GULF OF MEXICO FISHERY MANAGEMENT COUNCIL

SHRIMP MANAGEMENT COMMITTEE

Golden Nugget Casino Hotel
Biloxi, Mississippi
April 1, 2015

VOTING MEMBERS
Corky Perret..............................................................Mississippi
Leann Bosarge..........................................................Mississippi
Roy Crabtree.................................NMFS, SERO, St. Petersburg, Florida
Dave Donaldson.......................................................GSMFC
Myron Fischer (designee for Randy Pausina)............Louisiana
Harlon Pearce.........................................................Louisiana
Lance Robinson (designee for Robin Riechers)............Texas

NON-VOTING MEMBERS
Kevin Anson (designee for Chris Blankenship).............Alabama
Doug Bademan (designee for Nick Wiley).......................Florida
Doug Boyd.............................................................Texas
Jason Brand.............................................................USCG
Pamela Dana...........................................................Florida
Dale Diaz (designee for Jamie Miller).........................Mississippi
John Greene...........................................................Alabama
Campo Matens.........................................................Louisiana
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Karen Hoak.........................................................Administrative and Financial Assistant
Morgan Kilgour.........................................................Fishery Biologist
Ava Lasserter.........................................................Anthropologist
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Cathy Readinger......................................................Administrative Officer
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Bernadine Roy............................................................Office Manager
Charlotte Schiaffo...............................................Research & Human Resource Librarian
Bryan Schoonard.......................................................GIS Analyst

OTHER PARTICIPANTS
The Shrimp Management Committee of the Gulf of Mexico Fishery Management Council convened at the Golden Nugget Casino Hotel, Biloxi, Mississippi, Wednesday morning, April 1, 2015, and was called to order at 8:30 a.m. by Chairman Corky, Perret.

ADOPTION OF AGENDA
APPROVAL OF MINUTES
ACTION GUIDE AND NEXT STEPS

CHAIRMAN CORKY PERRET: If everyone is in the audience would care to take a seat and tone it down, please. The good news is, after consultation with Dr. Crabtree, Chairman Anson, Executive Director Gregory and myself, we are not going to take up anything today and we have the day off. It’s April Fool’s Day. Now, that’s done.

The Shrimp Committee, we have Mr. Perret, Mr. Pearce is here, Ms. Bosarge is here, Dr. Crabtree is here, Mr. Donaldson, Mr. Fischer, Mr. Robinson. Ms. Kilgour, are you hooked up on the phone?

DR. MORGAN KILGOUR: Yes, I am here.

CHAIRMAN PERRET: Dr. Hart, are you on or will be on shortly?

DR. RICK HART: Yes, Corky, I’m here.

CHAIRMAN PERRET: Tab D, Number 1, the first thing is D-1,
Adoption of the Agenda. Any modifications or changes to the agenda? I have two. Under Other Business, I would just like to add TED Compliance Enforcement Workshop Report. Mr. Jason Brand, myself, and Dr. Crabtree will just summarize that.

Second is we have a letter that was forwarded to us through Dr. Nance from the Port Arthur Shrimp Association and, Charlotte or Karen, does everybody on the Shrimp Committee have a copy of that letter? If not, I would like for you to make a copy for everyone so we can just have a brief discussion on that. That’s the two additions. With that, I will entertain a motion for adoption.

MR. HARLON PEARCE: So moved.

MS. LEANN BOSARGE: Second.

CHAIRMAN PERRET: It’s moved by Mr. Pearce and seconded by Ms. Bosarge. Any discussion? Hearing none, the agenda is adopted. Next on the agenda is the minutes of D-2 and I need a motion for approval, unless there is any modifications.

MS. BOSARGE: So moved.

CHAIRMAN PERRET: It’s moved by Ms. Bosarge and seconded by Mr. Pearce. All those in favor say aye; opposed like sign. The minutes are approved. Next is the Action Guide and that’s simply the steps that we need to go through today. That is Tab D, Number 3. Any questions or comments on the action guide? Thank you.

Next is Item IV, the Biological Review of the Texas Closure, Tab D-4, and Dr. Hart is going to give us that presentation and are you ready, Dr. Hart?

DR. HART: Yes and can you hear me?

CHAIRMAN PERRET: We can hear you fine and thank you and proceed, please.

BIOLOGICAL REVIEW OF THE TEXAS CLOSURE

DR. HART: Thank you, Mr. Chairman, for having me here today and so I’m just going to go through the Texas closure review for 2014. This slide shows catch by month. We are seeing a stable catch for the last several years of around ten-million pounds. It’s trending towards more of the catch, as you can see in the more recent years, appearing in August.
This is also showing May through August by size and you see low catches in May and June and starting to see more in July and then the primary catch is in August. Of note is the low number of the real small shrimp in the smallest, greater than sixty-seven count. Primarily it’s some of the larger shrimp being harvested.

The next few slides are going to be percentage of the landings by port. This is the upper Texas coast ports. We are seeing about 25 percent of the total landings being landed in Jefferson County, followed by Chambers County.

This is similar, but for the middle Texas coast. You can see in the last ten or fifteen years Palacios becoming more of the dominant port where shrimp are being landed in the middle Texas coast.

Here we have the lower Texas ports and primarily it’s in recent years been Brownsville has seemed to be having more of the landings being done at Brownsville and overtaking Aransas in recent years.

This is July offshore white shrimp catch and we’re seeing a lot more of the larger size shrimp in the fifteen to twenty count in recent years. These are the larger, over-wintering shrimp. We are seeing more of those dominating the catch. This is August offshore white shrimp catch and, again, the larger size shrimp are dominating the catch.

Kind of in summary, the environmental factors are important for the growth and abundance of shrimp. We would expect the below average and this is from Dr. Scott-Benton’s prediction. Brown shrimp catch off of Texas was a little bit below average and the size of the shrimp off of Texas, about only 2.8 percent of the shrimp are in that greater than sixty-seven count size. These are more of the bay shrimp and probably about three weeks behind.

With the closure, we’re seeing an increase in pounds, an increase in yield, with the 2014 closure, between zero and 17 percent. Some changes in the landings distribution in Texas ports and the white shrimp catch off of Texas seems to be a little below average during both July and August. That’s really all. If you have any questions about that, I would be happy to entertain questions, Mr. Chairman.

CHAIRMAN PERRET: Thank you, Dr. Hart. Do any members have
questions for Dr. Hart? Rick, I have one. Looking at the landings at the various ports, where are the bulk of the shrimp being caught, the central Texas coast, northern, southern, or is it equally distributed?

DR. HART: You know, I would -- It’s probably more equally distributed. I would hazard to really answer that without having those data at my fingertips, because the landings by port is an indication of where they are fishing, but some folks do land in areas where they haven’t fished. It’s not as much now as in the past, but without having actually the catch of where they’re actually caught, I would hate to answer that question.

CHAIRMAN PERRET: Okay. Fair enough. Anybody got any questions for Dr. Hart? Okay, Dr. Hart, what else have you got for us?

DR. HART: That’s it.

CHAIRMAN PERRET: Okay. The biological review of the Texas closure, I want to read one thing and take it a little bit out of order, since we’re on the Texas closure. We are going to have the Shrimp Advisory Panel report coming up, but just since we’re on this item, I did want to let you know now, because we’re going to need a motion as to whether or not to recommend the Texas closure for the coming year or not, but the Shrimp Advisory Panel met last month in Tampa, at the council office.

There were about twelve people there and the motion that they passed unanimously was the Shrimp AP recommends that the 200-mile Texas closure be continued for the coming year. That was input from our council advisory panel. With that, what’s the pleasure of the committee relative to the Texas closure for the coming year?

MS. BOSARGE: I think the Texas closure is a great success story and I think pretty much anybody in the industry would tell you so. I would like to make a motion that we recommend to have the Texas closure concurrent with the date that they recommend out to 200 miles for the 2015 season.

CHAIRMAN PERRET: We are getting that motion on the board. I need a second.

MR. PEARCE: Second.

