GULF OF MEXICO FISHERY MANAGEMENT COUNCIL

SHRIMP MANAGEMENT COMMITTEE

Hilton Riverside Hotel New Orleans, Louisiana

August 10, 2015

VOTING MEMBERS

10 Leann Bosarge.................................Mississippi
11 Roy Crabtree...............................NMFS, SERO, St. Petersburg, Florida
12 Dave Donaldson...............................GSMFC
13 Myron Fischer (designee for Randy Pausina).........Louisiana
14 Lance Robinson (designee for Robin Riechers).........Texas

NON-VOTING MEMBERS

17 Kevin Anson................................Alabama
18 Martha Bademan (designee for Nick Wiley).............Florida
19 Doug Boyd.................................Texas
20 Glenn Constant..............................USFWS
21 Pamela Dana.................................Florida
22 Dale Diaz.....................................Mississippi
23 John Greene................................Alabama
24 Kelly Lucas (designee for Jamie Miller).............Mississippi
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26 John Sanchez...............................Florida
27 Greg Stunz..................................Texas
28 Ed Swindell.................................Louisiana
29 David Walker................................Alabama
30 Roy Williams...............................Florida

STAFF

33 Assane Diagne.............................Economist
34 John Froeschke............................Fishery Biologist/Statistician
35 Doug Gregory............................Executive Director
36 Karen Hoak.................................Administrative and Financial Assistant
37 Ava Lasseter..............................Anthropologist
38 Mara Levy...............................NOAA General Counsel
39 Emily Muehlstein.........................Fisheries Outreach Specialist
40 Ryan Rindone.............................Fishery Biologist/SEDAR Liaison
41 Bernadine Roy.............................Office Manager
42 Charlotte Schiaffo.........................Research & Human Resource Librarian
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OTHER PARTICIPANTS

46 Anna Beckwith...............................SAFMC
47 Theo Brainerd..............................SEFSC
48 Steve Branstetter........................NMFS
The Shrimp Management Committee of the Gulf of Mexico Fishery Management Council convened at the Hilton Riverside Hotel, New Orleans, Louisiana, Monday afternoon, August 10, 2015, and was called to order at 2:15 p.m. by Chairman Leann Bosarge.

ADOPATION OF AGENDA
APPROVAL OF MINUTES
ACTION GUIDE AND NEXT STEPS

CHAIRMAN LEANN BOSARGE: We lost two of our most valuable assets, Corky and Harlon, but, of course, they have been replaced by even more valuable assets. They are just not on the committee yet and so we have a small committee today. I will be the Acting Chair and we have Dr. Crabtree and Dave Donaldson, Mr. Fischer, and Lance. That’s going to be our committee today, guys, and so hopefully we can have some good discussion.

If you look at our agenda, it’s pretty streamlined. We are going to spend the bulk of our time going through Amendment 17 and hopefully get some good direction to staff on do we like what we see or do we want to add anything or change anything and then we will have a quick update from Myron on some changes that have taken place in his neck of the woods. With that, are there any additions to the agenda from anyone? If not, do I have a motion to approve the agenda?

MR. DAVE DONALDSON: So moved.

CHAIRMAN BOSARGE: So moved by Dave and can we get a second?
MR. LANCE ROBINSON: It’s seconded by Lance. The agenda is approved. Are there any revisions that need to be made to the minutes that anybody noticed? Seeing none, can I get a motion to approve the minutes? It’s moved by Dave and seconded by Lance. All right.

If you look at our Action Guide and Next Steps, we will be turning it over to Dr. Kilgour or excuse me, Dr. Kilgour is in the hospital or just got out of the hospital and so she’s not with us today. She is taking care of much more important things, two babies, and so we are going to turn it over to Carrie and she is going to lead us through the latest version of Shrimp Amendment 17.

As you know, we’re on a pretty tight timeline as far as the expiration of the original permit moratorium and so we have to stay focused on this document and make sure that we give staff plenty of direction to add or change anything that we want in the document and so as she leads us through it, please don’t hesitate to raise your hand and stop us at any point. Myron.

MR. MYRON FISCHER: To that, of the critical timeline, could Carrie explain where we’re going to have to be, meeting-by-meeting, until we get a final document approved?

DR. CARRIE SIMMONS: I will try to explain that, probably with the help of Dr. Branstetter, since I am sitting in here for Morgan today, but you are looking at a revised options paper. We’ve tried to get additional analysis from the last time you reviewed the document and work towards a public hearing draft, as much as we can, for the October meeting.

After October, we plan to take it out to public hearings and have the Shrimp AP review it again and then hopefully take final action, my understanding is, at the January council meeting and if we can’t take final action in January, I think the absolute latest we could take final action is the April council meeting, but I will let Steve or anybody else step in.

MR. FISCHER: I was just trying to see where we are and how fast we have to roll. That’s sufficient. Thank you or Steve can comment.

REVISED DRAFT OPTIONS PAPER FOR SHRIMP AMENDMENT 17 - ADDRESSING THE EXPIRATION OF THE SHRIMP PERMIT MORATORIUM

DR. SIMMONS: All right and so I think we’ll start on page 2.
This is Shrimp Amendment 17 and the current permit moratorium will expire on October 26, 2016, and right now, the council is looking at various options. They could allow the moratorium to expire and revert all federal shrimp permits to open access. They could extend the moratorium for another period of time, which we’re looking at five and ten years. You could establish a permanent limited access system for the commercial Gulf shrimp permits and the other thing the council is looking at is considering a target number of permits for the moratorium and creating a reserve instead of allowing those permits to expire and you are also looking at removing the royal red shrimp endorsement. That’s just an overview of the actions and it’s on page 2.

The purpose and need, I don’t know what exactly has changed, if anything, from the last time you reviewed it, but you can see the purpose of this amendment is to determine if limiting access to federal permits is necessary to prevent overcapacity, promote economic efficiency and stability, and maintain high catch per unit effort and to protect federally-managed Gulf shrimp stocks.

Another purpose is to determine if the endorsement to harvest royal red shrimp is still necessary to monitor participation and activity in that component of the fishery.

The need for this action is to maintain increases in catch efficiency while preventing overfishing and to obtain the best available information with which to manage the fishery. I will stop there and see if anybody wants to talk about the purpose and need.

CHAIRMAN BOSARGE: Any feedback for Carrie or staff? Okay.

DR. SIMMONS: Okay. We will start with the management alternatives. Action 1 starts on page 6 of the document. Action 1 addresses the expiration of the federal shrimp permit moratorium in the Gulf of Mexico.

Alternative 1 is the no action alternative. You do have a preferred alternative for this action. You have Preferred Alternative 2, which is to extend the moratorium on the issuance of federal Gulf commercial shrimp vessel permits and you have two options so far. The moratorium would be extended for, Option a, five years, or your current preferred, Option b, ten years.

The third alternative would create a federal limited access permit for commercial shrimp vessels in the Gulf and it would
make it permanent and it has the necessary criteria in order to do that in the rest of the alternative and so I will stop there.

CHAIRMAN BOSARGE:  Any feedback on the first action for staff? All right. Go ahead.

DR. SIMMONS: Just for the record, we did note there was some problems with Figure 2.1.1 as far as the labeling goes and so we’ll fix that in the next draft. On page 9, it begins Action 2 and there is two subparts of this action, Action 2.1 and Action 2.2.

Action 2.1 would set up a target number of Gulf shrimp vessel permits and create a pool for those permits. Alternative 1 is the no action alternative, do not set a target number of commercial shrimp vessel permits and any shrimp vessel permit not renewed within one year of the expiration date on the permit will be terminated and no longer available for purchase or use, whereas the other alternatives would set up various targets.

Alternative 2 would set a target number of vessel permits based on an aggregate maximum sustainable yield and I believe that’s all penaeid species and royal red shrimp and that estimated number is over 2,000 permits.

Alternative 3 would set a target number of Gulf shrimp vessel permits based on the number of valid permits issued at the beginning of the moratorium, which was 1,933 permits. Alternative 4 would set a target number of permits based on a number of valid or renewable permits at the end of 2014, which I believe is what the Shrimp AP recommended originally, or before this document was very far along, as their preferred. That was 1,470 permits. The number of permits currently is a little bit lower. As of August 6, 2015, currently we have 1,463 shrimp permits.

Alternative 5 would set a target number based on the number of valid or renewable permits at the end of the initial moratorium, which is the October 26, 2016. Then we have two Alternative 6’s. One of them you have seen before and I’m sorry that I don’t know which one that is right.

The first Alternative 6 would set a target number of vessel permits based on the effort needed to maintain the gains in catch per unit effort during the moratorium and I think that’s based on the 2008 year, which is around 882 permits, or estimated to be.
I believe the second Alternative 6 was the original alternative and that would set a target number of vessel permits based on effort needed to maintain the gains in catch per unit effort in the offshore fishery during the moratorium without substantially reducing landings between 909 and over 1,000 permits, 1,133 permits, depending on the year chosen. Madam Chair just confirmed that was the original, is the one I just read.

