions on it in the future, based on some information. Anyway, that’s one reason that I hate to see us even talk about shutting down a stock, because I worry, if we ever shut down a stock, we might not ever get it opened back up, because we stopped the flow of data, and so thank you, Mr. Atran.

CHAIRMAN GREENE: Mr. Riechers.

MR. RIECHERS: Steve, as I am recalling the genesis of this document, it was we were out of -- For lack of a better term, we were out of favor with National Standard Guidelines on these stocks. Either we previously hadn’t set these thresholds or the guidelines changed and we now weren’t meeting the guidelines, and is that correct, more or less?

MR. ATRAN: Yes, and what happened was the Sustainable Fisheries Act of 1996 gave us a lot of new guidance as to what we needed to do as far as setting these reference points, and we tried to do a generic amendment. Well, we did a Generic SFA Amendment in 1999, where we tried to identify MSY proxies and overfishing and overfished and OY definitions for everything that we managed, and, when we submitted it to the National Marine Fisheries
Service, they accepted all of our proposals for fishing mortality rate proxies, but, for biomass proxies, we were saying things like the MSY proxy is 30 percent SPR, I think we said 30 percent static SPR.

NMFS said, no, you can’t use SPR purely as a proxy for biomass and they’re not really related. It’s possible for SPR and the absolute biomass to go in opposite directions, under some conditions, and so they rejected all of our biomass-based estimates.

Since then, they have accepted it when we’ve said the yield when fishing at F 30 percent SPR, and so that’s how we’re still able to use SPR as a proxy, but, after those were rejected in 1999, we just decided to go on defining the proxies on an as-needed basis.

Now, in more recent years -- Originally, it was just a slight nudging, reminding us, every once in a while, that we haven’t really complied with the Magnuson-Stevens Act on getting all of these proxies in place, but we haven’t really needed them for management, and then, in more recent years, that nudging has become a little bit more intense that, yes, we really need to get all these proxies in place and bring ourselves into compliance with the Act.

MR. RIECHERS: I appreciate that explanation, and I’m going to try and move this along, if I can. Under Action 2, I would move that we remove Alternative 3.

Steve, there’s a question, and I hate to do this before a second, but do you remember who had asked or when the 0.85 was asked for, Alternative 4?

MR. ATRAN: It was the meeting before the one at which we took final action. We had received letters from a couple of the environmental groups, and they had asked us to consider 85 percent of BMSY as an alternative.

That would widen the buffer for just a couple of stocks, red snapper and I think one other stock. For some stocks, it would actually narrow it, and they felt that that was a wide enough buffer to be able to tell the difference between a stock that was at BMSY and one that was at MSST and was a conservative estimate of the overfishing threshold, and so we were asked -- A council member requested that we include that, and I don’t recall if it was in the form of a motion, and I think it was, but we did include that when we went to the final version of the
amendment.

MR. RIECHERS: Since we never have had a second yet on the motion, I will add to move Alternative 3 and 4 to Considered but Rejected.

CHAIRMAN GREENE: Okay. We have a motion on the floor of, in Action 2, to move Alternatives 3 and 4 to Considered but Rejected. Is there a second to this motion? It’s seconded by Dr. Stunz. Dr. Mickle, did you have discussion?

DR. MICKLE: I think that was why my hand was raised, to include 4 for a friendly amendment, but Robin took care of it. Thank you.

CHAIRMAN GREENE: I thought that’s where you were going with it, but I just wanted to make sure that you didn’t have any comments. Any discussion about this motion? Mr. Swindell.

MR. SWINDELL: Is any of this work being coordinated with any other of the council scientific staff?

MR. ATRAN: We are working with the SSC. As I said, this has been on and off over a few years, and I know the SSC is very interested. Last year, we did have a meeting, or I think it was last year, in which we reviewed some of the more current literature, and the SSC was talking about maybe setting the MSY proxy based upon characteristics of the life history of the stock, the resilience of the stock, whether it’s long-lived or short-lived or high-fecundity or low-fecundity.

They were looking at those sorts of things, and so, yes, I am planning to get as much input as I can from the SSC on this. By the way, the motion says “move to Considered but Rejected”, but, since this is still at an early options paper stage, I think we can just remove it and not have that Considered but Rejected area.

MR. SWINDELL: Steve, how about other councils? Do you have any contact with other councils that are working on similar proposals, if this indeed was for being short-sighted by not meeting the Act, in any of this stuff? I assume other councils are also working on it, and do you have any idea of where they are on this kind of stuff?

MR. ATRAN: I would have to defer to the NMFS folks, but I think the South Atlantic Council had gotten all of their requirements in place sometime ago, and I’m not sure about the other
councils.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: Steve is right that, at the South Atlantic Council, we made a shift in the MSSTs to I think 75 percent for a lot of them. Otherwise, I think what the South Atlantic Council has on the books is pretty similar to what we’ve been doing, but there is discussion at the South Atlantic Council about OY.

Of course, at the Caribbean Council, we don’t have biomass estimates for anything, and we don’t have fishing mortality estimates for anything, and so it’s more of a theoretical exercise, because we can’t really calculate everything. I am less familiar with what’s going on at the other councils outside of our area.

CHAIRMAN GREENE: Mr. Swindell.

MR. SWINDELL: I guess I get a little concerned about are we then leading the way here in doing this or have other councils already addressed these things and come up with a system that maybe saves us a lot of time and a lot of digging into things of this nature?

CHAIRMAN GREENE: Mr. Gregory.

EXECUTIVE DIRECTOR GREGORY: No, we’re not in the lead. We’re probably following. The northern councils, the North Pacific and the Pacific and the New England Councils, have a long history of, even prior to the council system, of international management, international treaties, ICNAF and NAFO in the Atlantic and the Halibut Commission and the Salmon Commission in the Pacific.

They have had a longer history of data collection and stock assessments. In fact, Alaska had trip tickets before it was even a state. We didn’t have trip tickets in the Southeast until 1984.

The concept of 50 percent BMSY, I think, came out of the northern area, because of their experience. That is like, boom, you get to that point and you’re at risk of a stock collapse or recruitment failure.

Those of us in the Southeast weren’t as familiar with that type of management, and, when this first came out, I think in 1996,
there was concern that the councils, based on their history of always exceeding the scientifically-recommended quotas, that the councils needed to be more constrained and not let populations fall down to as low as 50 percent.

The truth of the matter was that we were below that, or at 50 percent, when we started management in the 1980s, and so it wasn’t like we were driving anything down. We were rebuilding anyway, but one minus M was the default recommendation, here in the south, because it was very conservative and, historically, the scientific literature kind of considered fishing below the biomass of MSY as being, quote, overfished.

The Magnuson Act changed that. There was actually two definitions of overfished, one historically in the science and the other is based on Magnuson, and it was surmised that populations will fluctuate naturally, because of natural mortality, and it should fluctuate around BMSY naturally.

What we’re seeing also is, with that fluctuation, you can go in and out of being declared overfished more frequently, and it doesn’t really fit the concept of being overfished as being a very serious condition for the population, and so I think the South Atlantic Council has adopted 75 percent of BMSY as like an intermediate area.

The other problem is natural mortality is probably the most difficult thing to estimate of any of the parameters in a stock assessment, and, most recently, a formula has been used that pretty much sets natural mortality based on how many ages you have in the population, and natural mortality for red snapper is very low, because, in the 1990s, some people found fifty-year-old fish.

Most of our estimates of natural mortality probably fall between 0.15 and 0.2. In fact, historically, the assumption is 0.2, until proven otherwise, and so 0.85 is within that range of natural mortality, and so 0.85 is not really that different from one minus M, and I think that’s why there is some concern about it being added. It really doesn’t offer any distinction, whereas 75 percent has the history, with the South Atlantic Council choosing it, based on analyses by the Southeast Fisheries Science Center.

Then the 50 percent BMSY was actually in the regulations as the lowest you can go, and I think it’s because of the history of stock assessments and population management in the northern climates, and so that’s, I think, the history, as far as I know,
and I hope that helps to explain where the 85 might have come from and why it may not be something that distinguishes from one minus M that much.

CHAIRMAN GREENE: Mr. Swindell.

MR. SWINDELL: I guess I was just a little concerned that, when we first started the council system, everyone was kind of on their own at establishing all of this stuff, but you finally got together and worked out, I thought, some good parameters of what things meant and how things were going to be, and I was just wondering if we’re not -- If you don’t still have a system amongst all councils that get together, for Steve and others, to address just what are you doing and how are you getting to these points. I guess that’s where I was trying to get to.

CHAIRMAN GREENE: To that point, Mr. Gregory?

EXECUTIVE DIRECTOR GREGORY: Yes, and the Council Coordinating Committee has been creating workshops that bring together the staff and SSCs of all eight councils, I think since 2005 or 2007, but, because of the reauthorization in 2006, most of those efforts have concentrated on the ACL, how to calculate ACL, the ACL control rule, the ACT control rule.

There is a workshop coming up that’s being hosted by the Pacific Council, and that’s going to concentrate more on management strategy evaluations, and so there has been this coordinated effort, but not with something, quote, as mundane as MSST.

It’s been for the more challenging aspects of fisheries management, because 2006 really, along with the NMFS guidelines of using uncertainty and other things, have made the scientific aspect of this more complicated, and the councils have really worked, and the SSCs have worked, together to try to come up with some commonality, but there is still differences among councils, based on the characteristics of the fisheries and the history of the scientists.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: I think I’m okay with this motion. I was just trying to think ahead, and we don’t know yet, I guess, if we’re going to determine these on a species-by-species basis or if sometimes we may have several species together and we determine it that way, and I was thinking maybe that Alternative 3 may come in handy if we go that direction, but I understand, for purposes of analysis and such, if we want to go this route now
and then, as we get further and we see how we’re going to evaluate each of these, if we need to add that back in, if we see that could be useful, then we can do it at that point, but I don’t think I have any issues with the motion as it stands, for now.

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

MR. SWINDELL: Mr. Riechers, can you explain a little bit why to eliminate any of the alternatives? I guess I’m looking at alternatives here, and I just don’t know what would make one not fit what we’re looking for and why any of this does fit what we’re looking for.

MR. RIECHERS: Well, I will give my kind of high-level overview. Then, if Steve wants to jump in here as well, he certainly can do that. First of all, both of these are bracketed by other reference points that we’re considering in this suite of alternatives.

You still have, even though it’s an “or” there, you have one minus M times BMSY as an alternative, and you also have 0.5 BMSY, and so you’re going to have information and data, or at least discussion, surrounding both of those, and, as you suggest, if we want to bring them back in or create a multiple preferred, we can do that.

