

**Reef Fish Committee Report
October 3, 2017
John Greene – Chair**

The agenda was approved as written. The minutes of the August 8-9, 2017 Committee meeting were approved as written.

Final Action – Framework Action – Greater Amberjack Fishing Year and Recreational Closed Seasons (Tab B, No. 4a)

The Committee reviewed the draft framework action that considers changes to the greater amberjack fishing year and recreational closed season. Action 1 would modify the current January 1 – December 31 fishing year to begin either in August or September each year. The objective is to provide an opportunity to harvest greater amberjack later in the calendar year when harvest of some other species may be prohibited. The alternatives in this action do not affect the total allowable harvest and changes the Council took final action on at the August meeting.

Action 2 considers changes to the recreational closed season. The recreational season is currently closed in June and July each year and a January 1 – June 30 closed season is expected to be implemented early in 2018. Alternatives 2 -5 would establish a split season for greater amberjack with a one month spring season and the remainder of the season occurring in the fall of each year. The Committee discussed these alternatives in Action 1 and Action 2 at length but did not select a preferred alternative either action.

Amendment 41 – Allocation-based Management for Federally Permitted Charter Vessels (Tab B, No. 5b)

Staff presented the motions from the Ad Hoc Red Snapper Charter For-Hire Advisory Panel meeting in September on Amendment 41 and the Referendum Eligibility Requirements. Ms. Levy then provided an explanation of the steps related to the referendum process. Staff then noted current Council preferred alternatives and AP preferred alternatives for each action in Amendment 41. The Committee then made the following motions:

With two opposed, the Committee recommends and I so move, in Action 1, to move Alternative 3 to Considered but Rejected.

Alternative 3: Establish a harvest tag program that provides participants with annual allocation distributed in the form of harvest tags. Annual allocation will be calculated

Option 3a: every 3 years.

Option 3b: every 5 years.

Without opposition, the Committee recommends and I so move, in Action 5.1, to add to the amendment, the AP's preferred Option 3d under Alternative 3, as Option 3c.

In Action 5.1 Alternative 3 add an Option 3d to allow for 1 year cycle for first 3 years then incremental increases (by 1 year) to X years and routinely following every X years. Cycle 1=1 year, cycle 2= 1 year, cycle 3=1 year, cycle 4 = 2 years, then cycle 5+ = 3 years.

The Committee then discussed how hardships, such as hurricanes or family illness, could affect the adaptive management process and how that could be addressed. The Committee then made the following motions:

Without opposition, the Committee recommends and I so move, in Action 5.2, to add the AP recommended option replacing Option 3b currently in the amendment.

Cycle 1: 50%, Cycle 2: 40%, Cycle 3: 40%; Cycle 4+: 25%.

Without opposition, the Committee recommends and I so move, in Action 5.3, to make Alternative 3 the preferred.

Alternative 3: Redistribute reclaimed shares by share category proportionally among all participants that harvested species in that share category. Proportional redistribution is based on a participant's landings for a species in a given share category divided by the total landings for that share category within the cycle.

Without opposition, the Committee recommends and I so move, in Action 6, to make Alternative 1 the preferred.

Alternative 1: No Action. Do not allow the transfer of shares.

Without opposition, the Committee recommends and I so move, in Action 7, to make Alternative 2 the preferred.

Alternative 2: Require a Charter/Headboat permit for Reef Fish to maintain shares. Shares can only be held by United States citizens or legal residents. If a participant transfers their permit/endorsement or the permit/endorsement expires, the owner must divest of their shares.

By a vote of 9 to 4, the Committee recommends and I so move, in Action 8, to make Alternative 2 the preferred.

Alternative 2: An account must have a Charter/Headboat permit for Reef Fish to receive transferred allocation. Annual allocation can only be transferred to United States citizens or permanent residents.

The Committee then discussed Action 9 (Share Caps) and requested additional information from Council staff regarding a range of percentages for consideration with Alternative 3. The Committee then discussed Action 10.1 (Cap on Usage of Allocation for IFQs/PFQs) and noted its relationship to the share caps to be established in Action 9. The Committee made the following motions:

Without opposition, the Committee recommends and I so move, to move Action 10.2 (Harvest Tags) to Considered but Rejected.

Without opposition, the Committee recommends and I so move, to have staff include actions for cost recovery and quota adjustments in Amendment 41.