Then we have an Alternative 7 which would set the target number of Gulf shrimp vessel permits based on the number of active permits when effort was highest during the moratorium in the area monitored for red snapper juvenile mortality, but without reaching the bycatch reduction target and triggering closures. That was based on 2011, around 938 permits.

Under each of the alternatives currently you have two options and those were repeated under each one. Option a, if you selected that, that would -- Once the target number of permits is reached, then any of those permits that were not renewed within one year of the expiration date would go into the pool.

Then Option b would be if the number of those target permits is reached, the council would review the status of the fishery to determine if action is needed.

Currently, as drafted, Action 2 through 4, if you select any of those as preferred, you’re already below that target and, therefore, Option b would encompass the review currently in this document. You would be doing the review currently if you selected that as preferred. With that, I will stop there and I may need some help answering questions from Assane or Steve Branstetter.

CHAIRMAN BOSARGE: All right. Hopefully we can have some good discussion on this action. Are there any volunteers? Dr. Crabtree.

DR. CRABTREE: Carrie, there are some numbers in here, like in Alternative 2, the number of vessel permits needed to attain aggregate MSY, 2,018 permits, and there is another one later down that has the number of permits needed to match the gains in CPUE, that 882. It’s in Alternative 6. Where is -- Maybe I just haven’t read this carefully enough, but do we have reports and analyses that have been reviewed and gone through the SSC and everything that support those numbers of permits?

DR. SIMMONS: We have some analysis. It has not been reviewed by the SSC is my understanding, but Assane may know more.
DR. ASSANE DIAGNE: Like you mentioned, Dr. Simmons, we have some analysis from the Science Center, but it hasn’t been formally reviewed. That will be done at a later time.

CHAIRMAN BOSARGE: I was going to ask a question about that timing. Myron, was that your question or -- No? I will ask that real quick, if you don’t mind. As far as timeframe and keeping this thing on schedule, number one, with the restructuring of the SSCs, who would this go before and are they meeting? Can we get this reviewed and when?

EXECUTIVE DIRECTOR DOUG GREGORY: The Special Shrimp SSC meets with the Standing SSC. We could also convene the Socioeconomic Special SSC and have them meet at the same time. We are planning for the SSC to meet -- Typically they meet three or four weeks before each council meeting. We didn’t have a meeting this past time, because we didn’t have enough material to cover, but we’re planning to have a meeting in September and I don’t know if we -- I know Reef Fish is always on the agenda, but I don’t recall if we had planned to put Shrimp on the agenda for September, but we’re also planning to have an SSC meeting maybe in December, the first part of December, of this year and we certainly can put it on that agenda.

CHAIRMAN BOSARGE: Okay and I think we should probably leave that up to staff as to maybe when the SSC looks at it, because I know, and correct me if I’m wrong on this, but I believe there will be some more economic analysis that we put in this document, some further analysis, and so I don’t want to be premature in having them review it at the SSC and then say, oh, but look at it again, because we weren’t really done with it at that point. Whatever the appropriate time is, we do want to make sure that happens. Myron.

MR. FISCHER: Thank you, Madam Chair. Maybe this is for Assane. It’s the numbers in these various options. I just happen to be on the new 6 or both 6’s, where you see an 882 or a 902 or 1,133 and are these numbers based on 100 percent participation or is it based on the fact that we probably have 30 or 40 percent of our fishermen who hold permits, but they don’t all fish in a given year and they fish as needed?

DR. DIAGNE: I think these numbers are based on what I would say active participation, but the extent to which a vessel participates, that is, of course, subject to discussion. We cannot say that everybody participated at the maximum level of effort, meaning you could take a smaller number of vessels and
given the opportunity, or meaning under the right set of conditions, meaning price of shrimp, fuel, and environmental conditions, they would be able to achieve that.

Maybe the committee has an opportunity here to simplify this action and significantly narrow down the range of alternatives that are here. Just, for example, I mean Dr. Crabtree mentioned Alternative 2 and talking about MSY. If we look at the net number is 2,018 permits, even without reviewing it, which will come at some point, if you look at Alternative 3, which has a date certain, you have 1,933 permits.

Those two numbers are practically the same and so maybe there is an opportunity, just looking at those three, to put Alternative 2, for example, in the considered but rejected, because whatever it would achieve would be done by Alternative 3, for example, and we have similar examples, I think, throughout this action, but I will just stop there.

CHAIRMAN BOSARGE: Myron.

MR. FISCHER: Thanks and these different alternatives give a different amount of permits required to fulfill the reason in the first sentence of the permit and would it be easier, Assane, if we had a document that would go from no action to set a target number and we have just an a, b, c, d, e of maybe four or five selections under that? The discussion would have to state why we came up with those numbers, possibly, but we wouldn’t have all these alternatives and it would just be a to d and a to e under one alternative.

DR. DIAGNE: Depending on the range, the final range of options that the committee would recommend, that would be feasible. For example, if you identified some reference dates, the number of permits at the beginning of this moratorium, the number of permits when we initiated these amendments, or the number of permits on the day of implementation, just for example, those would fit in the structure that you mentioned, Mr. Fischer, but if the reasons given here range from I guess some biological considerations to other, then we can’t help but have separate alternatives. It will depend on your final range of alternatives, if you decide to pare this down a bit.

CHAIRMAN BOSARGE: Does that answer your question, Myron?

MR. FISCHER: Also, Assane, if we were to create a pool -- Maybe this would be for Roy, but if we were to create a pool, could this pool be governed with different criteria for getting into
it, meaning that we treat the 1,460 permits as they’ve been, but if we put a pool of any number, 150 or 200 permits, those have different criteria, where they maybe have to have shrimp landings of a certain amount every year or different qualifiers for those pool permits.

**DR. DIAGNE:** I think I would defer to Ms. Levy on this one, but, as you specified, we can create conditions under which two entities holding the same permit are subject to different conditions and that may potentially be a problem, but I will defer to Ms. Levy to further elaborate on this, if needed.

**MR. FISCHER:** I could give examples. It would be to qualify you would have to have a certain income or certain sales, so many pounds of sales, and sort of the more charter boat moratorium historical captain permit, where it’s treated slightly differently. It could be non-transferable and only sticks with that one vessel or whatever criteria the council would come up with.

It would allow new entrants into the fishery, but they would have to be fishermen and they would have to show income or whatever other qualifying factors we come up with.

**CHAIRMAN BOSARGE:** Okay and, Myron, just so that everybody is on the same page, because you asked a question and it was answered, but I want to make sure everybody understood your question and understood what some of these alternatives are saying.

When you were looking at Alternative 6 or Alternate Alternative 6 and you look and that particular alternative, the rationale behind it is maintaining the catch per unit effort gains that were realized in the recent past in the shrimp fishery and so take the first one, the first Alternative 6.

It references a number of 882 permits. If you went with Alternative 6, Option a, essentially what you would be saying is, all right, when the number of permits on the books, whether latent, active, whatever, when that number of permits on the books with NMFS reaches a level of 882 -- In other words, when it decreases to that 882 level, at that point that will be a trigger.

That trigger could possibly make one of two things happen. Option a, it would trigger the formation of a vessel pool and any permits after that point in time that are not renewed and that become terminated, that would have normally exited the fishery and not been available to get again, they will go into
the pool and they will sit there and be available for someone at
some future date in time.

Option b would be that soft target, which you weren’t talking
about, but essentially at that point it would trigger us as a
council to say, okay, we need to look at this again and see what
we want to do and is it at a good level or not, but the part I
really want to be clear about is Option a.

That’s permits on the books, 882, and the reason we put that in
there that way is because we knew that in that year, where the
catch per unit effort gains had been realized, that’s how many
boats were out there actually shrimping. There were way more
permits on the books than that, but if we started a vessel pool
at that whatever it was, nineteen-hundred-and-something permits,
then we know if those people come back into the fishery, which
we would be allowing if we started a vessel pool at nineteen-
hundred-and-something permits, we just screwed all those guys
that are in the fishery, because we know they’re not sustainable
at that level.

They are not profitable and they cannot make a go of it and the
whole point of the moratorium was to stabilize the fishery and
get it to a point where hopefully when it became profitable
again we wouldn’t have another one of these boom-and-bust
cycles, where people rush into it and usually it’s artificially
stimulated by whatever the case may be, easy financing through
big corporations, like Caterpillar, or right now we could even
be in an artificial stimulation, because of BP money.

The point being we didn’t want to keep going through that
vicious cycle again and so I just wanted to make sure that
people understood what the 882 means. That’s permits on the
books, whether they are active or inactive. When it hits that
level, that would be a trigger.

