

GULF OF MEXICO FISHERY MANAGEMENT COUNCIL

REEF FISH MANAGEMENT COMMITTEE

The Battle House Renaissance

Mobile, Alabama

June 6-7, 2023

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3	Clay Porch.....	SEFSC
4	Jessica Stephen.....	NMFS

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TABLE OF MOTIONS

PAGE 81: Motion to recommend the council approve Framework Action-Recalibration of Red Snapper Recreational Catch Limits and Modification of Gray Snapper Catch Limits and forward it to the Secretary of Commerce for review and implementation, and deem the codified text as necessary and appropriate, giving staff editorial license to make the necessary changes in the document. The Council Chair is given the authority to deem any changes to the codified text as necessary and appropriate. The motion carried on page 81.

PAGE 88: Motion in Action 1 to move Alternatives 2 and 4 to Considered but Rejected. The motion carried on page 89.

PAGE 93: Motion in Action 1 to make Alternative 3 the preferred. The motion carried on page 94.

PAGE 95: Motion in Action 1 to move Alternative 5b to Considered but Rejected. The motion carried on page 95.

PAGE 108: Motion to direct staff to modify the amendment for scamp and yellowmouth grouper OFLs, ABCs, and ACLs to include black grouper and yellowfin grouper SSC catch recommendations. In the amendment consideration should be given also to implications to the IFQ fishery involving the shallow water grouper complex. The motion carried on page 110.

PAGE 110: Motion to consider removal of wenchman from the Reef Fish FMP, and to set ACLs and AMs for the remaining species in the mid- water snapper complex (blackfin snapper, queen snapper, and silk snapper). The motion carried on page 113.

PAGE 141: Motion to recommend the council approve Draft Amendment 56: Modifications to the Gag Grouper Catch Limits, Sector Allocations, and Fishing Seasons and forward it to the Secretary of Commerce for review and implementation and deem the codified text as necessary and appropriate, giving staff editorial license to make the necessary changes in the document. The Council Chair is given the authority to deem any changes to the codified text as necessary and appropriate. The motion carried on page 144.

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1 The Reef Fish Management Committee of the Gulf of Mexico Fishery  
2 Management Council convened at The Battle House Renaissance in  
3 Mobile, Alabama on Tuesday morning, June 6, 2023, and was called  
4 to order by Chairman Tom Frazer.

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

10 **CHAIRMAN TOM FRAZER:** I will call together, convene, the Reef  
11 Fish Committee as a committee-of-the-whole, and so the first  
12 item on the agenda is the Adoption of the Agenda, and that will  
13 be Tab B, Number 1 in your briefing materials, and so is there  
14 any modifications or changes, in any way, to the agenda, as  
15 written? I am not seeing any suggested changes, and so is there  
16 any opposition to adopting the agenda as written? I am not  
17 seeing any, and so we'll consider the agenda adopted.

18  
19 The second order of business is the Approval of the April 2023  
20 Minutes, and that would be Tab B, Number 2 in your briefing  
21 materials. Are there any edits or modifications to those  
22 minutes? I am not seeing any, and is there any opposition to  
23 approving the April 2023 minutes as written? I am not seeing  
24 any opposition, and so we'll consider the April 2023 minutes  
25 approved.

26  
27 The next on the agenda is the Action Guide and Next Steps, and,  
28 as Dr. Stunz indicated, we're going to devote this entire  
29 morning to a discussion of IFQ things, and so, Mr. Rindone,  
30 maybe you can go through the first item on the action guide, or  
31 is that Assane? Okay. Assane, go ahead.

32  
33 **IFQ OBJECTIVES**  
34

35 **DR. ASSANE DIAGNE:** Thank you, Mr. Chair, and good morning. For  
36 this item, we have a review of IFQ objectives, and Dr. Stephen,  
37 from SERO, will review the existing goals and objectives of the  
38 red snapper and grouper-tilefish IFQ programs and present a list  
39 of suggested goals and objectives, to assist the council with  
40 revising the program's goals and objectives.

41  
42 The committee should discuss the goals and objectives presented,  
43 ask questions, suggest revisions, and propose additional goals,  
44 as needed. The committee should consider how we envision the  
45 future of the IFQ programs and provide explicit recommendations  
46 relative to the goals and objectives, to maintain, revise, or  
47 introduce, and, finally, the committee could consider  
48 prioritizing the goals and objectives identified during this

1 discussion, and it should recommend next steps, as warranted, to  
2 the council. Thank you.

3  
4 **CHAIRMAN FRAZER:** All right. Thank you, Dr. Diagne. All right,  
5 and so that will lead us to a presentation by Dr. Stephen, and  
6 so, Jessica, if you're ready. Mr. Strelcheck.

7  
8 **MR. ANDY STRELCHECK:** I just wanted to say a few words before  
9 Jessica jumped into the presentation. If you recall, at the  
10 last council meeting, we were, I think, struggling to kind of  
11 find our footing with regard to development of goals and  
12 objectives, and it was proposed that council staff and Southeast  
13 Regional Office staff take a first stab at these goals and  
14 objectives, and so I want to I guess emphasize that these are  
15 draft, capital letters draft, right, and these are not NMFS'  
16 goals and objectives, and these aren't the Gulf Council staff's  
17 goals and objectives, and these are going to be our goals and  
18 objectives.

19  
20 Jessica is prepared to talk about kind of the current program,  
21 the accomplishments of that program, based on reviews we've  
22 conducted, and then get into a discussion of these proposed  
23 goals and objectives. My recommendation is to let her go  
24 through the entire presentation, so that everyone can kind of  
25 see, in entirety, all the goals and objectives that have been  
26 suggested, or drafted, and then we have discussion around maybe  
27 each one individually and answer questions, obviously, at that  
28 point.

29  
30 We also have left it open-ended, right, and so did we miss  
31 anything, and would you tweak anything, would you change  
32 anything, and those are the types of questions that, obviously,  
33 we are interested in hearing, and getting feedback, so that  
34 these can be refined.

35  
36 There's a comprehensive list of five or six goals and  
37 objectives, right, and it doesn't mean that we have to select  
38 all of these. We can select some of these, or we can select  
39 none of them, and have, you know, new goals and objectives that  
40 are defined by this group, but the emphasis here is that these  
41 are draft, and we have a lot of say, obviously, in what these  
42 become between now and the end of the committee discussion, and  
43 so, with that, I will turn it over to Jessica Stephen.

44  
45 **DR. JESSICA STEPHEN:** Thank you, Andy. My apologies for not  
46 being there in-person, and I had intended to be at the council  
47 meeting, but, unfortunately, I'm still recouping from a COVID  
48 infection that did make me unable to travel.

1  
2 What led us to where we are today? I kind of wanted to go over  
3 a little history of where we're at. In the January council  
4 meeting, there was a directive to, no later than the June 2023  
5 meeting, conduct a review of the different IFQ program goals and  
6 objectives and recommend changes, and, to that extent, we had  
7 provided some themes that we were hearing throughout the council  
8 meetings, meetings with shareholders, and reviews. I am not  
9 going to go over those, as we had gone over those directly in  
10 January.

11  
12 Then, in the April council meeting, we were further directed to  
13 draft some objectives and goals to get reaction from the  
14 council, and input from the council, about where these goals  
15 could take us, and, in particular, we were told to look at  
16 participation, equity in access, and how to balance those goals  
17 with reducing capacity. I will take a pause here and mention  
18 that equity, as defined by NOAA Fisheries, is the consistent and  
19 systematic fair, just, and impartial treatment of all  
20 individuals, including individuals who belong to underserved  
21 communities that have been denied such treatment.

22  
23 Underserved communities, in NOAA's equity and environmental  
24 justice strategy, refers specifically to communities that have  
25 been systematically denied a full opportunity to participate in  
26 different aspects of economic, social, or civic life.  
27 Typically, when you hear about underserved communities, they are  
28 referring to geographic communities or certain populations that  
29 share a particular characteristic or history or some type of  
30 identify.

31  
32 When we look into fisheries and underserved communities, some of  
33 the groups that have been identified as underserved are fishing  
34 communities that have subsistence fishery participants, and  
35 they're dependent, fishing vessel crews, as well as the fish  
36 processors and distribution workers. I do encourage you, if you  
37 want to understand more about equity from NOAA's point of view,  
38 to look at NOAA's equity and environmental justice strategy that  
39 is linked here in this presentation.

40  
41 When we get into what goals and objectives are, I want to remind  
42 the council of what Magnuson's overall goals and objectives are  
43 for catch share programs, and so they have three overarching  
44 goals. One is, if a catch share program is established in a  
45 fishery that is either overfished or subject to a rebuilding  
46 plan, that the catch share program must assist in its  
47 rebuilding.



1 If a catch share program is established in a fishery that is  
2 determined to have overcapacity, the program must contribute to  
3 reducing overcapacity. In addition, overarching catch share  
4 program goals are to promote fishing safety, fishery  
5 conservation and management, as well as social and economic  
6 benefits.

7  
8 What I am showing you here on this slide are the original  
9 program goals, and I want to remind you that these goals were  
10 created over a decade ago, and so sixteen years ago for red  
11 snapper and thirteen for grouper-tilefish, and the original  
12 goals were based on those overarching catch share goals that we  
13 just listed as well as very specific fishery needs within each  
14 program.

15  
16 These programs are analyzed annually by the Regional Office each  
17 year, and a report is distributed, as well as each program has  
18 undergone a thorough review, two thorough reviews for each one  
19 of them, each one individually and then a joint review together,  
20 since these fisheries do tend to overlap. In general, the goals  
21 did determine that the programs were largely successful in  
22 meeting both the program goals and the review criteria.

23  
24 This is, again, the original program goals for both red snapper  
25 and grouper-tilefish, and we've gone over these at past council  
26 meetings, and so I just want to point out that there are two  
27 areas where we're still somewhat moderately successful, and  
28 probably need further work, and that is in reducing overcapacity  
29 and ensuring that we're balancing the social, economic, and  
30 biological benefits.

31  
32 When we look at the different catch share review criteria, or  
33 outcomes, that we're looking at, we also were largely successful  
34 within this program, although there is still some room for  
35 improvement. The areas, in particular, that were identified as  
36 needing more improvement were how we look at participation  
37 within the program and how we're looking at new entrants, or  
38 replacement fishermen, within the programs.

39  
40 As we think about goals and objectives, I want to make clear  
41 that goals are typically considered long-term visions or  
42 outcomes, and so they are things that we want to get to, and  
43 they're the sort of direction you want to take, and you could  
44 have multiple different objectives within your goal. Goals  
45 should always be attainable, and they might be ambitious though,  
46 and so that means it might take a few years for you to get  
47 there.

1 When we look at the objectives that are underneath a goal, we  
2 typically want objectives to be specific, short-term tasks that  
3 are going to help you achieve an overall goal. It's really  
4 helpful if your objectives are what we consider SMART, and that  
5 means they're specific, they're measurable, achievable, and they  
6 can have results, and they're done in a timely manner.

7  
8 What a group of us did is we looked over discussions that were  
9 at council meetings, discussions with fishermen, whether through  
10 the focus groups, through customer support, or other outreach,  
11 and we were trying to understand what we were hearing and how to  
12 take what we've heard and create some draft goals, in order to  
13 move the programs forward.

14  
15 These are the draft goals that we determined could be helpful to  
16 consider, and I will have a slide for each one of them, and the  
17 first one would be to maintain the flexible fishing options and  
18 economic stability within the IFQ program, and those were both  
19 two of the original goals within the program that we felt could  
20 be considered to continue on, moving forward.

21  
22 Another one would be to increase the market transparency, and  
23 this is eliminating information asymmetries, which is where one  
24 person understands more about the market than another person, as  
25 well as improving technical efficiency, and the goal of this is  
26 to reduce the cost per unit harvest for the participants within  
27 the program. Reducing IFQ discards and then improving  
28 opportunities for participants to enter the program.

29  
30 This is the first goal, and I'm going to go a little bit more  
31 in-depth as we talk about it, and this, again, was the idea to  
32 maintain the flexible fishing options, as well as economic  
33 stability, within the IFQ program. The current catch share  
34 programs offer a variety of flexible fishing options, from year-  
35 round fishing to the individual flexibility measures and 10  
36 percent overages. We have also see that the program has become  
37 fairly economically stable within the program.

38  
39 Draft objectives that could go with this goal could be that  
40 economic stability is supported through the year-round fishing,  
41 which, in that case, avoids these different fluctuations in ex-  
42 vessel prices that could be caused by market gluts, and so,  
43 prior to the IFQ programs, we saw a lot of market gluts,  
44 particularly in red snapper, when the season was open for those  
45 ten days, and what happens with an IFQ program is that you make  
46 it more stable throughout the year, because year-round fishing  
47 is allowed.

1 Another one is to consider the flexibility in the fishing  
2 measures. Make sure that they're periodically evaluated, to  
3 ensure that, whatever those current flexibility measures are,  
4 they're supporting catch and sustainability concerns that are  
5 being addressed at that point in time.

6  
7 This slide is about increasing the IFQ market transparency, and  
8 one of the things we have definitely heard from fishermen is how  
9 do I know what the price is to buy shares or allocation, and how  
10 do I know what's a good value and what isn't, and so, under  
11 these objectives, we consider the idea of creating a NOAA-  
12 administered marketplace, where different participants could put  
13 in requests to either buy or sell shares, as well as sort of  
14 reducing that information asymmetry that I talked about before,  
15 through the timely release of average share allocation and ex-  
16 vessel prices. By doing so, everyone participating in the  
17 program has equal access to the same information.

18  
19 For Draft Goal 3, this was to improve the technical efficiency,  
20 or, in other words, reduce the cost per unit of harvest for the  
21 participants. What we would like to do is develop some non-  
22 market-driven measures, in order to reduce overcapacity, and as  
23 well as examine what's occurring with our market concentrations,  
24 to determine if there needs to be modifications to share caps or  
25 we need to modify the existing grouper-tilefish allocation caps  
26 or add a red snapper allocation cap.

27  
28 This one I'm sure we've talked about a lot, reducing IFQ  
29 discards, and so, when we're thinking about the IFQ discards  
30 within the program, we need to think about both those  
31 participants in the program and those who are not in the program  
32 that are discarding IFQ species. Some draft objectives would be  
33 to improve the collection of our discard information from the  
34 IFQ vessels, and we might also want to consider improving that  
35 discard information from non-IFQ vessels.

36  
37 The potential to create a type of allocation bank that might  
38 further reduce both the bycatch and discard of IFQ species, and  
39 then to evaluate if there are any additional or new flexibility  
40 measures that could be put in place that would help with  
41 reducing discards, and I just want to point out that, when we  
42 originally put in the red grouper and gag multiuse, some of the  
43 aspects of that flexibility measure was to reduce discards  
44 between those two species.

45  
46 Draft Goal 5 is ways to improve opportunities for participants  
47 to enter into the program, and so this addresses the concept of  
48 replacement fishermen, or new fishermen, entering the program.

1  
2 Some of the different ideas, or draft objectives, that we could  
3 consider to achieve this goal would be to implement an adaptive  
4 catch share model that redistributes shares to accounts that are  
5 harvested IFQ species. At the last council meeting, Andrew  
6 Ropicki had shown some examples of how to do a catch share  
7 program, and we also had examples from Amendments 41 and 42, in  
8 the for-hire industry, that did not go forward.