CHAIRMAN PERRET: It’s seconded by Mr. Pearce. The motion is to recommend to have the Texas closure concurrent with the date they recommend, they being the State of Texas recommends, out to
200 miles for the 2015 season. Discussion? Are you ready to vote? **All those in favor signify by saying aye; opposition.** Hearing none, so ordered. With that, the motion carries and we recommend the closure for the coming year. I think Mr. Anson and Mr. Gregory now need to make an announcement.

**MR. KEVIN ANSON:** Thank you, Mr. Chairman. We have had some requests to shuffle some items during full council, primarily Reef Fish, to move that up. Also, due to the webinar, there is some uncertainty, with the way the schedule is now, that the staff will be able to turn on the webinar and then turn it off after we go into closed session for the morning, later on this morning.

What we’re going to do is to move the closed session into first thing tomorrow morning and then with the hour that we will have in the schedule for today, move a few of the committee reports that are completed into that one-hour time slot and so anybody who is out in the audience, if they have anybody they think will be interested in any of the committee reports, we are going to probably do the SEDAR Committee, Sustainable Fisheries, and Law Enforcement, at least.

Then possibly Administrative Policy and Budget. Those committee reports will be done this morning for the time that was previously scheduled for the closed session from 10:25 to 11:30. Then we will have closed session first thing tomorrow morning for the hour, starting at 8:30 A.M. I just wanted to get that announcement out so people will be aware for this morning.

**MR. PEARCE:** Mr. Chairman, my report is fairly short on Data too and so if you want to try and --

**MR. ANSON:** Okay and whatever we can fit in that hour, we will try to accommodate. That’s it, Mr. Chair, and thank you.

**CHAIRMAN PERRET:** Thank you. Next on the agenda is the Summary of the Shrimp Advisory Panel Meeting, D-5. Morgan, are you on?

**DR. KILGOUR:** Yes, I am here.

**CHAIRMAN PERRET:** I see we’ve got you and are you going to give us a report or I guess read the AP panel summary you prepared? Are you ready to do that?

**SUMMARY OF THE SHRIMP ADVISORY PANEL MEETING**

**DR. KILGOUR:** I sure am. I wasn’t going to read the full
report, because the first part goes into Shrimp Amendment 17 and what the council will be seeing with Shrimp Amendment 17, but I was going to go basically more into the discussion.

There was a lot of discussion on Shrimp Amendment 17 on how some permit holders are not compliant with mandatory data collection and it was noted that the annual landings survey is important for states where trip tickets are not mandatory.

This led to discussion of the consolidation of the permit and data gathering form into a single permit packet and the AP discussed how permits were distributed and they thought that it would be probably more efficient to have all of your data needs and your permit in one packet, but that was -- It sounded like, from the NMFS Permits Office, that that might be a little bit of a nightmare and the Permits Office is currently working on streamlining the process so that they can see if all of the data, the mandatory data collection, from a permit holder has been collected before a permit can be renewed. That’s an ongoing process and there wasn’t a formal motion made on that, since NMFS is addressing this problem already.

There was an AP member that presented about the shrimp permit catch per unit effort and from 2000 to 2014 and a lot of this information was gathered using the Gulf shrimp survey and the shrimp electronic logbook data and so the Shrimp AP spent a significant amount of time looking at the CPUE over time, the catch over time, the effort over time.

They discussed the number of latent permits that have persisted over time and they thought that that needed to be investigated for the upcoming permit moratorium.

The AP was concerned about the future of the fishery and currently they thought that building a new boat was cost prohibitive and so the AP discussed how vessels are classified and the process for replacing boats. There was a lot of concern that this is an aging fleet and that further reductions in the permits would prevent new entrants into the fishery and so they wanted -- They wanted to look at Shrimp Amendment 17.

For most of the morning, they discussed the motion that they made and the motion is the AP recommends that the current requirements of the shrimp permit moratorium remain in effect until October 26, 2026, except that any shrimp permits that were valid or renewable as of December 31, 2014 and is not renewed before the close of the one-year period after the expiration date of that permit shall not permanently expire and shall
instead by held by NMFS in the Gulf shrimp permit reserve. NMFS shall reactivate and issue any permit in the Gulf shrimp permit reserve upon receipt of a qualified application and payment of the applicable fee on a first-come-first-served basis and to be qualified, an application must meet the following criteria.

Applicant qualifications are must be a U.S. citizen or U.S. corporation and they discussed at length a vessel qualification so that a vessel to which permit is attached must be no less than X feet and they did not come up with an actual foot dimension, because they couldn’t agree on what would be appropriate and thought that perhaps by going to scoping there could be more information given by permit holders on what an appropriate vessel length would be.

A major concern would be that people would apply a shrimp permit to a canoe and not be actively shrimping and so that permit would not be being used to its full capacity. Are there any questions on this part?

CHAIRMAN PERRET: Any questions for Morgan?

MR. PEARCE: Corky, basically what I’m seeing here is that we won’t lose any permits with this, but they are just going to reserve so that we can pull them out as we need them down the road for new fishermen?

CHAIRMAN PERRET: This option would allow for those that, through December 31 of 2014, would go into a pool and do we know the number yet, Steve? We don’t know that number now of who didn’t renew during -- They have got a year to renew?

DR. STEVE BRANSTETTER: In the RA’s report, it’s through -- There was one for January that would have been through January 5. I can look it up for you, but I don’t have it right off the top of my head.

DR. KILGOUR: I do have -- It’s in the Shrimp 17 document. As of I think it was March, early March, there were 1,470 current permits that either were current or could be renewed and so that number will change, I think, but that’s our best estimate for right now.

CHAIRMAN PERRET: Thank you. Any other questions? Go ahead, Morgan.

DR. KILGOUR: After that motion was made, the AP discussed including that option in the scoping document and staff informed
them that typically we don’t have options quite that specific in a scoping document, but the Shrimp AP made the recommendation to request that the council include the prior motion as adopted by the AP recommending Amendment 17 measures in the public scoping document. That motion carried with no opposition. We already went over the Texas closure and so is it all right with the committee if I skip that paragraph?

CHAIRMAN PERRET: Continue.

DR. KILGOUR: Okay. The AP also was presented with the outcomes of the MSY/ABC Control Rule Working Group. We are going to go a little bit farther into detail with that with Shrimp Amendment 17, but basically for white and pink shrimp, the MSY and FMSY had to be calculated by getting the value from the model and multiplying it by twelve, because those are monthly inputs.

Brown shrimp is a seasonal model and so the FMSY and MSY produced did not need to be multiplied by twelve and it was clarified that these values are for Gulf of Mexico shrimp only, because there was concern from the AP that these were including South Atlantic shrimp.

Pending the outcome of the SSC meeting, the Shrimp AP recommends that the council adopt the new MSY alternatives based on the Stock Synthesis Model.

The last thing was the AP got an update on the ELB program from Rick Hart and they just wanted to know the status of the ELB program and how many were active and how many were inactive and how many had repairs.

Then the last part was the group was presented with a Coral Working Group summary and so the council had requested that convene a group of coral -- Can you guys hear me or is there a lot of feedback?

CHAIRMAN PERRET: Go ahead.

DR. KILGOUR: Okay. I heard a lot of feedback and I apologize. The Coral Working Group met back in December and the next step was to convene the Coral Working Group or the Coral SSC and Coral AP with members of industry and law enforcement. Since we currently don’t have a royal red shrimper on the Shrimp AP, I presented the information to the AP and asked them for their guidance on who the appropriate members from industry would be.

Based on the discussion, the AP felt the whole Shrimp AP and
Shrimp SSC should meet with the Coral AP and Coral SSC instead of having just representatives and the AP made the motion to recommend that the council permit the Special Shrimp SSC and Shrimp AP to meet jointly with the Special Coral SSC and Coral AP and the motion carried with no opposition.

CHAIRMAN PERRET: Thank you, Morgan. Any questions for Morgan?

MR. PEARCE: I don’t really have a question, but I know this AP is recommending some things that we put into the scoping document and do we want to do that at this time?

DR. KILGOUR: You are welcome to do that. We have already included those general options of a vessel length and U.S. citizenship qualifications in the scoping document. What we don’t have is the specific line-by-line option, because that seems to be appropriate for an options paper, but it’s up to the committee what the committee suggests, but we have included everything that the Shrimp AP recommended into the scoping document and it’s already in there as part of the options for how the council may proceed.