MR. FISCHER: But that’s not what Assane said. He said that
it’s 882 active boats for this criteria and we know not 100
percent of the boats fish and we know it right now. Out of the
1,463 boats, they’re not all fishing and maybe only 700 or 800
of them are fishing.

That’s why I feel this number has to be higher, because in any
year you just won’t have -- Now, Assane might correct me, but
that’s what I understood. He has got his hand up.

DR. DIAGNE: Maybe I didn’t express it clearly. What I said is
these are active vessels, but their level of activity, and I put
that in quotes, we cannot guarantee is 100 percent for all of them and so what I said is consistent with what Ms. Bosarge just said, but we cannot assume that they were all active to the maximum of their ability. That’s what I meant.

**MR. FISCHER:** But we know we have many boats that are harvesting zero right now and you know you will always have boats at zero and so maybe I just don’t understand, but I think we need a sizeable amount more than this, knowing we’re going to have boats not fishing, to maintain the catches. I will let NOAA --

**CHAIRMAN BOSARGE:** NOAA.

**DR. CRABTREE:** I guess, Myron, I am having a hard time seeing why we need any more vessels than we have now. I mean CPUEs are high and we’re catching close to what we’ve historically caught and we’re doing it with much less effort, which means less bycatch of red snapper and less bycatch of turtles, and we still have, I don’t know, 300 or 400, or maybe more, latent permits out there.

I have a difficult time seeing why we would do anything that would increase the number of permits in the fishery. If anything, the high proportion of latent permits would tend to indicate there are more permits than we need at this point and so I have a hard time seeing why we would even keep Alternative 2 and 3 in the document, because I just can’t see why we would want to take an action to increase the number of the permits, because we seem to have more permits now than are needed to catch the shrimp that can be caught. Clearly the key to keeping these vessels economically viable is high CPUEs and that’s what I am struggling with this.

**MR. FISCHER:** The reason, even if it’s a small pool, is just to allow new entrants in, just to get a few more people that -- It’s not as easy to purchase a permit from a fisherman retiring as it may seem and that’s why we do have permits expiring every year. Like I say, just in case they have a few entrants that want to get in, it’s to create a pool to allow them and, in some cases, it’s also to allow what is happening now. When boats are transiting and when they’re moving around, they do go into federal waters and to allow these boats to have permits so they could go from A to B and they do cross into federal waters.

**CHAIRMAN BOSARGE:** Dr. Crabtree.

**DR. CRABTREE:** Well, I mean the way you become a new entrant is to buy a permit from someone and I don’t know and Leann might
know better, but my understanding is shrimp permits, as far as
permits go, aren’t particularly expensive. Do you know what --

CHAIRMAN BOSARGE: No, they’re not that expensive in the big
scheme of things. It’s going to depend on who you’re buying it
from, you know. It’s going to vary, but in the big scheme of
things, that particular expense is going to be minimal compared
to the expense that will be incurred simply to get your vessel
ready to go into federal waters, from a regulatory standpoint,
the things that you have to have on that vessel, per Coast
Guard, and the things that you’re going to have to do for that
vessel to qualify to step out into federal waters. The permit
is negligible compared to the rest of the expense.

DR. CRABTREE: Yes and so it just doesn’t seem, to me, that
that’s that big of a hurdle here and the level of attrition in
the fishery -- I mean we lost a good many permits early on, at
the beginning of this thing, but the level of attrition is not
that high anymore and we have -- Every permit that we have under
moratorium right now has all these same issues and we have never
gone in and done this in any of those and I don’t know why we’re
doing it here.

We probably have more issues with bycatch, particularly turtles
and things, in this fishery than anything else and so we have a
significant public interest in not having any more effort in
this fishery than is necessary to catch the available shrimp and
I think we have a responsibility to make sure that we don’t
allow excess capacity in this fishery.

I just think that the issue of the new participants -- It just
doesn’t make sense to me. If you’ve got a permit that is $6,000
or $7,000, you’ve got to buy a shrimp boat and you’ve got to buy
the nets. A lot of these boats put $10,000 or $20,000 worth of
fuel in them to go make a fishing trip and so it just doesn’t
seem, to me, that buying a permit is that high of a hurdle.

CHAIRMAN BOSARGE: Myron.

MR. FISCHER: We do have an industry that’s not overfished and
not undergoing overfishing. It’s an annual crop, those not
harvested, unlike the reef fish, that we need them for future
years. What is not harvested dies and we are nowhere near MSY.
We are not fishing MSY and so we just feel that a small pool and
not going back to the numbers of the 1,900 or the numbers at the
beginning of the inception of the moratorium. Somewhere in the
middle and just trying to get a few more permits in the pool to
allow some new entrants into the fishery.
If not, you’re going to have a dying fishery, through attrition. We are slowly eating away at it. We’re losing too much infrastructure on our coastline. Grand Isle, where our lab is, once had eight fish houses and we now have one fish house. It’s not healthy for the industry to be losing this much infrastructure for this argument. We just feel that a couple more permits in the pool would actually be healthy in getting new entrants in.

CHAIRMAN BOSARGE: Dr. Branstetter, did you have a comment?

DR. STEVE BRANSTETTER: Yes and I think maybe, Myron, some of your answers are in Table 2.2.1 of the document. At the most, when permits first came in, there were about almost 2,000 permits that were active. When we underwent the moratorium, there was less than 1,550 active, large and small, vessels in 2006. As Dr. Crabtree mentioned, there is an attrition rate going down from there, while the CPUEs are going up.

CHAIRMAN BOSARGE: Myron.

MR. FISCHER: Also recall the shrimp biomass is very environmentally influenced. It’s highly environmentally influenced as compared to the other reef fish and species we manage. I do agree about the CPUE. However, when you have a year that the various environmental factors, temperature and salinity in the estuarine areas pushing the shrimp out -- When it’s a good year, they have a bumper crop and we would like just to have boats out there to harvest them.

CHAIRMAN BOSARGE: Dr. Lucas.

DR. KELLY LUCAS: Thank you, Madam Chair. I am not on your committee, but I did have a question and it’s possibly for you, being in the business, or maybe for NOAA, but how easy is it for people who may wish to be in the commercial shrimping business to find out about a permit that may be coming available? I mean is there a way to connect these people who might potentially be looking at a permit that’s in the grace period or whatever? I mean if I was the person who wanted to get into it, could I find that information easily?

CHAIRMAN BOSARGE: I think that that is an excellent question, because some of the issues or concerns that I hear people raising, some of it could be alleviated simply by communication, open communication, and access to the information that they need in order to get in the fishery.
Now, of course, if you’re a businessperson, that’s also a part of business. You have to do the legwork, but that doesn’t mean we can’t make it easier. If we see that as an issue, as a hindrance or a hurdle, maybe we can do something about that. Dr. Crabtree or Mara may correct me and this may be private information that cannot be released, but you get one of these permits and a year later it expires, right?

But then you have a year from that expiration date before it’s actually terminated and leaves the fishery and so I guess for any other kind of circumstance you would call that your grace period, kind of like your mortgage is due on the first, but they give you until the tenth before they hit you with a fee or something like that.

While you’re in that year grace period, after it’s expired, but it hasn’t been terminated yet, would it be possible for it to show up on the NMFS/NOAA website somewhere that these particular permits are in their grace period, but haven’t been terminated yet, and this is the name associated with the permit or the port associated with the permit? In other words, let’s not give out Social Security numbers and phone numbers, but at least some information that might could direct you to those people as a way to allow those new entrants to more easily gain access to the fishery.

The difference between that a pool -- I am trying not to speak too much, because I’m the Chairman and so I am trying to not voice my opinion, but then I’m also from the shrimp industry and so it’s tough and bear with me. The difference, in my opinion, between that and a pool is that you still let the market control itself.

It’s not the government or the council or NOAA or NMFS interfering with the market and tailoring itself to where it needs to be for these boats to be profitable. When we create the pool, then those permits are there indefinitely and when things finally get better -- Who knows? There may be 500 permits in that pool and we may have only 1,000 boats in the industry at that point and so you’re going to allow at that point, once things get better and these guys are profitable, for it to shoot right back up by 500 permits.

Then you get into that boom-and-bust cycle and this would not be that. What I was speaking to, you would still have a private person that owns the permit and another private person that wants to get into the fishery and they get together and they
decide what the price of the permit would be and if it’s worthwhile to get in it at that point in time and not five years down the road, but right then. Is this something I want to get into or not? Dr. Crabtree.

DR. CRABTREE: Part coming to Kelly’s question, I mean you can go on our website and we have posted a list of all the permit holders and so you can find the vessel ID and the vessel name and the permit number and the name of the company or the individual and their address on our website.

I guess, in theory, if you were looking for a shrimp permit, you could start on this list and just go down and contact all of them until you found someone willing to sell.

CHAIRMAN BOSARGE: A follow-up, Dr. Lucas, and then David Walker.