The Committee then discussed the two options under consideration in the Referendum Eligibility Requirements but no motion was made.

Amendment 42 – Reef Fish Management for Headboat Survey Vessels (Tab B, No. 6b)

Staff gave a presentation on the recommendations made by the Ad Hoc Reef Fish Headboat AP during their September meeting. AP members discussed the management actions in Amendment 42, the referendum eligibility requirements, and issues raised under other business.

Committee members discussed the type of program to establish for headboat survey vessels and passed the following motion:

With two opposed, the Committee recommends and I so move, in Action 1, to make Alternative 2 the preferred.

Alternative 2. For landings history vessels, manage the reef fish species chosen in Action 2 by establishing an Individual Fishing Quota Program (IFQ).

Committee members discussed the establishment of an endorsement or separate permit for headboat survey vessels and made the following motion:

Without opposition, the Committee recommends and I so move, in Action 4, to make Alternative 2 the preferred.

Alternative 2. Establish an endorsement for LHV. LHV program participants are required to have an LHV endorsement to their Gulf reef fish for-hire permit. Endorsements will be issued to qualifying LHV program participants at the time of implementation of this action. With a PFQ, the shares would be attached to the

endorsement. An LHV endorsement holder may only fish off the LHV quota for the species selected in Action 2 throughout the year. LHV endorsements are transferrable to any vessel with a Gulf reef fish for-hire permit.

Committee members discussed the initial apportionment of shares and made the following motions:

With one opposed, the Committee recommends and I so move, in Action 7.1, to make Alternative 4 the preferred.

Alternative 4. Apportion initial shares among eligible participants based on the year with the highest landings by vessel for each species during the most recent five years (2011-2015).

With one opposed, the Committee recommends and I so move, in Action 7.2, to make Alternative 2, Option 2a the preferred.

Alternative 2. Distribute a percentage of initial shares for each species proportionally based on average landings per permit during the time interval selected in Action 7-1 and distribute the remaining percentage of the initial shares equally among LHV permit holders participating in the program. Percentages distributed proportionally and equally are as follows:

Option	Distribution of Initial Shares	
	Proportional	Equal
2a	100	0
2b	75	25
2c	50	50
2d	25	75

Committee members discussed the transferability and maintenance of shares and made the following motions:

Without opposition, the Committee recommends and I so move, in Action 8, to make Alternative 2 the preferred.

Alternative 2. Require a valid reef fish for-hire permit with LHV endorsement or a reef fish LHV permit (whichever is established in Action 4) to receive shares through transfer. Shares can only be transferred to US citizens or permanent resident aliens.

Without opposition, the Committee recommends and I so move, in Action 9, to make Alternative 2 the preferred.

Alternative 2. Require a reef fish charter/headboat permit with LHV endorsement or a reef fish LHV (whichever is established in Action 4) to hold shares. Shares can only be held by US citizens or permanent resident aliens. For an IFQ program, if a participant transfers their permit/endorsement or the permit/endorsement expires, the owner must divest of their shares. For a PFQ program, if a permit/endorsement is transferred, the shares automatically transfer with it; if a permit/endorsement terminates, NMFS will redistribute the shares proportionally to the current participants.

Committee members discussed the transferability of annual allocation and made the following motion:

By a vote of 7 to 3, the Committee recommends and I so move in Action 10, to add an Alternative 4 that annual allocation may be transferred by surrendering it to a NMFS allocation bank from which other program participants may obtain the allocation by:

Option 4a: lottery

Option 4b: auction

The Committee discussed share caps and made the following motion:

Without opposition, the Committee recommends and I so move, in Action 11, to make Alternative 2 the preferred.

Alternative 2. In each share category, no person shall hold more shares than the maximum percentage issued to the recipient of the largest shares at the time of the initial apportionment of shares.

The Committee discussed retaining annual allocation before a quota reduction and made the following motion:

Without opposition, the Committee recommends and I so move, in Action 13, to include different time periods for redistribution of withheld annual allocation to shareholders if the effective date of the final rule implementing the quota reduction has not occurred by:

Option a - June 1

Option b - August 1.

The Committee discussed cost recovery fees and requested that the amendment include more discussion on the collection of cost recovery fees. The Committee also discussed alternatives for standard prices used in cost recovery.