9  
10 There are also draft objectives to think about limiting the  
11 share ownership, and so as in what is needed to both maintain  
12 the shares held in an account as well as obtain new shares, and  
13 so that these share ownerships are related to accounts that are  
14 actually harvesting IFQ species, and that goes back to the  
15 concept of permit requirements and how to use those permit  
16 requirements effectively to improve opportunities.

17  
18 A third objective would be to identify the specific barriers  
19 that are inhibiting, or limiting, participation, and this could  
20 be done by surveying participants and those that want to enter  
21 the fishery, that have been unable to enter the fishery, and a  
22 third objective for this could be creating an allocation bank  
23 that is centered, instead of on discards, centered on reducing  
24 those barriers to obtaining those fishing privileges. Then the  
25 last objective here is that NMFS has held shares since Amendment  
26 36A, and we would probably need to distribute these shares, and  
27 it would be good to think about distributing them as a way to  
28 improve opportunities for participants to enter the program.

29  
30 I know that I went over these all a little quickly, but what you  
31 may have captured, as I was going over them, is that these  
32 different goals and objectives really overlap each other, and I  
33 created a Venn diagram to show how much they overlap each other  
34 and where we're moving forward to.

35  
36 By improving opportunities, you might also be addressing  
37 reducing discards or bycatch or market transparency. I mean,  
38 more information about the market should actually help to  
39 improve opportunities, as well as help to keep the program  
40 flexible and the market stable. Likewise, the technical  
41 efficiency that reducing the cost per harvest could also help in  
42 conjunction with reducing discards and maintaining that flexible  
43 fishing environment.

44  
45 I want to stop the presentation at this point, and we'll open it  
46 up for discussion now, and I would like to hear if the council  
47 agrees or disagrees with any of the presented goals and  
48 objectives, and are there any suggested changes, or are there

1 any additional goals and objectives that you want to discuss?

2  
3 I will say that the rest of this presentation is just additional  
4 information, if questions come up, that we might have some  
5 slides to depict what's going on in the IFQ program more  
6 succinctly, and so I'm happy to take any questions.

7  
8 **CHAIRMAN FRAZER:** All right. Thank you, and so we'll start off  
9 if anybody has a question, a clarifying question, perhaps, for  
10 Jessica on the presentation, and we'll start there, before we  
11 get into an actual discussion of whether these are the  
12 appropriate goals, whether we want to remove some of them, or  
13 add, and so technical questions, or questions related to  
14 clarity, for Jessica? Mr. Anson.

15  
16 **MR. KEVIN ANSON:** Thank you, Dr. Stephen, for the presentation.  
17 Just if you could remind me, and, for the purposes of the IFQ  
18 programs, what is the definition of "overcapacity"?

19  
20 **DR. STEPHEN:** Sure, and so "overcapacity" is defined in  
21 Magnuson, and let me see if I have a slide on that, so I can get  
22 it completely right. I apologize, and I don't have a slide for  
23 that, but we did have numerous peer-reviewed journal articles  
24 and reviews that did look at overcapacity within the program and  
25 did determine that we're still at overcapacity.

26  
27 **CHAIRMAN FRAZER:** Dr. Diagne.

28  
29 **DR. DIAGNE:** Thank you. "Overcapacity", we can define it as the  
30 difference between an optimal level of output, and, for example,  
31 you know, quota, through the IFQ, and the potential output that  
32 the fleet could catch, given current conditions, meaning stock  
33 conditions, you know, technology, et cetera, and so it is that  
34 gap that is what overcapacity is. As Dr. Stephen mentioned, we  
35 have several studies in that direction, and the last one, you  
36 recall, was conducted for the joint review of the red snapper  
37 and the grouper-tilefish IFQ.

38  
39 **CHAIRMAN FRAZER:** Thank you, Dr. Diagne. Any more questions for  
40 Dr. Stephen? J.D.

41  
42 **MR. J.D. DUGAS:** Thank you, Mr. Chair. On Slide 7, the third  
43 line, it says, "share and allocation transferability and caps is  
44 largely successful", and I guess my question is I didn't think  
45 there were any caps at this point, and so I'm not sure if caps  
46 should be in there.

47  
48 **DR. STEPHEN:** Both programs do have share caps for each of the

1 different share categories within them. In the grouper-  
2 tilefish, there is an allocation cap that is a point in time  
3 that cannot exceed the amount of allocation equal to the sum of  
4 all the share caps.

5  
6 **CHAIRMAN FRAZER:** Okay. Thank you, Dr. Stephen. Are there any  
7 more questions from the council with regard to the presentation  
8 itself? Mr. Diaz.

9  
10 **MR. DALE DIAZ:** I did want to commend Dr. Stephen and the rest  
11 of the staff that worked on this. I thought it was well thought  
12 out, and, whenever I went through it, it made me think a lot  
13 about the program, and so I think they laid it out good for us,  
14 and they kind of teed us up to make some progress, and so I just  
15 wanted to thank them for all their efforts there. That's all  
16 for now.

17  
18 **CHAIRMAN FRAZER:** Thank you, Dale. Mr. Williamson.

19  
20 **MR. TROY WILLIAMSON:** Again, on Slide 7, regarding new entrants,  
21 it says there that it has been limited success, and how is that  
22 measured?

23  
24 **DR. STEPHEN:** So, when we're looking at the new entrants and how  
25 they fit in there, what we're looking at, for the most part, is  
26 sort of qualitative. We have definitely heard that there is  
27 barriers, due to the prices, for new entrants to come in, and we  
28 have seen that people, when they join the program, don't  
29 understand how to obtain shares or allocation, and that, to me,  
30 is a large barrier for moving into it.

31  
32 Within the red snapper program, we have seen, definitively, more  
33 entrance occur within the program, and so growth in entrants  
34 over time, but, just because you're involved in the program, it  
35 does not mean that each of the entrants have the equal  
36 opportunities available within the program. In the grouper-  
37 tilefish, we did see an initial decrease, as was expected within  
38 the catch share program, and then it seemed to level off within  
39 the entrants within it.

40  
41 **CHAIRMAN FRAZER:** Mr. Dugas.

42  
43 **MR. DUGAS:** Thank you, Mr. Chair. One more. On Slide 14, the  
44 last bullet point, distribute NMFS-held shares, can we explain a  
45 little bit where are the held shares?

46  
47 **DR. STEPHEN:** Sure. Back in Amendment 36A, NMFS revoked the  
48 shares from participants that had never access their accounts.

1 It's a very small amount within each share category, but, in  
2 Amendment 36A, we did not decide what to do with those shares,  
3 and that was pushed off to Amendment 36B, and Amendment 36B has  
4 been stalled-out for a while, and so, for quite a few years, the  
5 agency is just holding that small amount of shares, and it's not  
6 able to be distributed to the participants.

7  
8 **CHAIRMAN FRAZER:** All right. Thank you, Dr. Stephen. We do  
9 have another question from Mr. Williamson.

10  
11 **MR. WILLIAMSON:** Dr. Stephen, you talk about creating an  
12 allocation bank, and would you briefing describe what an  
13 allocation bank is, and I assume you've got some way of  
14 obtaining allocation to fund that bank.

15  
16 **DR. STEPHEN:** Sure, and so the allocation bank also, at times,  
17 has been called a quota bank, and you will have seen it in 36B  
18 and/or 36C, depending on where it got moved to at the time. The  
19 idea would be that some percentage of the quota would be placed  
20 into an allocation bank and that those allocation, the annual  
21 distribution, would have criteria for someone to apply and  
22 receive that from the agency.

23  
24 Now, how we create that allocation bank is one of the areas that  
25 we stumbled on in 36B and 36C. There are different avenues that  
26 I think we could proceed to obtain that, and that would be a  
27 council decision, on which one would be best. Ideally, those  
28 NMFS-held shares could be the original seed for an allocation  
29 bank, but they definitely are not enough to make an allocation  
30 bank, with just those shares held, sustainable or really  
31 applicable to address any of these issues.

32  
33 **CHAIRMAN FRAZER:** Okay. Thank you, Jessica, for that, and,  
34 again, just on that exchange a little bit, I think one of the  
35 goals, I think, for this discussion today is prioritizing,  
36 right, and I think we need to agree on the goals themselves, at  
37 a very high level, and, if we can do that, you know, then we can  
38 start to have -- Perhaps we can prioritize those goals and start  
39 to have a discussion about specific objectives, and I don't want  
40 to get down in the weeds too early at this point, and there's a  
41 lot of potential ways that we might do that, and so let's stay  
42 at a high level for now, if we could.

43  
44 All right. Any more questions for Dr. Stephen? I am not seeing  
45 any, and so let's go ahead and perhaps -- Maybe I can get some  
46 help from staff, and maybe we can put the five goals up on the  
47 board. I will read them to you, if you want.

1 **DR. GREG STUNZ:** It's Slide 9.

2  
3 **CHAIRMAN FRAZER:** If you go to Slide 9. All right, and so we  
4 might potentially edit these, but so I guess I will just open up  
5 the floor, and so these are the five goals that were captured  
6 based on discussions around the council for some period of time,  
7 and is there anybody that would like to consider adding a goal  
8 or removing one of these goals? General Spraggins.

9  
10 **GENERAL JOE SPRAGGINS:** Just a question. When you're looking at  
11 the goals, are the goals in order of how we want to achieve  
12 them, or are they in any type of order or anything?

13  
14 **CHAIRMAN FRAZER:** I would not consider them to be in any  
15 priority assignment at this point. Ms. Boggs.

16  
17 **MS. SUSAN BOGGS:** Well, first, I would like to thank Dr. Stephen  
18 for the presentation, and thank you for recognizing me. I don't  
19 have anything to add, and I think that they, NMFS and council  
20 staff, those that worked on this, have given us a pretty good  
21 start, and, if no one has any additions, I would think that we  
22 would prioritize these and work toward them, and start working  
23 on the objectives of each of these goals, and that would be  
24 easier to obtain maybe first, but, also, we would have to look  
25 at how they overlap, to make sure that we're not putting the  
26 cart before the horse, but I think they've done a great job, and  
27 they've given us a good platform to start from, and this should  
28 be an interesting conversation.

29  
30 **CHAIRMAN FRAZER:** All right. Thank you, Susan. I will hold  
31 off, before I start prioritizing, and give people, again, an  
32 opportunity to weigh-in, if they have something they would like  
33 to add. I see Mr. Dyskow and then Dr. Sweetman and then Andy.

34  
35 **MR. PHIL DYSKOW:** Thank you, Mr. Chair. I would also like to  
36 say that I think clearly a lot of work has gone into this, and a  
37 lot of good listening, because they seem to have much of what  
38 was discussed in prior meetings in this draft. I would like a  
39 better definition of what "maintain flexible fishing options"  
40 means.

41  
42 **CHAIRMAN FRAZER:** All right, and so I'm going to call on Jessica  
43 again, as she was putting these materials together, if she's  
44 willing to share her thoughts on that particular verbiage.

45  
46 **DR. STEPHEN:** When we're thinking about the flexible fishing  
47 options, in comparison to how we think about traditional  
48 programs, the catch shares offer the year-round fishing, and so



1 that, in and of itself, is a flexible fishing option, and we  
2 also have a variety of different types of flexible options  
3 within the program that account for different aspects within the  
4 program, and so one of them is the red grouper and gag multiuse,  
5 and that's the ability to use that multiuse to land either red  
6 grouper or gag, and, when the program was initially created,  
7 that was really vital, because of the overlap between the two  
8 species and the concerns with gag, at the time, and discards.

9  
10 We also have a variety of flexible fishing options within the  
11 shallow-water and deepwater grouper, and these are species that  
12 commonly occur in either the deepwater or shallow, but can be  
13 found in the other one, and so we wanted to allow some  
14 flexibility that the allocation in deepwater grouper could be  
15 allowed to land some of the shallow-water grouper, and vice  
16 versa.

17  
18 Then the final flexible fishing option that we have in the  
19 program right now is the 10 percent overage, and so, for  
20 fishermen that have shares, what we kind of consider their last  
21 fishing trip of the year, they can go 10 percent over the  
22 remaining allocation within their vessel account for that trip.  
23 Now, that is paid back at the start of the next fishing year out  
24 of the allocation that they would receive from shares, and  
25 that's why there is a limit on it.

26  
27 When we're thinking about how to move the programs forward, we  
28 might want to consider what are the common concerns we're  
29 hearing, and so, oftentimes, we're hearing a lot between red  
30 snapper and red grouper, and is there a type of flexible fishing  
31 option we can include within the program that would address  
32 those two species, and so the door is a little bit open to think  
33 about how you can use the program the way it is, with additional  
34 measures to just make things a little bit easier to either  
35 address discards, barriers to new entrants coming in, and other  
36 variety of information like that.

37  
38 **CHAIRMAN FRAZER:** Okay. Thank you, Dr. Stephen. Dr. Sweetman.

39  
40 **DR. C.J. SWEETMAN:** Thank you, Mr. Chair. I appreciate the work  
41 that you've put in on this, Dr. Stephen. I think you're -- I  
42 agree with Susan, and I think you're setting us up for making  
43 progress on this. One point that I did want to bring up is I  
44 like the goals that are on the board right now, and, obviously,  
45 the last one in there, improve opportunities for participants to  
46 enter the program, we've heard a lot about that at the table  
47 over the last year or so here, and I am just putting a pin in  
48 this, you know, as we move towards the priorities later on, but,

1 obviously, overcapacity is an issue, and those kind of seem a  
2 little bit opposed to each other, in conflict with each other,  
3 to improve opportunities for new people in the fishery, but we  
4 have an overcapacity concern there too, and so just something  
5 that I'm putting a pin in that for when we move to the priority  
6 discussion. Thanks, Mr. Chair.

7  
8 **CHAIRMAN FRAZER:** Thank you, C.J. Mr. Strelcheck.

9  
10 **MR. STRELCHECK:** C.J. teed that up really nicely for me, and so  
11 one of the, I think, challenges that the team struggled with was  
12 Objectives 3 and 5, in particular, right, because, if you allow  
13 more people into the fishery, you potentially are reducing -- Or  
14 you're increasing costs, because there's more competition,  
15 right, and so we gave a lot of thought to that, and you guys had  
16 a very good discussion, I thought, at the last meeting about  
17 overcapacity and kind of the concerns you had about how we're  
18 addressing overcapacity versus these new entrants or  
19 participation.

20  
21 That's where we landed, and I'm not honing-in on necessarily  
22 overcapacity, but, actually, the efficiency for fishermen and  
23 the flexible fishing options, and we want to make this as  
24 economically viable for those that are in the fishery already,  
25 but also allow for those opportunities for people to then enter  
26 the program, or maybe that are on the fringes of the program  
27 getting greater access to the program.

28  
29 We aren't Alaska, and we don't have the big, industrialized  
30 fisheries in the Gulf of Mexico, and we have everything from,  
31 you know, large boats, multiday trips, to, you know, dayboats  
32 that are going out and catching IFQ species, and, from what I  
33 was hearing, at least from the council, and what I've been  
34 hearing from stakeholders, it's like there needs to be a place  
35 for a little bit of everyone in this fishery, and that's where  
36 we tried to land, with regard to kind of refining the goals and  
37 objectives since the start of the program.

38  
39 **CHAIRMAN FRAZER:** Okay. Thank you, Andy. Mr. Diaz.