DR. LUCAS: To that point though, is it identified in some way of where it may be, like the permit has either been reactivated versus they’re kind of in that lag period or whatever? I mean we just had seven -- I think you identified seven that exited as of last year and if somebody was looking to get into the commercial shrimp business, was there a way to kind of connect that before that occurred?

DR. CRABTREE: I don’t think that is available on the website. I think it just has a list of the permit holders, but does it have the expiration date? Okay. It does have the expiration date of the permit on it. Now, I don’t know if this is only of non-expired permits or if it includes -- You can see the expiration date.

CHAIRMAN BOSARGE: David.

MR. WALKER: I am not on your committee, but I was just going to add that it seems to me that it makes more sense to keep your CPUEs up and your discards down. I mean intensifying effort is not the solution.

CHAIRMAN BOSARGE: Okay. We’ve had some good discussion thus far and it does look like we do have certain public access to this information and maybe that can be enhanced and we can overcome some of these hurdles for new entrants that currently have an avenue to get into with the situation we have now, where we still have permits that are tapering off and being terminated on their own every year.
That’s a possibility to help the situation. It sounds like -- I am going to get to whoever raised their hand just a second ago, Roy, but I want to have some clarification for staff on things we’ve discussed.

For staff, it sounded like we had a little confusion on what some of these alternatives mean, because I think Myron and I were thinking that Alternative 6 said two different things. We may need to have some more discussion and clarify that in the discussion that comes after these alternatives, so that we understand what, for example, that 882 permits means, if that is permits on the books, whether active or inactive.

I don’t think thus far we have had any discussion about actively trying to eliminate latent permits. I don’t think that’s been one of our goals thus far and so if it reads as such in the document, we may need to have a little clarity on that. All right, Roy.

MR. ROY WILLIAMS: You’re kind of getting at my question, and I’m not on your committee, but I appreciate your indulgence. That 882 that’s referenced in Alternative 6, where does that come from? That 882 number doesn’t appear in Table 2.2.1, nor do any of those -- You sum the last two columns on the right and they don’t come out to that 882 and so do you know, Carrie, where that’s derived from?

CHAIRMAN BOSARGE: If you look on page 17 of the document, at Table 2.2.2, that’s the table that goes into your actual CPUE numbers, your catch per unit effort numbers, and then out beside that, it actually gives you landings and so you can compare landings to changes in CPUE to changes in active permitted vessels, estimated active permitted vessels, and so if you look at 2008, that’s where your expected active permitted vessels, 882, number comes from.

MR. WILLIAMS: Could I have a follow-up question, too? So if we reduce to 882 permits, active permits, I guess the expected landings -- I see that now too and it’s just under seventy-five-million pounds. Is that approaching the yield in this fishery? I don’t know what the potential theoretical yield in this fishery -- Are we forsaking a lot of yield if we reduce to 882 permits?

CHAIRMAN BOSARGE: That’s an excellent question and there are several facets to that question and I think this is something that we probably need to have more discussion in the document about as well and I am going to speak a lot on this, even though
I’m the Chairman, and so jump in if anybody wants to.

In the document, we need to have some discussion as to what drives landings. Is it -- What is it that determines if we have an excellent landings year or an average landings year or a below average landings year?

As we know, environmental conditions are very important in this fishery, but there still are other criteria that affect it and so is it primarily driven -- Outside of the environmental factors, is it primarily driven by the number of boats, aka the number of active permits, in the fishery or is it driven more so by the economic constraints in that particular year that those vessels have to deal with?

In other words, is it the price of imports which drives the market price for domestic shrimp and the price of fuel? Are those the things that will constitute whether a boat leaves the dock to go land these shrimp or it doesn’t or is it purely driven by whether there is a thousand boats at the dock to leave versus 2,000 boats at the dock to leave? Which one is controlling that level of landings or is having the greatest effect on that level of landings? Assane.

DR. DIAGNE: Thank you, Ms. Bosarge. In fact, I mean you mentioned some of the things that I wanted to mention. In some ways, maybe we are putting more emphasis than needed on the number of permits, per se, because if we look at the literature, what are the drivers of the shrimp industry in general?

We can mention three main things: the price of shrimp, the price of fuel, and, in general, environmental conditions which would affect shrimp abundance, if you would. In the literature, there is a term that people use and it’s the cost price squeeze, essentially the cost of harvesting. The major one, of course, is price of fuel and the price of shrimp.

As mentioned, you have a worldwide market, really. Price of imports are significant drivers when it comes to price of shrimp and so you can have whatever number of permits and if the economic conditions are not right, some of those, or many of those, would stay at the dock, because when they look at the numbers, it would not make sense for them to go fishing.

We could have let’s say these 900 permits and if you have a bumper crop, they are more than capable of harvesting that, because the economic conditions would make it right. Unless we reach a very, very low number of permits, a bottom threshold,
number of permits would not be a concern.

The major factor here would be your bioeconomic conditions and, again, the abundance and the differential between the cost and the price of shrimp.

**MR. WILLIAMS:** So if we targeted -- Let’s say we changed the moratorium to target 900 permits in the future, to allow them to deteriorate or to decline to 900 through attrition, would we still be able, at that 900 permits, to catch most of the potential yield out there? My feeling is we probably could. That’s the drift I get from this. Each boat would have a much - - The active boats would have a much better catch per effort, but are we only going to be catching half the potential yield or would we be catching 75 or 80 percent of the potential yield? Do you know? I mean I know that’s a difficult figure to come up with, but can you give me any sense of how the number of permits is going to affect the potential yield, in terms of MSY?

**DR. DIAGNE:** I think around that number, without any study, and those will come from the Science Center, because they are doing additional work for this amendment. Provided that the economic conditions are right, they would be more than capable of harvesting the shrimp for the Gulf of Mexico.

The main, main driver really would be that, how much you can sell it for, essentially, and there is another factor here, which I guess we can add to this, and that’s the behavior of the shrimpers themselves.

Because they behave in a very, I guess, narrow set of preferences and by that, I mean that when they go out fishing, they have a certain revenue target in mind. If they don’t hit that target, some of them will prolong the trip and try to make it, because they know how much they spent before going in fuel, et cetera, to make it, but the sooner they make that, the sooner then they return to port and so there are -- These numbers would allow you to harvest the shrimp available at this time, yes.

**CHAIRMAN BOSARGE:** Dr. Lucas.

**DR. LUCAS:** A clarification. Which Alternative 6 -- It says “or” and which one was the original and which one is the current?

**CHAIRMAN BOSARGE:** I believe the second Alternative 6 was the original and they are both currently in the document. I mean they’re open for discussion and that’s part of what we need to
do today, is look at it and tailor these things and narrow it
down for staff and tell them what we’re thinking and what we
want them to analyze further.

DR. LUCAS: The 6 that was added, you did some analysis to
arrive at 882, because I look at Table 2.2.2 and see the
expected active permit vessels, the last column, and then you
start looking at the observed and the expected CPUE and there
seems to be a whole range in there that anything could have been
picked from. Assane, how was the 882 --

CHAIRMAN BOSARGE: Yes and actually, the IPT -- I don’t know if
they are conferenced in or if they can email somebody on this,
but I know they’re listening in and maybe they can give --
Morgan is very familiar with this, but obviously there is
important things she needs to focus on right now and she
shouldn’t be here, but they are the ones that have done a lot of
this analysis.

If you remember in the last draft, we had relatively no
information on truly active vessels in the fishery. All we had
was permits on the books with NOAA, whether they were latent or
active.

That’s what we asked for and so that’s where this analysis has
come from and if you read in the description after these
alternatives, and I don’t have it highlighted, but there is
somewhere in here that they go into using this expected number
of active permitted vessels versus the actual, which usually
there is only a handful of permits difference between the two,
and so the difference between Table 2.2.1, active permitted
vessels, and Table 2.2.2, expected active permitted vessels,
because of some sort of modeling and using more than one year
versus only one year -- It goes into detail and it get a little
over my head, but that’s where that 882 number is coming from.
That’s because that is the year where you saw the peak in CPUE.

DR. LUCAS: I thought on that description though that it starts
talking about using a number other than the 2008 or 2010 to
achieve it and it says that setting a target higher than the
target based on 2008, but the 2008 number seems to be what’s in
there and so I’m sorry, but I was just a little confused.

CHAIRMAN BOSARGE: In the second Alternative 6, they give you
essentially a range that you could pick from pretty much any
year since the initiation of the permit moratorium and figure
out which one of those years you want to use in order to
maintain landings where you want them to be and that’s why I
said we need to have some discussion in the document as to whether landings is in fact driven by the level of permits or if it’s not, if they’re not highly correlated, then that may not be the best route to go, but it may be, but we need some discussion, because obviously there is questions about that. Kevin.