CHAIRMAN PERRET: Thank you, Morgan. Any other questions for Morgan on this issue? Morgan, I think you’re up next with -- We need no action on that at this time, because we’re going to take that Amendment 17 recommendation up on a later agenda item, but the next item is Report on the Penaeid Shrimp MSY-ABC Control Rule Workshop, Tab D, Number 6, and then the SSC Recommendations are D-7. Morgan, would you proceed, please?

REPORT ON THE PENAEID SHRIMP MSY-ABC CONTROL RULE WORKSHOP

DR. KILGOUR: No problem and this is going to be really short and sweet. It was a really short and sweet working group. Basically, Rick Hart presented the MSY estimates from the models for all penaeid shrimp stocks and went through how he had done that. Again, pink shrimp and white shrimp were calculated by the model generating something for a monthly value and then that value was multiplied by twelve.

Brown shrimp were calculated using a seasonal model and so that value was not multiplied by twelve and that was just the standing value, but the working group had agreed on the annual MSY in pounds of tails for pink shrimp at 17,345,130 and an annual fishing mortality rate at MSY for pink shrimp at 1.35.

White shrimp, the annual MSY was 89,436,907 pounds of tails and the annual fishing mortality at MSY is 3.48 and for brown
shrimp, the annual MSY was calculated at 146,923,100 pounds of tails and the MSY at 9.12.

It was noted that there is a pretty big spread of the FMSY, but that’s because the models are parameterized slightly differently, but those values are consistent with what we already have in the Shrimp Amendment 15 document. There is a pretty large spread there too, because of the differences in the pink, white, and brown shrimp models. That table pretty much summarizes the conclusions of the group and are there any questions?

CHAIRMAN PERRET: Any questions for Morgan?

MR. PEARCE: Do we need a motion or anything on this one or that’s pretty much done?

CHAIRMAN PERRET: I don’t think we need a motion on any of this at this time, do we, Morgan?

DR. KILGOUR: No, I don’t think so. I think it would be more appropriate when we discuss the Shrimp Amendment 15, on whether or not to include an MSY action and an FMSY alternative.

CHAIRMAN PERRET: Thank you. Any other questions? Where are we now? Let’s see.

DR. KILGOUR: I think Will Patterson was going to present on the SSC Recommendations on that MSY Working Group.

CHAIRMAN PERRET: Sorry, but could you say that again?

DR. KILGOUR: Was Will Patterson going to present the SSC recommendations?

CHAIRMAN PERRET: Dr. Patterson. Thank you.

SSC RECOMMENDATIONS

DR. WILL PATTERSON: The SSC, at our last meeting in early March, we met and we reviewed the working group’s report and what you see on the screen here are the FMSY and yield at MSY at the top for pink and brown shrimp.

We discussed both the approach, which we had discussed previously, and we concurred that it was an appropriate approach. Obviously Rick Methot had quite a bit of input on parameterizing the SS Model on a monthly or seasonal time step
for the various penaeid shrimp stocks, pink, brown, and white.

We talked about those technical details some and we noticed, in the case of pinks, for example, that the blue line, the horizontal line on the plot here at the top for pink, and then to the right for brown, that is the MSY estimate that Morgan had just mentioned for these two stocks coming from the SS work that Rick Hart was the chief analyst for.

One question was raised about how we could have, in the case of pinks, in the middle part of the time series here, an estimate that the yield was above the MSY, but if you look on the plot below, you can see that the F for that year was estimated to be below FMSY and so that was a question that was raised and it was also raised again for whites.

However, what we have to realize is that the biomass is fluctuating for these annual species based on environmental parameters and so what we don’t see in these plots and wasn’t present in the report is what the biomass is doing across time.

Once we had that discussion, that concern was alleviated and so, again, here we have, on the right, the brown MSY estimates and the relative Fs and the related Fs for those years. Then the next two plots, these are for white shrimp.

The conclusion would be that we don’t have an history of overfished or overfishing, but, more importantly, in the context of MSY/ABC for penaeid shrimps, the SSC accepts the MSY advice resulting from the Gulf penaeid shrimp assessments as the best available science and finds them suitable for management.

This motion was unanimous and so Morgan just gave me these values, but for the three different stocks, pink, white, and brown, the annual MSY then would be the numbers here in pounds of tails and then the annual FMSY on the right, expressed as an annual rate for these stocks.

The Fs, you can see here, are quite high relative to Fs we typically deal with, but, again, we have an annual species and therefore, most of the animals will die or be caught in that one year of life. A few do actually survive into a second year of life or longer, but for most of the animals, they are going to be either caught or die naturally in that one year of life.

Lastly, the committee concurred with the recommendation from the Penaeid Shrimp MSY-ABC Control Rule Workgroup that ABC should be set equal to MSY for Gulf shrimp stocks. This was a
recommendation that was made by the panel and the SSC voted unanimously to support that recommendation and that concludes our comments on shrimp.

CHAIRMAN PERRET: Thank you, Dr. Patterson. 1.3 to 9.1 on FMSY between two penaeid -- That just seems like a tremendous difference and a possible explanation is brown shrimp are more distributed or widely distributed and pink are -- Any other?

DR. PATTERSON: We had quite a bit of discussion on that. That was one concern that I raised. It was kind of a head scratcher and then if you actually look at what the BMSY estimates for browns -- It’s a much lower number than for pinks and so we talked to Jim Nance and Rick Hart, who are the penaeid shrimp experts in life history and population dynamics.

They did point out differences in their life histories and another thing that we need to remember is that for pink shrimp it’s basically an offshore fishery. The animals leave their inshore nursery areas and so they are at a fairly large size. There’s quite a bit of natural mortality that has already occurred.

Because you have fewer numbers and you are prosecuting that fishery, it’s actually a lower F, but for the brown shrimp in particular, there is a large inshore fishery in different parts of the region and so these animals are being harvested at young ages and small sizes and considerably higher Fs.

This also speaks to where the MSY values are. If we can go back maybe two slides, for example, to brown shrimp, you will note that the landings history, the catch values have been well below that equilibrium MSY estimate and so one of the things we talked about is does this then indicate that effort could be ramped up in order to more fully extract the available yield and whether that would be the signal from this information.

Again, we need to consider that, in the case of brown shrimp, for example, there is a large inshore fishery. You just talked about the Texas closure, which is really set up to maximize yield per recruit in that part of the Gulf of Mexico, but other parts of the Gulf have different models, where you have more inshore catch.

In order to approach maximum yield, it’s not really an effort issue, but it’s more an issue of allowing the shrimp, that cohort, to reach its maximum biomass before it’s harvested and so there is -- I wasn’t really going to touch upon that until
the question, but that’s -- We really think that’s part of the information here that’s not necessarily intuitive or apparent on the surface.

CHAIRMAN PERRET: Let me say one other thing. Dr. Hart, are you still on?

DR. HART: Yes, I’m on, Corky.

CHAIRMAN PERRET: We’ve got three species of penaeid shrimp and environmental factors, I think we all agree, are the controlling thing relative to growth and survival and so on. Years ago, when pink production seemed to be down, we were tying it into lack of fresh water getting into the estuaries in Florida and that sort of thing.

DR. HART: Correct.

CHAIRMAN PERRET: Has that estuarine condition or lack of fresh water, is that still a problem like it was back in the 1970s and early 1980s or is the system getting adequate fresh water for the habitat for the pinks in Florida?

DR. HART: That’s a good question, Corky. One thing that -- I’m sure it’s still an issue with habitat. It’s still being degraded, of course, but the reason we moved to this Stock Synthesis modeling framework is we’ll be able to include environmental parameters, which is the goal to do, especially with the pink model. I am working on that now, to include things like that freshwater inflow indices. Hopefully that will better inform the model in the coming years.

CHAIRMAN PERRET: Thank you. Thank you, Dr. Patterson. Any other questions for Dr. Patterson or Dr. Hart? Thank you very much, both of you. I appreciate it, Will. Thanks a lot. Morgan, anything else on this item?

DR. KILGOUR: No and I had failed to mention that the working group set MSY or MSY equal to ABC, but we will cover it and so thank goodness for that.