40  
41 **MR. DIAZ:** I think Andy pretty much said the same thing that I'm  
42 thinking, and I think I said this at the last meeting, but  
43 number of vessels and overcapacity I don't think works anymore,  
44 and economists might not look at it like that, but, when I say  
45 that, I think of dual-permitted boats, and so charter boats -- A  
46 lot of them have adapted their business plan to keep their boats  
47 working to buy some shares, so they've got another way to have  
48 their boats bringing in money.

1  
2 Just because there's a new participant there, I don't know that  
3 that adds to overcapacity, and it just helps them diversify  
4 their business, and so, anyway, that's the way I'm trying to  
5 think of it, and so I don't -- Because I think of it that way, I  
6 don't have as big of a problem with new entrants, especially if  
7 -- They might just want to be small entrants, to have -- You  
8 know, to keep their boat working for some period of time, just  
9 to keep some profits coming in.

10  
11 **CHAIRMAN FRAZER:** Okay. Thank you, Mr. Diaz. I am looking  
12 around, to see if anybody wants to add or remove any of these --  
13 Add to these goals or remove any of them, and I'm not seeing  
14 much appetite to remove any of them, and I don't see anybody  
15 offering up any new ones, which in itself is progress.

16  
17 I then think we can start to transition from just listing these  
18 goals, and, again, I want to stay on goals, and we're not going  
19 to get into the weeds at this point, and think about how we  
20 might prioritize those, and, if nobody jumps in, I might start.  
21 J.D., have at it.

22  
23 **MR. DUGAS:** I will try. From what I've heard from the public,  
24 it seems like Item Number 5 needs to be raised up to Number 1,  
25 at the top, and there are some challenges and struggles with new  
26 participants trying to get into the program, and so I think that  
27 needs to be at the top of the list.

28  
29 **CHAIRMAN FRAZER:** I am going to listen to a little bit of  
30 comments before we actually start to move these bullets around a  
31 bit, because I think there may be, you know, alternative  
32 viewpoints and things like that, J.D., and I'm not discarding  
33 your thoughts there at all, and I just want to hear from other  
34 people as well. Mr. Williamson.

35  
36 **MR. WILLIAMSON:** Well, if you're looking for an alternative  
37 viewpoint, I don't have one. I think that J.D. is exactly  
38 right, and we hear it every time we come to this council, and,  
39 following-up on Dale's comment, we're either going to have an  
40 open fishery for folks to participate in a public resource or  
41 we're going to have a protected class of folks who are working  
42 in this fishery that have been given, if you will, that  
43 opportunity, as it stands today, and it's patently unfair.

44  
45 **CHAIRMAN FRAZER:** Ms. Boggs.

46  
47 **MS. BOGGS:** Thank you, Mr. Chair. As it relates to the  
48 commercial fishery, I don't feel like those that were here when

1 the initial IFQs were put in place -- I don't think they were  
2 given these fish, and I think they earned these fish. These  
3 fishermen have fished these fish for years, and this is what  
4 they did for a living, and to say that they were given these  
5 fish I think is not a correct statement, and I just wanted that  
6 on the record, because I personally do not feel like they were  
7 given fish.

8  
9 They worked hard to get where they were, and they worked hard to  
10 put a plan in place to protect their business and to be able to  
11 feed the American public the seafood that they are entitled to,  
12 because it is a public resource. They just don't have the boat  
13 to go catch those fish. Thank you.

14  
15 **CHAIRMAN FRAZER:** Okay. Thank you, Ms. Boggs. Dr. Sweetman.

16  
17 **DR. SWEETMAN:** Thank you, Mr. Chair. I will add my two-cents in  
18 here, and I agree with Mr. Dugas and Mr. Williamson about the  
19 importance of that last goal in there, that improve  
20 opportunities for participants to enter the program, and I  
21 believe that's very important.

22  
23 I would also argue that maintain flexible fishing options and  
24 economic stability within the IFQ programs is extremely  
25 important too, and then, yes, improve technical efficiency, and  
26 I would probably put that up there too, and that's kind of  
27 getting at, as Andy was talking about, the overcapacity and  
28 other components of the technical efficiency of the IFQ program,  
29 but those are kind of my general thoughts there, and I would  
30 probably lean towards what's on the board right now as 1 and 5,  
31 as probably being some of the most important ones.

32  
33 **CHAIRMAN FRAZER:** Thanks, J.D. General Spraggins.

34  
35 **GENERAL SPRAGGINS:** I agree with the other three gentlemen on  
36 this, and Number 5 obviously has been something that we've heard  
37 about every time I've been a member of this board, and I think  
38 it's an opportunity that we need to open the door and allow  
39 these people to -- I am not saying that anything was done wrong,  
40 and it's not about what happened before, but now we need to  
41 allow new people into fishery, and I think we need to open the  
42 door, in some way, to be able to give them -- To be able to get  
43 an allocation also, and so Number 5, to me, tells me a way that  
44 you could do that.

45  
46 I mean, I know Ms. Boggs was talking about that they were not  
47 given this, and that's not what I'm talking about. What I'm  
48 saying is that, in the future, maybe we need to open the door to

1 new people to be able to do it and not just leave it to the same  
2 people having the same opportunity.

3  
4 A lot of those people that are working right now are the ones  
5 that are buying from the ones that already have the allocation,  
6 and it's just kind of like if you work for a car dealer, and you  
7 have an opportunity, if you like, to start your own dealership  
8 one day, if you learn how to do it, and I think this is giving  
9 the opportunity for them to be able to start their own  
10 opportunity in life and to move forward, and so I would feel  
11 strongly to see Number 5 move up, and I would love to see it  
12 move to Number 1, and that's just my viewpoint.

13  
14 **CHAIRMAN FRAZER:** All right. Thank you, General Spraggins.  
15 There is a number of people on the list, and I'm keeping it  
16 going here, but, before I go to Bob Shipp, who is online, I just  
17 wanted to weigh-in a little bit about the way that Number 5 is  
18 worded.

19  
20 What we heard from a number of folks here, obviously, is, and  
21 Dale Diaz in particular, is that it's 2023, right, and the world  
22 has evolved, and there are a lot of different business models  
23 out there, and we need to consider what those different business  
24 models look like. I think the key thing here is not -- The  
25 reason it doesn't say "new fishermen", or "new participants", is  
26 that, to go along with Goal 1, just to maintain some flexible  
27 fishing options, but there's a stability part of that as well,  
28 and I think that one of the longer-term goals embedded in that  
29 is to maintain some demographic diversity in the fishery, so in  
30 fact it's in a good position, moving forward, and you're not at  
31 risk from losing participants, and so that's something that we  
32 have to consider, too. Dr. Shipp, you're online, and we'll see  
33 if we can get some words in from you.

34  
35 **DR. BOB SHIPP:** Okay. Thank you, Mr. Chairman. I put my hand  
36 up before I had heard several of the other members, but, the  
37 truth be known, Number 5 is the essence of this whole effort. I  
38 think we've heard not just a year or two, but, for ten years,  
39 the problems with this fishery, and so I just want to add my  
40 name to the list of those that think Number 5 needs to be not  
41 only Number 1, but with big red letters, because that's the  
42 problem. Thank you, Mr. Chairman.

43  
44 **CHAIRMAN FRAZER:** Thank you, Bob. All right. Next on the list  
45 is Dr. Stunz and Ms. Boggs.

46  
47 **DR. GREG STUNZ:** Thank you, Mr. Chairman. When I originally  
48 thought about this, I thought that maybe we would have more

1 goals than this that we might have to prioritize, and so thank  
2 you to Jessica. I mean, I think you all really hit the nail on  
3 the head, because at least all of my objectives would fall under  
4 one of these, and so maybe I am putting Carrie and the staff in  
5 a bad position, and we certainly probably need to rank this, and  
6 it sounds like we're doing a pretty good job of that, but I'm  
7 not seeing why we couldn't work -- I was envisioning that we  
8 might have twelve of these up here on the board, but turning out  
9 with five, but that we couldn't really work, to some extent, all  
10 five of these, with some, you know, guidance and priority.

11  
12 Now, of course, like everything, when we start putting in these  
13 alternatives, or objectives, or whatever we're calling them  
14 underneath each one of these, that's where the devil in the  
15 details begins, in terms of what does that look like, but, Tom,  
16 I guess I was kind of making a recommendation that, yes, let's  
17 try to solidify around a priority order here, but I don't think,  
18 at least in my mind, that we couldn't work on all of these, and  
19 it's a doable task to work on all of them.

20  
21 **CHAIRMAN FRAZER:** I think it's certainly doable to consider five  
22 goals and start to talk about the objectives that might fall  
23 under those. I think the reality is that, as we -- I think,  
24 when we do get to the objectives, exploring some of the tactics,  
25 right, to achieve the objectives that underpin those goals, I  
26 think we're going to quickly realize that we have to take  
27 smaller bites of the apple, and I think that was probably the  
28 demise of 36B and C and whatever iteration that we have.

29  
30 I think that's part of the exercise here, is to really identify  
31 what -- I mean, all of these goals are important, right, and  
32 some may be easier to achieve than others, if we want to refer  
33 to those as low-hanging fruit, and I'm not sure that we have any  
34 low-hanging fruit, necessarily, but, again, I would caution  
35 prioritizing the things that might appear easier to do and think  
36 about the most important things to do. I think this discussion  
37 is helpful in that regard, and so I will continue to hear what  
38 people have to say. Mr. Strelcheck, or, Ms. Boggs, did you --  
39 Okay. Andy.

40  
41 **MR. STRELCHECK:** Thanks, Tom, and I just wanted to agree with  
42 your comments and kind of build upon what Greg was saying. I  
43 mean, I think all of these goals are things that kind of  
44 overlap, and so we might be working on multiple goals at the  
45 same time. Really, I think the challenge will be looking at the  
46 objectives, and what are things that we can do more quickly,  
47 that are more incremental, that maybe we want to do first,  
48 relative to picking off maybe some more impactful actions, but

1 they're going to take longer for the process, right, and that's  
2 where the objectives will really come in, to help us in guiding  
3 that process.

4  
5 I will say that I'm a little concerned with regard to kind of  
6 some of the comments around Goal 5, and so I think, Tom, you  
7 said it very well, and we're trying to maintain demographic  
8 diversity, and we want to figure out kind of how do we bring in  
9 new entrants, as well as those that maybe participate in the  
10 fishery, but are having a hard time securing allocation, or  
11 shares, but we're not talking about just opening up this  
12 fishery, right, and there is a certain capacity to this fishery,  
13 and, right now, the economics say we're still over capacity,  
14 right?

15  
16 We maybe aren't now driving to reduce capacity, but I think we  
17 need to be really thoughtful, as we move forward, in terms of  
18 kind of that balance, in terms of those demographic  
19 considerations and diversity and the capacity that we want to  
20 maintain in this fishery to make sure that it's economically  
21 viable and we're maintaining kind of that flexibility and  
22 technical efficiency within the program, and so just kind of  
23 tying all those goals together is really going to be key.

24  
25 **CHAIRMAN FRAZER:** All right. Thanks, Andy, for those comments.  
26 Ms. Boggs.

27  
28 **MS. BOGGS:** Thank you. Andy touched on one of the things that I  
29 was going to say, and, to me, we have to -- We have to cure the  
30 overcapacity problem, in my mind, before you can look at adding  
31 new entrants, because then you're just adding to the  
32 overcapacity, and maybe you can somehow do that in conjunction.  
33 I understand that there is an issue, and Number 5 is an  
34 important goal, but I think Number 1 is probably the main goal,  
35 because that's the backbone of this program, and, until we deal  
36 with the overcapacity, it seems to me like it would be hard to  
37 allow new entrants.

38  
39 Now, somehow maybe we can work those together, and maybe 1 and 2  
40 combined, and I don't know, but I think, to me, we need to deal  
41 with Number 1, that, to me, is probably the biggest priority,  
42 because the overcapacity -- You don't want to end up crashing  
43 the fishery when you're trying to put new entrants, and just --  
44 I think then we would have a bigger problem than what we have  
45 now. Thank you.

46  
47 **CHAIRMAN FRAZER:** Thanks, Susan. Kevin Anson and then Dakus.

1 **MR. ANSON:** Thank you, Mr. Chair. I understand, for brevity,  
2 that you have to give some sort of label, or describe each of  
3 the overarching goals here, and maybe "improve opportunities for  
4 participants to enter the program", you know, might be not  
5 descriptive enough, I guess, but, if you look at the individual  
6 draft objectives, the first objective is to implement an  
7 adaptive catch share model that redistributes shares to accounts  
8 harvesting IFQ species, and so all that would indicate to me, is  
9 that you're redistributing shares to folks that are already  
10 participating, and so, yes, I guess, to include the big picture,  
11 you would say give the opportunity for participants to enter the  
12 program, but we already have had people enter the program, but  
13 it's just there's some significant barriers for entry into the  
14 program, currently, and so that's what I think Number 5, to me,  
15 gets at, is the barriers to entry.

16  
17 Yes, there are issues with, you know, the number of actual  
18 participants, and new participants, and that issue of  
19 overcapacity, but, you know, we are limited by the number of  
20 permits, and, I mean, there is already a restricted number of  
21 folks that can participate in the program, as far as going out  
22 and catching IFQ species and bringing them back to the dock to  
23 sell, and so, if that's the issue, then we need to be talking  
24 about reducing permits, you know, really, at the end of the day,  
25 but, to me, Number 5, just to add my name to the discussion  
26 relative to priority, and I would agree that Number 5 should be  
27 a Number 1 priority that we move forward with to look at.

28  
29 Then I think a lot of the issues that you could address, through  
30 Number 5, the rest of the goals -- There are certain things,  
31 because of the overlapping nature, that would start to take  
32 shape, and so thank you.

33  
34 **CHAIRMAN FRAZER:** All right. Thank you, Kevin. Dakus.

35  
36 **MR. DAKUS GEESLIN:** Thank you, Mr. Chair. As I think about the  
37 goals we have before us, and I want to offer my support for  
38 Draft Goal Number 5 as well, but not ignoring the other goals,  
39 and, to Kevin's point, but also to Bob Shipp's point, these also  
40 have a lot of overlap, a lot of potential to benefit the other  
41 goals, as we think through them, and, in reading through the  
42 objectives, and these are very well thought out, and so I  
43 appreciate the effort here, but, with the adaptive catch shares,  
44 it seems like there is so much potential there to increase the  
45 participants and reduce those barriers to entry, while, at the  
46 same time, addressing the overcapacity issues.

47  
48 Bullet 2 is limit share ownership, and there's a lot here that



1 we are going to unpack within -- After we get past this goal  
2 prioritization effort, to really sink our teeth into the  
3 objectives, and recognizing where it also -- That achieving some  
4 of these objectives also benefits within the other goals, and it  
5 really kind of substantiates the Venn diagram that was presented  
6 to us.

7  
8 **CHAIRMAN FRAZER:** Thank you, Dakus. Mr. Dyskow.

9  
10 **MR. DYSKOW:** Thank you, Mr. Chair. I would probably agree with  
11 Susan, in that the original participants earned their seat at  
12 the table, and they earned those shares, but where I struggle is  
13 that share ownership, whatever you want to call it, currently  
14 exists into perpetuity, and so these original anglers that  
15 earned these shares have been essentially assigned them into  
16 perpetuity, and that's a problem, in my mind, and we really  
17 haven't addressed that, in any way, shape, or form.