Then, obviously, with the 0.85 BMSY, we already have the 0.75, and Steve had already had some discussion about how close that was to BMSY and some of the issues there, and so that was my rationale, is that we have it bracketed, if we want to come back in and there’s really a reason to specifically use one of those target references. We will have some more information coming about that.

CHAIRMAN GREENE: Thank you for that explanation, Mr. Riechers. I was glad he asked, because I was kind of curious where you were at on that as well. Is there further discussion? Seeing no further discussion, is there any opposition to the motion on the floor before you? Seeing no opposition, the motion carries.

MS. BOSARGE: I am not going to make any motions, but I would say, in Action 2, I don’t know how comfortable I am with having an alternative that takes us to possible collapse, that maximum level, that 0.5 of BMSY. I am not sure how comfortable I am getting to that point.
Personally, I would like to see that the most risk we would take would be slightly above that, maybe a 0.6 BMSY. That wouldn’t be adding another alternative, and that would be replacing Alternative 6 with 0.6 of BMSY instead of 0.5. If that 0.5 BMSY is recruitment overfishing, I don’t know about that.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: Well, bear in mind that none of this precludes you from taking action, and, presumably, if it’s overfishing driving the stock size down, you would have already corrected that, because, overfishing, you’re not allowed to do.

This only is the point where it triggers going through all of the bureaucratic exercise of constructing a rebuilding plan and doing projections that often go out for twenty or thirty years and all of those kinds of things, but it’s not like this is saying that you’re going to sit idly by and watch the stock decline until it gets to that level. I would think that we would never do that.

MS. BOSARGE: I guess, in a perfect world, we wouldn’t, but I think sometimes those triggers are pretty important to get us moving or to make other things happen that do make changes, and so --

DR. CRABTREE: I would just point out that I think the MFMT trigger is much more significant, because, if you’re assuming that you’re only going to reach these levels if you’re overfishing, and so it’s the overfishing threshold that’s going to force your action, and it’s presumably going to force action before you would ever hit one of these stock size thresholds, it seems to me.

MS. BOSARGE: But there are certain other triggers that only happen when you’re overfished and not just overfishing.

DR. CRABTREE: Well, the only one I can think of though is just the putting together of a rebuilding plan and going through that process.

MS. BOSARGE: What about paybacks?

DR. CRABTREE: That’s at your discretion. You can have a payback for every stock you have if you choose to do that. Now, we have chosen to have the payback tied to being overfished, but that’s a council choice.
**MS. BOSARGE:** Right, and I guess that was made for a reason, and that’s kind of what I’m getting at. If our paybacks are tied to that overfished condition, then it does become important what we decide is overfished or not.

**CHAIRMAN GREENE:** Mr. Gregory.

**EXECUTIVE DIRECTOR GREGORY:** Two things. One, I just wanted to reinforce what Roy is saying. MFMT is the fishing mortality rate at BMSY, our estimate. If we’re not overfishing, we’re going to be trying to keep the population at MSY, and so we would never drive the population down to 75 percent or 50 percent. Those are just safeguards at this point.

When we started management in the 1980s, we were below these points, and they actually became our targets. Then, later, they became our limits, and BMSY became a more obvious target. With regard to red snapper, a curious thing happened with that. In the amendment that we passed, we said the payback was tied to the rebuilding of red snapper, which means that the payback would still be in place, because we’re rebuilding red snapper, even though it’s not overfished.

However, the codified text that the council approved said overfished, and so there was a discrepancy between what we wrote into the amendment and what we approved in the codified text, and that’s how the payback got tied to being overfished rather than in a rebuilding schedule.

Then, when gray triggerfish was approved, the same concept of overfished was both in the codified text and in the amendment, and so that kind of evolved, and the council can go back to that if they wanted to, but it will take an explicit effort to do that.

**CHAIRMAN GREENE:** Thank you. Is there further discussion? Okay. We have some other actions in this document, and so are we ready to move on down through this? He was looking to simplify the number of alternatives as well, and so I’m just asking if anybody wants to go through it item-by-item, or how would you like to proceed? Okay. I am not seeing anybody jumping up and down, and so I assume that we accomplished what we were wanting to do. All right.

With that, I guess that will complete this portion of the agenda. We will move into our next agenda item, which will be Draft, State Management of Recreational Red Snapper, and this
will be Tab B, Number 12 accordingly, as per the state, and so the first one will be Louisiana, which will be -- I am sorry. Back up. Dr. Lasseter has Tab B, Number 12(a). Dr. Lasseter.

DRAFTS - STATE MANAGEMENT OF RECREATIONAL RED SNAPPER

DR. LASSETER: Thank you, Mr. Chairman. We actually have four documents for you, as noted in the agenda, and so you have Tab B, Number 12(a), (b), (c), and (d). Before we go through all of the alternatives in each action, I am going to talk about the structure overall of what we have brought you.

This was really a challenge to organize for the IPT, and so what we’ve come up with is Tab B, Number 12(a) is like a programmatic amendment. It’s called State Management Program for Recreational Red Snapper, and this amendment includes those actions that would affect all states, whether or not they’re even participating in state management, and so, also, those decisions need to be consistent across all of the independent amendments as well.

Then (b), (c), and (d) are the individual state amendments, as requested through the motions made at the April meeting, and so we’re going to take a look first at the table of contents of each of these, just so I can lay out what we’ve brought you. It’s on Roman numeral page iii in Tab B, Number 12(a), and so if we scroll down to the table of contents there.

This programmatic amendment contains three actions, and, essentially, this is establishing the parameters of the program. The first action would address components of the recreational sector to include in state management programs, and so, currently, your recreational ACL, red snapper ACL, is divided into component ACLs, and so this action would address into what pieces -- How the recreational ACL will be divided, in order to enact this program for state management.

The next action, Action 2, addresses how to apportion the recreational ACL among the states, and so this action addresses how much quota goes into each of those pieces that you decide on in the Action 1, and so they work together, and, when we go through those, I hope that will make a little more sense.

Then, finally, in this action, Action 3, it proposes to -- You can evaluate whether or not you wish to modify the federal recreational minimum size limit, and staff would be very open to removing this if you were not interested in modifying this, but we brought you this, one, because in the Louisiana draft plan
that they provided to the council, they did note what their
recreational minimum size limit would be, and it’s consistent
with what it currently is.

If we remember from discussions in Amendment 39, due to issues
with the stock assessment and biological concerns, all states
participating in regional management, now state management,
would need to adopt the consistent minimum size limit, in order
to have their plan be consistent, and so, if the council wishes
to allow any of the states, under their state management
programs, to adopt a different minimum size limit than sixteen
inches total length, this is where that decision would need to
be made.

If none of the states are interested in modifying that, again,
the IPT would be very happy to remove this action, but we did
bring it to you to emphasize also that this is an action that
would need to be in this programmatic amendment. It cannot be
decided at the state level.

Now let’s flip to -- We will use Louisiana’s amendment, and so
Tab B, Number 12(b), and the table of contents as well. This is
the Louisiana management for recreational red snapper, and Tab
B, Number 12(c) is Mississippi, and Tab B, Number 12(d) is
Alabama, and these three amendments are virtually identical,
except for the name of the state is substituted in each
amendment.

Again, the table of contents is up on the board, and so we do
have three actions here as well. In organizing these documents,
we tried to give you -- We have tried to provide the most
flexibility for decisions to be made at the state level, but, for
the first one I’m going to go into, we’re thinking it’s
going to be too complicated to have different decisions for each
of the states, and, really, we imagine -- We’re assuming that
this may be a consistent decision across all of the states, but
we’ll go into that a little bit more when we get to the
alternatives, but this one addresses the delegation or CEPs and
whether or not you would use the technical review committee, for
those of you that were here for 39.

Action 2 would be the sunset provision, which, again, does
provide an alternative for not having a sunset, but this was
another potential action that was in Louisiana’s plan, and so we
have provided that here. Then, finally, post-season
accountability measures, again, that also would likely be
similar, or the same, for all of the states.
I guess, while we’re trying to provide -- We tried to come up with the actions that could be decided at the state level. If we think about any of these, they are really, one, likely to be the same for all of the states and don’t necessarily need to be in separate amendments, and so we might want to be thinking about that as we go through this.

Having one amendment that just establishes the program could potentially provide the most flexibility. If you adopted then - - If a state wanted to employ the CEP process, the conservation equivalency plan process, you get to make the most decisions within that application process. That might be confusing for those of you who weren’t here for 39, and so let’s start back again. That’s kind of the overview of the structure, and let’s go back to the first one, and we’ll go through these actions.

Now we’re back to Tab (a), and we’ll go to the Action 1. This action addresses the pieces into which the recreational sector ACL will be divided. Alternative 1 is always our no-action alternative, and that would be to retain management as it currently is and, currently, the recreational sector ACL is divided into a federal for-hire and a private angling component ACLs.

Alternative 2 is, for a state with an approved state-management program, the state would manage its private angling component only, and the state would be responsible for constraining its landings to the states private angling component ACL, which will be determined in a subsequent action, Action 2.

The federal for-hire component would continue to be managed Gulf-wide, and this is a similar statement for all three of the remaining alternatives. For states without an approved state management program, a private angling fishing season will be estimated using the remainder of the private angling component ACL, and, of course, reduced to the ACT.

These plans would end when the separate private angling and federal for-hire ACLs end, currently 2022, and, again, we have this action because you have the ACL divided into two parts, but now you want to divide it a different way, we may be dividing it a different way for a potential state, and so this is addressing how many pieces, which pieces, that ACL will be divided.

Alternative 3, again, for a state with an approved state management program, the state would manage both its private angling component and federal for-hire components, and then the same language follows, must constrain its state landings.
Alternative 4 is very similar to Alternative 3, but it gives the state the option to choose whether to manage the private angling component only or to manage both private angling and federal for-hire components. 3 and 4 are the most similar, and 3 specifies that the state would take both, and 4 provides the flexibility to choose which one they may want to manage.

Under both of them, because those separate component ACLs are still in place, the states would be required to manage those separate components under the respective ACLs. I will pause there for just a moment.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: I understand why you’ve broken them out into two documents, but, in a situation like this, where one of the alternatives allows the states to choose, why wouldn’t that just be in the individual state documents? Does that have to be a decision that we would make upfront as a council?

DR. LASSETER: You would be able to choose yourself, at a state level, if the council selects that, which one you would manage, but this action determines how NMFS is going to divide that recreational ACL, and it would be divided the same way in 3 and 4. We would expect that the council would possibly choose Alternative 4, providing the most flexibility, which gives you that option, but, here, we have to specify how to divide the ACL, because it’s going to affect all the other states.