CHAIRMAN PERRET: Yes and this was information only, I think, right?

DR. KILGOUR: Correct.

CHAIRMAN PERRET: Okay. Let’s move on then to Item VII, Update on Shrimp Amendment 15 - Status Determination Criteria for
Penaeid Shrimp and Adjustments to the Shrimp Framework Procedure. That would be D-8 and, Morgan, go ahead, please.

UPDATE ON SHRIMP AMENDMENT 15 - STATUS DETERMINATION CRITERIA FOR PENAEID SHRIMP AND ADJUSTMENTS TO THE SHRIMP FRAMEWORK PROCEDURE

DR. KILGOUR: Okay and so based on some of the discussion at the October council meeting, it was my impression that the committee and the council wanted to see an MSY-based action in the status determination criteria and so I have drafted this and I apologize for the “draft” in the background, but this is an MSY-based action for Action 1.1.

The no action alternative is to keep the MSY values as they currently are, which are based on the VPA model, which is not what the stock assessment biologists use anymore.

Alternative 2 would just change those MSY values to the penaeid shrimps, to the stocks that came out of the MSY working group. If the committee would like me to add this to the document, I would probably need a motion, but let me read Alternative 2, since that’s the new alternative.

The MSY values for the penaeid shrimp stocks are values produced by the Stock Synthesis Model approved by the SSC. Species-specific MSY values will be recomputed during update assessments, but only among the years 1984 through 2012. The values for each species will be updated every five years through the framework procedure, unless changed earlier by the Gulf of Mexico Fishery Management Council.

Currently, the Stock Synthesis Model produces the following values. For brown shrimp, MSY is 146,923,100 pounds of tails; white shrimp, MSY is 89,436,907 pounds of tails; and pink shrimp, MSY is 17,345,130 pounds of tails. To add this to the document, again, I would need a motion from the committee.

CHAIRMAN PERRET: Thank you, Morgan. Now, is that the alternative that you are recommending or that we should recommend as a preferred?

DR. KILGOUR: Yes and I would recommend that you would choose Alternative 2 as the preferred, because it’s based on the new Stock Synthesis Model. The other alternative is based on a model we don’t use anymore.

CHAIRMAN PERRET: Thank you. With that, Mr. Pearce.
MR. PEARCE: I would like to make a motion that we add to Action 1, Alternative 2 to the document and that that be the preferred alternative for that action.

CHAIRMAN PERRET: Thank you. We have a motion on the floor and do we have a second? It’s seconded by Ms. Bosarge and is there discussion on including Alternative 2 as the preferred alternative and I don’t think I need to read the motion.

DR. KILGOUR: Before you vote, could you actually change the motion to add Action 1.1? It’s a whole entire new action and so the Action 1.1 with both alternatives, if that would be appropriate, but the whole Action 1.1 is new. We didn’t have that in the document before.

CHAIRMAN PERRET: Since I am having a difficult time, my Vice Chairman, did you hear that, because I didn’t. Would you do whatever the suggestion is?

MR. PEARCE: Yes and basically she just said that we should add that whole action in its entirety, which is Alternative 1 and Alternative 2, the preferred. I would modify my motion that we include the whole Action 1.1 to modify the maximum sustainable yield of MSY for penaeid shrimp, Alternative 1 and Alternative 2, with Alternative 2 being the preferred alternative.

CHAIRMAN PERRET: You had seconded and do you -- Okay. Does everybody understand the motion? Is the discussion?

MS. BOSARGE: Essentially, Morgan, let me make sure I know what we’re doing. We are adding this action in because we wanted some MSY-based options in here and so the first one is obviously in the new action and it’s going to be no action, leave it like it is. Then the second alternative, which we may choose as our preferred alternative, is the one that’s going to specify these MSY values for each of the three penaeid shrimp and is that correct?

DR. KILGOUR: That’s correct.

CHAIRMAN PERRET: Thank you, Leann. Discussion?

MR. PEARCE: Just for the record, I attended that meeting and it was very obvious that this was the best way to go. I mean we had a meeting that was scheduled for a day-and-a-half and in two hours, we knocked it out, pretty much, because this was clearly the right way to go.
CHAIRMAN PERRET: Thank you, Mr. Pearce. Morgan, the SSC supported this action, right?

DR. KILGOUR: Right and Will Patterson just went over that the SSC approved those MSY values and so that’s correct.

CHAIRMAN PERRET: Thank you. Any other discussion on the motion? The motion is to add new Action 1.1 to the Shrimp Amendment 15 and to make Alternative 2 of this action the preferred alternative. All those in favor signify by saying aye, please; all opposed like sign. The motion passes. Thank you. Go ahead, Morgan.

DR. KILGOUR: Also based on the shrimp MSY workshop, the working group produced an MSY-based F and so I have added an alternative to Action 1.2, Alternative 4. Preferred Alternative 2 and Alternative 3 are based on those monthly apical F values, but they are not based on MSY.

I have added an alternative, but the committee would need to formally ask me to put that in the document, that addresses that FMSY. Those would be the values that were approved by the working group and the SSC.

I just want to have a note here that it is not appropriate to compare the Alternatives 2 and 3 with those presented in Alternative 4. Alternative 4 is MSY-based and is derived from that annual computation. Alternatives 2 and 3 are model-based and they are derived from that apical monthly computation and so the highest monthly value over that 1984 to 2012 years, that is what is presented in Alternatives 2 and 3.

The new alternatives that I have drafted and am suggesting is that the maximum fishing mortality threshold, MFMT, for each penaeid shrimp stock is defined as the FMSY. Species-specific FMSY values will be recomputed during the updated assessments, but only among the fishing years 1984 through 2012.

The values for each species will be updated every five years through the framework procedure, unless changed earlier by the Gulf of Mexico Fishery Management Council. Currently, the values are: brown shrimp, 9.12; white shrimp, 3.48; and pink shrimp, 1.35.

CHAIRMAN PERRET: Any questions for Morgan?

MR. PEARCE: The first question is should we take Alternative 2
and 3 and have them considered but rejected or should we leave them in the document?

**DR. KILGOUR:** No, I think that they should probably stay in the document, because they’re an alternative way of looking at that fishing mortality rate, but if you want to change your preferred alternative to that new Alternative 4, we would have to add it to the document and change that to the preferred alternative, if that’s what the committee would like.

**MR. PEARCE:** With that said, I would like to, in Action 1.2, add an Alternative 4, which she just read to us, and make that the new preferred alternative.

**CHAIRMAN PERRET:** Do we have a second? It’s seconded by Ms. Bosarge. The motion is in Action 1.2 to add an Alternative 4 and make that the preferred alternative. The Alternative 4 has been read and it’s in the document. Is there discussion on the motion?

**MS. BOSARGE:** Just one quick question for Morgan. Morgan, the title of that Action 1.2 is “Modify the Overfishing Threshold for Penaeid Shrimp” and in the first alternative, it says the overfishing threshold is defined as blah, blah, blah, but the rest of them, we don’t say anything about the overfishing threshold is and should we put anything in there to tie it back to the title, something about the overfishing threshold, or do you like it the way it is or are we essentially stating the same thing and stating it this way?

**DR. KILGOUR:** We can do that if that’s what you would like. We can add that the overfishing threshold is defined as the MFMT at the beginning of all of the Alternatives 2, 3, and 4, to keep it consistent. That would be fine.

**CHAIRMAN PERRET:** Morgan, if that’s appropriate, I guess we will give you editorial license to do that and is that all right with the committee? I see heads shaking yes up and down, Morgan, and so would you incorporate that, as appropriate, please?

**DR. KILGOUR:** No problem. The last little bit is I’ve actually had a lot of discussion with the SSC member, Will Patterson, about the proposed Alternative 4 on Action 1.3 to modify the overfished definition.

It’s been decided that that is not an appropriate overfished definition and it would need to be the biomass at MSY and so I would not recommend adding that to the document after all, even
though it went to the IPT and the -- Anyway, I don’t recommend
adding that and so if there are any questions.

CHAIRMAN PERRET: So that we understand, that is under Action
1.3, Modify the Overfished Threshold for Penaeid Shrimp, and the
new proposed language, Alternative 4, not be incorporated at
this time.