18  
19 Another question, while I have the mic, and this is for Andy,  
20 but we currently distribute 100 percent of the allocation to IFQ  
21 shareholders, and what's to say that we don't change that to 80  
22 percent, and build a bank of 20 percent, to address some of  
23 these issues, and is that technically possible, or is it not  
24 possible, sir?

25  
26 **MR. STRELCHECK:** That's certainly possible, and Jessica went  
27 through and presented the concept of an allocation bank, right,  
28 and so the devil is in the details, in terms of how you would  
29 design it, how much allocation would be set aside, for what  
30 purposes, and then how that gets distributed.

31  
32 **CHAIRMAN FRAZER:** Thanks, Andy, for pointing that out, and,  
33 again, I just want to emphasize -- I know we're going to get  
34 down into the weeds at some point here, but we'll try to keep it  
35 as high-level as we can for right now, and we've got Bob Gill on  
36 the line, and then Mr. Diaz. Bob.

37  
38 **MR. BOB GILL:** Thank you, Mr. Chairman. I am fine with these  
39 five goals, and I would strongly suggest, however, on Goal  
40 Number 3, that we delete the terminology "improve technical  
41 efficiency". The reason for that is that it's questionable, in  
42 my mind, that's what we want to do, and we certainly don't want  
43 to maximize technical efficiency, because that gets you to the  
44 rationale, as has been noted in the reviews, that the optimum  
45 technical efficiency is the minimum number of boats to harvest  
46 the allowable catch.

47  
48 Well, that says all you have is highliners in the fleet, and I

1 would argue that's wrong, and we don't want a fleet of  
2 highliners, and we want a diversified fleet, which is not the  
3 minimum cost per unit harvest, and it's not the maximum  
4 technical efficiency, and so I would argue that reducing costs  
5 per unit harvest is an admirable goal, but improving technical  
6 efficiency is not. Thank you.

7  
8 **CHAIRMAN FRAZER:** Okay. Thanks, Bob. We'll circle back on  
9 that, at some point, before we accept these, or adopt these,  
10 five goals, and then we'll identify what their priority rank  
11 might be, but, until then, Mr. Diaz.

12  
13 **MR. DIAZ:** I've got a couple of things that I want to say.  
14 First off, I don't think we could tackle all five of these goals  
15 at one time, and the reason I say that -- I mean, I've probably  
16 been at this table, other than Kevin, and Kevin is an old-timer,  
17 but longer than anybody, and, when you get to start talking  
18 about specific items and objectives -- I mean, this program is  
19 incredibly complicated, and, I mean, we're going to start  
20 talking about focusing on something, and does a person need a  
21 permit, and I don't know, and that was in the last document.

22  
23 Just think of all the things that came in there that we had to  
24 discuss about if a person needed a permit or not, you know, non-  
25 participants, participants, grandfathered, and, I mean, the list  
26 goes on and on, and every one of these we're going to talk about  
27 for an extremely long period of time, trying to flesh this out,  
28 because it's complicated.

29  
30 I think where we get wrapped up, where we haven't made progress,  
31 is, a lot of times, we get to the point where it's a close vote,  
32 and so good ideas fail, but people are concerned that we're  
33 going to do something that there's a workaround, and it's not  
34 going to be effective, and you know what I'm saying, because  
35 it's so complicated, and so all of it has got to be thought out  
36 in great detail, and so I don't think we can tackle all five  
37 goals. I think we could probably try a couple, and see where we  
38 go, and keep prioritizing things. Having said that, that's  
39 enough of that.

40  
41 To me, when I read through this -- I think, anytime we get a  
42 chance to reduce discards, that should be a high priority, and  
43 so I tend to think that, although the commercial fishery is not  
44 as bad as some of our other fisheries on discards, there are  
45 some opportunities where we could make an impact on discards,  
46 and that would be good for everybody in the commercial industry.

47  
48 Another thing that I don't like about the program is the fact --

1 I understand it's market-driven, but lease prices are so high  
2 that, a lot of times, the people that actually have to go out  
3 and catch the fish -- You only get a small percentage of the  
4 price of the fish, and they're the ones with all the expenses,  
5 and so, because of that, I kind of like the idea of us setting  
6 up a quota bank and try to deal with discards and maybe set up  
7 the quota bank in such a way where lease prices are more  
8 palatable for people that are having to lease fish, and I don't  
9 know.

10  
11 There's a lot of details, once we get into that, but, when I  
12 look at prioritizing this list, those are the two things that  
13 are the highest priority, in my mind. Thank you.

14  
15 **CHAIRMAN FRAZER:** I just want to make sure that I captured that,  
16 and so reducing discards, Number 4, and what is the other one  
17 that you would put into a goal?

18  
19 **MR. DIAZ:** The ones that support quota banks, and, when I look  
20 at this, actually three of those goals, I think, or really all  
21 of them support the quota bank, but three of them directly tie-  
22 in, in my mind, to support a quota bank, and I think that's 3,  
23 4, and 5.

24  
25 **CHAIRMAN FRAZER:** Thank you, Dale. Mr. Strelcheck.

26  
27 **MR. STRELCHECK:** One other thing that I wanted to note, and we  
28 haven't really talked a lot about Goal 2, in terms of increasing  
29 IFQ market transparency, but, if you look at the objectives  
30 under that one, a lot of that could be a goal of the council,  
31 but would likely fall to the agency to actually implement,  
32 because it pertains to sharing of price data and information on  
33 a more regular basis, or having some sort of NOAA-administered  
34 marketplace, and there might be some actions that the council  
35 would need to take, but we do think that that does relate nicely  
36 then as well to these lease allocation prices, and kind of  
37 opening up knowledge about the market, and kind of where the  
38 allocation is held and being leased and, ultimately,  
39 opportunities for gaining access to that allocation as well.

40  
41 **CHAIRMAN FRAZER:** Okay. Thanks, Andy. I am looking around, and  
42 just a couple of thoughts, while folks kind of ponder what else  
43 they might want to add to the discussion, but, again, like  
44 everybody here, I appreciated the way that the presentation was  
45 laid out, and, also, I've thought about the previous goals, and  
46 the relative amount of success that we've had with some of them,  
47 and so, in my mind, number one, where it says "maintain flexible  
48 fishing options and economic stability", you know, I think we've

1 done a good job. I mean, the industry has done a good job in  
2 that regard, and so I'm not sure, again, even though it's Number  
3 1 on this list, that we need to aggressively pursue that in a  
4 way that's going to radically improve the program, and that's  
5 just my thought.

6  
7 Dr. Stephen did indicate that one of the attributes of that  
8 flexibility was the multi-share, or the multiuse, kind of  
9 categories, whether it was shallow and deepwater grouper, red  
10 grouper, kind of tradeoffs, essentially, but I think that  
11 there's an opportunity to explore that, to address, or programs  
12 like that to address, the discard problem as well, right, and I  
13 kind of come back and am thinking, well, you know, we have a lot  
14 of problems, and we have a lot of challenges, in the fishery,  
15 and not just in the commercial sector, and certainly in the  
16 recreational sector, whether it's the for-hire or private side  
17 of things, and discards are probably the biggest things that  
18 we're going to have to deal with, and so I'm trying to think  
19 about how we might collectively align some of our activities, or  
20 our priorities, right, so we're achieving the most good for the  
21 resource and the stakeholders that are involved, moving forward.

22  
23 I do think that there's some tractable things that you can do  
24 with regard to multiuse quota sharing, or exchange, that would  
25 allow you to address the discard issues, certainly in the  
26 commercial fishery, and that, ultimately, would have some flow-  
27 on effects for some of the other sectors as well, and so my  
28 inclination would be to think about things that are big  
29 problems, things that are tractable, with a little bit of  
30 creative thought, and then put those higher on the list,  
31 recognizing that some of the other ones are subject to a lot of  
32 different perspectives and viewpoints, and Number 5 is  
33 particularly complicated, from my perspective, and so, anyway,  
34 that's just a couple of thoughts, and I will give somebody else  
35 a chance to weigh-in here, before we decide to start ranking  
36 things.

37  
38 Okay. I am not seeing anybody wanting to share any more  
39 thoughts, and so this is how I thought this conversation might  
40 go, and so we're going to pull a little teeth.

41  
42 Based on the conversation that I've heard so far, and, Bernie, I  
43 guess we're going to move some things around, and I will make a  
44 strawman here, and I think I saw people wanting to move Number 5  
45 to the top, and we'll do this for discussion.

46  
47 Just, again, for discussion, I am going to suggest -- I will  
48 leave 2 where it is, right, and we can quibble about that in a

1 minute, but I would probably move Number 5, which is reduce IFQ  
2 discards, to the third position, and I would leave 4 and 5 as  
3 they are, and I appreciate Bob Gill's comments, as they relate  
4 to the Item Number 5 now, which is improve technical efficiency.

5  
6 I think the industry, and society, will figure that out on their  
7 own, and I'm not sure that we're going to have to do that for  
8 them. I think that leaving the reduced cost per unit of harvest  
9 makes sense, when we're trying to think about optimizing the  
10 value of the fishery, and so, Bernie, if you could just scratch  
11 -- Don't necessarily get rid of "improved technical efficiency",  
12 but just maybe give it a strike-through, just the first three  
13 words. Thank you, Bernie. I appreciate that.

14  
15 All right, and so we've got a strawman up on the board, and  
16 maybe what I would like to do is not talk about all five of them  
17 at one time, and let's go through them one at a time, and really  
18 drill-down a little bit into the merits of whether or not that  
19 is really the most important goal here. Okay. J.D.

20  
21 **MR. DUGAS:** Thank you, Mr. Chair. For Number 1, in my mind, I  
22 would like to replace the word "participants" with "active  
23 fishermen". I think that needs to be more the focus, and not  
24 necessarily the brokers, if you will, and that's how I read it,  
25 and it's open to anyone, and I would like to see it narrowed  
26 down to active fishermen.

27  
28 **CHAIRMAN FRAZER:** Again, before we do that -- I mean, I don't  
29 disagree with your comments, right, and I think, when you start  
30 talking about a specific participant, right, then you're getting  
31 into the weeds a little bit here, right, and a mechanism to  
32 achieve that goal, and so we'll capture that comment, J.D., and  
33 I think we'll come back to it. Thank you though for sharing  
34 those thoughts. Any other thoughts on this Goal Number 1, or  
35 does anybody think it is misplaced? Ms. Boggs.

36  
37 **MS. BOGGS:** I am just going to keep reiterating that I think,  
38 until we deal with the overcapacity issue, I don't know how you  
39 can bring new entrants in, and maybe they work together, and I  
40 know that Number 1 is now Number 2, but, if overcapacity is a  
41 true issue, and a true problem, then I don't know how we can do  
42 really much else, until we deal with that, so that we -- Not  
43 knowing exactly how this would work, but then we would know  
44 what's available for new participants, new entrants, new  
45 fishermen, whatever word we come up with, and I just feel like  
46 we need to deal with that first.

47  
48 Thinking about what Andy said about Number 4, and I know that's

1 not what you're asking about right now, but Number 4, and that  
2 does seem like something that the agency would have to handle,  
3 and it seems -- It seems like that would be something that could  
4 quickly -- I say quickly, but be done fairly soon, to have that  
5 available for information that we may need to be able to deal  
6 with the new entrants, or participants, or whatever, and I  
7 apologize, but it's participants, as it reads now, and it's just  
8 -- Again, I think we need to deal with the overcapacity first.

9  
10 **CHAIRMAN FRAZER:** All right. Thank you, Susan. All right. I  
11 am pondering a little bit of a response to that. Again, and a  
12 number of people have pointed this out, and I think there is --  
13 Dakus said it well, and there's a tremendous amount of overlap  
14 here, right, and, again, I am trying to think where we need to  
15 go to get the maximized benefit to the program, right, and,  
16 again, the reason that I was thinking that Number 2 would be  
17 dropped down on this list is because I do think that there is  
18 demonstrated success there, with regard to year-round fishing  
19 opportunities, you know, which has made the industry safer for  
20 the employees, right, for example.

21  
22 It's helped to stabilize some of the prices in the market,  
23 right, and they will tend to regulate themselves, because of  
24 that flexibility, and I think there's a lot of good things  
25 there, but, again, I am trying to figure out, with regard to  
26 improving opportunities for people to enjoy the benefits of the  
27 industry, right, and that's really what you're looking at here,  
28 is can you maximize people's ability to, again, gain value from  
29 participation in some way, and, as Dale pointed out, that  
30 doesn't -- There's a lot of different ways to do that, right,  
31 and, in some cases, it may be 5 percent, or 10 percent, of  
32 somebody's business model, but, without that 5 or 10 percent,  
33 you know, their whole plan falls apart.

34  
35 I'm not sure that we've wrapped our heads around the complexity  
36 of the business world and the industry in that way, and I'm not  
37 sure that we're going to be able to make a tremendous amount of  
38 progress in the short-term, because I think that's going to take  
39 us a lot of time. You know, I think we're going to have to dig  
40 into some of the economics here, and things that we haven't seen  
41 before, and so I recognize that it's an important goal, but, if  
42 we really want to make some changes -- Maybe there are some  
43 objectives in there that are achievable in the short-term, and  
44 so I don't want to cut that off yet, but I'm talking out loud.

45  
46 I am inclined to leave it there for right now, right, but, to me  
47 too, I left it -- I moved it down a bit, but I'm not -- 1 and 2  
48 are intertwined, one way or another, right, but I think we might be

1 able to do a little bit more with the discards, right, and I  
2 really do.

3  
4 If I had my way, I would probably try to move that up into  
5 either 1 or 2, but I'm not going to make a unilateral decision  
6 to do that, and I just think there's some tractable things that  
7 we can do. Mr. Strelcheck and then Dr. Stunz.

8  
9 **MR. STRELCHECK:** A couple of points with regard to overcapacity,  
10 and so I agree with Susan, in the fact that we need to maintain  
11 that as a goal, or driver, with regard to the actual IFQ  
12 program. I'm not sure where it gets placed in the order of  
13 priorities at this point, but, in the Magnuson Act, any time  
14 there's a limited access privilege program that's established  
15 for a fishery, and it's determined to have overcapacity, we have  
16 to then have that limited access privilege program contribute to  
17 reducing overcapacity, right, and so that's laid out in the  
18 Magnuson Act, and that's a requirement, and we need to make sure  
19 that, in our goals and objectives, that we are accordingly  
20 addressing that.

21  
22 With that said, we talked a lot about kind of balancing that  
23 with improving opportunities, and I think, as you said it  
24 nicely, Dr. Frazer, I don't think we fully understand the kind  
25 of dynamics of how this fishery is operated, and we've heard  
26 from Dale about dual-permitted vessels, and we have vertically-  
27 integrated businesses, but this is what we're hearing about, and  
28 I think Goal 1, as it's on the board, is well placed right now,  
29 and it's probably the area we could make the most progress, but  
30 we do need to keep in mind kind of how we balance that with the  
31 capacity issue.