The Committee discussed new entrants and considered avenues to facilitate new entrants' access to the fishery. The Committee requested staff include an action to consider a set-aside of shares for the purpose of facilitating new entrants' access to the fishery and made the following motion:

With three opposed, the Committee recommends and I so move, in Action 15, to make Alternative 4, the preferred.

Alternative 4. At the beginning of each calendar year, vessels with valid federal Gulf for-hire reef fish permits that are not participating in the LHV program are eligible to apply for an endorsement to the reef fish for-hire permit or for a reef fish headboat permit (whichever is established in Action 4) if the vessels are selected to participate in the Southeast Region Headboat Survey. This would be limited to vessels that carry over 49 passengers. Receiving an endorsement or a reef fish LHV permit (whichever is established in Action 4) does not grant shares or annual allocation to the recipient.

Draft – State Management of Recreational Red Snapper (Tab B, No. 7a-f)

Staff reviewed the new allocation alternatives added to the State Management Program Amendment. The SSC will review the allocation approach based on red snapper biomass off each state. SSC recommendations will be provided to the Council at its January meeting.

Staff then reviewed the individual state amendments. At the last meeting, the Council added an alternative to the Florida and Texas state plans that was not added to the other state plans. Staff noted that if an alternative is reasonable to consider for one state, it would be reasonable to consider for all states. The Committee then passed the following motion.

Without opposition, the Committee recommends and I so move, to add the full delegation alternative to the Alabama, Louisiana, and Mississippi state plans.

Staff reviewed the provided list of current federal regulations that could potentially be delegated to the states and requested feedback from the Committee as to those regulations that could be included as “full delegation.” Staff will need further guidance in order to develop the alternative for “full delegation.”

Discussion of Joint SAFMC/GMFMC Management of Yellowtail Snapper (Tab B, No. 8)

Staff briefed the Committee on the regional landings and management of yellowtail snapper in the southeastern U.S. The commercial fishery in the South Atlantic has closed early for the last couple of fishing years, and the South Atlantic Council is concerned that these early closures could be resulting in effort shifting to greater amberjack and other species. The South Atlantic Council is interested in several possible solutions to this issue and sent the Gulf Council a letter to gauge its interest in working on a joint effort to collectively manage yellowtail snapper throughout both Councils’ jurisdictions. Reallocation between the recreational and commercial sectors in the South Atlantic Council’s jurisdiction is being considered in a separate amendment, which is currently on hold until the MRIP calibration updates are completed. The Committee indicated it was interested in working with the South Atlantic Council on yellowtail snapper issues, and directed staff to notify the South Atlantic Council in a letter.

NMFS Response Regarding Referendum Requirements for Auctions

NOAA General Counsel Mara Levy stated that a written legal opinion, which requires substantial in-house review, had not been completed in time for the Council meeting. She anticipated having a written opinion ready for the next Council meeting in January.

Discussion – For-hire Reef Fish Permit Transfers

Ms. Levy explained that persons aboard a vessel that has a federal for-hire permit cannot fish for red snapper in federal or state waters when the federal for-hire season is closed. If the federal permit is transferred off of the vessel, persons aboard the vessel cannot, at any time during that fishing year, fish for red snapper in federal waters when the federal for-hire season is closed. A draft Fishery Bulletin has been prepared to clarify this, but NMFS felt it would confuse the public if it is released in the middle of the recreational closed season. The Fishery Bulletin will be released before the start of the next recreational red snapper fishing season. A Committee member recommended that the bulletin be released within the next month, and also that a notification be sent to the permit holder at the time that the person renews the permit.

In response to a question about the amount of permit transfers occurring, Sue Gerhart stated that there has been no spike in transfers at the conclusion of the for-hire season. A Committee member raised a concern that some recreational fishermen may have a for-hire permit on their boat just to keep their options open. These persons may be unaware that they are subject to the for-hire vessel restrictions even if they do not actually conduct charters. Another Committee member expressed concern that although persons on a vessel that transfers its permit may not be able to fish in federal waters the remainder of that year, in the following year they could operate as a private vessel in state waters until just before the for-hire season. Subsequently, the permit could be then transferred back to their vessel, effectively operating as both a private and for-hire vessel in the same fishing year.

Grouper-Tilefish IFQ 5-Year Program Review Surveys (Tab B, No. 10a-c)

Due to time constraints, this item was deferred until the next Council meeting, when it will be included as part of the overall 5-year review.

Madam Chair, this concludes my report.