DR. KILGOUR: Right and it’s currently not in the document.
These were all proposed things that the IPT had reviewed, but
after discussion with Dr. Patterson, it was determined that
that’s not an appropriate overfished threshold for these.

He also brought to my attention that in this -- Earlier in the
document, I used pounds of tails and in these two alternatives,
I used metric tons of tails and so I would ask the committee if
it would be acceptable if I just convert those to pounds of
tails for the final document, but I don’t think I need a formal
motion to do that, as I am just making all of the metrics the
same.

CHAIRMAN PERRET: Okay and so the proposed language in yellow,
Alternative 4 that was in the handout for us to consider, is not
in the document, but at this time it’s not recommended that we
include it, for some technical reasons, and is that basically
what you’re suggesting?

DR. KILGOUR: Yes.

CHAIRMAN PERRET: Okay and so the committee heard that and does
anybody have a desire to go against the suggestions of Dr.
Patterson and Dr. Kilgour? Seeing no hands up, we will not add
that to the document. What else do we need to do with this one,
Morgan? We have a question from Ms. Bosarge.

MS. BOSARGE: I think we need to go back and vote on Harlon’s
motion, which is to -- There is two Alternative 4’s, one in
Action 1.2 and one in Action 1.3.

CHAIRMAN PERRET: I thought we had, but --

MS. BOSARGE: Harlon wanted to put --

CHAIRMAN PERRET: Harlon, you made two motions, right? We
didn’t vote on both of them? Okay. The motion on the floor is
in Action 1.2 to add an Alternative 4 and make that the
preferred alternative. Alternative 4 is the maximum fishing
mortality threshold, MFMT, for each penaeid shrimp stock is
defined as the FMSY. Species-specific FMSY values will be recomputed during the updated assessments, but only among the fishing years 1984 through 2012. The values for each species will be updated every five years through the framework procedure, unless changed earlier by the Gulf of Mexico Fishery Management Council. Editorial license has been approved. Currently, the values are: brown shrimp, 9.12; white shrimp, 3.48; and pink shrimp, 1.35. That’s the motion. Any discussion? All in favor signify by saying aye, please; opposed like sign. The motion carries. Now we have passed Mr. Pearce’s second motion and, Morgan, go ahead.

DR. KILGOUR: Okay and so I think I have everything I need from you for this document. It’s the intent to have the final document to you at the June council meeting and so as long as I can get the IPT together and we can get the writing assignments done, you should have a final document in June.

CHAIRMAN PERRET: That would be great, Morgan. At the Key West meeting in June, we should have a final document on 15. Any questions or any comments?

Let’s move on. Next is Item VIII, Scoping Document for Shrimp Amendment 17, addressing the expiration of the shrimp permit moratorium. That is D-9 and Dr. Kilgour. The Shrimp Permit Working Group Summary is Dr. Kilgour is going to do that, which is D-10. Morgan, go ahead, please.

SCOPING DOCUMENT FOR SHRIMP AMENDMENT 17

DR. KILGOUR: Sure and I actually have a presentation. The permit moratorium, you have seen this presentation before. Again, the moratorium expires on October 26, 2016. To qualify for the permit, prior to the moratorium vessels must have been issued a valid permit by NMFS prior to and including December 6, 2003.

An exception was made for owners who lost the use of qualified vessels but who obtained a valid commercial shrimp vessel permit for the same vessel or another vessel prior to the date of publication of the final rule.

In 2001 to 2006, there were slightly over 2,900 permits. Of those, 2,666 qualified and 285 did not qualify and so when the permit moratorium went into effect, there were 1,933 moratorium permits issued.

The purpose of this amendment, for Shrimp Amendment 17, is to
determine if limiting access to permits is necessary for the Gulf shrimp fishery to prevent overcapacity and promote economic stability and the need for this action is to maximize efficiency of the Gulf shrimp resource and to help achieve optimum yield.

The options that the council has is to allow the moratorium to expire, to extend the moratorium, or to create a permanent limited access system, which would be effectively to make the moratorium permanent.

If the moratorium expires, the council would need to address --

The council will need to understand that it will become open access and we may not need a plan amendment, but we would need to address why a moratorium is no longer needed.

If the moratorium is extended, we will need to address for how many years should the moratorium be extended, are all current permits qualifying or do they need to requalify, and why is the temporary moratorium still needed, instead of, for instance, making it a limited access system?

The limited access system is the same as the moratorium extension, but it makes it permanent. Again, we would need to address do all current permits qualify or do they need to requalify and are there conditions for permits for renewal or transferability? We would need to address why a limited access program is needed.

Some possible qualifications are income and this has been something that was a qualification that’s been removed from other permits and landings. Latent permits perhaps don’t qualify for a new permit or perhaps you need to be at a certain number of landings in order to qualify for a permit.

Other things that have been suggested are things like U.S. citizenship or the vessel size. Again, those were from the Shrimp AP.

It has also been suggested that with the moratorium we have a permit pool and so if your permit expires, it goes into a pool so that somebody else can buy it from NMFS and it would maintain a number of permits, based on what the council chooses. Currently, one year after expiration if a permit is not renewed it is terminated and it is removed from the permit numbers and so this pool would keep a constant number of permits. The proposal by the council is that the permit is reserved instead of terminated and so the council would need to just decide what that magic number of permits would be.
Also addressed in the permit moratorium is the royal red shrimp endorsement and so the council would need to discuss whether or not this royal red shrimp endorsement should be still open to all shrimp permit holders. Currently, there are 283 valid endorsements, but only a maximum of seventeen vessels with landings have been in any of the past ten years and usually it’s under ten, ten vessels that have royal red landings.

The things that the council may address in this permit moratorium document are they do want to maintain an open endorsement for royal red shrimp or does it want to limit the royal red shrimp endorsements based on landings or does it want to eliminate the endorsements altogether?

Where we are on the timeline, October of 2014, the council reviewed the original scoping document and requested input from the working group and AP. In February of 2015, the working group met to discuss the analysis that was needed and the AP met to discuss the document and, again, the AP was presented with a summary of the working group analyses and even some of the AP members actually sat in on the working group.

Right now we’re at the scoping document to the council and hopefully the council requests an options paper for the June council meeting.

The Shrimp AP recommendations, we’ve already reviewed. They recommended that the moratorium be extended and there is a shrimp permit reserve and that in that permit reserve those permits are available on a first-come-first-served basis and that to be qualified for a shrimp permit you need to be U.S. citizen or a U.S. corporation and there should possibly be a vessel length. I think that’s it and so are there any questions?

CHAIRMAN PERRET: Thank you, Morgan. Are there questions for Morgan? What we have with D-9 is a scoping document and if I understand, Morgan, we want to try and have something for you that you would be able to provide an options paper for us at the June meeting and is that correct, the June council meeting?

DR. KILGOUR: Yes, that’s correct. I have gotten some feedback from letters from the State of Louisiana and the Shrimping Association about what options they would prefer and then I’ve gotten feedback from the Shrimp AP on options that they would prefer, but I haven’t gotten feedback from the council, other than, at the last meeting, that they would like to see a permit
pool.

CHAIRMAN PERRET: Okay. That’s where I was going next. We have the scoping document and we also have our Shrimp Advisory Panel recommendations for a potential option to be included and we have a letter from the Secretary of the Louisiana Department of Wildlife and Fisheries recommending specific numbers and specific methodology and Mr. Fischer, I am going to let you -- Myron, if you want to discuss the letter that your agency sent in just a minute, but I’m going through what correspondence I have received.

We’ve got the AP recommendations and the State of Louisiana has made a suggestion and we have a letter from the Southern Shrimp Alliance supporting the Shrimp Advisory Panel recommendation and that’s the correspondence -- Louisiana Shrimp Task Force sent us something? I don’t have it. What is it?

EXECUTIVE DIRECTOR DOUG GREGORY: I think we do.

CHAIRMAN PERRET: Mr. Gregory says we have something from the Louisiana Shrimp Task Force, but if we can get it to all of the members, because I have not seen that. With that, Myron, why don’t you just summarize what your agency letter is, please?