32  
33 To put a finer point though on overcapacity, if you read the  
34 Agar et al. paper in our briefing book, it says that 20 percent  
35 of the red snapper fleet would be capable of harvesting the  
36 entire quota, and so that shows kind of the level of  
37 overcapacity that we're still dealing with, if our goal is fully  
38 to eliminate overcapacity and have the most economically  
39 technically-efficient fishery that we possibly could have,  
40 right, and I don't think that's our goal, and I recognize that,  
41 but we, I don't think, are going to be able to address  
42 overcapacity, in its entirety, and be able to address Goal 1,  
43 because we will be here for a long time addressing the  
44 overcapacity issue.

45  
46 **CHAIRMAN FRAZER:** Okay. Thanks, Andy. Then we've got Dr. Stunz  
47 and then Mr. Diaz.

1 **DR. STUNZ:** Andy, that was my point, and I'm trying to figure  
2 out if I understand overcapacity, and I don't know if maybe you  
3 or Jessica could help me, but the whole fact that this is an  
4 LAPP, in my mind at least, it somewhat eliminates this  
5 overcapacity issue. If you had a purely open fishery, then, of  
6 course, we're worried about overcapitalization, because you can  
7 have more fishing power than that stock can support, and we  
8 fixed that in the LAPP, by what this IFQ program -- By having a  
9 quota.

10  
11 So, for example, no matter how many boats are in that fishery,  
12 you're not going to exceed the quota, assuming everything is  
13 above board and all that kind of thing, and so then where I'm  
14 having difficulty understanding is, if we freed up this program,  
15 through some of these goals that we have here, where there's  
16 more access, like in Number 1, or maybe even Number 2, then the  
17 market -- If it was a freer access to this fishery, the market  
18 would curb any of that overcapitalization, because people could  
19 get in, and the number of boats and such would -- In other  
20 words, you're curbing that power, indirectly, by having a quota  
21 in an IFQ program.

22  
23 I guess my question is, or point, is, if we design this  
24 appropriately, with these goals here, which I think get there,  
25 then the overcapitalization, at least in my mind, is not as much  
26 of a problem, and maybe it is and I'm just missing something,  
27 but, you know, the whole point of an LAPP is to curb that.

28  
29 **CHAIRMAN FRAZER:** To that point, Andy?

30  
31 **MR. STRELCHECK:** I would probably like Assane to weigh-in from  
32 more of an economic perspective, but simply curbing, or  
33 limiting, the number of participants, in and of itself, does not  
34 address the overcapacity. It caps the capacity, right, but the  
35 overcapacity is then tied to your economic, or technical,  
36 efficiency within the program.

37  
38 If you let, for example, too many boats in, and you have too  
39 small of a quota, right, that's a very inefficient fishery to go  
40 out and harvest whatever quota is available, right, and so  
41 you're trying to essentially set up a fishery that has the  
42 available quota and a certain diversity of participants that  
43 economically would be most efficient to go out and then harvest  
44 that quota over a period of time.

45  
46 I don't disagree with your comments that how we design this can  
47 meet some of these goals, could help with that relative to the  
48 status quo, but I will say that we have not -- We have helped



1 with overcapacity, but we have not fully addressed overcapacity  
2 since implementation of the program sixteen years ago, and I  
3 don't know, Assane, if you have anything else that you want to  
4 add.

5  
6 **DR. DIAGNE:** Very briefly, and, essentially, Andy mentioned most  
7 of the things that I was thinking about, but, perhaps in the  
8 discussion, we place, and how do I put this, too much emphasis  
9 in let's say some of the comments that I hear about  
10 overcapacity.

11  
12 It is a requirement of the act, as Andy mentioned, but we have  
13 to remember that we haven't done anything specifically to reduce  
14 overcapacity, apart from creating the program, and this type of  
15 program, of course, is expected to reduce overcapacity over  
16 time, and what you would see, as the studies have shown, is the  
17 less-efficient vessels would sell out to the more efficient part  
18 of the fleet, and then we would move forward, and so that is the  
19 only thing we have done.

20  
21 If we look to other programs, in addition to implementing the  
22 IFQ, they looked at permit stacking, permit buybacks, and  
23 sometimes vessel buyback, to accelerate the reduction of  
24 overcapacity, and we haven't done any of those things here in  
25 the Gulf of Mexico, and so it, I guess, needs to stay on your  
26 list of goals, because that is a requirement of the act, but we  
27 are not, as far as I know, looking at buying back permits and  
28 buying back vessels, and that's one thing.

29  
30 As far as the, I guess, moving in the opposition direction,  
31 between more participation and overcapacity, part of that, I  
32 guess, is softened by the fact that, as said in the review, by  
33 new participants, we are thinking about replacement fishermen,  
34 meaning the next generation of fishermen, to address things such  
35 as the graying of the fleet, et cetera, and so it is not about  
36 opening it wide, because the quota is there, because that would  
37 be another series of problems.

38  
39 **CHAIRMAN FRAZER:** To that point, Dr. Stunz?

40  
41 **DR. STUNZ:** A quick follow-up, Assane. Thank you, and, of  
42 course, as a marine scientist, I'm not an economist, but so, if  
43 you had a way to avoid consolidation of shares, by over-  
44 efficiency, way too far undercapitalized, and you had freer  
45 access to the quota, or shares, and let's say the quota bank or  
46 whatever this Number 1 would establish, I still don't understand  
47 then why wouldn't the market, the freer market, you know, within  
48 this overall quota that we don't want to exceed, not seek the

1 optimal level of fishermen in that fishery, and that's why I'm -  
2 - You know, it seems like we're just going so far right now on  
3 the other side of undercapitalization, and not letting it freely  
4 do it, because you've got a consolidation of shares and  
5 controlling, you know, who has those shares and how that's  
6 distributed throughout the IFQ system.

7  
8 **DR. DIAGNE:** I am not sure that I follow this, that we are going  
9 too far to the extreme in one direction, because I think Dr.  
10 Stephen mentioned that, and it's the review and the annual  
11 report, but participation, meaning the number of folks that are  
12 participating, has increased, in some cases, right, and the  
13 limiting factor here is having the quota, and that's one, and,  
14 if you were, for example, looking at the red snapper IFQ  
15 program, where the cap is somewhere around 6 percent, I think,  
16 the share cap, and, if I were to make it 5 percent now, for  
17 argument's sake, that would mean that, technically, the program  
18 that we have created, and let's say twenty entities could own  
19 the entirety of the quota, and that's the program that we have,  
20 and we are very far from that.

21  
22 We have a couple hundred participants, and I don't recall the  
23 number now, and so I guess the fact that we are going to an  
24 extreme, in terms of overconcentration, that may be a  
25 perception, but that is far from actually the program that we  
26 have in front of us, and maybe Dr. Stephen could add something  
27 on the number of accounts and the number of participants, but it  
28 doesn't seem, to me, that we are going to that extreme.

29  
30 The last thing that I am going to say here is we are talking  
31 about catch shares now, but another way of calling this is an  
32 LAPP, meaning a limited access privilege program, and the first  
33 word of that is "limited", and so sometimes you have to remember  
34 that, you know, and it cannot be, under any circumstances, open  
35 and having, you know, an increased number of participation  
36 without controls.

37  
38 **CHAIRMAN FRAZER:** A quick follow-up, Greg?

39  
40 **DR. STUNZ:** Thank you, Assane, and, obviously, I'm the one now  
41 getting us way down into the weeds here, and so, obviously,  
42 we'll have more discussion on that, Assane, and, Tom, you  
43 probably need to move on, but I just wanted to say that I think,  
44 you know, that has to do with the leasing versus the ownership  
45 issue. I mean, I'm not advocating, by any means, for a purely  
46 open fishery here, but I just would advocate for a freer access  
47 to the shares for those that are committed in the fishery.

1 **CHAIRMAN FRAZER:** Thanks, Greg, and I think we certainly are  
2 going to have those types of discussions as we get down into the  
3 weeds a bit, and so Mr. Diaz and then General Spraggins.

4  
5 **MR. DIAZ:** I think the discussion around the table, and the  
6 presentation, was good this morning, because, having listened to  
7 the discussion today, my perceptions on how to prioritize this  
8 is different than when I came in here this morning, and so the  
9 discussion is helping me think through this.

10  
11 I do agree with your last comment, Tom, that our current Number  
12 2 on the board -- I think it's a goal that should stay in, but  
13 it should move down the list, and so I would -- I am in  
14 agreement with you, and I would move Number 2 to Number 4, is  
15 what I am thinking right now, and I might change my mind as the  
16 discussion goes on, but that's where I'm at right now, and my  
17 rationale is exactly what you said, that it doesn't require the  
18 work, at the moment, that some of the other ones probably should  
19 get. Thank you.

20  
21 **CHAIRMAN FRAZER:** Thanks, Dale. We'll circle back on the  
22 reordering here in a minute. General Spraggins.

23  
24 **GENERAL SPRAGGINS:** Thank you, and I'm like Dale. You can teach  
25 and old dog a new trick every now and then, and I have sat here  
26 this morning and reevaluated everything of where I thought that  
27 things should go to where I think now, and I can tell you that  
28 looking at reducing the IFQ discards -- To me, that ought to be  
29 a goal that we have for everything, and not just IFQ, but  
30 everything that we do, because discards, to me, seems to be the  
31 biggest problem as to the numbers that we're at.

32  
33 If we could figure out how to make the discards go away, to a  
34 point, then our numbers would be a whole better, the fish that  
35 we would have, the capability of catching it and everything  
36 else, and so I agree with you, and Dale said it too, that we  
37 ought to move Number 3 to Number 2, for sure, and I'm still --  
38 As much as I like Number 1 where it's at, I'm almost wanting  
39 Number 2, Number 3, to Number 1, and, I mean, it's just looking  
40 at the way it should be done, but I think, if we reduce the  
41 discards, we're going to help the other problems a whole lot.

42  
43 **CHAIRMAN FRAZER:** Thank you, General Spraggins. All right. I  
44 am looking around, and I know that we've got a hard stop at  
45 10:00, and a number of folks have to make a few phone calls, and  
46 so we've got about twenty-five minutes or so to keep working  
47 through this. I am not seeing any hands right now, and so I  
48 will go ahead and, at least for the time being, perhaps move

1 Number 3 to Number 2, and I realize that the General was on the  
2 fence about whether he wanted to make it 1 or 2, but we'll start  
3 there. Dale, were you thinking that Number 3, as currently on  
4 the list, should be moved to Number 4?

5  
6 **MR. DIAZ:** That would be my preference, but I'm just one person.

7  
8 **CHAIRMAN FRAZER:** That's okay though. I mean, somebody has got  
9 to move the ball here, and so is there any major objection, at  
10 least for discussion purposes, in moving it around? Go ahead,  
11 Dr. Stunz.

12  
13 **DR. STUNZ:** Dale, I don't disagree with that, but the only  
14 reason that I would support just keeping it the way it is right  
15 there was Andy was mentioning that, you know, it was sort of the  
16 agency's role to, you know, help with that market transparency,  
17 and that would help, and so the only question I've got there is  
18 that 3 is still very important to me, but, if 4 is not something  
19 that this group is going to work on directly, and it's just  
20 going to kind of happen, and maybe, as Andy mentioned, you know,  
21 there's some actions that we have to take within that, at some  
22 level, but, you know, how to redirect -- I'm trying to see where  
23 we redirect our effort.

24  
25 Again, I'm not going to -- If everyone wants to 4 up to 3, or  
26 whatever, I don't feel that strongly, but it seems like 3 -- 1  
27 through 3, as they are currently, are under the council's --  
28 More of our purview, and maybe 4 is not, and so for what's that  
29 worth.

30  
31 **CHAIRMAN FRAZER:** Mr. Diaz.

32  
33 **MR. DIAZ:** I understand Dr. Stunz's rationale, and I agree with  
34 him.

35  
36 **CHAIRMAN FRAZER:** Okay. General Spraggins.

37  
38 **GENERAL SPRAGGINS:** It's not in reference to 3 or 4, but, in  
39 Number 5, are we going to reword that in some way, or are we  
40 going to just take it off? Is it even needed? That's just a  
41 thought.

42  
43 **CHAIRMAN FRAZER:** I mean, Mr. Gill suggested, obviously, that we  
44 remove the emphasis, or taking the emphasis off, improving the  
45 technical efficiency, for a number of reasons, and I appreciated  
46 his suggestion, and I'm happy to do that. This may -- This goal  
47 may be -- I want to step back, and I actually think there are  
48 some things that you can do to achieve this goal, the council,

1 but I'm happy to say the goal is to reduce cost per unit  
2 harvest, but I would like others to weigh-in on that. Andy.

3  
4 **MR. STRELCHECK:** I mean, we were careful in using the word  
5 "improve", and not "maximize", right, and so I know technical  
6 efficiency maybe isn't a common term that people are overlay  
7 familiar with, but I guess I'm more comfortable with leaving it  
8 in, because I still there's that nexus with regard to addressing  
9 overcapacity, as outlined within the Magnuson Act, right, and  
10 this really gets to, obviously, for those -- Not everyone,  
11 right, but, for those within the program, we want to continue to  
12 try to improve technical efficiency, where we can, and not  
13 necessarily indicating that it's going to improve for everyone.

14  
15 **CHAIRMAN FRAZER:** Yes, and, again, I think everybody appreciates  
16 the thought that went into the presentation, and the wording  
17 that was there, and, I guess, with regard to that particular  
18 goal, and without getting too far into the weeds, but maybe I  
19 will ask Jessica, if she's still on the line, to expand a little  
20 bit on the objectives under that goal, and there were two,  
21 right, and one of them was to develop non-market-driven measures  
22 to reduce overcapacity, and the second was to examine market  
23 concentrations, to determine if share and allocation caps need  
24 to be modified, and so, Dr. Stephen, if you could kind of  
25 provide, or elaborate a little bit more, on this bulleted  
26 objectives and what you were thinking.

27  
28 **DR. STEPHEN:** Sure. I can help out a little bit here. When we  
29 were thinking about this, if you think about the market  
30 concentrations, where we have -- In the caps that we have, and  
31 so we have share caps, but they don't really constrain landings,  
32 and they don't really affect technical efficiency along the way,  
33 right, and so, when we're having the amount of fishermen in  
34 there in order to harvest things, we want to make sure that they  
35 can make money at it, right, and so you want to maintain that  
36 flexible fishing option and economic stability through this.

37  
38 What we have noticed is that, even though the quota has  
39 increased in red snapper pretty dramatically, we've also seen an  
40 increase in participation, yet we're still struggling with how  
41 to reduce the cost per unit harvest and how to improve those  
42 barriers to entry, and so what would be good here is to look at  
43 are there non-market-driven measures that we could put in place  
44 that would help to reduce that overcapacity. Typically, we're  
45 looking at market-driven measures, such as the creation of the  
46 IFQ program and the participants within it.

47  
48 I think, when we're looking at this, we need to really spend

1 some time understanding and digging into it more, which we  
2 didn't have as much of an opportunity during this presentation  
3 to do, because this is more than just economics too, and it's  
4 just looking at how all the different goals play together and  
5 get you towards that, and you can look -- I think I have Slide  
6 30, where we're talking really about participation, as well as  
7 Slide 32, and so the very end of the presentation, if you can  
8 jump down to that.

9  
10 When we're thinking about capacity in relation to how many  
11 vessels are there, and how much cost per unit harvest, right, if  
12 you have a limited supply of something, the more people that are  
13 playing in it, the harder it would get to go there.