By you cutting one piece out or taking both pieces, it affects how the rest of the ACL will be divided and how it’s going to be applied to the rest of the states, and that’s why that’s here, and it’s also integrated into Action 2, which is how much of the quota each of those pieces get.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: Ava, I am just trying to think this through, now that we’ve kind of had a situation where different states can do different things. If we chose Alternative 4 here, where states could choose whether they’re managing private or for-hire or both or whatever, and, later in the document, let’s say a state chose the delegation option, when or how often would we, I guess, be revisiting this? I’m wondering if a state starts in one situation and then decides, well, hey, maybe we actually want to manage both sectors.
I mean, that, obviously, affects how the federal season, I guess, for other states, or maybe the rest of the Gulf as a whole, would be calculated for charter/for-hire, and I’m just trying to work through all of that in my head. Do you have an idea for how that would work?

DR. LASSETER: That is where it gets a little bit complicated, and all of those decisions would need to be made. Is there a sunset provision or not? In the states, if they do the CEP, they would be specifying how long that plan should be in effect, one or two years, which may or may not be applicable if a sunset is selected, and so a lot of these decisions, depending on what decisions are made in subsequent actions, will determine some of the answers to your questions.

There was the sunset, and then, really, in delegation, my understanding is that the delegation would be in effect until modified, and so you would need to modify it by coming back to the council, and I’m going to pause there and verify with NMFS is that is accurate, as far as the delegation. My understanding is that it stays active unless it’s modified, but, in order to modify it, we would have to go through the council process, and would that be correct?

DR. CRABTREE: I think you would delegate defined aspects of management of the fishery to the state, and then, until either the council decided to do something else or, I guess if the Secretary determined that what the state was doing didn’t comply with the Magnuson Act, I think the delegation would be in effect.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: I mean, I’m not trying to describe a situation where somebody is trying to skirt Magnuson, but I can see a scenario where we choose Alternative 4 here, and that allows the state to choose whichever one they want to do, right, however they want to manage, private anglers, for-hire, or both. Then they also are working within the outlines of their delegation, which at least, if we fast-forward to these other amendments, is setting those seasons and bag limits.

I mean, according to those options, they would have the ability to choose which one, and it doesn’t say that they can’t change their choice. Do you know what I’m saying? They’re still working within that framework, and I’m just trying to understand how that would go down.
DR. LASSETER: I understand. I got a little bit more now. If you’re not doing CEPs -- We really worked more with the CEPs at the end. If you are doing delegation, I would assume that the state has to work very closely with NMFS, if they were to change which of the components they were going to manage, because NMFS would then need the opportunity, the time, to estimate the resulting season for respective components, depending on how that’s modified, and so I think that definitely would require communication, I’m assuming, between the respective state and NMFS.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: So a similar question, Ava, and maybe to Dr. Crabtree, but relative to where in the process, if a state, for instance -- You mentioned ACLs in Action 2, and so I’m assuming that’s the ACL that’s currently set up for the whole fishery, but, as we go through time, and the states are working on their own programs to monitor their landings and come up with estimates of harvest, the data collection system itself, the timeliness of it, all those things might afford a reduction or an increase in the allowable catch each year, a reduction to the ACL, and so I’m wondering, under the delegation or the CEP environment, would both of those -- Would either one of those have to go through the council or would they both have to -- Under those situations, will they go through the council or would it just be simply the agency review to kind of sign off on if a state, again, could show that they’re able to monitor those landings and still stay within a certain -- You know, their quota, but, yet, they don’t need a 20 percent buffer. They can go to a 10 percent buffer or something like that, and how would that kind of shake out?

DR. LASSETER: Okay. We did not address modifying the ACTs in these documents. It does always refer to that the state must manage towards the ACT, which is reduced from the ACL, by the established buffer, and we deliberately kept that language in there, because that could change.

We have not incorporated an action to potentially modify the ACT at the regional level. I think that would be a committee discussion, and that would be important there, and, if it is potentially an action that could be added, that is something that staff could do.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: A lot of this would be up to the council and how
they wanted to do it, but, to me, if we did a delegation, we would have an overall Gulf ACL, and, as long as we stayed under the Gulf ACL, we would look at that it’s delegated to the state, and it’s the state’s responsibility to figure out how to do it. If you think you need a buffer, then you would have a buffer. If you think you can do it without a buffer, then I think we would just be -- Our main concern was if the overall catch -- I don’t think, if we went over it one year out of several, that probably is going to happen, but, as long as we have a reasonable track record of staying with the ACL, I think that would be mostly our concern and not how the states achieve it.

In terms of the data that the states use, I would think, for example, if Snapper Check gets certified later this year, then that would be acceptable for you to use.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: I would like to make a motion to make Alternative 4 the preferred.

CHAIRMAN GREENE: Lieutenant Commander McNeer.

LCDR STACY MCNEER: Thank you, Mr. Chair. Just real quick, I have to make mention here that I see some, as described, some foreseeable enforcement concerns, from the Coast Guard perspective. It sounds like, effectively, you are making states have authority out to 200 miles, and so I just want to put that out there and make sure everybody understands the enforcement implications presented here.

CHAIRMAN GREENE: Thank you. We’ve had some discussion previously, and we looked into that, and that was brought up by previous Coast Guard personnel. We have a motion going on the board to make an alternative preferred, and it was seconded. Is there any discussion? Seeing no discussion, is there any opposition to the motion on the floor before you? Seeing no opposition, the motion carries. Mr. Grimes.

MR. GRIMES: Thank you, Mr. Chairman. I would just note, at some point, you’re going to need to develop some rationale to support why that would be preferred over the other alternatives and include that in the document or in the written record to support it eventually. Thank you.

CHAIRMAN GREENE: Would you like for us to do that now or at some point?
MR. GRIMES: I think, generally speaking, you do it at the time you make the motion, and we would have some discussion over it and it would support the decision, but you’re going to see this again, and you can think about it and do it now or later, and I would say that’s up to you.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: I think Ava said it correctly, is that this provides the states with the flexibility we need to make those kinds of decisions, and, additionally, this is something we already generally do with our state season. We manage the harvest coming out of both components of the recreational sector, and I feel like that we could do that out to 200 nautical miles just as easy as we can do it out to nine miles, and we would like to have the option to choose to retain both of those components within our plan, whereas another state may choose not to retain one of those components, and I think it gives the states the flexibility we need to make those individual decisions. Thanks.

CHAIRMAN GREENE: Further discussion? Dr. Lasseter.

DR. LASSETER: Okay. Thank you, Mr. Chairman. Moving on to Action 2, Action 2 begins on page 13, and so you have just selected a preferred alternative for how to divide what pieces what pieces the ACL is going to be divided into, and now Action 2 decides how much quota goes into each of those pieces, and so this is apportioning the recreational ACL among the states.

Of course, our Alternative 1 is no action. We retain status quo, and Alternative 2 provides a series of years, a time series, with which you could establish an allocation of the recreational sector ACL that may be used for state management programs by apportioning both the private angling ACL and the federal for-hire ACL among the states, and then there are your potential time series.

Option 2a is the longest time series, 1986 through 2015, and Option 2b is 1996 to 2015, and so backing off ten years, and Option 2c is 2006 to 2015, and then Option 2d is our little 50-50, using half of the average historical landings for the longest time series, 1986 to 2015, and half of the average historical landings for the most recent time series, 2006 to 2015.

Alternative 3 provides some options to exclude various years, and so, in calculating state apportionments, exclude from the selected time series, and Option 3a is landings from 2006.
you remember, this was following the year of the multiple hurricanes. Option 3b is 2010 landings, which are currently not available and not provided in the document, and those landings were excluded from the sector separation decision as well.

Then Options 3c and 3d, we provided options to exclude landings from 2014 and 2015, respectively, for a couple of different reasons. Previously, or in section separation, you allocated through 2013. Also, in 2014 and 2015, the state water seasons were different off of different states, and so there could be reasons why you would want to exclude those or include them, and so we provided Alternative 2 to incorporate all of those years, and then we provide Alternative 3, the options to exclude those years, if you intended to do so.

Let’s take a look, before I turn it over for discussion, at the tables that follow. Table 2.2.1 would apply if you had a -- I’m sorry. Table 2.2.1 on page 14 provides the resulting percentages of dividing just the private angling ACL among the states based on historical landings time series of Alternative 2, and so those are Options 2a through 2d, for the private angling component only.

That is why each row across totals 100 percent, 100 percent of that 57.3 of the private angling ACL. That’s how that would be divided, and that would apply also if you selected only Alternative 2 in Action 1, which is not currently your preferred.

Then let’s turn the page to Table 2.2.2. Here are your resulting percentages to divide both the federal for-hire ACL and the private angling ACL among the states. Again, those are time series, the options under Alternative 2, and then the very last row provides removing all four of those years for exclusion, 2006, 2010, 2014, and 2014. For simplicity, we just provided one row with all of them removed.

This is the table that would be used to show the resulting proportions of the ACL for each of the components under either Alternative 3 or 4 in Action 1, and so this is the table that you would use, given the current preferred alternative the committee just selected in Action 1, and so you can see how the two actions work together. You had to decide how you were going to divide the pieces, and then here is which years you’re going to use to decide how much quota goes into each of those pieces. I am going to pause there for discussion.

CHAIRMAN GREENE: Mr. Riechers.
MR. RIECHERS: I would say we pause there, and, before we get too wrapped up in discussion here, I went back to the Table 1 in the back part of the document, because I was just recalling that the numbers in 39 were quite a bit different than this, and I realize we may have added one more year, 2015, as opposed to when we dropped that, and I appreciate the fact that my colleagues from Mississippi might want to look at that table as well, but, almost in every one of those years, from the 1986 all the way to 2015, we have quite a bit more landings than my -- My good colleagues from Mississippi, they have also questioned their numbers in the past, but our percentage here is lower, and so, somehow, we've made a mistake in transferring those numbers up into these tables.

Like I said, before we get too wrapped up around numbers, we’ve had trouble with these numbers since we started this process, and we better get it right in this document, if we’re going to go back into and start considering these.

CHAIRMAN GREENE: Dr. Lasseter.

DR. LASSETER: That’s actually a good point, and I believe that we’ve had the MRIP recalibration that has -- I am going to look to NMFS to help confirm that, but since the numbers that we used in 2013, and so I thought that these are revised, updated numbers, and I did just obtain them from NMFS as well, but had the MRIP recalibration, going back to those earlier years, had that been completed when we were working on 39?

DR. CRABTREE: I don’t recall the exact timing of all of that. I mean, I am looking at the table that Robin referenced, and it does -- When you look at the Table 1, the Texas catches are quite a bit higher than Mississippi catches, but then, when you look at 2.2.1, the percentages are quite similar, and so I can’t reconcile that, and maybe it’s calibration. I just don’t know.