MR. MYRON FISCHER: Thank you, Mr. Chairman. Our Secretary of the Louisiana Department of Wildlife and Fisheries forwarded a letter to the council and it basically describes some of the points laid out by the AP of creating a permit pool.

The question is we are now down to fourteen-hundred-and-change permits and when this started -- If you were on the council, as you were, Mr. Chairman, years ago, it was we had 5,000 vessels in the Gulf of Mexico with rumor, with anecdotal data, that when the Georgia and Carolina boats came around, that we had 7,000 and the industry was doing fine and we wanted to put permits to count and we only sold -- National Marine Fisheries Service only issued, I should say, around 3,000 permits, 2,900 permits.

As it became a moratorium and as permits were lost, we had seventy-two people who didn’t qualify who did fish the EEZ when it became a moratorium, because they missed the control date. We have already been excluding people from the first day and so now we’re down from 1,900 and over a few years later, we are down to 1,400 and we felt that if that 1,900 was a scientifically-valid number to support the infrastructure and support the industry, as American consumers are still eating ninety-plus percent imported shrimp, that the 1,400 could be
just a small measure short and we would like to see this pool have possibly the number of permits that were issued just a few years ago.

No set number. We can go back to the 2010-2012 permit numbers and that would satisfy a lot of fishermen seeking permits. I could go further, but it wasn’t to debate it and I was just trying to summarize.

CHAIRMAN PERRET: Thank you very much, Mr. Fischer. Any questions for Mr. Fischer? I think we all have the letter that the Department of Louisiana sent and Mr. Fischer has done an excellent job summarizing it. Mr. Pearce, do you have a question?

MR. PEARCE: Yes and so what we’re trying to do is add some of these to the options paper, probably?

CHAIRMAN PERRET: Just remember it’s a scoping document now and we are in the very early stages and so we are discussing potential items to be included for the options paper and then I guess the next step was once we agree on that, we would have the public input and that sort of thing and so this early in the game, as you saw the schematic that Morgan showed earlier, I think.

Currently, in our scoping document, we have Option 1, the moratorium expires and we are wide open again. The moratorium extended is Option 2 and then Option 3 is a limited access system of some type of be implemented and so I guess what I am hearing from the AP motion is Option 2a or something like that, for extending the moratorium and some qualifications. Myron’s discussion was similar, with some different numbers and so on.

DR. ROY CRABTREE: It seems to me to get to an options paper, at least the way I am thinking of it, we would have two actions. One would be to extend the moratorium and then there would be another action which I guess there’s various ideas on where the cap the number of permits, but some reissuing of permits and so you would have a second action that would have to set up what that level is and how you would go about reissuing permits. At least that’s how I’m thinking about it.

I would point out, and I think everybody needs to bear in mind, a couple of things. We have at least two important issues that are tied to effort levels in the shrimp fishery and one is in the biological opinion that was done in 2014 and the proxy that’s used for the incidental take statement for sea turtles is
It also has another trigger that’s based on TED compliance, but it has a shrimp effort in it that’s like 132,900 days. To the extent that we increase the number of permits in the fishery, the chance that we exceed that I think goes up and if we did propose an action that was going to substantially increase the number of permits in the fishery above what’s there now, I suspect it would trigger a whole new biological opinion and that whole process and keep in mind those biological opinions are always a big deal and they take a long time to do and they get a lot of scrutiny from folks.

The other thing we have in place was put in the red snapper rebuilding plan and there is a shrimp effort trigger based on ten to thirty-fathoms in the western Gulf on how much shrimp effort is in there and if that’s hit or exceeded, there is a closure that automatically is triggered in that area.

Now, we’ve been below that, but prices are up a bit now and fuel prices are down and there are a lot of reasons to think that there is more reason for shrimpers to go fishing and more guys might go out.

If we’re going to do anything to allow more vessels into this fishery, we need to be real careful about it, because there are these triggers that we potentially have to deal with.

The other thing I think you’re going to have to think of is most of our commercial fisheries are under some sort of a permit moratorium right now and in every one of those, there is a gradual decline in the number of permits, because in every one of them, some fraction of fishermen don’t renew their permits, for whatever reason.

We have never done anything like this to reissue permits or put them in a pool and so are you seeing a precedent here that you’re going to do this in all of your fisheries, because that’s going to be awfully complicated and there are a lot of reasons why you might not want to do that and so if you’re going to do something like this with shrimp permits, I think you’re going to explain why is it warranted here, but not everywhere else. Those are my initial thoughts of things that you ought to keep in mind as you think about this.

CHAIRMAN PERRET: Thank you for that, Dr. Crabtree. With that, committee members or council members, what is your pleasure?
MR. FISCHER: I think it’s going to be what direction do we take on a scoping document as far as leading people to look at options or are we premature in choosing options and that should be done in an options paper? With that, the AP requested -- I don’t know if they said it verbatim, but they requested that what they adopted be in the scoping document.

EXECUTIVE DIRECTOR GREGORY: With this document, which is pretty straightforward and addressing one issue and we have had working group input and the AP input and we are having public discussion at least between two council meetings, the staff feels like that’s good enough for scoping and we can go straight to an options paper. If the council wants to put up more options now and if they want to pick a preferred now, that would be appropriate. We don’t see a need to go on an extensive round of scoping hearings on this.

CHAIRMAN PERRET: That’s the staff’s opinion. Now, we are the council and nine out of seventeen members doesn’t necessarily have to follow our staff’s advice, but thank you for that input, Mr. Gregory.

MS. MARA LEVY: I don’t know that it’s appropriate to pick preferreds. I think what you want to do is give staff guidance about how the options paper should be set up and I think Roy made a suggestion of having an alternative that looks at the moratorium and whether to extend it, make it permanent, get rid of it, and then another sort of alternative or set of alternatives that looks at what to do with the permits and where you want to cap effort and things like that, whether you want to have a pool. You need to develop the options and then at a later date pick what your preferred option would be when we have some analysis of those.

DR. CRABTREE: I think that’s right and I think we’re at the stage now where we need to have staff put together an options paper and bring it back, because we do need to -- The clock is ticking on this. I think what Mara said makes sense, an action that looks at the moratorium and extending it and making it permanent and then another action that looks at various caps and pools.

Then we’ve got the AP’s suggestion and we’ve got the Louisiana letter and probably others and then bring that back to us at the next meeting.

CHAIRMAN PERRET: Morgan, you are listening, I’m sure, and you are hearing that?
DR. KILGOUR: Yes, I am hearing that.

CHAIRMAN PERRET: What I am hearing, and, please, I have been wrong many times before, but what I am hearing from the committee is yes, it looks like we want to extend the moratorium and do we want to cap it at where it is today or do we want a few more boats or the Louisiana letter suggests up to 1,900 or whatever it is, but those could be options for consideration to go in a paper.

The Shrimp AP had a suggestion and that was supported by the Southern Shrimp Alliance and I am still waiting for the Louisiana Task Force. I don’t know what happened there, but, Mr. Fischer, after Mr. Gregory, you’re up.

EXECUTIVE DIRECTOR GREGORY: It came into our office and we treated it as public comment and it’s on our website. We are now downloading it and we will email it to the full council.

CHAIRMAN PERRET: Can you tell us what -- Is their suggestion similar to the Department’s suggestion or what is it?

EXECUTIVE DIRECTOR GREGORY: That I do not know.

DR. KILGOUR: I can answer that question. It’s almost exactly the same as the State of Louisiana’s suggestions and I just forwarded it to the council and it was forwarded on March 23, but I guess it didn’t reach everybody.

CHAIRMAN PERRET: I am real proud of Myron. Somebody taught him well.

MR. FISCHER: For those of you all who don’t know, Mr. Perret hired me in the mid-1970s and despite what many people told me about him, he was actually a great mentor. The letter, I have to give all credit to Ms. Katie sitting in the audience. She did a great job representing the state and she is writing our shrimp management plan and so she is highly involved in this and I have to look to her for advice.