14  
15 We did a little looking into red snapper, in particular, in  
16 comparison to grouper-tilefish, and, currently, there really is  
17 no limit to participation within the program, because the  
18 program is fully open as public participation, and that is where  
19 we get some of those public participants that are owning shares,  
20 or allocation, and they are not harvesting, and so it would be  
21 helpful if the program could gather more information on the  
22 different types of public participants, and are they crew  
23 members, or are they brokers, or are they just fishermen  
24 separating their assets.

25  
26 Then, when we look overall for the reef fish permit, we have an  
27 awful lot of latent permits that are still out there, which  
28 means that there could be increased participation into the IFQ  
29 programs, if those latent permits are bought by someone who  
30 wants to begin harvesting within the IFQ.

31  
32 When we look particularly at red snapper, where the  
33 overcapacity, and the technical efficiency, really seem to be a  
34 problem, we've noticed that there's been increased participation  
35 in the red snapper program, and, even though we've been  
36 increasing the quotas over time, it does not appear that that is  
37 actually supporting that increased participation.

38  
39 If you go down one more slide, you can see this a little bit,  
40 and so, if you look at the bottom-corner graph, of the vessels  
41 that are harvesting red snapper, the first data point was the  
42 pre-IFQ, and, when we started the IFQ program, you can see that  
43 it dropped pretty dramatically, and almost 200 vessels were  
44 decreased in participation, and so that was a drop in  
45 overcapacity that could improve technical efficiency.

46  
47 In the first few years, you see it slowly gradually decrease, as  
48 expected. In 2010, the grouper-tilefish program came onboard,

1 and suddenly that made it a lot easier to harvest, or obtain,  
2 shares or allocation of red snapper, because they were contained  
3 within the same system, and so you see the tick-up that happens  
4 there, and then you see a gradual decrease for a couple of  
5 years, but what is concerning is that we've been seeing an  
6 increase in the vessels participating over time, that it's  
7 starting to approach the pre-IFQ levels.

8  
9 Now, we've had quota increases, and that does mean that it can  
10 support more, but, when we're looking at where the technical  
11 efficiency is, we're trying to balance out where the quota is,  
12 how many people are participating, and that they're making  
13 enough money to be efficient in doing it, and I'm not sure if  
14 that actually helped anything here, but I just wanted to point  
15 out some of the concerning areas that we've seen when looking at  
16 this goal. Assane, do you have anything more to add? This is  
17 definitely a little bit more of an economic question.

18  
19 **DR. DIAGNE:** No, and I think that showing the participation  
20 trend in the vessels, and we also need to mention that, in year-  
21 one, once the red snapper program was created, the quota was  
22 drastically reduced, I think cut in half or something like that,  
23 right when the program was implemented, and then gradually, of  
24 course, with the success, different successes, the quota has  
25 been increasing.

26  
27 About this discussion on overcapacity, as mentioned, that is one  
28 of the requirements of the act, and so, as such, it would be, I  
29 guess, desirable to leave it in the list of objectives, or,  
30 excuse me, of goals, so that, as we work on the different other  
31 goals and objectives, we won't do anything that would contribute  
32 to increasing overcapacity, essentially, and that's it, but,  
33 again, we are not doing anything actively right now to reduce  
34 overcapacity, beyond the creation of the program itself, and so,  
35 to the extent that we can let the program work as intended, we  
36 are going to get, gradually, reduction in overcapacity, as long  
37 as we don't essentially implement measures that would be  
38 contrary to that.

39  
40 **CHAIRMAN FRAZER:** Okay. Thanks to both Dr. Stephen and Dr.  
41 Diagne for kind of walking us through that. It's certainly a  
42 kind of prelude to some of the more deeper discussion on that  
43 goal later on. All right. Let's go back, Bernie, if we can, to  
44 the goals.

45  
46 Again, based on the most recent discussion, perhaps we'll remove  
47 the strike-through in Number 5, for right now, and so is  
48 everybody pretty happy with the rank-ordering of the goals? Mr.

1 Williamson.

2  
3 **MR. WILLIAMSON:** I am happy with the ranking, but just a  
4 question, probably to Andy, regarding Number 4, and that seems  
5 like a fairly simple goal to accomplish, if there are questions  
6 about, or information that's needed, and it just seems like it  
7 would be simple enough to require the shareholders to produce  
8 that, unless there are some type of perceived legal barriers, or  
9 confidentiality issues, that you all see that we're not aware  
10 of.

11  
12 **CHAIRMAN FRAZER:** Mr. Strelcheck.

13  
14 **MR. STRELCHECK:** I think some of it might be easier to  
15 accomplish, as you alluded to, in that we receive data and  
16 information from the program that could be more publicly  
17 available, and maybe not in real-time, but in more near real-  
18 time. We have to look at, obviously, confidentiality of  
19 disseminating that data.

20  
21 The marketplace concept, you know, the transfer of allocation,  
22 or shares, and how that works, we actually do have some work  
23 that's going to be starting up this fall, going out and meeting  
24 with industry members to kind of help shape that effort, right,  
25 but I don't think it's a simple task, and there might be some  
26 input, or even changes that the council would have to institute,  
27 in order for us to openly develop that, but, yes, to the extent  
28 that we can share data that is non-confidential, that certainly  
29 would help with this, but we think that this really does relate  
30 back then to some of the lease challenges that Dale talked about  
31 earlier and just for new entrants, and how do you figure out  
32 kind of where to even buy and sell quota shares and allocation,  
33 and so it's interrelated with other goals.

34  
35 **CHAIRMAN FRAZER:** Okay. Thanks, Andy. All right. Are there  
36 any other input, or is there any other input, on these goals?  
37 I'm pretty happy, to be honest with you, that we were able to  
38 stick on the goals, for this discussion, and not get too far  
39 into the weeds. I don't see any other discussion, and we'll use  
40 this as our working list for right now.

41  
42 I know a couple of folks have a hard stop, and have a phone call  
43 to make, at 10:00. It's been a really productive discussion,  
44 and I appreciate the participation. We will take a very lengthy  
45 break, and we'll take a thirty-minute break, actually, if that's  
46 okay with you, Greg, so to accommodate some of the other needs  
47 here, but then we'll come back and start to look at these goals  
48 individually and think about at least what some objectives,



1 achievable objectives, might look like. All right? Thanks,  
2 guys, and we'll see you all at 10:15.

3  
4 (Whereupon, a brief recess was taken.)  
5

6 **CHAIRMAN FRAZER:** Again, I appreciate the discussion around the  
7 table for this part of this, to help identify a working list of  
8 goals, and I think we're in a good spot there. You know, again,  
9 I think 1, 2, and 3 are where we will try to focus our efforts  
10 today, and, even if we only do 1 and 2, I think that will be  
11 considerable progress and help us chart a path forward to make  
12 some improvements in the program and what we want to do as a  
13 council.  
14

15 The way that I wanted to approach this second-half of the  
16 discussion, since we have the five goals, is we will tackle them  
17 one at a time, realizing, again, that there's a fair amount of  
18 overlap in them, but we will first deal, in order, with this  
19 idea of improving opportunities for participants to enter the  
20 program, and so, with regard to specific objectives, we will  
21 start by referencing that slide in Dr. Stephen's presentation,  
22 and I think, Bernie, that will be Slide 14.  
23

24 The objectives, under what is now Goal Number 1 to improve  
25 opportunities for participants to enter the program, there were  
26 five of those, and, again, I will just read them into the  
27 record, so we have it. One is to implement an adaptive catch  
28 share model that redistributes shares to accounts harvesting IFQ  
29 species, and the second bullet point is to limit share ownership  
30 (maintaining and obtaining shares) to accounts that are  
31 harvesting IFQ species.  
32

33 Number three is to identify barriers inhibiting, or limiting,  
34 participation by surveying participants and those wanting to  
35 enter the fishery, and four is create an allocation bank to  
36 reduce barriers to fishing privileges, and five is to distribute  
37 NMFS-held shares.  
38

39 Again, this is a suggested list, based on previous discussions  
40 around this table, and we can choose to add new objectives,  
41 eliminate these objectives, and we'll kind of go through a  
42 similar exercise, and, at the end, perhaps we'll reorder those  
43 objectives, and so I don't want to be too prescriptive here, and  
44 so I think I will just open the floor for some discussion about  
45 whether the objectives, as written, are appropriate. C.J.  
46

47 **DR. SWEETMAN:** Thank you, Mr. Chair. I do think the objectives  
48 are hitting the nail on the head there. One comment that I

1 would have, regarding the first bullet there, implement an  
2 adaptive catch share model that redistributes shares to accounts  
3 harvesting IFQ species, and so we, obviously, received a  
4 presentation from Dr. Ropicki on this, and there was some  
5 interest -- I think that there are some pretty great things that  
6 could be done here with this approach.

7  
8 However, since it's never been implemented, or done, before, I  
9 would kind of like to evaluate the impact on that before  
10 implementation, and so, obviously, that first bullet says  
11 "implement an adaptive catch share model", and I guess my point  
12 here would be "to evaluate and implement, if appropriate, an  
13 adaptive catch share model that redistributes shares to accounts  
14 harvesting IFQ species", and so just my two-cents on that one.

15  
16 **CHAIRMAN FRAZER:** Thanks, C.J., and so we'll circle back on that  
17 wording, suggested wording, change in the first bullet, but  
18 we'll keep it in mind here. Ms. Boggs.

19  
20 **MS. BOGGS:** I would echo what C.J. said. I mean, not knowing  
21 what that's going to look like, we certainly don't want to --  
22 The IFQ program is working, and it may not be working for  
23 everyone, and I know we need to make tweaks, but we don't want  
24 to do something like this and completely disrupt a program that  
25 is currently working.

26  
27 **CHAIRMAN FRAZER:** Thank you, Ms. Boggs, for those comments, and  
28 so, again, C.J., I just wanted to make sure that I took the time  
29 to write a few notes, and so it's "evaluate and implement" --

30  
31 **DR. SWEETMAN:** "If appropriate".

32  
33 **CHAIRMAN FRAZER:** "If appropriate". Okay. Any other thoughts?  
34 Mr. Williamson.

35  
36 **MR. WILLIAMSON:** I have -- I appreciate the adaptive catch share  
37 program, and it has some places in it that I see that it could  
38 be abused, but I would suggest that we not limit ourselves to  
39 the adaptive catch share program and that we implement a program  
40 approved by the council that redistributes shares to accounts  
41 harvesting IFQ species. My personal preference, as you know,  
42 would be a public auction that would be wholly transparent.  
43 Thank you.

44  
45 **CHAIRMAN FRAZER:** Thank you, Mr. Williamson. Again, all good  
46 thoughts and ideas, and I want to distinguish goals and  
47 objectives and tactics, right, and I don't think we're quite at  
48 the level of, you know, the tactics here, but I think that, if

1 we can agree on some of the language here, and maybe even step  
2 back from this bullet and ask ourselves what it's trying to  
3 achieve, and, when I read it, I'm saying, okay, we want to  
4 evaluate, and potentially implement, a process that equitably  
5 distributes those shares, and, again, there's lots of different  
6 ways to get there, and so maybe if I could make that suggestion,  
7 for that bullet point, but, before I do that, I just want to  
8 make sure that people might be in agreement with that. Go  
9 ahead, Mara.

10  
11 **MS. LEVY:** Well, just a question, and so the goal is to improve  
12 opportunities for participants to enter the program, and I am  
13 guessing that the objectives are supposed to lead to that goal,  
14 right, and it seems to me that implementing an adaptive catch  
15 share model -- Whatever is implemented, you all are going to  
16 decide what that means, right, and what does "adaptive catch  
17 share" mean, and how is it going to work, and like that is  
18 totally going to be -- But that is very different than  
19 establishing an auction, which could also meet the goal, right,  
20 but might not be your objective.

21  
22 I guess I see these as sort of individual things that could  
23 either work together or just be one objective to achieve that  
24 goal, and so, I mean, I just think -- I just think that you can  
25 think about the objectives as achieving that broader goal, but  
26 they can be different objectives, and they might not all work  
27 together, right, and so I think that's why you're kind of  
28 looking to pick.

29  
30 **CHAIRMAN FRAZER:** I agree with that. I mean, clearly the  
31 objectives should, you know, help you achieve, or obtain, a  
32 goal, and there may be multiple pathways to achieving the goal,  
33 and I guess what I'm trying to do is, without getting too  
34 prescriptive here, try to -- Because I think, ultimately, we  
35 will get there, right, but, I mean, I'm trying to dig into the  
36 language here in these bullets, and, without saying, again, do  
37 we want to use an auction, or do we want to use, you know, an  
38 adaptive catch share model, and I don't know what that looks  
39 like yet, but what I do know is that we want to be able to  
40 distribute, and I am not going to use the word "redistribute",  
41 but I'm just going to distribute the shares in a way that's  
42 consistent with the goal. It's probably as simple as that, but,  
43 again, I am happy to beat that back and forth with you a bit,  
44 Mara. Dakus.

45  
46 **MR. GEESLIN:** Thank you. I completely agree with Ms. Levy's  
47 comments, and back to C.J.'s, and I think, as we link these  
48 potential, and I will call them objectives, but, really, they're

1 a laundry list of strategies that we've listed here, with the  
2 goal of accomplishing this goal.

3  
4 I think, inherently, we have that, a level of evaluation, as we  
5 think through every single one of these, and we really think,  
6 okay, is this going to achieve this, and I think, if it was as  
7 simple as just listing these objectives, we wouldn't be sitting  
8 here today, and we would have accomplished this a long time ago,  
9 and so, as we really think though, okay, and I'm glad we're here  
10 having this discussion, but, as we think through these  
11 objectives, we're going to evaluate those, at some point, and  
12 we're going to walk through and evaluate and see how those  
13 measure up to accomplish this list of goals.

14  
15 **CHAIRMAN FRAZER:** Thanks, Dakus. Mr. Dyskow.

16  
17 **MR. DYSKOW:** Thank you, Mr. Chair. I do agree with everything  
18 that's been said, in that there are multiple ways we can proceed  
19 with this, but perhaps a broad starting point, that would allow  
20 us to more reasonably select the specific method would be to  
21 say, if, today, we're allocating 100 percent of the fish under  
22 the IFQ program, maybe we change that to 80 percent, and we have  
23 this 20 percent of the available resource that we can  
24 redistribute through one of these methodologies, but let's first  
25 establish the fact that we need to get these fish in some kind  
26 of a bank, and then we can proceed with whatever methodology  
27 makes the most sense.

28  
29 **CHAIRMAN FRAZER:** Okay. Thanks, Phil. Again, just thinking  
30 about what you're saying there, and so, maybe to generalize, an  
31 objective -- We'll use the five bulleted points as kind of a  
32 reference point, but, essentially, what you're talking about is  
33 evaluating and implementing a process to distribute shares,  
34 right, that optimizes participation in the fishery, and, that  
35 way, it would be consistent, and it would align with the goal.

36  
37 **MR. DYSKOW:** But, more specifically, we need to figure out where  
38 these fish are coming from. We need to do that first.  
39 Otherwise, how can we proceed, and so, I think, more  
40 objectively, let's decide where these fish are coming from, how  
41 we're going to attain them, and then we can look at how we're  
42 going to distribute them in a way that allows us to achieve the  
43 objective of letting in new participants. What has always  
44 stopped us before is there were no fish. How can you give  
45 something away?