MR. RIECHERS: If it’s calibration issues, then we may want to consider looking at all of those, but, either way, we can’t have that kind of discrepancy in the document.

DR. CRABTREE: I agree, but the calibration would have changed the MRIP estimates upwards, but it wouldn’t have changed the Texas estimates, but I don’t know. I can’t explain it.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: Dr. Lasseter, remind me now exactly which of our
options equals what was agreed to in Amendment 40, just so I’m clear.

**DR. LASSETER:** Amendment 40 was the 50-50, and so it was 50 percent average historical landings from 1986 through 2013 and 50 percent 2006 to 2013, with only 2010 removed.

**MR. BANKS:** Okay, and so that would be Option 2d under Alternative 2 as well as Alternative 3, Option 3a, 3c, and 3d. I’m sorry. Option 3a.

**DR. LASSETER:** 3b.

**MR. BANKS:** 3b. Okay.

**CHAIRMAN GREENE:** Further discussion? Seeing none, Dr. Lasseter. I’m sorry, Mr. Diaz.

**MR. DIAZ:** I think this is so important. I mean, the big thing for 39 that was the problem was how to allocate it and what to do with charter boats. That was the two big things that we couldn’t get past, and I really think we’ve got to take a good, hard look at this. We’ve got to get the numbers right and make sure all of that is correct, to satisfy Mr. Riechers, but I would hope that everybody that is looking at this realizes that we all can’t think that we can get the biggest numbers for our state.

We’ve got to figure out what could we live with and do better for our citizens and solve a very important problem that we have in this recreational fishery, and so I just would urge everybody to try to not do what we human beings do and try to look at what’s the very best for us. What can we live with to make the best decision for the entire Gulf of Mexico? Please try to look at it that way. Thank you.

**CHAIRMAN GREENE:** Thank you. Dr. Mickle.

**DR. MICKLE:** Thank you, Mr. Chair. I am glad we hit allocation on day one, clearly. I think it’s a good thing to discuss, but I just -- I represent my state, Mississippi, and I want to talk about the things that rattle around in my agency, as I talk to my biologists, and understanding what allocation means and getting it through to our data capabilities and understanding what’s going on in my state, and I think I am always just going to speak for my state in this arena for as far as allocation especially and understanding where we come from and what we’ve done with our landings program, identifying how accurate we can
be, and also with our NFWF studies going on to direct stock assessment to the species of red snapper.

I know what percentage of allocation, turned into pounds, is sustainable in my state. It’s not a Gulf-wide quota, but it’s a quota in my state, and Patrick has done a lot of work on his end, in Louisiana, identifying what they think is sustainable, and I’ve got the number in my head, and, when allocation gets down to it, that number is going to precede any decision and motion that I may make.

Dale, that was a good thing to talk about of bringing in the for-hire and the allocation and understanding, from where we come from, of seeing what that sustainable number is, as far as poundage, between the two sectors. In my state, it’s a clear line, and so that’s the one I’m going to work around, and so thank you.

CHAIRMAN GREENE: Mr. Banks and then Dr. Crabtree.

MR. BANKS: Both of those comments are very, very good, and, like Dr. Mickle, we’ve done similar type of work, and we actually feel like that the percentages ironed out in here are actually far below what we believe is sustainable off of Louisiana, but we have to look at, as Dale correctly pointed out, the entire Gulf and not just the fish, but the fishery, and so that’s why we felt like that a three-year sunset on something that we could all try works really, really well in this situation, because we may find out some of these states -- That it didn’t work as well as we had hoped, and then we can come back to the table and maybe find a different way.

With all of that being said, and Dr. Mickle talking about sustainability and stock assessments and things like that, I would like to see some sort of an option that included a biomass component.

I don’t exactly know how to do that, and I don’t know, Dr. Lasseter, if you guys can work that in as an option somehow and give us some ideas on how we may factor in biomass, certainly since we seem to have those numbers for the western Gulf and then the eastern Gulf, and see if there’s a way we could work in that in some way. Thank you.

CHAIRMAN GREENE: To that point, Dr. Lasseter?

DR. LASSETER: Thank you, Mr. Chairman. We did have this discussion during Amendment 39, and there was an alternative
that would have established two allocations, an eastern and western Gulf, and that was based on as close as you could come to a biomass estimate that came out of the stock assessment.

However, because here we’re talking about individual states, and Louisiana has requested an amendment, but not Texas, and your two states were combined into that western, and we did not know how to provide that type of an alternative, and so I’m actually going to see if Dr. Crabtree could potentially speak to is there any way to craft an alternative like that at the state level.

DR. CRABTREE: I don’t think you can get to it out of the stock assessment, but there was a paper published recently by Karnauskas et al. that looked at habitat types and where the fish are, and it had fish density estimates, geographically, across the Gulf that maybe you could use for something like that, and I don’t know.

If I could come back to Mr. Riechers’s comment about the seeming disparity, I think, if you look at the Table 1 in the appendix, that includes for-hire landings, and particularly headboat landings. If you compare the private catches between Texas and Mississippi, they are similar, but the vast majority of the landings in Texas are coming from headboats, and the headboat landings are much higher in Texas than they are in Mississippi, and so I think that’s some of what you’re seeing in that table, Robin.

Then I thought Dale’s comments were right on-point. My real wish this is that we could -- I think this allocation issue is the whole ball of wax here, and I would love it if we could come to an agreement on the allocation and then delegate management of the recreational fishery or portions of it to the states and move forward, but I think this is really where we got stuck last time, and I think it’s the most difficult part of it this time too, but I think we’re all seeing that where we are right now is not a very good place, and I really feel that some form of delegation of management to the states is something we ought to really give careful consideration to, and it might be a way to make things better.

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

DR. FRAZER: Thank you, Mr. Chair. I also appreciate the comments that Dale made, and I took to heart what Patrick said and then what Paul said and what Roy said. I think allocation is going to be the crux of this issue, and it’s a tricky thing,
and I have also, over the last year, listened to a lot of
comments and concerns from the recreational sector talking about
and using words like “accessibility” and, I guess,
“opportunity”, and so fish move.

They redistribute themselves all the time, and certainly over
time. In my opinion anyways, just to look at historical catch
records or landings is somewhat problematic, and it’s led to a
lot of the issues that we had before.

I would like to see a little more flexibility here with regards
to number of, perhaps, licensed anglers or potential people that
might access the resource in the future, because I think what’s
going to have to happen is that the state representatives are
going to have to talk to one another before they come back at
the next council meeting, or a subsequent council meeting, to
have their ducks in a row.

Otherwise, we’re just going to be wasting a lot of our time, and
I really feel strongly about that, and I would encourage all of
the states and the representatives to think about what types of
options would allow them to agree on an allocation before it
comes back to this council.

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

MR. DIAZ: This is going in a slightly different direction, but
I want to just say something on the record, based off of
Patrick’s comments about looking at biomass. Whenever we start
talking about the east Gulf and the west Gulf, I always like to
say this.

The State of Louisiana and the State of Mississippi meet at a
ninety-degree angle, and, if there is ever a consideration of
east or west, I feel strongly that the State of Mississippi and
the State of Louisiana have to be in the same zone, or it will
just be terribly confusing to all of our constituents, because
the people that look south of Mississippi, they view that as the
federal waters of Mississippi, and the people that look east off
the State of Louisiana, they view those as the federal waters
off the State of Louisiana, and I just don’t see any other way
to do it, and so I wanted to make sure that we get that on the
record. Thank you, Mr. Chair.

CHAIRMAN GREENE: Thank you. Further discussion? Mr. Banks.

MR. BANKS: Just to that point, Dale, and it’s a valid point,
the way I would envision it is that would be certainly applicable in the distribution of allocation, but, in terms of the actual way the process would work, it wouldn’t really matter. You wouldn’t even have to draw lines. It’s wherever the fish was landed. That’s where it gets counted against the allocation, or that’s at least how I envision it.

If one of our guys wanted to travel all the way off of Tampa Bay and catch the fish and come all the way back and land it in Louisiana, we would count it against our quota. That’s how I would envision that.

CHAIRMAN GREENE: Dr. Mickle.

DR. MICKLE: I agree with that statement. It’s where they’re landed, and Patrick and I have leaned over tables on maps in the past and talked about these things, and, again, it’s understanding -- I think we’ve gotten over this hurdle in 39, and I don’t think -- I was worried about the map when we got on 39, but it seemed like the map fell in the wake of allocation, of course.

I think, when we start talking about maps, I think it’s law enforcement that I think needs to be contributing a lot to that and how feasible it is and the capabilities and logistics of the lines, but, again, when constituents approach me about the issue, it’s where they’re landed, and then I let them respond and bring up more issues on that and how that can be affecting them, and so agreed, Patrick, and thank you.

CHAIRMAN GREENE: If, at any point, we start getting into drawing lines in the water, off of my state, I can go sixty miles and I can be off of four states. Now, I am not interested in that at all, and I’m just going to tell that right upfront to everybody, and so that’s something that I think would be an enforcement nightmare, and I think it would be a logistics nightmare, for a lot of reasons, and so Mr. Banks and then Mr. Matens.

MR. BANKS: Just to that point, Johnny, it is a valid point. In talking to our enforcement guys, they were not all that concerned about where you were at in federal waters. For instance, if Louisiana was open and Alabama was closed, and you came over to Louisiana and caught the fish, we probably wouldn’t give you any kind of issue whatsoever.

It would be when you would come back into your state waters where your guys would nab you, because your state was closed,
even though you’re managing out to 200 nautical miles, and so at
least that’s the way our enforcement agents explained it to me
of how they would handle it. If Louisiana was closed and you
were open, if you tried to come into Louisiana waters to land
that fish, then you would be illegal.

CHAIRMAN GREENE: Well, to that point, the big concern is that,
when you say you’re going to manage out to 200 miles, and the
Coast Guard has already let you know, several times, that they
have some issues with that, that appears to be something a
little different than what you’re suggesting.

If you’re going to manage a resource out to 200 miles and you’re
going to enforce it and you’re going to do all that stuff,
that’s one thing. If it’s going to be purely landings-based,
that may be something else, but I think that the discussion
we’re having now needs to tie in closely with the Coast Guard
and make sure that everybody understands, because, if you assume
all responsibility for 200 miles and, looking at this map right
there, you look at the State of Louisiana, is that straight up
and down or how does that go? Are you going to handle just
Zones B through D or how do you go through that?

The lines in the water are something that I personally have an
issue with, but, if it is just solely landings-based, that’s one
thing, because, if you’re out to 200 miles, then there is no
more three miles or nine miles. It’s whatever, and so it’s one
of those things that I just want to make sure that we have a
good understanding, and so I know there was some concern with
the Coast Guard, as he brought up earlier. Mr. Matens, you were
next.