What I had my hand up -- The suggestion was that if we could have an alternative that would create a bank or a pool of permits and then we could put options, starting at what the level was in 2014 and work backwards just a few years, work backwards to gain a few, or we could just put them in round numbers, but I am just trying to formulate a logical way to do it.
We see there was different amounts of permits that were lost through the years for different reasons and so I’m trying to come up with some type of method where the public could say they want to go back to the 2012 levels or they could make comments to choose what they would like.

CHAIRMAN PERRET: Thank you, Mr. Fischer. Morgan, you’re getting all that.

DR. KILGOUR: Yes, I got all that.

MR. PEARCE: You know, I am a little bit confused. I understand where Myron is coming from, but then I look at what we’ve got and we’re losing permits. We lost thirty, I think, this year that didn’t reapply and that is kind of confusing to me why they didn’t apply and it’s only a twenty-five-dollar license and so I really wonder where we’re going with those and I want to see more fishermen and there is no doubt about that, but I’m not sure if the industry understands what’s going on and the industry understands that there’s ways to get back in it right now that they’re not taking advantage of.

I think maybe we’re not doing a good job with our outreach or I don’t know what it is, but we need to get it out to the industry that there are ways for them to get in.

CHAIRMAN PERRET: You know, I’ve asked industry people and I have asked others about this and permit renewal, as I appreciate it, is twenty-five dollars. At the Shrimp Advisory Panel meeting a couple of weeks back, one of members made phone calls and the price -- One person had bought a shrimp permit and it was $700 and another one paid $800, yet we have a document that says $7,000. Morgan, I am asking you and staff to see if you can come up with what are these things worth?

Whether they are worth $7,000 or $700, why are people -- This is the question that I have not got an answer. Why are people letting them go when all they have to do is pay twenty-five dollars if they are worth this? Dr. Crabtree may have an answer now.

DR. CRABTREE: Yes, because many of these people who do this call me up after they discovered they’ve lost their permit and it’s invariably some family issue or they were just not paying any attention or they didn’t understand and they lose the permit and it happens in every fishery we have that’s under a permit moratorium, even permits that are much more valuable than shrimp
permits are.

CHAIRMAN PERRET: They have a year to renew the permit?

DR. CRABTREE: After the permit expires, they have a year to renew it, but if that year goes by and they haven’t renewed it, then --

CHAIRMAN PERRET: That’s when they lose it?

DR. CRABTREE: That’s when they lose it.

CHAIRMAN PERRET: One year after the expiration date?

DR. CRABTREE: Yes. Now one thing I think you need to think about is somewhere, in one of these documents, it looks like we have about 200 permits that have zero landings over several years and so there are latent permits in this fishery and I think we need to think about if we have that many permits that are inactive, why do we need to reissue additional permits without doing something about those inactive permits or would you want to get rid of those inactive permits and then somehow reissue them? I think you need to think about that, but there are quite a few permits in this thing that I am -- What document is that?

DR. BRANSTER: This is the scoping document.

DR. CRABTREE: The scoping document and 211 permits with not landings between 2009 and 2012.

CHAIRMAN PERRET: You’re suggesting that that may be something to include in this options paper?

DR. CRABTREE: It may be, but I mean if you have that many permits that aren’t even fishing, why do we need to have more permits and issue more permits? It seems, to me, that’s the --

CHAIRMAN PERRET: It would be in the analysis and that sort of thing.

MR. FISCHER: I know it’s very premature to debate the specifics of these points. Many reasons, but my comment was if we are losing permits through all fisheries annually and people are calling the Permits Office that they forgot, I think there’s also a large outreach and some type of reminder. When I had my permits, it was always the big fear of forgetting to renew, because I don’t know how many reminders you get in 2014 and 2015
and I know Roy is going to make a comment to that, but the reasons people hold on to permits is you can’t sell a boat.

You know you can’t sell a boat and so you’re going to hold a permit even though you’re not fishing it, hoping that one day -- Then if you do lose the permit, then you can’t sell the boat. I can see where there is latent permits, but those people have their right. It’s their permit and they have their right to hold onto it.

The issue we’re seeing is, and I am not certain what the other states are and I could tell you what’s happening in our region, but we are just losing our fishery infrastructure. We are losing our ice houses and our fish plants.

We have one major shrimp buyer in Grand Isle and one in Leesville and one in Cocodrie. The other buyers are gone and there is no more Martin’s Shrimp Company and there is no more Wayne Estay Shrimp Company, a staple in Grand Isle, and no more Collins. We are just losing our shrimp companies and as we lose permits, it will continue.

CHAIRMAN PERRET: Ms. Bosarge and Dr. Crabtree and I’ve got five minutes and I’ve got a couple more items under Other Business that will be very brief, but let’s try and wrap this up and go forward with suggestions on how we want to proceed.

MS. BOSARGE: Obviously this is the fishery that I am in, that I come from and that I deal with on a day-to-day basis. Honestly, yes, I have my qualms with seeing these permits go back up. I think if you look at what has happened to this number of permits and this fishery since we implemented this moratorium, we essentially capped it at 1,933 permits when we implemented this moratorium, because that’s how many were there and that’s how many we issued and it couldn’t go up from there.

Now, we haven’t done anything as a quasigovernmental agency to shove those permits down to a lower number. We haven’t done that. The industry -- That’s what the economics and the market forces in this industry -- That’s where it’s at. It’s trying to right-size itself, to get a point where it will have a long-term future.

We have already talked about what the reasons for that is and why is that industry still contracting today. Maybe there are a few people that forget to renew their permits, but I would say there’s not somewhere between ninety and thirty every year that forget to renew their permits.
A lot of that is the industry still contracting because of the imports. Myron said 90 percent of the market is imports and I haven’t looked up that figure, but I am sure that’s probably pretty close to being accurate.

We can’t compete with imported prices. You will never beat globalization. It’s something you are not going to turn back the hands of time on and that you can’t compete. It’s a lot of the reason that you don’t see certain other industries in this country anymore, because they can make clothes cheaper overseas than we can do it here.

Now, the industry has gotten itself to a point where it’s starting to be able to survive. The CPUE has doubled since we put this moratorium into place. In other words, you have fewer boats out there landing more pounds, catching more pounds, per boat. Production, strangely enough, has really not decreased that far. We went from 1,933 boats down to fourteen-hundred-and-change right now.

The average production before we implemented the permit moratorium, your average landings were about 144 million and that’s all three penaeid shrimp stocks and now it’s at 138 million and it’s decreased by less than 5 percent, even with that huge contraction.

We are still producing the product and the consumer is still getting their shrimp. I am not sure what’s happening to this infrastructure, because domestic production has really not decreased that much, but the shrimp industry, those guys on the boat that are trying to make a living, are able to survive.

It gets a little better each year as the industry right-sizes itself a little more. Now, where do you stop? I don’t know and there is a good question, but do you go backwards? That’s a scary thought to me, to go backwards.

It is a scoping document that we’re turning into an options paper and I want to see a full range of options and so I respect Myron’s request. If we want to have one or two options that puts a cap in that’s above the current level, the fourteen-hundred-and-something level, so that we can feedback on that, I think that’s great.

I don’t think we need six or seven options that goes through every year back from 2007 to now. Pick two numbers and let’s go with that and then we have the option from the AP which says cap
it where it is now and then we’ll develop a pool of anything
that falls off from now on and put it in a pool.

If you want a full range of options, I mean if this industry on
its own is still contracting, if it sees that as the way it’s
still going to right-size, maybe we need an option in there that
says cap it and start the pool at whatever the level is in 2017,
whatever that level of permits is.

I want to see a full range of options, but I don’t want ten
options going up. Does that make sense? Let’s pick a couple of
numbers. Myron, maybe you can help us with that, since that’s a
concern for Louisiana. Pick us two numbers and then we’ll have
two on the other side and then we’ll have what the AP wanted and
let’s get some feedback. Where does the industry see itself
going?

CHAIRMAN PERRET: Thank you, Ms. Bosarge. I think, Dr.
Crabtree, did you have your hand up?

DR. CRABTREE: Yes and, first, I just want to say we do send
reminders out to fishermen to renew their permits. We send them
the renewal package and a lot of times we will call them.
Nonetheless, people don’t renew their permits and remember, when
they lose it, their permit has been expired for a year and so
they are presumably not fishing anyway and so I think a lot of
these go by the wayside because they are not really fishing.