MR. KEVIN ANSON: Thank you, Madam Chair. I am not on your committee, but going back to your discussion earlier about the going rate for a permit, you didn’t answer the question or give a range and I know it depends on where the boat may -- The size of the boat or whatever are the things that go in with buying a boat, potentially, but generally is it $2,000 or it is $5,000 or $10,000 or $20,000, I mean just kind of a ballpark average?

CHAIRMAN BOSARGE: I would hate to speak for the entire fleet, but I would say that I haven’t heard of anything getting above the $10,000 level and I have heard it being closer to the $5,000 or less. The reason I didn’t want to put a particular range on it is because there are some people in the fishery that may sell it to you for less than $1,000, because it’s a small fishery and because these people are connected and have long histories with each other.

It really just depends on who you approach. I mean these people are essentially letting them expire and making nothing off of them and so you have to infer from that that it couldn’t be too extremely expensive. Don’t ask me any more questions, so I don’t have to put my opinion out there as Chairman, so I can be quiet. Myron.

MR. FISCHER: Madam Chair, so we have a document that’s going out to the public and we want the public to comment on all of these items and so I think I just see something in here that I would changed and so what I will do is -- I like the Table 2.2.2 and it does look like the CPUE did increase as permits declined and around the 2007 or 2008 range, the same -- Actually, we had better CPUE in 2008 than we did in 2013.

I would like to make a motion that under Alternative 3 of Action 2.1, where we have the 1,933 permits, that we use it as an a and have an a, b, and c and use the amount of permits that were in the 2010, 2012, and 2014. Well, 2014 would be status quo and maybe go to 2009, 2011, and 2013, which would be for 1,933 permits, as is in the document, because I would like to hear what the fishermen have to say also about 1,722 and 1,582 and 1,501 and using those as the ceilings.
It would be the amount of permits that were in the years 2013, 2011, and 2009, working backwards. That way, we will get some comments, because people may not like the 1,933 number, but are willing to find some target in between where we are today and where the moratorium went into effect.

I don’t have this -- I am not on any kind of email right now. Every device I have is dead and I keep asking when they’re going to get my password fixed and so I can’t email staff, but what I would like to do is under that 1,933, go with a b, c, and d which would be 1,722, 1,582, and 1,501, which would be the amount of permits that were corresponding to the years 2009, 2011, and 2013, which, going back to Table 2.2.2, we had pretty high CPUE.

CHAIRMAN BOSARGE: He is in Action --

MR. FISCHER: Action 2.1, Alternative 3. Madam Chair, I could walk over to the table and assist, if they choose.

MR. ANSON: Let’s go ahead and take about a ten-minute break at this time, while we resolve the motion.

(Whereupon, a brief recess was taken.)

MR. FISCHER: My motion would be in Action 2.1, Alternative 3, to set the target number of shrimp vessel permits based on the number of valid permits issued at the beginning of the moratorium, which was 1,933, or to use the number that was in 2009, 1,722, or the number in 2011, which was 1,582, or the number in 2013, 1,501. Option a and Option be remains the same. It might need a slight bit of wordsmithing in that first sentence, just to make it grammatically correct. I am not certain. I am from Louisiana.

CHAIRMAN BOSARGE: Okay and so you’re good with what we have on the board, Myron, right?

MR. FISCHER: Yes.

CHAIRMAN BOSARGE: We have a motion on the board. Is there a second to this motion for discussion?

MR. DAVE DONALDSON: I will second it.

CHAIRMAN BOSARGE: It’s seconded by Dave. Is there discussion about this motion? Dr. Crabtree.
DR. CRABTREE: It seems to me, one, that adding these three options -- It’s all within the range of what’s already in the document and so I don’t know that it gives the public anything and it bothers me to just be pulling years out and saying that’s the number of permits, because there doesn’t seem to be any justification behind that, other than that’s how many there just happened to be at some point in time.

But how does that mean it’s the appropriate number of permits, that it’s the optimal number of permits? I just don’t see that and so I don’t really think we gain anything by adding this in.

CHAIRMAN BOSARGE: Myron.

MR. FISCHER: Where some of the other alternatives are tied to CPUE or tied to other events, this was tied to how many permits were at the beginning and then it reduces coming up to today’s date, which would be status quo. Someone may not like the 1,933, but they wouldn’t mind settling somewhere in between and we have to remember this is just an options paper going out for the public to comment and this is far from our final review.

The public might get here and don’t want any part of this and that’s what it’s about. It’s to give them opportunities to comment on something and by us isolating just the 1,933 with no other choices, they may say this isn’t a solid option, because we don’t want 1,933. It shows them the flexibility if we were to choose to go somewhere in between.

CHAIRMAN BOSARGE: Mara.

MS. MARA LEVY: My concern with just the way it’s set up from a practical standpoint is that we now have an alternative that I guess is asking you to select 1, 2, 3, or 4 and then an Option a or b. It’s really four different alternatives, each with an Option a and b under it, and the way that the rest and the action and alternatives are structured is really -- They should be separate, right, so it’s either at the beginning of the moratorium or all these other numbers should really be separate alternatives, each with an a and b under it.

If staff is actually going to have to analyze all of these, that’s how, in a practical sense, they’re going to have to analyze them, because it’s going to get extremely messy to be Alternative 3, Option 1 or Number 1, Option a. Do you see what I’m saying in terms of how it’s set up versus how the other alternatives are set up in the action?
I do agree with Roy that if you decide to go down this path that there would have to be a lot more discussion about why any one of these years is appropriate just because it happens to be the number of permits that ended up at the end of the year.

CHAIRMAN BOSARGE: Okay, Myron. I have a question for Myron. All right. So we had a discussion earlier about where we’re at right now in the fishery with the level of permits that we’re at and essentially all of the options in this motion would increase permits from where they are currently and if you look at active boats in the fishery, it increases them considerably from where they are right now.

What is our rationale for wanting to make drastic increases available to the fleet size in this fishery that I am concerned about, the fishery itself having a long-term future?

MR. FISCHER: I share those concerns. That’s why I am trying to reduce the number from 1,933 and give options that would be less than the 1,933 number.

CHAIRMAN BOSARGE: I guess that’s where you and I differ in how we look at the fleet, because you look at the fleet as sustainable at approximately 1,500 permits right now and what I see is no, there is far fewer than 1,500 boats working right now. If we actually had all those boats working and we had 1,500 boats working, we would not be a sustainable fishery.

We have closer to that 900 range actually working right now and those people are barely surviving. They are not coming ahead and profiting. They can only go forward at that 900 level if economic conditions improve from here and so it scares me that we’re putting in even more options that increase the fleet from the active number of boats that we have right now barely sustaining.

I feel like we’re doing them an injustice and we already have two of those options in the paper. We asked for those to be in there so that we would have a reasonable range of alternatives and I just don’t -- I have to speak up for this, because there is only five of us on the committee and so if you can convince me, give it a shot.

MR. FISCHER: I didn’t think I had to convince the chairperson to allow the motion. I know I won’t get your vote, but I think it’s a viable range of alternatives in this action to allow it to go to the public to hear what the people have to say. That’s what I am trying to do, is spur the public comment.
CHAIRMAN BOSARGE: So you want the current Alternative 2 and 3 and then add this to the one that speaks to -- Is it Alternative 4 that speaks to the 1,933?

MR. FISCHER: Alternative 3.

CHAIRMAN BOSARGE: Just for the record, I was getting you to convince me of voting for it, Myron. All right. Any more discussion on this motion? We have a question from Dr. Lucas.

DR. LUCAS: Myron said that when you -- I guess this could be in the discussion somewhere, but you picked those numbers based, I guess, on catch per unit effort in those given years and I mean would you add that somewhere for clarity, so that when the public is commenting on it that they may note why you chose those years or why those years were chosen?

MR. FISCHER: Sure and in discussion of the 882, when Steve Branstetter referred us to Table 2.2.2, it appeared that the CPUE in the year 2008 was actually higher than it was in 2013, the last year in the table. It appears that the amount of boats we had in 2008, everyone could survive, that the fleet could survive. It was to take some calendar years between 2015 and that date and I was just staggering the years. It was definitely not because they highlighted higher CPUEs, but it was just staggering the years to give like a full range.

CHAIRMAN BOSARGE: Assane, for clarification on that Table 2.2.2, and I don’t know if it was you or Sue Gerhart that would answer this, but those CPUE numbers that you see there, like for 2008, that’s based -- That is based and correlated to that 882 boats actually working and not the 1,930 boats that were permitted that year.

That’s how many boats had permits attached to them, but that CPUE is only attainable if 882 of those boats actually work the fishery actively.

DR. DIAGNE: Yes, that is correct. If you use the 1,900 plus, that CPUE would shrink roughly by half and a little bit more, yes, and so it is attached to the 882, which are assumed to be active permits, yes.

CHAIRMAN BOSARGE: David.