46  
47 **CHAIRMAN FRAZER:** Right, and, again, my silence here is I'm just  
48 trying to capture your thoughts, Phil. I mean, when we have an

1 objective, and we're able to articulate one here that is aligned  
2 with the goal, I think we can have some sub-bullets, perhaps,  
3 under that, and like so, if we were going to evaluate and  
4 implement a process to distribute shares that optimizes  
5 participation in the fishery, for example, you know, we might,  
6 under that evaluation part of that, perhaps have a sub-bullet  
7 that says, you know, allow some discretionary allocation of  
8 shares, right, because that's what you're getting at, I think,  
9 and so I'm happy to go that route, right, but I need to have an  
10 objective, I think, that's general enough to capture some of  
11 these other items that we're talking about and how to achieve  
12 that.

13  
14 Let's at least try that, all right, and see what the sub-bullets  
15 might look like, and I might scrap then and turn around, but,  
16 Bernie, let's just go ahead, for this objective, and say the  
17 objective is to evaluate and implement a process to distribute  
18 shares that optimize participation in the program. To evaluate  
19 and implement a process to distribute shares that optimize  
20 participation in the program, and we can be specific, I guess,  
21 of IFQ program, if you want.

22  
23 **MR. DYSKOW:** That optimizes new entrant participation.  
24

25 **CHAIRMAN FRAZER:** I think we had -- I think the discussion  
26 around the table before was we limited it to participants,  
27 right, because it wasn't necessarily the new participants, and  
28 it was the longer. Okay. There are a couple of potential  
29 avenues here, right, and maybe a sub-bullet, and what I'm  
30 hearing at least, and we'll get it up on the board for  
31 discussion, is to allow, for discretionary distribution of  
32 shares to meet the objective in support of the goal. That would  
33 be, again, like a bullet. Okay. I am going to stop for a  
34 minute, and I see that Dr. Shipp has his hand up, and then Mr.  
35 Strelcheck. Go ahead, Bob.

36  
37 **DR. SHIPP:** Thank you. I want to go back to what Phil  
38 mentioned. It seems, to me, that what you have on the board is  
39 really Step 2, and it seems like Step 1 is where are we going to  
40 get the shares, and it seems, to me, that that's the fundamental  
41 problem here, is we have to have some shares to distribute, and  
42 it doesn't make much sense to consider distribution methods if  
43 we don't have any shares to do it, and so, again, I go back to  
44 Phil's comment of TACs and 20 percent, some source that would  
45 create essentially a quota bank and operate from there. Thank  
46 you.

47  
48 **CHAIRMAN FRAZER:** I mean, I understand what you're saying, and

1 I'm not necessarily wed to this structure, and, again, let me  
2 hear a little more discussion on this before I decide to move  
3 things around. Mr. Williamson.

4  
5 **MR. WILLIAMSON:** We mentioned, previously, the problem with in  
6 perpetuity of shares, and Phil has mentioned taking the excess  
7 of the new allocation, but the majority of the shares, of  
8 course, are currently outstanding to the original shareholders  
9 and people who they have transferred these shares to, or  
10 purchased from other folks, and I would suggest that, when a  
11 shareholder passes away, dies, then those shares be reclaimed,  
12 to be distributed, and that would also include intergenerational  
13 transfers that they've made, or transfers that they've made to  
14 third parties or legal entities, such as corporations, and, I  
15 mean, it's a privilege that was granted to them, individually,  
16 and it should not be continued to be an in-perpetuity transfer.  
17 Thank you.

18  
19 **CHAIRMAN FRAZER:** Thank you, Troy. Again, we'll circle back and  
20 try to figure out where this might fit in the structure. Ms.  
21 Boggs.

22  
23 **MS. BOGGS:** So, in Amendment 36B -- Andy.

24  
25 **CHAIRMAN FRAZER:** I apologize. Andy, you were first. Susan, go  
26 ahead, and then Andy has yielded to you.

27  
28 **MS. BOGGS:** Thank you, sir. In Amendment 36B, and I don't know  
29 what the actual page number is, but it's Table 1.1.2 and 1.1.3,  
30 and I don't know if Jessica is still on the phone, but it was  
31 page -- Actual page 4 of 36B, and there was a table in there,  
32 and the first one is defining the number of shareholder accounts  
33 with and without shares in any share category, and the second  
34 table is the number of shareholder accounts that are public and  
35 non-public.

36  
37 We need to figure out that information, get that updated, and  
38 then determine how many of those accounts are latent, or not  
39 landing, fish, because then, and I believe there's another table  
40 in here that I can't find yet, but then you can look at that,  
41 and maybe look at your latency, and, instead of -- I am trying  
42 to choose my words carefully.

43  
44 Just look at the latency, and maybe that is a way, if you're  
45 wanting to do down this road, that you can find shares to  
46 distribute without disrupting the current fishery, as it is,  
47 with those fishermen that have earned the right to fish, have  
48 worked for those fish, and that's their business model, and I

1 think that's a good starting point, if you're wanting to look to  
2 see where we might capture some fish that can be used to be  
3 distributed for this participant issue that we're discussing.

4  
5 **CHAIRMAN FRAZER:** Again, I agree that that's a potential  
6 contribution to a discretionary -- To discretionary shares, or  
7 quota, right, and probably a mechanism that we might employ, but  
8 it may not -- I don't know, and, based on what Jessica had said  
9 before, it's a relatively small amount, but I don't know that  
10 for sure, right, but it's a mechanism, and I don't -- Go ahead.

11  
12 **MS. BOGGS:** I apologize, Tom, but I think what Jessica was  
13 saying is the agency has recaptured some shares, but I didn't  
14 think that was the same as this, and my apologies, and so, if  
15 Jessica is listening, she'll know what I'm looking at, but it's  
16 Table 2.1.1, document page 19, and it's about reef fish permits  
17 in relation to landings and IFQ accounts.

18  
19 In 2018, there were 317 latent permits, and I don't know that  
20 those are the shares, and Andy can maybe address that, or  
21 Jessica, that were reclaimed, and maybe I am wrong, but I think  
22 these are accounts -- They're still accounts, and so I think  
23 that might be something -- I may be wrong, but I think we  
24 should, if that is a viable option, ask the agency to update  
25 this table and look to see what that might equate to.

26  
27 **CHAIRMAN FRAZER:** Jessica, do you want to respond to that  
28 comment?

29  
30 **DR. STEPHEN:** Let me see if I can help out here a little bit,  
31 and so the table you currently have showing, Table 2.1.1, is  
32 showing the overall number of reef fish permits, and the latent  
33 permits in this are people that were not landing any reef fish,  
34 and so not IFQ and not non-IFQ, and so that's what the latent  
35 permits there reflect to.

36  
37 When we're looking within the IFQ accounts, which is a subset of  
38 the reef fish permits, we have IFQ accounts that are active, in  
39 the sense that they were transferring shares and allocation or  
40 making landings, and then we also have depicted the number of  
41 IFQ accounts that had landings overall.

42  
43 This is slightly different than when we're talking about the  
44 public participant accounts that do or do not have permits, and  
45 so that's only within the IFQ system, versus within the entire  
46 reef fish community for the permits. Susan, did that help  
47 answer your questions?

1 **MS. BOGGS:** Well, I'm just trying to look to see if you have  
2 latent permits, just like what the charter fleet has been trying  
3 to do, to decrease the number in the fleet, and, if you have a  
4 bunch of latent permits, and then you could go further, and it  
5 just seemed like that might be a good place to start, without  
6 totally disrupting the system as it currently is, and so, just  
7 real quickly, Jessica, and so those latent permits -- Do they  
8 have shares attached to them, I guess would be the question, and  
9 then what does that number look like?

10  
11 **DR. STEPHEN:** When we were looking at the latent permits, we  
12 were just looking at overall reef fish landings, and so there  
13 may be a portion of those latent permits that also have an IFQ  
14 account and also have shares that they are not landing. I think  
15 it would be easier for us to look within the IFQ system and look  
16 at accounts that are not active, and, in this case, I am  
17 defining "active" as they are not transferring allocation, they  
18 are not transferring shares, and they are not having landings.

19  
20 These, I think, were identified back when we were taking shares  
21 back, but we were very narrow in the scope, when we took shares  
22 back in 36A, for accounts that were not active and had not been  
23 logged into.

24  
25 **CHAIRMAN FRAZER:** Ms. Boggs.

26  
27 **MS. BOGGS:** So this would be in addition to the fish, or the  
28 shares, excuse me, that the agency has already reclaimed.

29  
30 **DR. STEPHEN:** Correct. You could reclaim more shares from IFQ  
31 accounts that have not been active in a specified time period.  
32 Depending on that time period in your criteria for active, it  
33 would depend on how much would be revoked.

34  
35 **CHAIRMAN FRAZER:** Thank you, Dr. Stephen. Again, I appreciate  
36 that that's a mechanism to acquire, or identify, shares that  
37 could be redistributed, and we don't know, at this point,  
38 whether that is sufficient or not to meet the objective, right,  
39 and so I'm trying to -- Go ahead, Susan.

40  
41 **MS. BOGGS:** So you're saying you don't know if that's enough to  
42 meet the objective, and so now are we going to come back and say  
43 we need a thousand shares, and, I mean, are we going to be  
44 prescriptive in what -- I mean, because, as the quota increases,  
45 those numbers increase, it will continue to grow, but,  
46 obviously, I misunderstood what you just said, because now it  
47 sounds like -- You said there's not going to be enough shares,  
48 but we don't know what that looks like.



1  
2 **CHAIRMAN FRAZER:** Exactly right, and I don't know what that  
3 looks like. What Jessica indicated, in her original talk, was  
4 that there was a limited amount of shares that had been  
5 essentially reclaimed, right, and there may in fact be some more  
6 latent kind of permits, I guess, out there that could add  
7 additional quota that, but, to get to both Phil's kind of  
8 comment, and Bob's comment, if this bullet point under the  
9 objective -- Maybe it is an objective to begin with, right, to  
10 identify a discretionary pool of shares that can be distributed  
11 to meet the objectives, you know, or to meet the goal, and then  
12 there may be a number of things that we do under there, right,  
13 and so, for example, identify the latent permits, blah, blah,  
14 blah.

15  
16 Again, I'm looking back to Phil, who is at the table, and, Bob,  
17 I can't see you, but I'm happy to think about replacing the  
18 objective with slightly different wording. Go ahead, Phil.

19  
20 **MR. DYSKOW:** I sort of agree with Susan, in that, if there's a  
21 less painful way to acquire these shares, non-participating  
22 fishermen -- If we can reclaim those shares in a way that's not  
23 directly taking shares away from active fishermen in the IFQ  
24 program, that's a better way, and there's probably going to be a  
25 full menu of items, and that's the easy lift, and so let's put  
26 that one, you know, near the top.

27  
28 We need shares to redistribute, and we need a bank, or whatever  
29 we choose to call it. Where they come from, there's probably  
30 several different ways they can be acquired, and starting with  
31 the least painful makes perfect sense.

32  
33 **CHAIRMAN FRAZER:** Thanks, Phil. Andy.

34  
35 **MR. STRELCHECK:** Thank you, Mr. Chair. Real quick, to Phil's  
36 point, 100 percent of the shares are allocated in this fishery,  
37 and so any changes you would make to the shareholdings would  
38 automatically take something away from existing shareholders,  
39 but provide it to any new shareholders, and allocation works a  
40 little different, but we could be taking still allocation away  
41 from shareholders and redistribute to others, and so I don't  
42 know if there's really an easy path there.

43  
44 I am struggling with what's on the board. I don't really know  
45 what "optimize" means, and optimize relative to what, and I  
46 think that could be interpreted very differently for those  
47 around the table. Is it economics, or is it participation, and,  
48 you know, whatever that goal is, right, I'm not sure that I

1 understand "optimize", and I certainly don't understand kind of  
2 "discretionary distribution".

3  
4 My recommendation, if we want to generalize and get away from  
5 the adaptive kind of catch share approach, and I really like  
6 C.J.'s suggestion about to evaluate and implement, but maybe we  
7 could say something like "to evaluate and implement, if  
8 appropriate, alternative mechanisms for redistributing shares  
9 and allocation to accounts harvesting IFQ species".

10  
11 That broadens it, and it kind of covers both the share component  
12 and the allocation component, and it gives us flexibility to do  
13 that evaluation, look at some alternative processes, including  
14 the adaptive catch share, but not restricted to the adaptative  
15 catch share, and then, ultimately, decide is there something  
16 that we think is better for the program, and then we can  
17 proceed.

18  
19 **CHAIRMAN FRAZER:** Okay. So, if you're willing, Andy, and if you  
20 want to re-craft that objective, and I think you would have to  
21 switch some words around for Bernie, and we'll leave that up on  
22 the board and start to work with that.

23  
24 **MR. STRELCHECK:** So, Bernie, maybe just go down to the bottom,  
25 so we can maintain the current text right now, and so it would  
26 say to evaluate and implement, if appropriate, alternative  
27 mechanisms for redistributing shares and allocation to accounts  
28 harvesting IFQ species.

29  
30 **CHAIRMAN FRAZER:** Okay, and so, before we discuss this in more  
31 detail, I wanted to have Dr. Stephen have an opportunity to  
32 weigh-in. Her hand is up. Jessica.

33  
34 **DR. STEPHEN:** I just wanted to say that I did find the numbers  
35 that Susan was talking about. If you look in the IFQ annual  
36 reports, for red snapper, we have thirty-one accounts that we  
37 considered inactive, and they held around 26,000 pounds. If you  
38 look in grouper-tilefish, overall, as a whole, we have about 252  
39 accounts that were inactive, that held, as a whole, for all the  
40 grouper-tilefish categories, 284,000 pounds, and so the annual  
41 reports are in the background material, if people are interested  
42 in looking at it, and it's Table 18 in grouper-tilefish and  
43 Table 11 in red snapper.

44  
45 **CHAIRMAN FRAZER:** Thank you, Dr. Stephen, for that. We have a  
46 suggested revision to the wording of the objective by Andy, to  
47 evaluate and implement, if appropriate, alternative mechanisms  
48 for redistributing shares and allocation to accounts harvesting

1 IFQ species. I am personally okay with that language and  
2 replacing the current language under the objective, if everybody  
3 else is. Okay. I am not seeing any objection to that, and so,  
4 Bernie, we'll go ahead and replace the original language. I  
5 think we want it as the primary objective and not the bullet.  
6 Okay.

7  
8 Again, what I have asked people to do is not get too  
9 prescriptive in how, you know, we do that, and I'm still  
10 thinking that I haven't adequately resolved the issue that Phil  
11 and Bob Shipp brought up, you know, which has to do -- Maybe it  
12 does, right, because I am thinking about what would --

13  
14 The term that I used originally, Andy, was "discretionary",  
15 right, and so what I was aiming for there was the flexibility to  
16 deal with multiple issues, right, some of the diversify or allow  
17 for increased participation in the fishery, but also some of the  
18 other things that we know are going on in the goals, the other  
19 goals, specifically the discards, right, and so, in order to  
20 attack either of those goals, you're going to need some  
21 flexibility, right, and so that's -- Go ahead, Phil.

22  
23 **MR. DYSKOW:** I think you're right, but, to go back to what Andy  
24 said, we currently allocate 100 percent of the fish, and we need  
25 to have some sort of a hold-back methodology to create the  
26 flexibility to do any of these things, and we have to start with  
27 the fact that, if you're going to allocate 100 percent of the  
28 fish from the get-go, you have no fish to do this, and so I  
29 think a significant place to start would be let's commit to  
30 building this hold-back, whatever it is, so that we can  
31 accomplish whatever we decide to do, but, until we do that,  
32 we're just writing words on a piece of paper, or on a screen, in  
33 this case.