MR. MATENS: Thank you, Mr. Chair. I guess I have two comments.
One is I like the concept of Patrick’s concept of a sunset.
Let’s try this thing for some period of time and let’s correct
if it’s necessary to correct. The issue of the lines in the
Gulf, if you look at that chart very carefully, you will see
that Louisiana is actually in two zones.

It’s the issue of the Mississippi state line and the Louisiana
state line, which is, as my Mississippi friends point out,
problematic, and I would hope that there would be an option
here, should they wish to do that, that Mississippi and
Louisiana could co-join here. Thank you.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: Well, a couple of things. What we have now is an
enforcement nightmare. We have drawn lines in the Gulf of Mexico, and I guess they’re at nine miles now, and, before that, they were a hodge-podge of nine and three miles, and I think we have a huge enforcement problem, and what we’ve set up now requires at-sea enforcement, which we don’t have the capacity to do.

If you think back to our discussions about Amendment 39, this was a landings-based program, and enforcement was going to occur at the dock, which is extremely easy to enforce, and so, if Alabama is open, we’re going to make sure that people landing in Alabama adhere to whatever Alabama’s rules are, but we’re not worried about where they caught those fish.

Now, if we only do this for three states, that’s a lot more complicated, because we’re going to, I guess, have a line at the Florida/Alabama border and a line at the Texas/Louisiana border, but, to me, if we could find a way to do this Gulf-wide, we essentially eliminate these lines, and I think we then have a much more enforceable system, because the reality is most enforcement of recreational regulations occurs at the dock, and so I think, if we do this right, it’s much more enforceable than the situation we have right now, which I think all of us know is an extremely difficult situation to enforce.

CHAIRMAN GREENE: Is there further discussion? Ms. Guyas.

MS. GUYAS: I guess I would just want to see law enforcement engaged on this again. I know that they had some opinions about it, and I don’t know that it’s as simple as dockside enforcement.

I mean, we certainly have people on the water, state waters and federal waters, but like, for example, if somebody is transiting through Florida state water, or whatever state waters, and they have not only red snapper, but they have other species on there, well then certainly they’re -- If they’re following limits that are not okay in Florida state waters or whatever state waters, then they’re going to have an issue, and so I just think we need to be cognizant of some of those issues and, anyway, have law enforcement weigh in on this again.

CHAIRMAN GREENE: I agree. Is there further discussion? Ms. Bosarge.

MS. BOSARGE: Well, I mean, it’s sort of on the point. I hate to hear comments like we don’t have at-sea enforcement, because I guarantee you that we have at-sea enforcement. We’re boarded
all the time, all the time, and, the for-hire guys, I’ve heard you all talk about it. You’re boarded all the time, and so we do have at-sea enforcement, and that still would need to be the case. I just don’t want to get in a situation where we’re painting a picture like we’re not going to board anybody at-sea and check you and we’re just going to hope to catch somebody at the dock.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: I agree, Leann, and that’s a good point, and I will make a couple of points to that regard. One is an example that I heard from a charter fisherman who was doing some research in Louisiana, way off of our coast, off the western side, and he didn’t see any boats out there while they were doing that research except our enforcement guys, and so I know our guys are out there. We do it through the JEA money that we get from the feds. Those guys are out to 200 nautical miles already, and they’re doing enforcement out there.

Another thing was Roy talked about an enforcement nightmare, and we were concerned about that under the thirty-nine-day extension. When our commission told us that you will continue to manage to a self-imposed limit, and you will close the season, we reminded them that we can’t close the federal waters, but they said that you will close the state waters, and our enforcement simply said that we can enforce that, because, once that boat --

Yes, he may be okay fishing in federal waters during that thirty-nine-day season, but, once he came into Louisiana waters and he had a red snapper, he was in violation, and that’s how they did it, and so our enforcement guys figure out how to enforce these things.

They’re very good at it, and I agree with Roy that, at least early on, we thought that kind of situation would be an enforcement nightmare, but our enforcement guys figured out a way to handle it, and they do it, and they do a very good job on the water, and so I have confidence in that.

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

MR. ANSON: Thank you, Mr. Chairman. On this enforcement issue, another thing that the states may want to consider, at least early on in the program, is when we’re going to talk about minimum recreational size limit, and so we would be consistent
there.

If we’re consistent on bag limits -- I know, in your document for the state plan, you talk maybe of going to a three-fish bag limit, but, if each of the states stay consistent with the bag limit, then we’re -- It’s one more thing that’s consistent and that they’re beyond -- If they have more than two per person, they can be written up for that.

If they’re under fifteen inches, they can be written up for that, and so I mean there is going to be some enforcement out there, and it’s just -- I understand the seasons might not be the same, and so there will be some discontinuity there, but there will be some, I think, some enforcement, if we can make it as consistent as possible.

CHAIRMAN GREENE: Further discussion? Dr. Crabtree.

DR. CRABTREE: Yes, and, just before we leave the allocation issue, you know Patrick brought up biomass as a possible way to look at it, and you also could -- So I guess you could argue that you should allocate the most fish where there are the most fish, and that’s a western-Gulf-centric thing, because the biomass is higher in the western Gulf.

Another way to look at it would be you should allocate the fish to where the fishermen are, and so you could look at number of trips, and I suspect, if you allocated based on number of trips, it would be very eastern-Gulf-centric, and probably the highest allocation would go to Florida.

There might be some way though to mesh the two, where you’re taking into account where the trips are as well as where the fish are and then you weight the two in some fashion that gets you to some reasonable allocation that maybe gets people to something they could live with, but I don’t think it’s realistic not to look at where the fishing trips are taking place and where are the fishermen in that equation too, and so that might be a different way to kind of come up with some options on allocation.

CHAIRMAN GREENE: Mr. Riechers.

MR. RIECHERS: I have sat on my hands here for a little bit and don’t want to get too much into this discussion, but I think there is also a possibility, and I know that you guys have done a lot of talking about what your numbers are.
We’ve been tied to these landings streams that have certainly, in most recent years too, have been kind of a different set of seasons than we’ve maybe seen in the past, when we were fishing and having greater period of time to fish and people could get out, hopefully somewhat more equally across the Gulf, as far as weather patterns go and so forth.

I agree with Tom. Obviously this is going to require some thought, and it’s going to require us rolling up our sleeves again, if we’re really going to get back into this discussion, and there may be some other ways to look at it than we have in the past, and those time series, of course, you have just added on two years from the past time series, and I understand that, but there may be some other alternative ways to do this.

In the past, we have had to try to go with basically a -- Based on a landings history kind of notion, and maybe, given some of these other things, we can get past that a little bit, where it may be more reflective of reality, as well as maybe more reflective of how the fishery looked before we got into these very constrained times.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: I would make a motion that we direct staff to construct some allocation alternatives that reflect spatial patterns in biomass and recreational trips with options for weighting the two. If I get a second, I will give a little bit of --

CHAIRMAN GREENE: We have a motion, and it’s seconded by Mr. Swindell. Your rationale, Dr. Crabtree?

DR. CRABTREE: Well, we all know this is the whole ballgame right here. If we can’t come to agreement on allocation, none of this goes anywhere, and we’ve had this tension between where the fish are and where the trips are, and, for better or for worse, where most of the fish are isn’t where most of the recreational trips are taking place, and I think there is data available that would give us some ability to look at how numbers of fish vary among the states, and I know, with the MRIP program, we can look at where the trips are taking place off the states, and so I think it’s worth spending some time taking a look at this, because I think this is the heart of the whole issue right here.

CHAIRMAN GREENE: Mr. Anson.
MR. ANSON: So, Dr. Crabtree, for your spatial patterns in biomass, I would assume that peer-reviewed research would be eligible for including in that spatial biomass equation, part of the equation?

DR. CRABTREE: Well, I’m thinking -- I’m aware of one study that’s done that Gulf-wide and looked at it, and we had a presentation on that study at the Gulf States Marine Fisheries Commission, and so I know that study is there.

There may be other things that I don’t know of, but, to use it, the thing is that it would have to be Gulf-wide, and, of course, we’re all aware that there is a considerable amount of money, close to $10 million, that’s been put aside by Congress to come up with an independent estimate of biomass in the Gulf of Mexico, and so, essentially, what that study is going to do is survey the Gulf and estimate biomass through the Gulf.

Now, I don’t think any of us want to wait until all of that gets done, but there’s a lot of interest in doing these kinds of things, but I don’t rule out any particular studies on it, but, off the top of my head, I’m aware of one study that has taken a look at this, and I’m happy to talk to folks at the Center, Clay and folks, and see what else they’re aware of that might be useful. Understand too that it’s going to be -- The state-by-state biomass is going to be approximate, but I think it will get you in the general ballpark of where these things are taking place.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: I like the motion, and I’m going to vote for it, because I think we should look at all kind of options here, and certainly I understand there is some concern about historical landings and things like that, but I do want to remind folks, at least for the recreational sector, certainly more so than you would find in commercial, but landings tends to tell you a lot about both of these things.

Commercial fishermen, there is a variety of reasons why they might go and land fish that have nothing to do, necessarily, with the biomass, but, in the recreational sector, I think landings, more so, speaks to both of these issues, but I still think we should look at this, but there is some argument out there that the landings already do this.

CHAIRMAN GREENE: Dr. Crabtree, to that point?
DR. CRABTREE: There is. I think, though, we just have to be aware of the dynamics of the stock that have taken place as it has rebuilt. I mean, I live in the Tampa Bay area, and I can tell you, ten or fifteen years ago, we didn’t have any red snapper, and so, as the stock has rebuilt, particularly in the eastern Gulf, places where red snapper vanished now have a lot of red snapper, and so, if you use a landings series or a biomass series that is heavily weighted towards fifteen or twenty years ago, that’s not reflected in it, and so it doesn’t capture the dynamics of what’s happening, and, if we don’t capture the dynamics of it, it will make it very difficult for some states to buy into this, because we are not reflecting the realities of what those states have to deal with.

I think we all have to be sensitive to that, because, ultimately, we’ve got to come up with something, and Dale said it best, that nobody is going to get everything they want. The question is can we come up with something that everyone can live with though and give us a path forward on it?

CHAIRMAN GREENE: Mr. Diaz.

MR. DIAZ: This question is for Dr. Crabtree. As far as this motion is concerned, do you envision using these two things maybe in addition to landings or these two exclusively or how are you kind of thinking about that?

DR. CRABTREE: I am thinking of this as staff comes up with a suite of alternatives to put in here in addition to the ones that are already in here based on landings. I am trying to come up with some additional things that we can look at.

MR. DIAZ: So they could stand alone or they could be in combination with landings or --

DR. CRABTREE: Or you could decide to do it with landings and that this didn’t work, but we won’t know until we take a look at it.