MR. WALKER: I was just going to add to that. Probably the CPUE, but if you go from 882 to 1,500 or 1,600 or whatever, you
also have the potential to double the discards too, increase the
discards, and I don’t think that’s something that’s going to go
too well with a lot of people.

CHAIRMAN BOSARGE: Dr. Crabtree.

DR. CRABTREE: I think David makes a very good point and I would
remind you we’re mired in litigation now over the shrimp
fishery, based on turtle takes, and the proxy we use for turtle
takes in this fishery is effort and if effort goes up, it’s
going to create a lot of problems for us and so I don’t know.

To me, there is a balance here, but we want to maintain these
high CPUEs and we want to keep bycatch down and low, which means
effort down as low as we can and still catch the fish, and I
just don’t think these alternatives that increase the number of
permits beyond what we have now do that. They just seem to
create these problems and they are going to reduce CPUE and they
don’t make sense to me in this fishery. I just don’t think it’s
a good balance.

CHAIRMAN BOSARGE: Any further discussion on this motion? I
think we’ve had a good discussion. All those in favor of the
motion say aye; all those opposed. Do we need to raise our
hands? All those in favor please raise your hand; all of those
opposed please raise your hands. The motion passes three to
two.

Do you want to continue on with this action or -- Was there
anything else that we want to discuss on this action? Is there
anything that we can streamline? We have added some things and
I think staff wanted us to streamline it and delete some things,
but is there anything that we’re not considering that staff does
not need to further analyze or is there any more discussion that
we want to clarify certain things in these tables or anything
else that the committee would like to see in the document? All
right. Hearing no discussion, you can carry on, please, ma’am.

DR. SIMMONS: Okay. Thank you, Madam Chair. That means we have
essentially eleven alternatives, I believe, in this action. I
think we may have to reorganize the motion that just passed a
little bit more for the next draft and so remember we’re going
to bring this back to the council before it goes out to public
hearings, but that’s a lot of alternatives and so if there’s
anything else the committee could whittle down, we would
appreciate it, especially if Alternative 2 -- I think there was
some question about MSY and how those species were combined to
attain MSY and if Alternative 2 should stay in the document at
this time. I don’t know if you had a chance to discuss that or not yet.

CHAIRMAN BOSARGE: Is there any discussion on Alternative 2 from the committee? This is the alternative that addresses MSY. Go ahead, Dr. Crabtree.

DR. CRABTREE: I will try a motion to remove it to the considered but rejected, based on the comments and what I have already spoken to. This seems to be the highest number of permits in here. I will make that motion.

CHAIRMAN BOSARGE: Okay. Is that your motion, Dr. Crabtree, on the board?

DR. CRABTREE: Yes, Alternative 2 in Action -- That’s it.

CHAIRMAN BOSARGE: All right. We have a motion on the board. Do we have a second? Second by Ms. Bosarge. Any discussion on the motion?

MR. FISCHER: If you wanted a friendly motion to add 4, 5, 6, and 7 to it and is that what you’re looking for?

CHAIRMAN BOSARGE: No, Myron, no. All right. We now have the language that’s associated with that Alternative 2 on the board, so that we know what we’re voting on here. Myron.

MR. FISCHER: Are we sending a message that we do not want to fish at MSY if do something like this?

CHAIRMAN BOSARGE: That’s a good point. I think that there probably does need to be further discussion in the document definitely about MSY and levels that we currently fish at. I think it is touched on some in the document, Myron, but it may need to be elaborated on, especially if we do pass this motion, because that is one of the mandates, obviously, that we all live with.

If this motion was to pass, I would think that there needs to be some discussion in the document that in a purely commercial fishery such as the shrimp fishery that the maximum sustainable yield curve is ultimately reduced by the maximum economic yield curve, meaning the economics of the fishery may dictate that you cannot reach MSY, no matter what you do, in a purely commercial fishery. If this passes, then yes, you’re right that we would need to have some sort of discussion to that extent, to make sure that it’s still addressed in the document. Dr. Crabtree.
DR. CRABTREE: I don’t -- We almost never fish at MSY. The statute tells us we’re supposed to fish at optimum yield, which is reduced from MSY. Given all the bycatch issues in this fishery and the need to maintain high CPUEs, we have lots of reasons why we wouldn’t want to fish at MSY and so that doesn’t bother me.

CHAIRMAN BOSARGE: Okay. Any further discussion on the motion? We might as well raise our hands, since there is only five of us. All of those in favor of the motion raise your hand; all opposed raise your hands. The motion fails.

I would like to -- If we’re past that, I would like to have a little discussion about the biological alternatives that we have in the document. I think our original goal, we wanted some alternatives that had to do with maintaining CPUE. We have those and we wanted some alternatives that were possibly biologically based, because you have to have rationale for what you pick.

We do have one biological alternative in there, but today we seem to have had a lot of discussion about the turtle interactions and the industry. Dr. Crabtree, do you think it would behoove us to have a biological alternative that addresses those thresholds?

DR. CRABTREE: Well, if you wanted to do something like that, you could put something in here that was aimed at maintaining effort at or below the level that was specified in the incidental take statement in the last biological opinion. Now, how well we can translate that into permit numbers and things is not entirely clear to me, but that would seem to be the way that would make sense with it, if you wanted to do something like that.

CHAIRMAN BOSARGE: Okay. So that’s a possibility and it does address it a little bit in the document. I noticed in the discussion portion, when it’s addressing some of the other bycatch issues, it does talk about the biological opinion and certain thresholds that we need to stay below and I believe it even -- It may give a target, at least a target year, that maybe could be somehow related to a certain level of permits and so that may be something that we’re looking at. Are there any alternatives that we don’t need, that we are ready to remove from the document for staff? All right. Dr. Crabtree is on a roll and he gives us and so let’s move on then. Myron.
MR. FISCHER: When you talk about language in the document, even though they may have an inference to what I’m going to say, I think we have to get a little deeper in the fact that the shrimp crop is an annual crop and it’s really based on environmental factors and it’s definitely not based on any kind of overfishing the previous years.

It’s based on salinity and temperature and rainfall and everything coming out of the estuarine areas and I think that has to be in the document and just highlighted somewhere more than just mentioning environmental factors, because that is what controls the size of the biomass.

It’s one of the main factors controlling the size of the biomass and, therefore, that’s what has a lot of play on CPUE and a lot of play on just what’s going to be harvested in general and what our total landings are going to be. I just don’t want staff to have to do much more research, but I think something should be mentioned in the document to that.

CHAIRMAN BOSARGE: So noted and I’m glad you brought that up. There was one other thing that I was hoping to get a little more discussion on in the paper. As far as the Option b listed under all of the alternatives in the vessel pool action, we discuss it a little bit in the paper following these alternatives, but I think maybe we should get a little more specific in the sense that, okay, if we go that route, if we have this soft target instead of forming the pool immediately when we hit some certain level of permits, it will instead trigger us to take a look at this and say are we where we need to be and what do we need to do, but we need to know what is encompassed in that?

Is this going to be a plan amendment that would have to be done at that point to examine that? Is it a framework action? You know what kind of timeline are we looking at? We don’t want to narrow it down to the point that if we go that route we don’t have many options or flexibility, but we at least want to know kind of what we’re looking at if we were to go that route, from a timeframe perspective. If staff could maybe elaborate on a little bit of the logistics involved there in the paper, I would appreciate that.

DR. SIMMONS: Okay. We will move on, but I guess, hopefully by full council, maybe we could think a little bit more about the current two Alternative 6’s. The second Alternative 6, we have the CPUE and the landings combined, but we don’t really talk about a year or provide any justification for using that Table 2.2.2 and so we probably should get some guidance by full
council about that alternative and how we want to move forward with that one, at least as far as years go and why we would choose a specific year, potentially, if we leave that in, instead of the range. Still back on the same action, 2.1, but we’re moving on.

Page 20, Issuance of Reserve Gulf Shrimp Vessel Permits, page 20, Alternative 1 is no action, individuals must submit a completed application to NMFS to be issued from this reserved vessel permit pool.

Eligible applicants will receive a Gulf shrimp vessel permit, reserve permit, if it’s available. Alternative 2 would allow the reserved vessel permits to be available from NMFS and will be issued to the eligible applicants in the order in which the applicants are received.

Alternative 3 would allow this reserve permit pool to be available from NMFS once per year and those would be eligible in the order in which the applicants are received, but it would be only completed once a year.

Alternative 4 would take the reserve pool and it would allow -- Those permits would be available from NMFS once per year. If the number of applicants is greater than the number of the reserve Gulf shrimp vessel permits, NMFS would conduct a lottery to determine which individuals may be issued the available permits.

Under each of these alternatives, we have various criteria. Option a is to be U.S. citizen or business and Option b is to assign the permit to a vessel that is of at least X length on the application. Option c would assign the permit to a vessel with a U.S. Coast Guard certificate of documentation on the application. Those are the current same options we have under each of the alternatives.