I think Leann makes some great points and I think those of us
who have been in this business for a long time now remember how
overcapitalized the shrimp fishery was and we needed to reduce
effort and reduce capacity in that fishery and exactly where the
right level is, I guess we can have those discussions, but we
have got fairly stable landings with an awful lot less effort
compared to what we’ve had in the past, but the CPUE, catch per
unit effort, for these vessels has gone way up.

In today’s competitive environment with shrimp imports and fuel
prices -- Of course, that’s all changed a lot in the last short
while, but I think it’s important to keep those CPUEs high, but
we have historically had way more effort than was needed to
catch the available shrimp in this fishery and I think we need
to be real careful that we don’t do something that brings us
back into that overcapitalized condition as we move forward.

CHAIRMAN PERRET: Thank you, Dr. Crabtree. We are running out
of time. No one has offered a motion yet and so let me see if I
can summarize. I would suggest, Morgan, that we have options as
presented, number one, by the Shrimp Advisory Panel, by the State of Louisiana and its Task Force, the Department and the Task Force. If we have any others come forward, but I think we have to do something relative to the royal reds.

We haven’t discussed that at all, but I forget -- I think there’s seventeen active permits out of two-hundred-plus and so -- Have you got something?

DR. BRANSTETTER: No, but I was going to -- I will have to talk to you later.

CHAIRMAN PERRET: Are you trying to confuse me? Okay, but we need something relative to royal reds and anybody else at this time want to offer any suggestion to Dr. Kilgour and the staff for inclusion in, quote, unquote, scoping options paper?

EXECUTIVE DIRECTOR GREGORY: This committee report is going to come before the full council and so I would suggest thinking about it and we can accept options or suggestions at the full council or maybe even afterwards.

The guidance we get from NEPA is we need to consider a reasonable range of alternatives and not necessarily a full range of everything we can think of, but something -- We want something that we can analyze in a timely manner that is reasonable and that’s the only advice I have.

CHAIRMAN PERRET: Thank you, Mr. Gregory. With that, the Chair is going to move on and be thinking about what Mr. Gregory just said so that at full council perhaps we will -- Hopefully we have other suggestions. Under Other Business --

DR. KILGOUR: Corky, we still have the Shrimp Permit Moratorium Working Group Summary, if you want me to go over that really briefly.

CHAIRMAN PERRET: Go ahead.

DR. KILGOUR: I will breeze through this, because it sounds like everybody has already kind of seen it. There is a presentation and it’s the one that was open previously.

EXECUTIVE DIRECTOR GREGORY: Morgan, since this has already been reviewed by the AP in part of their AP report, please go through it quickly.

DR. KILGOUR: Right and so I am going to breeze through. This
is the catch per unit effort based on the Gulf of Mexico and that blue line shows that catch per unit effort has been relatively stable and you can see that it peaked in 2006. Effort is at an all-time low and landings have been relatively stable.

This is the permit activity status over time from the Permit Moratorium Working Group. It was discussed that we need to know if they’re the same latent permits from year to year and have the latent permits increased or decreased and how many transfers are there per year, but this is deemed a low priority.

It was suggested by the AP that we also investigate vessel age and vessel owner age and the landings by permit. For the economic data, these are the shrimp landings and the nominal revenue in millions, but it’s a more telling story in the next slide, where it’s all been adjusted for the inflation-adjusted revenue. You can see that landings have remained the same, but the revenue has slightly peaked in the last couple of years, but it’s a decrease since 1978.

We also went over a lot of economic data, including the price of shrimp, the price of fuel, the CPUE in terms of gallons of fuel, and the fuel costs per day and an annual fuel usage was also investigated.

Some of the things that were also investigated on an economic standpoint are the cash flow, the net revenue from operations, profit or loss, and the return on equity.

For social indices, the community makeup was presented by regional quotient. Shrimp dependency is not equal among communities and social vulnerability indices were investigated, as was resilience. Future analyses to hopefully incorporate in the document are how the regional quotient changes over time, the commercial engagement reliance measures, and comparisons of social vulnerability over time.

That was basically a brief summary of all the analyses that we were presented with at the Shrimp Permit Moratorium Working Group.

OTHER BUSINESS

CHAIRMAN PERRET: Thank you very much, Morgan. Any questions for Morgan? Okay, Morgan, thank you very much and hopefully we will have more input for you after the full council gets together and we will have more discussion in Key West.
Under Other Business, I added two items and the first is last week Dr. -- Is Jason here? Yes, there he is.

There was a TED compliance enforcement workshop and Dr. Crabtree, Jason Brand, and myself happened to be in attendance. It was convened by the Gulf and South Atlantic Foundation and NMFS had law enforcement personnel and Coast Guard personnel and each states’ law enforcement representative was there giving a report relative to this subject matter.

There were members of the industry and lots of recommendations came forward relative to training by both law enforcement personnel and members of the fishing community to understand rules and regulations and all that kind of stuff.

Continue the outreach and certification of TEDs and the difficulty in -- TEDs can be put in the net properly and after one tow or something like that, things happen and the bar gets bent and various aspects of that and the level or degree of violation with the TEDs is -- A is street walking and Z is no TEDs in the net and so a violation is a violation, but there is lots of degrees in between.

With that, Dr. Crabtree or Jason, do you all want to add anything? Personally, I thought it was a very, very well-attended and participated meeting by all the people that were there.

**LCDR JASON BRAND:** I think you covered most of the highlights. We were able to come up and have all the states, all the leading shrimp folks in the shrimp industry, as well as NOAA and Coast Guard law enforcement, to kind of get together in a room and come up with some plans to improve the consistency of TED inspections throughout the state, Coast Guard, and NOAA Law Enforcement agencies.

I think everyone left with new ideas and a new appreciation that the law enforcement and industry is working together to come up with the best options for TED inspections and the results have been pretty good over the past couple of years. The compliance with TED inspections has exceeded 90 percent, which is good news to keep the turtles alive, as the TED violations have improved over the last three years as we’ve been working together on these issues.

We have a good plan in place. We’re going to improve Coast Guard training by working with some of the NOAA Gear Management
Team to help us get some additional refresher training and we also have folks from our Coast Guard Fishery Training Center here that can also make improvements in working with the NOAA Gear Management Team to kind of bring the Coast Guard inspections up to the level that need be and I think it’s been working over the past couple of years, as shown in the data.

**CHAIRMAN PERRET:** Thank you, Jason. Roy, do you want to add anything? Okay. With that, that issue is taken care of and Dr. Nance forwarded a letter that he received from the Port Arthur Shrimp Association and there is a couple of requests. One is to close all of the Gulf of Mexico inside of three miles. That’s a state issue and so each state director has got a copy of the letter and if you want to address it, that’s fine. The other request I see in the letter is to close outside of the Gulf of Mexico for three months during December, January, and February. I assume that’s a federal issue beyond three miles, other than Florida and Texas for the nine miles, and so my suggestion is state directors may want to address it at their level.

Lance has already got his Texas closure for nine miles and 200 miles during the summer and not during January and February and March and so Texas can take a look at it, since it comes from a Texas group, and, Shrimp Committee members, it’s one request and I guess we should take it into account and I don’t even know if we have a -- Yes, we have a title of the person, but there is no address and so, Mr. Gregory, if you get an address for this person, maybe we can respond that we’re taking a look or considering this request. Does anybody have any other suggestions on how to handle it?

**EXECUTIVE DIRECTOR GREGORY:** We do not typically respond to comments that are provided to the council.

**CHAIRMAN PERRET:** Okay. If that’s the way we want to go, that’s the way we want to go. Dr. Hart is not still on?

**DR. HART:** Yes, I am.

**CHAIRMAN PERRET:** Tell Dr. Nance we appreciate him passing the ball on to us. Thank you.

**DR. HART:** I will do that. He will be happy to hear that, Corky. Actually, he did follow up with a letter to her and just indicated that it was forwarded to the council.
CHAIRMAN PERRET: Thank you very much, Dr. Hart and Dr. Kilgour. Anything else? We are adjourned. Thank you.

(Whereupon, the meeting adjourned at 10:30 a.m., April 1, 2015.)