MR. DIAZ: Right. As far as trips, trips would have to come from MRIP?

DR. CRABTREE: No, they will have to come from a variety of sources, because we don’t have MRIP for Texas, and so we’ll have to rely on Texas Parks and Wildlife for that, and, if you want to use the recent time period, we’ll have to use LA Creel, but I think, for Mississippi east, those would come from MRIP and headboats as well, the headboat survey.
**MR. DIAZ:** Right, and I don’t know what that would look like, and I think we need to do this and check and see how this comes out, but I have said this on the record before, and, as a small state, MRIP can swing very wildly in the State of Mississippi. In some years, it has it as 0.01 on our landings catch, and, the very next year, it might be 3 or 4 or 5 percent, and they don’t swing that much, but it just depends on what intercepts hit during the time period.

**DR. CRABTREE:** Right, and understand too that these won’t be trips, necessarily, that are red snapper trips. They would just be -- You could look at recreational trips that went into the EEZ. We have that.

You could only look at recreational trips in the EEZ in the months of June and July, because that’s when red snapper has been open, and there are different ways you could slice this, but you can’t really look at just red snapper trips. The advantage of that though is it probably will give you a lot of trips, and my hope is it gives you -- It avoids some of that wild swinging around, and I don’t know if it will or not, but I think it might.

**CHAIRMAN GREENE:** Dr. Mickle.

**DR. MICKLE:** Thank you, Mr. Chairman. To those points of Dale and Roy, exactly, and so, when you have low numbers of intercepts, you have crazy variance. Low numbers of intercepts usually means low trip numbers, and so obviously Mississippi is going to have a large problem with this motion, but, as far as uncertainty, we don’t even know how uncertain it is spatially or temporally, which Roy just said, looking at seasonality within it.

The biomass issue, right now, we’re referencing a single manuscript, and I was there for that presentation at the Gulf States meeting, and it’s looking at biomass on a spatial level. It is, but it’s bringing in types of reefs, natural reef and artificial reef and rigs, and it looks at all of those things, and the discussion is stemmed toward making those discussion points and inferences, and so, when you start talking about biomass, leaning on a single manuscript is an incredibly dangerous thing to do, and I just wanted to make that clear.

**CHAIRMAN GREENE:** Mr. Gregory.

**EXECUTIVE DIRECTOR GREGORY:** Dr. Crabtree, I was curious, what
Do you mean by options for weighting the two? I mean, weighting -- I could see looking at catch by state, weighted by biomass, or weighted by trips, or do you mean saying the estimate will be 50 percent biomass and 50 percent recreational trips?

DR. CRABTREE: Yes, something along those lines. I am thinking back to I think it was Amendment 41, where we had geographic weighting and then other kinds of weightings, and we had formulas that applied this much, and so you could decide, for example -- I mean, Paul makes a good point that the biomass numbers are probably really uncertain, and so we're only going to give it so much weight and we're going to mostly look at trips.

Exactly how you do that, I don't know, Doug, but it seems like there would be some way to mesh the two together a little bit, and Paul is right that there is going to be lots of uncertainty with all of this, but it's just another way to look at it that I think is worth exploring anyway.

CHAIRMAN GREENE: Dr. Ponwith.

DR. PONWITH: Thank you, Mr. Chair. The biomass question, the highest quality information we have on biomass is if you split the Gulf of Mexico east and west using the Mississippi, because, essentially, that's the way we've constructed the stock assessment, and so that's where we have the most certainty.

The paper is a good paper. It's a peer-reviewed paper, and it's really looking at distribution and productivity in natural reef habitats relative to artificial reef habitats and the relative proportion of those two coarse types of habitat within the Gulf of Mexico, but it's true that it's one paper, and it was written really to look at that one issue.

I think it would be informative in this question. Whether it's adequate to actually use it as the basis for dividing Gulf of Mexico biomass by geographic, by state boundaries, remains to be see, and so I think it will be informative, but we would really want to look carefully in terms of the ability to do that.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: There's been a lot of talk about this paper. Can we, I guess if this motion passes, receive that paper and maybe have a presentation on it at our next meeting, so everybody kind of sees what we're talking about?
EXECUTIVE DIRECTOR GREGORY: I don’t know if we have it, and if somebody at the Regional Office could distribute it or give us the reference and we could find it.

DR. STUNZ: I’ve got it, Doug, and I will forward it to you.

CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: Thank you, Chairman Greene. I know you’re kind of past your time allotted, and I will be brief, but I have made comments in the past about concerns relative to using biomass. However, in the light of Dale’s comments that not all of us are going to be happy, I know we, early on, were very supportive of trying to get regional management through, because we felt that provided our anglers the best opportunity to provide the maximum flexibility that’s allowed, and so, in the spirit of trying to get more numbers out there for us to look at, to maybe find that magic sweet spot for everybody, or at least come close to it, I will support the motion.

CHAIRMAN GREENE: Mr. Riechers.

MR. RIECHERS: In this discussion about this paper, obviously SEDAR 31 is also one of our references there, and we may have some more references coming up by the time we would get moving on this, though I am not certain we would, given the time it takes to do the assessment, but I think we’ve got a couple of references.

I am like you, Kevin. In fact, I’m going to offer another motion in that same vein in a moment, and not that I’m wanting to create a lot of extra work for staff, and I will say it now, but, obviously, if we can get to some sort of conclusion, where we can look at this and come up with this kind of regional approach, we’re all going to be much better off, and so I will suggest that I will be offering a motion, and it’s not to change or suggest that it’s the way we need to go, but it will be an option for us to look at some different numbers that I think have some reasonableness to them.

CHAIRMAN GREENE: Mr. Sanchez.

MR. SANCHEZ: I think we’re on our way to making progress, because nobody is happy.

CHAIRMAN GREENE: Okay. Thank you. All right. Is there further discussion about the motion? Seeing no further discussion, is there any opposition to the motion? One in
opposition, and the motion carries. Mr. Riechers.

MR. RIECHERS: I would also offer a motion that we reconstruct the allocation landings tables and truncate that landings series at 2010. If I do get a second, I will give you some of my rationale.

CHAIRMAN GREENE: Okay. Let’s make sure we get the motion on the board.

EXECUTIVE DIRECTOR GREGORY: Knowing that’s the oil spill year?

MR. RIECHERS: It has nothing to do with the oil spill. You’re saying go through 2009 and don’t include 2010 because of the oil spill? Yes.

MR. ANSON: Second for discussion, if you need it, Johnny.

CHAIRMAN GREENE: Okay. Mr. Riechers.

MR. RIECHERS: If I may, I will give a little rationale, and, again, I’m trying not make a tremendous amount of work, because we could create --

CHAIRMAN GREENE: Hang on. Is your motion correct?

MR. RIECHERS: Yes.

CHAIRMAN GREENE: Okay. It was seconded by Mr. Anson. Mr. Riechers.

MR. RIECHERS: Okay. Certainly, and we’ve talked about it around this table a lot, in the western Gulf, the timing of the June 1 season really impacts the fishery in the western Gulf. This is the point in time where we started going to forty-five-day seasons and things were really changing dramatically, and the ability to get out during that timeframe could impact your landings series.

I am not certain what it does to percentages. I haven’t calculated it, and I don’t know, but I think, as we try to work through this issue, it may be worth looking at as well.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: Robin, are you talking about adding some alternatives for allocations that only rely on landings through 2009?
MR. RIECHERS: Well, I was going to -- We could add them as alternatives, because, once you do the calculation, it’s easy enough to put those as alternatives in the document, just like you have them now.

I don’t think we’re going to vote this out in October, and so I was going to let them come back with those numbers and let us take a look at that as well as with these new series as well. If you want me to make it a motion, where we add it as an alternative, I can certainly do that.

DR. CRABTREE: I think it would be better to look at some alternatives that don’t go past that, because we’re going to have to include alternatives that look at more recent years, because there are requirements in the statute to take into account past and present participation and things like that, but I don’t have any problem with having some alternatives that only use those older time periods.

CHAIRMAN GREENE: Mr. Sanchez.

MR. SANCHEZ: Like we mentioned earlier, the Florida fishery is expanding as the biomass comes our way in recent history, and that is almost ten years.

MR. RIECHERS: No, and I hear you, John, and I certainly understand that, and that’s why we have one that’s going to take account of both the biomass expansion, possibly, as well as number of participants, and maybe trips is the better way to go on all of this, but I just think we have to recognize and acknowledge that our own management strategy has basically changed the way this fishery has been prosecuted, and certainly east to west it has made that change, based on that June 1 date.

I will suggest -- I will leave it up to you guys whether you all bring this back as an alternative suite outside or inside. That’s really you all’s call, but hopefully it passes, so that we will get to see some of those.

CHAIRMAN GREENE: Dr. Mickle.

DR. MICKLE: Robin, you justify, in this motion, to say that the volatility of the snapper recreational catch started after 2009, and is that the rationale? Am I missing something?

MR. RIECHERS: No, and I’m -- Certainly there has always been that volatility, and, as you suggest, there is always some
implications regarding people being able to get out, et cetera, but, when we truncate that season to a relatively shorter period of time, and certainly, in the most recent years, when we’re talking about real short seasons, given weather vagaries in the western Gulf and the winds that we have, we’re just going to get less participation with that June 1 start.

For those who were on the council when we started hitting June 1, you all know that this has been a discussion point that we’ve had since we started setting June 1 as the date, and so my notion is that, once we start hitting that forty-five-day period, you have really basically taken away some of the opportunities to spread out and find those better weather days.

CHAIRMAN GREENE: Dr. Mickle.

DR. MICKLE: Thank you, Mr. Chairman. Understood, and thank you for the clarification. I just want to get on the record that Katrina did hit in 2005, and our for-hire fleet and our private fleet is, literally, no exaggeration, just starting to get back on its feet, and so this motion will, I guess, envelope that and show it.

CHAIRMAN GREENE: Thank you. Is there further discussion? All right. Any further discussion? Seeing no further discussion, is there any opposition to the motion on the floor before you? Seeing four in opposition, the motion carries. All right. Is there further discussion? Mr. Walker.

MR. WALKER: I was just going to bring up something from my experience in the commercial industry and this allocation. When it came up, it was pretty hard. I forget how many members we had, maybe seventeen members, and we had seventeen recommendations on how the allocations should be split up, and so there were several things that came up, and then one thing that actually came up was either the first ten years or the last ten years, and it ended up being the ten consecutive years, but we used all of the years that were available from the logbooks.