Staff has provided some analysis on page 22 about vessel length for the committee to think about, Table 2.2.3, the proportion of vessels with valid or renewable commercial shrimp permits in each size class as of January 6, 2015.

Method 1 takes the vessel length and the proportion of vessels that are less than sixty feet, which is approximately 24.3 percent of the vessels in the fleet, and the number that are greater than sixty feet is 75.7 percent.

Method 2 takes the vessel length and the proportion of vessels
within the various lengths and divides it up into twenty-five-feet increments. Approximately 2.8 percent of the fleet is less than twenty-five feet. Twenty-five to fifty feet is 13.6 percent of the fleet and fifty to seventy-five feet is 42.8 percent of the fleet and greater than seventy-five feet is 40.8 percent of the fleet.

Staff is looking for some feedback regarding Option b as far as the length of the vessel that would be needed for the application. Also, some IPT questions for the council are would each individual be limited to one application and how long would the applications be valid and would these permits be transferable?

CHAIRMAN BOSARGE: Discussion on this action? Myron.

MR. FISCHER: Just a question. A vessel has to be a U.S. Coast Guard documented vessel to obtain a permit, because this does not seem to allow state vessels to have permits.

CHAIRMAN BOSARGE: That was listed as an option, if I remember correctly, Myron. It came into discussion at the AP meeting, when they were trying to come up with a length category, so that people didn’t put these permits on -- Go and get them for speculation and put them on a skiff.

There seemed to be some gray area with the length, which staff is trying to work out for us with these tables, but the alternative to that was saying, okay, then what about tonnage? The discussion was around the five net tons and that essentially anything below that was not going to be a Gulf boat and that was a good threshold.

The reason it mentions the documentation is because fishing vessels, and I think it clarifies this in the discussion, but fishing vessels that are five net tons have to be documented and so that’s where that comes from. It’s really the five-net-ton threshold, which therefore kicks in documentation.

Is there any discussion around the length, since it has a big “X” by it that is highlighted? Do we want to put a length in there or at least have some discussion? We don’t necessarily need to make a decision, but let’s have some discussion about lengths and what that may or may not entail.

Does the fact that you have the net tonnage, does that alleviate the length problem? Staff did provide us with some lengths in a table and they said that boats that were sixty feet or greater,
that was essentially 75.7 percent of the permitted vessels and boats that were greater than seventy-five, that’s 40.8 percent and the fifty to seventy-five range is 42.8 percent and so there are some decent percentages there to guide us or maybe we can just leave it for public comment and let them tell us if they want that or not. Dale.

MR. DALE DIAZ: I am not on your committee, but I think, to me, length is not a good way to go. I mean it depends on where you’re at whether length is important, probably, but in certain areas of the Gulf, you can be three miles off the coastline of a state that might only have a three-mile boundary recognized by the feds now and the depth of water tapers off gradually and it’s very conceivable that these smaller boats would be out beyond three miles. That’s not a big stretch in a lot of areas. Anyway, I have not thought that was a good idea since the first time I heard it, but I’m not on your committee.

CHAIRMAN BOSARGE: Mara, did you have a chance to research the be a U.S. citizen or business? I think we had questions about that and are we okay putting that in the document or no?

MS. LEVY: I apologize, but I did not research anything and now I am trying to struggle as to what I was supposed to research. Was the question whether we could limit it to U.S. citizens, the permit, and that’s what I was supposed to be looking at?

CHAIRMAN BOSARGE: I believe that’s correct and you can get back to us on it. It’s okay. I didn’t mean to put you on the spot. Myron, was there something else we had a question about with that?

MR. FISCHER: Right and I don’t know if mine is Mara or Morgan or I’m not certain who, but I just want to make certain that the document on a vessel over five tons is mandatory. I don’t want to have this in our document and we find out that it’s not mandatory. I don’t know that a vessel over five tons has to be U.S. Coast Guard documented.

CHAIRMAN BOSARGE: If you look on page 22, it says vessel which engage in either coast-wide trade or fisheries on navigable waters of the U.S., on or in the EEZ, must be documented subject to certain exclusion or exemption provisions. Vessels of less than five net tons are excluded from such documentation. I can’t think, off the top of my head, of a Gulf boat that’s not documented.

We have discussed, in the last action, certain issues that
actually probably pertain to this action item. Myron, you
mentioned would these permits be transferable or not
transferable and we mentioned possible landings requirements to
be attached to these new entrants and I guess you would call
vessel pool permits, so that someone doesn’t buy them on
speculation and sit there and hold them and that there may be a
certain timeframe attached to if you get this permit that you
have to have landings on it within a certain period of time,
whether that be a year or whatever the case may be. That may be
something that is a viable option.

Based on the support for the last few motions, going down the
vessel pool avenue, in committee at least, I don’t know that I
might not want to see a little more added to this particular
action item as well. I guess what scares me is we don’t have
any timeframe on these permits that go into this vessel pool.

Almost everything that we do at this council has some sort of
expiration to it. I mean if you look at that possible borrowing
of allocation between recreational and commercial for king
mackerel, we had to set a timeframe that that would expire and
if you look at sunset provisions on all the other documents that
we’ve done recently, there is always some sort of timeframe and
it does not happen indefinitely into the future.

I don’t know that I may want to see something added to this that
as these permits go into this pool they don’t sit there
indefinitely and that we don’t end up where we have a fleet of
900 vessels out there actively fishing and we’ve got 500 or 600
permits or more in a pool.

I don’t think that that’s conducive to stabilizing the fishery
and so maybe we could have something in here that if the pool is
formed, the permit would go into the pool and it will
essentially have a time clock associated with it and it will
stay in that pool for a certain length of time and if it has not
been claimed within that whatever it may be, a year or two
years, it drops out of the pool, so that you don’t have a
continuously growing pool and it’s all dependent on how many are
going in and falling off. Myron.

MR. FISCHER: You could have a pool -- You could put a cap on
the size of the pool and that pool can’t exceed whatever we
think it is today and so what we vote today -- Not today, but
when we vote this up, if that’s the route we go and we’re going
to have 250 boats in a pool or 150 boats, you could set that as
a cap and the other permits expire and that’s the most the pool
could get up to. That’s one alternative.
Another alternative would be I know there was discussion, a sidebar discussion, about entities purchasing up these permits to secure them, so they can’t go to boats trying to fish. Then you could have a qualifier, such as a harvest rate, so many pounds necessary, in order to maintain the permit. That way, I can’t go buy up the entire pool to avoid other people from using it. You could add different qualifiers that probably solve your problem.

CHAIRMAN BOSARGE: I don’t know that it’s customary for the Chairman to make a motion. Can I make a motion?

MR. FISCHER: I will make it for you, Leann. I will make it for you.

CHAIRMAN BOSARGE: Let me tell you what it is. I don’t think I want to leave it open to your interpretation. I would like to see some alternatives or they would be options under each alternative which address the timeframe that each permit would be allowed to remain in the vessel pool, as well as issues relative to transferability of the permits to go into the pool. Mr. Fischer.

MR. FISCHER: I will tell you how I could support it.

CHAIRMAN BOSARGE: Tell me, Myron.

MR. FISCHER: Instead of a timeframe, is create a cap, because what a timeframe is going to do, it’s just going to terminate the pool. If you have so many permits -- All these original permits that are in the pool and you say you have a five-year timeframe, the permits not issued -- There will no longer be a pool and they are cut off and so even if twenty people took permits, then all these unused permits are going to cut off and so that really ends the pool. What I would rather do is see a cap, a maximum amount that could be in the pool, and other qualifiers.

CHAIRMAN BOSARGE: I wanted to avoid a cap, because we have so many issues trying to pick a number as it is with the action item before this and we really can’t seem to come around to justification for what we’re trying to accomplish as far as picking that number. We are just picking numbers.

I would rather see there be some timeframe attached to the permit as it goes into the pool, so that if there are no entrants that want to come into the fishery, it doesn’t sit
there forever, but we let the fishery determine where it’s
going, as opposed to us picking the level of this is where you
need to be and we’re going to leave it here so that this is
where you will go, even though that may or may not be the right
avenue for the fishery. I would rather let the fishery
determine that.

MR. FISCHER: I see if you put a five-year timeframe and there
is 200 permits in the pool and the word spreads after four
years, those 200 permits will be snapped up. People are going
to -- They will just want to sit on them. I think other
qualifiers is what is necessary, such as a harvest rate and cap
the pool.

CHAIRMAN BOSARGE: But if that were true, we wouldn’t have any
permits falling off now, because people would just sit on them,
but they’re not. Let me remind you this is simply to add it for
discussion into the document. This isn’t picking a preferred or
anything else and so, Myron, do you want to ask if there’s a
second to my motion? Is there a second to the motion? Lance
seconds the motion for discussion.