That way, everyone -- As Dale mentioned, a lot of folks are going to have to give up something, and so we all had to give up something, and we were all diluted, but everyone gave up something, and that was using all the years that were available, and maybe you could -- I am just suggesting that maybe you could look at all the years available for the records for recreational red snapper landings and then maybe look at using a consecutive ten-year period or something, and that’s just a suggestion.
CHAIRMAN GREENE: Mr. Anson.

MR. ANSON: David, I recall, from the commercial side then, wasn’t -- Maybe, Dr. Crabtree, you can chime in, but weren’t there some allocation decisions that were based on using the best years that you had available, so each participant could basically go to their logbooks and then they picked the best years and then everybody coming to the table would have their best years and then that would be the basis for determining that percentage?

MR. WALKER: Yes, that’s correct. I think it was maybe the computer picked the best ten years of your history, and that was determining what your allocation was based on, and there was a lot of these things -- You know, people had hardships. Maybe it didn’t take place in the first year or the last year, and we took all of that into consideration.

We didn’t have an oil disaster at the time, but it was hardship, and that was taken into consideration, and, like I said, the council took it and made it the best ten years, but, anyway, that gave us a long history to pick from, and it was all the history that we could pick from at the time.

MR. ANSON: I will make a motion then that maybe, in the spirit of getting more numbers out there, is that the allocation table include a formula which looks at the percentages based on using or looking at the best ten years from the period 1986 through 2015 or 2009, and I will take that back. From 1986 to 2009 as the percentage of allocation. It will be ten years, and I’m sorry, but to look at the best ten years from the series 1986 through 2009.

CHAIRMAN GREENE: We have a motion on the floor. Is there a second for this motion? It’s seconded by Dr. Mickle. Dr. Crabtree.

DR. CRABTREE: If you want to look at something like that, why would you only look at it through 2009 and not include more recent years?

MR. ANSON: Only going back to Robin’s point about -- I mean, I guess, if it’s the best, it’s the best, but, again, trying to get it to a point of -- Robin is going to, essentially, probably be getting the best ten years prior to 2009 anyways, but that’s all.

DR. CRABTREE: But, in my view, anything that stops at 2009 is
never going to be acceptable to the other states, because it
doesn’t reflect the realities of the last decade, and so I’m
just not sure that it’s all that productive to go down that
path.

I mean, I’m fine with looking at it, and, you know, if your
concern is about outlier years and things, there are other --
Most of these are based on arithmetic means, which are highly
influenced by big swings. If you used the geometric mean, it’s
much less sensitive to really high and really low things, and so
there’s lots of different ways that we could look at this, I
think.

CHAIRMAN GREENE: Mr. Sanchez.

MR. SANCHEZ: I could support it if we went to say 2015. Again,
you’re going to pick your ten years, and that would give a
couple of different ten-year options out there, and that would
bring it closer to home for us and be something we could
embrace.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: I just want some clarification. Kevin, are you
talking about the best ten years, the highest ten years, of
Gulf-wide landings or the best ten years of each state’s
landings? Certainly, if it’s each state, that won’t work.

MR. ANSON: I was actually thinking -- Good point. I was
thinking each state looking at their landings and then they pick
the best ten years, and then you add all of those together, and
then that formulates the percentage, basically, and so you’re
not going to come up to 100 percent of the pounds, necessarily,
for each of those years, but, if you were at 15 percent or 12
percent or 10 -- Not 15 percent, but you just add up the number
of pounds that correlates with what you had harvested in your
best ten years, and then that would be added to the pounds that
Mississippi had and the pounds that Alabama had and all that.
Then, whatever that percentage was, is what it would be.

CHAIRMAN GREENE: Ms. Bosarge.

MS. BOSARGE: I think staff just maybe clarified what Kevin’s
intent was there in that motion, because you want to do this on
a state-by-state basis, and that’s what I was going to bring up.
I just wanted to make sure that your motion was going to be
clear, the way you intended it.
Then I am not sure whether we want to go 2009 or we want to go further in time than that. I am going to leave that up to the council, but I do think we should probably make it clear that, whatever time series we go through, looking at this has a definitive cutoff.

We would not go past 2016 and look at anything past that, because, if we do, then we are essentially creating a situation, as we trudge along with this document, where states are incentivized to like, for example this year, and you want to get your landings as high as you can if you think this is going to take us a couple of years, and so you open your season after the agreement that’s been made with the Secretary of Commerce.

I don’t want to incentivize that kind of situation, and so I think we need to make sure that there’s a cutoff of 2016 and we’re not -- This says 2009, and that’s fine, but I am just saying, in the future, if we go forward and try and do through 2015, whatever you all decide, let’s make that clear, that this isn’t going any further than that. We don’t want to incentivize something that’s maybe not conducive.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: A question and then -- Kevin, I assume here that the intent is truly the best ten and not like the best ten consecutive, right? Okay. Actually, I want to make a substitute motion, which would basically be this motion, but substitute “2009” for “2015”.

CHAIRMAN GREENE: Okay. We have a substitute motion, and it was seconded by Mr. Sanchez. The substitution motion is that the allocation table include a formula that looks at the percentages for the best ten years for each state from the time series 1986 through 2015 as a percentage of allocation. Is there discussion about the substitute motion? Dr. Crabtree.

DR. CRABTREE: I do think that is better, because there is language in the Magnuson Act with respect to allocations, and it does say that we have to take in current and historical harvests, and my worry would be, if you cut it off at 2009, how are you taking into account current levels of harvest, and so I think this is a better motion.

CHAIRMAN GREENE: Mr. Walker.

MR. WALKER: Thank you, Chairman Greene. I know, in the commercial industry, we decided to go with consecutive, instead
of people just picking and choosing the best ten years, if we were worried about it diluting it anymore, and our thought was that we had older fishermen who had a history that was maybe heavier in the early years, and then you had some younger fishermen that maybe were heavier in the latter years, but that’s what it was.

We were just afraid of people picking and choosing too many years and diluting it too much, but the ten-year average was used because it was sort of like, if you get tenured in a job, you’ve had ten consecutive years in a job, and so that was kind of our thoughts on it, but we all supported the consecutive ten years. Of course, I like extending the years from 1986, and I don’t see any problem including 2016, but I like the using more years.

CHAIRMAN GREENE: Okay. Thank you. Is there further discussion on the substitute motion on the board? Seeing no further discussion, is there any opposition to the motion on the board? Seeing no opposition, the motion carries. Is there further discussion? Dr. Lasseter.

DR. LASSETER: Thank you, Mr. Chairman. I wanted to respond also in regards to some of the law enforcement concerns. There is the upcoming Gulf States Commission meeting in October, and I believe Mr. Atran is already compiling an agenda for that, and so we’ll be able to bring that feedback to you in January from the Law Enforcement Technical Committee.

If there is no more discussion on the Action 2, let’s move into Action 3, which begins on page 16, and this is the action to potentially modify the federal recreational minimum size limit. Again, this was considered in Amendment 39, and Mr. Banks did include this as a potential action in Louisiana’s conceptualization of state management, and so we did include this in the document.

However, if you are not interested in modifying the federal minimum size limit Gulf-wide, we are hoping that you would remove this action, but let me go over the alternatives first. Of course, Alternative 1, again our no action, would retain the current sixteen-inch total length minimum size limit.

Alternatives 2 and 3 would reduce the federal minimum size limit to fourteen inches or fifteen inches total length, respectively, and Alternatives 4 and 5 would increase the federal minimum size limit to seventeen and eighteen inches total length,
respectively, and, again, we always need a reasonable range of alternatives, and that’s why we had provided you previously both increases and decreases to the current federal minimum size limit, and so I will pause there and see if there’s any discussion on this action.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: Just a question, Dr. Lasseter. You had made a statement earlier on, when describing the overall document, about the impact of a different size limit in different states across the Gulf and the impact on the stock assessment.

Knowing that Texas currently has a state-water size limit of fifteen, and commercial having a size limit of fifteen, and then everything else being sixteen, don’t we already have that issue, and so why -- I guess I’m confused as to is it truly still an issue, because it seems that it already is an issue, and we’re dealing with it.

DR. LASSETER: I believe it is an issue. I know, in our IPT calls, it was the stock assessment people from the Science Center that were very concerned about potentially modifying this in different parts of the Gulf. I would need someone to speak, one of our biologists that is more familiar with what the specific issues are with the stock assessment, and, Sue or John, can you potentially discuss more of the implications of having the different size limits across the Gulf?

DR. FROESCHKE: Well, you just really have to run it through the stock assessment. I don’t know, off the top of my head, how that would play out.

CHAIRMAN GREENE: Mr. Banks.

MR. BANKS: I guess where I was going was it just seems like that it’s already an issue, and so I don’t know why we would need to try to limit it at this point. It seems like each state having that flexibility wouldn’t make the situation any different than it already is, and so I certainly prefer to have no action and keep the sixteen-inch, but I don’t want to tell the other states what they should do. If the situation didn’t already occur, I can understand it, but the situation is already there.

CHAIRMAN GREENE: Dr. Mickle.

DR. MICKLE: Just from a scientist’s point of view and doing
stock assessments within my state, when the data is going in the models, they’re designed to go in as fleets, and, to Patrick’s point, there is a size difference with Texas and the rest of the Gulf, and so they’re compensating for that, so it can be done, but, if you have all these different states with different lengths, you’re creating more fleets, so to speak, more and more and more fleets, and so it convolutes the model when you have these streams going in in different fleets, so to speak.

CHAIRMAN GREENE: Dr. Crabtree.

DR. CRABTREE: That was going to be my comment, with Paul. If you end up with a hodge-podge of size limits in the Gulf, you’re going to have different selectivities off of each state, and then it definitely will interject more uncertainty into the assessments, I think.

CHAIRMAN GREENE: Mr. Riechers.

MR. RIECHERS: That is, as I recall the conversation, the issue. It was actually compiling the data for the stock assessment and trying to work with it, is what the stock assessment scientists were concerned with.

I just might remind folks that the reason we’re at fifteen is because the yield per recruit is maximized at that level. We went to sixteen here at the council level, I believe at one point, and I’m not completely recalling all the rationale, but then we got the yield per recruit, and that’s why the commercial has dropped back down to fifteen, or never moved. We stayed at fifteen, and, for whatever reason, the council has chosen to stay at sixteen for the rest of federal waters.

CHAIRMAN GREENE: Mr. Gregory.

EXECUTIVE DIRECTOR GREGORY: It’s confounded by the greater magnitude of the population that is affected by the disparate size.

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

MR. WALKER: I just want to mention, when we reduced our size limit to thirteen inches, it addressed a lot of our discards of -- Observers have gone before and said, well, you guys don’t have any discards, and so, when you’re fishing in 120 or 150 or 200 foot or wherever you’re fishing, the survival rates are not very good for any size limit.
Then I would like to mention -- I have asked before, which it never really went anywhere at the council, to look at some type of -- If you're catching smaller fish and people are landing these fish and they're not releasing them back to the water, but, if they kept these fish, it could actually reduce the size limit, the actual weight of the fish, and that could give you a longer season, and I think that was actually found out in the headboat industry, because they found out that their fish were actually smaller and that they were able to get a longer season, and so I just always thought that looking at a smaller size limit was something of value.

CHAIRMAN GREENE: All right. Is there further discussion? Okay. I don’t see any further discussion. Dr. Lasseter.

DR. LASSETER: Thank you, Mr. Chairman. This is the final action in this programmatic amendment, the overview, the umbrella amendment, if you will, and so the next three amendments are the Louisiana, Mississippi, and Alabama, respectively, (b), (c), (d), that are identical and each include three actions, but I am actually going to pause here for a moment, given the time constraints, and see if we want to carry on with this in committee.

MS. BOSARGE: I think if we can wrap this committee up by 11:25 -- That gives me five minutes to make it through about the first three or four things on the Full Council agenda, and I think I can do that. I think I can speed through that, but, having said that, I don’t think that we can get through one of the state amendments in that period of time, but we did have two items under Other Business that we might could make it through and have the state discussion during Full Council, during the committee report, but I see some hands raised, and so that is my game plan, unless you all convince me otherwise.

CHAIRMAN GREENE: Okay. Before we leave this portion, does anybody else have anything? Mr. Banks.

MR. BANKS: I would make a motion to make Alternative 1 the preferred. Hopefully I will get a second.

CHAIRMAN GREENE: We have a motion to make Alternative 1 the preferred, and it was seconded by Mr. Sanchez.

MR. BANKS: The rationale is just to try to -- Based on the discussion, and you guys were very good at explaining to me what was going on, and it sounds like, to me, we don’t want to make the problem for the stock assessment any worse, and so I would
just as soon keep the size limit where it is. Thank you.

CHAIRMAN GREENE: Okay, and this would retain current federal regulations for the minimum size limit for recreational red snapper in federal waters to the minimum size limit of sixteen inches total. Is there further discussion? Mr. Anson.

MR. ANSON: I hope this passes or carries, but I will make a substitute motion that we move Action 3 to Considered but Rejected, because that will just save on the writing and all of that for staff.

CHAIRMAN GREENE: We have a substitute motion to move Action 3 to Considered but Rejected. Is there a second for this motion? It’s seconded by Mr. Swindell. Ms. Gerhart.

MS. GERHART: Like before, this is a very early stage of this document, and so I don’t think that it needs to go to Considered but Rejected, but just be removed from the document.

MR. ANSON: I am seeing a nod, and so if you can just amend that, for clarity then, just to remove Action 3 from the document. Thank you.

CHAIRMAN GREENE: Okay. We have a substitute motion to remove Action 3 from the document. It was seconded. Is there further discussion? Seeing no further discussion, is there any opposition to the motion? Seeing no opposition, the motion carries. Dr. Lasseter.

DR. LASSETER: Thank you, Mr. Chairman. Did I just understand that we were going to -- That is the end of the umbrella document, and we’re going to continue on with the individual amendments in Full Council? Okay. Great. That is the end of this amendment, and so I will turn it back over to you, Mr. Chairman.

CHAIRMAN GREENE: Okay. We had two other items under Other Business that were notified yesterday. Mr. Sanchez had a yellowtail issue.

OTHER BUSINESS

YELLOWTAIL SNAPPER DISCUSSION

MR. SANCHEZ: Yes, and Martha as well. Again, we had a request from Michelle Duval, the Chairperson of the South Atlantic, and it was regarding the, I guess, the reoccurring closures of the yellowtail commercial fishery on the south side, and then there
was a request maybe to -- As much as I really am not a fan of these joint plans, to kind of combine forces with us and see if we couldn’t get some relief doing that.

I would like to see if we could just formulate some discussion, some options, for the next meeting, so we can try to avoid this continuing problem from happening again, because that is a very, very important species to the Keys, to restaurants, and to the fishermen, and I would ask Martha to chime in, because she’s heard from the same folks as well.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: Hopefully everybody saw that letter. It came a few weeks ago, and we also got a letter, earlier this week, and I think it maybe at least went to the Chair and a couple of us, from Bill Kelly. He couldn’t be at this meeting this week.

It’s the start of lobster season in the Keys, but he is supportive of moving forward with this concept.

I think, the last time we actually talked about this as a council, we approved a motion to do this, and then the South Atlantic had to kind of stall, I think at some point, but we keep having this conversation, over and over and over again, and I feel like we need to work with the South Atlantic and try to see if we can come to some kind of resolution here, because this has been an ongoing issue for several years now.

CHAIRMAN GREENE: Mr. Gregory.

EXECUTIVE DIRECTOR GREGORY: We got the letter too late to include it on the agenda for this meeting, and so we were planning on pulling together the information that the South Atlantic Council provided, plus some landings data, to have a discussion at the October meeting and have it on the agenda for the October meeting.

It basically boils down to the South Atlantic Council has developed sector allocations, recreational and commercial, and we have not, and that’s going to be the crux of the issue. Do we want to create sector allocations and then combine them with theirs, or do we want to ask them to combine their sector allocations and combine it as a whole with ours? We will have all of that information for you in October.

CHAIRMAN GREENE: Ms. Guyas.

MS. GUYAS: That sounds great. Just, I guess, also, given that
this issue -- Whether the Gulf Council ends up taking it up or not, it affects us as Florida either way, South Atlantic or Gulf. I mean, our agency is going to be working closely with the fishermen down there to try to come to a solution that everybody can live with here, and so I appreciate the effort for us reviewing this.

CHAIRMAN GREENE: Thank you. Any further discussion on the yellowtail issue? All right. With that, we will move into our last noted Other Business item and Dr. Crabtree.

NINE-MILE BOUNDARY FOR MANAGEMENT OF REEF FISH

DR. CRABTREE: You may recall that, in the 2016 budget, there was language regarding state-water jurisdictions off of Louisiana, Mississippi, and Alabama, and the budget extended state waters off of those states out to nine miles, and that language has been carried over.

We have consulted with the attorneys as to whether that jurisdictional change is only in effect for the duration of the budget or is it permanent, and the determination has been that the change in jurisdiction, for reef fish management purposes, is permanent until Congress changes it.

It has an impact on some of the regulations that we have in place. We have a seasonal closure for the recreational sector for shallow-water grouper, and we have a stressed area, and we also have, I think, the longline gear boundary, and we have plotted these out, and, around the mouth of the Mississippi River, there are some places where the stressed area and some of our things actually cross into state waters.

We’re going to need to go back into our regulations and change the location of the inner boundary of the EEZ on some of these to reflect our jurisdictional boundaries and do that, and I am talking to NOAA Office of General Counsel as to whether we can just make a change to the numbers in the regulations or whether the council will have to do something, and we’ll work with Doug’s staff on that and keep you apprised of it, but we do need to make that change.

I think there are also questions coming from fishermen about where is the boundary line and some of those, and so we’ve drawn some charts and things that show it, and I don’t know that NOS is going to change the navigational charts to reflect this or not, but I just wanted to bring this to your attention.
I don’t think there’s a lot of consequence to these issues, in terms of our overall management of the fisheries, but I just wanted you to be aware that some of these changes will need to be taken care of.

CHAIRMAN GREENE: Okay. Thank you, sir. Any discussion about Dr. Crabtree’s information? Okay. That completes our schedule, as modified, and is there any further business? Mr. Boyd.

MR. BOYD: Just a question, Mr. Chairman. At some point, we’re going to reconvene the private recreational AP, and I didn’t know if this was a point where we wanted to talk about that or in Full Council, and just get it back on the agenda sometime, and I don’t know if you’re going to leave that up to staff to call it or we need a motion. I know the private recreational AP said they needed to meet again, and they would like to have a report on data and a description of process and things like that from the Science Center, and so I just thought I would bring it up here.

MS. BOSARGE: Actually, I had talked to Doug about that a little bit, and we’re trying to figure out what that schedule is going to look like, because the other AP, I think, that requested was the -- Is it the for-hire AP? They had also requested another meeting at the end of the year.

Now, obviously, we’re going to have to look at some budget issues and some timing, especially on that private angler AP. I think there’s some people that it would be really helpful to have at that meeting, like scientific and stock assessment type people, to answer those questions that they were asking.

That way, they can talk directly to the people that conduct those, and I think that would be very helpful, and so I want to get with those people and see what their schedule looks like too and make sure that they can attend them, but, yes, we are working on it, and I think our discussion revolved around would those two meetings happen this fall, and so sometime between now and the end of the year, or would they actually be sometime early next year, but we haven’t come to a conclusion yet, based on all of those issues that we just talked about with the scheduling of the people that we want to be there to answer their questions and budget constraints, but, yes, we are working on that, and we do intend to meet those. Am I correct on that, Mr. Gregory?

EXECUTIVE DIRECTOR GREGORY: Right, but we weren’t planning on having the Reef Fish AP, the for-hire AP, the headboat AP, and
the private AP all meet this year. We were definitely, and, Carrie, correct me, but planning on having the Reef Fish AP meet this year. That was the only thing that we have definitely planned and have, I think, in our schedule. Carrie, is that correct?

DR. SIMMONS: We budgeted for all of those meetings. The question is can we get them all done by the end of the year, based on where we are with the actions that the council is working on, or is it appropriate to wait, and so I think we were kind of waiting for this meeting, to see how things moved forward, as far as the state management plans and 41 and 42 and the timing of those and when it was appropriate to put those documents back before the various APs.

I think the way we left the private angler AP discussion was staff’s understanding was we were going to try to reconvene that group in the fall and try to get all the appropriate folks together and potentially put the state documents before that group as well, depending on where the council was with that, but, again, we were waiting to see what happened at this council meeting.

CHAIRMAN GREENE: Thank you. Mr. Sanchez.

MR. SANCHEZ: I definitely would like to convene the joint for-hire AP, because we heard earlier this week, when we were trying to address the referendum items, that we weren’t far enough along in those documents and we hadn’t picked preferreds, and I would like them to convene before the end of the year so they can pick preferreds, both headboats and for-hire respectively, and then bring that back to us, so we can do something and move forward.

MS. BOSARGE: As we said, both of those are on our radar, but we’re just going to have to look at some scheduling and timing to see, you know, when we’ll be able to meet them, but, yes, they are both in the works. Just bear with us, and we’ll try and keep you posted on when the actual schedule transpires.

CHAIRMAN GREENE: Okay. Any further business to come before the Reef Fish Committee? Madam Chair, we stand adjourned.

(Whereupon, the meeting adjourned on August 9, 2017.)

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