Is there any further discussion on the motion to add these
options to the document for evaluation? All right. All in
favor of the motion say aye; all opposed to the motion say aye.
Let’s do a show of hands. All in favor of the motion raise your
hand; all opposed to the motion raise your hand. It’s a tie and
therefore, the motion fails. Is there any further discussion on
this action in the document? Yes, sir.

DR. BRANSTETTER: I am being informed by the lead of the IPT
that this document has already become so complicated from this
afternoon’s committee that you will not have a public hearing
draft by October. The analyses that are required for this just
cannot be completed in time for the October council meeting to
take it out to public hearings.

CHAIRMAN BOSARGE: Well that’s a definite issue, because we are
on a tight schedule with this document. What are our options to
address that issue, besides removing things from the document?
Myron, do you have a suggestion?

MR. FISCHER: I think, due to the time constraints, we will wait
until Thursday, but we take a serious look at deleting some of
these alternatives.

CHAIRMAN BOSARGE: All right. We need to have some probably
serious discussion in full council about where we’re headed with
this and make sure we stay on track and what some possible options are to make sure that we stay on track and we have a very small committee, as you see right now. We only have five of us and so it may be that we can make some progress in full council, when we get everybody around the table and see where we’re headed. Maybe we can get some more feedback from the IPT as well before full council to help us. Let’s move on to the royal red fishery, which surely must be a little less convoluted.

DR. SIMMONS: Thank you, Madam Chair. Action 3, the royal red shrimp endorsement, begins on page 23. You have two alternatives right now. The first alternative is no action, continue to require the royal red shrimp endorsement to the federal Gulf shrimp vessel permit to harvest royal red shrimp from the EEZ. Endorsements are open access for entities with a federal Gulf shrimp vessel permit.

Alternative 2 would discontinue the endorsement and only the Gulf shrimp vessel permit would be required. In Amendment 13, the endorsement was required for royal red shrimp fishing and the purpose was primarily to help inform data collectors about who the royal red shrimpers were and collect better information about the fishery. However, it’s unclear if the establishment of the endorsement has helped with this. Madam Chairman.

CHAIRMAN BOSARGE: Any discussion around Action 3? We only have two alternatives and are we good with our two alternatives? Is there any other clarification or discussion that we want to see from staff regarding this action item? Seeing none, I believe we can move on.

DR. SIMMONS: I will just get with Morgan and the Regional Office staff and we will draft the committee report and try to be ready for full council and help inform the discussion for full council.

CHAIRMAN BOSARGE: That concludes the Amendment 17 discussion agenda item and, Myron, if you are still in the room -- Myron is coming back to join us and he has a very brief, quick update on TEDs.

OTHER BUSINESS

UPDATE ON CHANGES IN TED REGULATIONS IN LOUISIANA

MR. FISCHER: Thank you, Madam Chair. I was requested to update the council on changes in Louisiana regarding the enforcement of TEDs. In Baton Rouge at our last legislature, House Bill 668
was passed and it was signed into law on July 1. It goes into
effect on August 1 of this year.

What it does is it repeals all Louisiana laws that prohibit the
enforcement of the federal TED and BRD laws by the Louisiana
Department of Wildlife and Fishery enforcement agents. Federal
TED regulations, they have always been in effect in Louisiana
and they have just been enforced by NOAA Enforcement officers
and the U.S. Coast Guard.

The passage of this gives our enforcement agents authority to
enforce the law also and we are moving into that phase as we
speak. August 1 just took place and there is educational
classes taking place and enforcement agents are being trained in
various TED regulations, the angles and what’s necessary. They
can’t use zip strips to tie them shut and just everything
necessary in the enforcement of TEDs and I am certain they are
going to do a bang-up job.

CHAIRMAN BOSARGE: Excellent. It sounds like a continued focus
on sustainability in the fishery and so that’s good news and we
like that. A gold star for Louisiana. Dr. Crabtree, I have
heard that there may be other upcoming changes with TEDs and do
we foresee any other changes in the future?

DR. CRABTREE: Well, you may recall -- I guess it’s been
probably two years ago now, but we did put out a proposed rule
that would have required TEDs in skimmer trawls and during the
comment period on that, we reviewed the observer data that we
had and it was apparent that most of the turtles that were being
taken were very small Kemp’s ridley turtles that were able to
pass between the bars in the currently certified TEDs that we
had.

We withdrew that proposed rule, because we felt like we didn’t
have a good TED solution that would work in the skimmer trawl
fishery. Since then, we have been doing TED testing to look at
closer bar spacing and a TED that would work with smaller
turtles.

That work is still going on and we’ll need to do shrimp loss
estimates for those TEDs. That is underway, but I think that
it’s possible that we will be back to reconsidering that if we
have a TED that looks like it will work with acceptable shrimp
loss. We would reevaluate the issue of whether or not to
require TEDs in skimmer trawls and so that’s an issue that I
think we will come back to at some point.
CHAIRMAN BOSARGE: Thank you for the update. In light of that, when Ms. Lee was here several meetings back and she gave us the biological review as far as turtles are concerned with the shrimp fishery and those interactions, I believe Dale and myself asked her a couple of questions about the voluntary inspections that we have from enforcement, where you can call and ask enforcement to come and check your TEDs before you leave the dock, to ensure that they meet the requirements, and were those voluntary inspections, because they are written up on the same form as a violation would be and being submitted, were they being counted as violations.

She was under the impression that yes, they were and so in light of a lot of these changes that are being made and that may be coming, I would, in the near future, like to maybe revisit the TED enforcement boarding form and obviously this is a NMFS form and so the council doesn’t create this document, but I would like maybe the council to take a look at it and if we have any recommendations for things that we would like to see added to this form so that we have the data that we need to know which inspections were voluntary and which are actual violations.

I say this because if TEDs do indeed become required in skimmer trawls -- We are looking at a fleet of otter trawl boats right now and just at the federal level it’s 1,500 boats and I believe -- Myron can correct me if I’m wrong, but I think you all have about 3,500 skimmer gear permits in Louisiana and so we’re talking about a substantial increase in the number of vessels that are going to have TEDs and therefore be subject to possible boardings.

Even if only a handful of them have something wrong with their TEDs, it’s going to look like a huge spike in violations and so I think, if nothing else, we need to look at the form and make sure that we get all the data that we need to analyze it properly and have options and flexibility going forward, to make sure that the fishery remains sustainable. Maybe we can get staff to work on lining something up in that respect.

I am glad to hear that there’s a lot of outreach and training going on in Louisiana for the officers and I hope that maybe at our next meeting we can have some more discussion about training and outreach for the fishermen, in light of these upcoming changes. Maybe even a certification program. We will see. If there is no other business to come before the Shrimp Committee – – Dale, do you have anything?

MR. DIAZ: I guess I do want to -- Dr. Crabtree, is there
anything that you can do to help with that situation? It’s my
understanding that if somebody asks voluntarily to come inspect
my TEDs and an agency like Mississippi Marine Patrol goes out
and as a public service goes out -- They want to be compliant
and they’re asking us to come inspect them at the dock and for
that to count against the shrimp industry, it just seems to me
like the wrong way to go about it and it’s my understanding that
it does and so I mean is there anything you can do to intervene
and help with the fact that on these voluntarily requested
things and the things that we do as a public service to help the
industry to make sure that those do not penalize the shrimp
industry, because it’s a dockside thing.

People are trying to be complaint and I think if they know it’s
going to count against them that it’s a deterrent for them being
compliant.

DR. CRABTREE: We can look at that and we are working on a
compliance policy now that addresses how we’re going to do some
of these things and gets at the form and things and it’s posted
on our website and we could talk about it at a future council
meeting if you like. We have shared this with I think all of
the state law enforcement panels.

We can look at that, but I don’t agree with you that it’s been a
deterrent, because, in fact, compliance has improved
dramatically over the last few years from the efforts and the
things that we’ve done and so the fact is that the policies
we’ve adopted and what we’re doing right now with TED
enforcement and all of this is working, because the compliance
has been good and well within where we’re trying to get with the
biological opinion.

I am open and we can look at how we’re going to treat those
kinds of things, but we’re trying to get a picture of what is
the actual compliance rate in the fisheries and there are
problems with all the different ways that you do that and we
would have to look and see what proportion of the information
we’re using comes from those voluntary type things versus what
comes from law enforcement and I don’t know how those numbers
would come out, but that’s something we can come back and take a
look at.

CHAIRMAN BOSARGE: I think, Dale -- I brought a copy of the form
with me and I think just simply putting something on the form,
which it sounds like they are already discussing in Dr.
Crabtree’s group, but if we can put out some things, a wish list
essentially, that we would like to see on the form going
forward, then maybe it will happen, but I think we have to make it clear and at least say these are the things we would like to see and so hopefully we can accomplish that. All right. Any other business to come before the Shrimp Committee? Seeing none, the committee is adjourned.

(Whereupon, the meeting adjourned at 4:15 p.m., August 10, 2015.)