34  
35 **CHAIRMAN FRAZER:** Thank you, Mr. Dyskow. Mr. Dugas.

36  
37 **MR. DUGAS:** Thank you, Mr. Chair. That's along the lines of  
38 what I was going to comment on, is this is all fine-and-dandy,  
39 but I think we're ahead of ourselves, and we need to find out  
40 where the allocation, quota, fish, where it's going to come  
41 from, and I have some ideas, but I don't know if this is the  
42 right time or place to say it.

43  
44 **CHAIRMAN FRAZER:** Well, it's an open forum right now, and so  
45 fire away, and we'll talk about it, and, if we're too far in the  
46 weeds, we'll step back.

47  
48 **MR. DUGAS:** Thank you, Mr. Chair, and so some of my ideas is I

1 guess we could maybe call it a claw-back mechanism, and we can  
2 look at regaining shares from other participants that are not  
3 active fishermen, and even the fishermen that are leasing shares  
4 out, and, you know, there's fishermen that they catch their  
5 quota, but they also lease some too, and so that's two of the  
6 points that I would like to see move forward, is I'm not  
7 interested in taking any fish, or allocation, away from active  
8 fishermen that is catching fish. If he's making a living, the  
9 IFQ program is working in that fashion, but the guys that are  
10 not actively fishing, that's where I think we need to look at.  
11 That's where some of these fish can come from. Thank you.

12  
13 **CHAIRMAN FRAZER:** Okay. I will come back to that in just a  
14 second. Andy.

15  
16 **MR. STRELCHECK:** I think, J.D., some of what you were just  
17 mentioning is related to some other objectives that we haven't  
18 even kind of walked through, with relation to Goal 5, and I  
19 guess I would caution against getting too specific with regard  
20 to the actual mechanism which we're going to then implement, and  
21 I know, for example, Mr. Dyskow has suggested, you know, some  
22 sort of holdback, right, and, well, that might be reasonable,  
23 and it may be the approach we want to take, but we want to  
24 figure out first the why, right, and why are we going to hold it  
25 back, and what's the purpose of holding it back.

26  
27 Yes, this is the mechanism for which we're going to hold back  
28 the shares and allocation, and this has been the goal and  
29 objective that we're now going to meet based on doing that,  
30 right, and so that's why it's been a very methodical approach,  
31 and it's taken us a long time to get to this point, is let's  
32 first define what we want to do, and then, from there, we can be  
33 tactful, in terms of our response.

34  
35 I will also say that, as you all well know around the table,  
36 this is an extremely complicated program, not just complicated  
37 to administer, but we have all kinds of different businesses  
38 that are operating with the program, right, and so I caution  
39 against just kind of blanket statements about how we do things,  
40 because it's going to affect people so differently, based on how  
41 they participate in the fishery, and there's a lot of people,  
42 some sitting in this audience, that have invested a lot of money  
43 in this catch share program, right, and they have put financial  
44 capital into the program, and made that investment, because they  
45 believe in the program, and there's people that received quota  
46 share, right from the get-go, that maybe haven't invested, and  
47 there's people that have bought allocation and they're leasing  
48 it.

1  
2 All of that has to be taken into account when trying to figure  
3 out kind of where are we going to land with accomplishing these  
4 goals and objectives.

5  
6 **CHAIRMAN FRAZER:** Thank you, Mr. Strelcheck. Ms. Levy.

7  
8 **MS. LEVY:** Just to point out that so the idea of an adaptive  
9 catch share model, that redistributes shares to accounts  
10 harvesting IFQ species, right, and so that, to me, is kind of  
11 what J.D. is talking about, right, and so adaptive catch share  
12 is going to identify which accounts are harvesting both species  
13 and then reallocate over time, however you decide to that.

14  
15 That is very different than setting aside some shares that you  
16 then have in a bank that you then decide how to redistribute for  
17 a particular purpose, and so I hear both of those ideas  
18 happening, and that's fine, but I guess I just -- You don't need  
19 to withhold shares to then redistribute them, necessarily, to  
20 those harvesting fish, and like you could choose to do that  
21 adaptive catch share, which does that over time.

22  
23 **CHAIRMAN FRAZER:** I totally get that, I mean, but that only kind  
24 of achieves partial success, I think, in my mind anyway, but  
25 it's okay, and it's still an alternative mechanism here, in the  
26 way that this objective is written, right, and it's one of many  
27 that might be evaluated, and so I just don't -- What I am trying  
28 to avoid right now is saying we're going to do adaptive catch  
29 shares, and we're not ready for that yet.

30  
31 **MS. LEVY:** Correct, and I guess my point is like there's a lot  
32 of discussion about where is all this stuff going to come from,  
33 but I kind of agree that that's a little bit ahead of the game,  
34 because what do you want to do with it, right, and, if the goal  
35 is to redistribute to those actually harvesting the fish, that  
36 might be a different where do the fish come from than the goal  
37 is to do X, Y, or Z, and so that was just my point.

38  
39 **CHAIRMAN FRAZER:** Yes, and well taken. All right. So, this is  
40 a fairly general statement, and I appreciate why it was crafted  
41 the way that it was, and I think we're still a ways away, right,  
42 from getting into the specific kind of tactics that would be  
43 employed to achieve the objective, and so let's hold this one on  
44 the board for right now, all right, and let's see if we can,  
45 Bernie, go back to the bulleted objectives and see if there are  
46 others that apply and whether they are significantly different,  
47 so that they're not captured under Objective 1 and they stand  
48 alone.

1  
2 Okay, and so we've essentially generalized, I think for the  
3 better, the first bullet point there, and I think, in so doing,  
4 and, again, Andy, you might correct me if I'm wrong here, but we  
5 could probably -- Well, I always appreciate his contributions,  
6 but I am thinking that we could probably dispose of the final  
7 bullet, I mean, because that's essentially one, you know,  
8 mechanism, right, and so we don't need that, and so we have  
9 three that are still on the board here a little bit, and so I'm  
10 going to open the floor up for if somebody wants to talk about  
11 any of those bulleted items, whether they're limiting share  
12 ownership, identifying barriers, or creating an allocation bank.  
13 I know you want to say it, Kevin. Go ahead.  
14

15 **MR. ANSON:** For me, and I've heard others mention it this  
16 morning, and it's been mentioned at meetings before, if the goal  
17 to permanently redistribute shares, I mean, I guess it could be  
18 covered under the current objective that we have tailored, that  
19 Andy offered, but I'm just -- I guess we'll find the devil is in  
20 the details, to kind of see how that shakes out, but I'm just  
21 concerned that it isn't here, I guess, clear enough for us, and  
22 for the public, to kind of understand that.  
23

24 If that is in fact a goal that we're trying to shoot for, I'm  
25 just trying to think how whatever mechanism, or process, that we  
26 craft will address that issue of breaking the link of the  
27 original fisherman's share from future, you know, heirs or  
28 whoever that got those share rights in perpetuity, I guess, is,  
29 I guess, what I'm thinking of, as I look at this and trying to  
30 think ahead as to how any program would be changed, is to  
31 address that issue. That's all, and so it's the in the back of  
32 my mind, but, again, it could be something that is eked out as  
33 we develop a specific mechanism to do such thing.  
34

35 **CHAIRMAN FRAZER:** Okay. Let me ponder that a bit, right, and  
36 then we'll come back to it, but I think that Dr. Stunz wanted to  
37 perhaps speak to this objective that's on the board.  
38

39 **DR. STUNZ:** Thank you, Mr. Chair. I think it would fall under  
40 this objective, or maybe a new one, but, earlier on in Jessica's  
41 presentation, about how we arrived at where we are today, and it  
42 had to do with NOAA's equity and environmental justice strategy,  
43 essentially ensuring that underserved communities -- That these  
44 shares are equitably distributed in a consistent and fair  
45 manner. I don't know how we would build that in, or just, you  
46 know, continue the sentence, to ensuring that it meets NOAA's,  
47 you know, EEJ strategies or something like that.  
48

1 **CHAIRMAN FRAZER:** I think you could just simply add "alternative  
2 mechanisms for equitably redistributing shares", right?

3  
4 **DR. STUNZ:** Right. I think that would capture it.

5  
6 **CHAIRMAN FRAZER:** Can you insert, Bernie, the word "equitably"  
7 in front of "redistributing"? Again, there's a record here,  
8 right, and so, if we want to go back and understand the intent,  
9 and I think everybody will understand what it is. Go ahead.

10  
11 **DR. STUNZ:** To that point, Tom, we had an entire slide over  
12 that, and so I just wanted to make sure it's clear in the  
13 record, and, I mean, what you have there is perfectly fine, but  
14 that word "equitable" specifically is referring to NOAA's equity  
15 and environmental justice strategy.

16  
17 **CHAIRMAN FRAZER:** Go ahead, Dr. Diagne.

18  
19 **DR. DIAGNE:** Just a question, and I guess, when I read this,  
20 what I don't know is what "equitable" means, if we went down to  
21 it, and I'm not sure that we have very specific guidance that  
22 would say distribution X is equitable, and so that's, I guess,  
23 something that we would have to struggle with.

24  
25 **CHAIRMAN FRAZER:** I would agree with you, and, I mean, it's  
26 something that we will certainly have to consider in the  
27 discussions moving forward, right, and so what I'm wondering  
28 about, Kevin, right now is -- You know, it's all tied into these  
29 things we're talking about, and, I mean, if -- One potential  
30 mechanism, for example, is how do we look at long-term ownership  
31 and these concerns over perpetual ownership, I guess, and  
32 whether or not -- Maybe that's a new objectives that says to  
33 just consider, right, that issue, but I'm going to leave it to  
34 you to -- I mean, currently, the relevant bullet, right, in the  
35 slide show, or the deck, is limit share ownerships, I think.

36  
37 If you want to think about language that captures that idea,  
38 that's consistent with that second bullet point, I would be  
39 willing to include it as an objective here, right, and, I mean,  
40 these are -- It's okay to put these on the board, and we may,  
41 down the road, not go there, right, but at least these are lists  
42 of things that we want to consider potentially considering  
43 today, and so I will let you wordsmith that on the fly, if  
44 you're willing. Sorry to put the pressure on you.

45  
46 **MR. ANSON:** Yes, and so I'm not quite ready, but I guess, just  
47 to address your -- You brought up the limit share ownership, and  
48 so, you know, I see that as kind of a twofold thing. Yes, you

1 can limit share ownership, the in-perpetuity kind of context,  
2 but it would also be limit share ownership inasmuch as just  
3 maintaining or setting a different percentage, you know, and  
4 limit it that way, the cap. Let me think on it a little bit  
5 more, to see if I can put into words what I'm thinking. Thank  
6 you.

7  
8 **CHAIRMAN FRAZER:** All right. Does anybody have any thoughts on  
9 these other bullets? C.J.

10  
11 **DR. SWEETMAN:** So I have a question, likely a dumb question, but  
12 it's never stopped me before. Andy, I'm coming at you here, and  
13 so the fisheries finance program, and I'm wondering --  
14 Considering maybe an additional objective here that could  
15 potentially look at, but I'm not familiar, intimately familiar,  
16 with the fisheries finance program, and that's why I'm asking  
17 the question, and do you think that there's a potential  
18 mechanism within there for evaluating potentially streamlining  
19 that program, that could help accomplish this goal?

20  
21 **CHAIRMAN FRAZER:** Andy.

22  
23 **MR. STRELCHECK:** So I am going to call a friend, and Jessica  
24 Stephen is on the line, and I know she did a detail with the  
25 fisheries finance program, and I guess I will say that I'm not  
26 sure that we have, necessarily, any kind of direct control, or  
27 authority, to make changes, but certainly the council, within  
28 their purview, could make recommendations, but I will let  
29 Jessica weigh-in.

30  
31 **DR. STEPHEN:** I worked with the fisheries finance program, in  
32 particular to set up the program to be eligible for our catch  
33 share program, and so Andy is correct that there are certain  
34 limitations that we have in place with how that's structured,  
35 because it is a nationally-structured program, and the terms of  
36 the program typically would have to go through Congress, in  
37 order to have some changes made to them.

38  
39 I would though encourage, if there are particular changes that  
40 this council might want to see, that they could submit a letter,  
41 asking for more information, or for what portions of the program  
42 could be changed or modified, in order to meet some of these  
43 needs, and I am happy to give contacts that we have within the  
44 Southeast Region of people who are working with that program.

45  
46 **CHAIRMAN FRAZER:** Thank you, Dr. Stephen. I think Dr. Sweetman  
47 said he is okay with that answer. All right. Again, I'm going  
48 to walk through these other bullet points, and I am asking



1 myself, as I walk through, are they really bearing on the  
2 overall goal, right, and so, if the goal is to improve  
3 opportunities for participants, does that bullet of limit share  
4 ownership to accounts that are harvesting IFQ species -- Is that  
5 consistent? We can keep it as a goal, or as an objective, and I  
6 just want to make sure that people want to do that. Mr.  
7 Williamson.

8  
9 **MR. WILLIAMSON:** I think that the conundrum here is the public  
10 participants. I mean, we've already invited them into the  
11 program, and I am not in favor of them, nor do I particularly  
12 object to them, but we are kicking them out, according to this  
13 language.

14  
15 **CHAIRMAN FRAZER:** Mr. Strelcheck.

16  
17 **MR. STRELCHECK:** I guess, before weighing-in on Bullet 2 for the  
18 objective, the question I guess I would have for the council is  
19 are we all on the same page with what it means for a participant  
20 to enter the program, right, because I think entry may mean  
21 different things to different people around this table, and, you  
22 know, to me, I guess entry would not be just you're  
23 participating in the program, but you have some sort of shares  
24 or allocation actually to be involved directly in the program.

25  
26 Objective 2, or the Bullet 2, obviously, directly relates to  
27 public participation, and the provision that was put in place  
28 five years after program implementation, and, to be honest, I am  
29 not sure that it addresses the goal or not, right, because I  
30 don't know the advantages, or disadvantages, of eliminating  
31 public participation and what the ramifications might be on  
32 those that actually rely on that quota allocation to access the  
33 fishery.

34  
35 I just wanted to put that out there, that it was put in here  
36 simply because we've heard a lot around this table about  
37 concerns about public participation, but there may be some kind  
38 of unintended consequences, depending on how we want to proceed  
39 with addressing that objective.

40  
41 **CHAIRMAN FRAZER:** So maybe an objective, Andy, is to evaluate  
42 the merits of private -- I guess public participation, I guess,  
43 in the IFQ fishery, and, I mean, I guess what you're telling me,  
44 and what I'm hearing, is that there has been a fair amount of  
45 discussion around this table, historically, about is that a good  
46 thing or a bad thing, and I don't think we've ever, as a body,  
47 come to a conclusion, right, and, again, recognizing that you're  
48 not going to get seventeen people to agree on anything, but

1 there may in fact, you know -- If we could have that dialogue,  
2 and weigh the pros and cons, you know, and, as you said, if you  
3 got rid of it, are there unintended consequences, and I think we  
4 at least have to have a dedicated discussion, perhaps, on that  
5 topic.

6  
7 My inclination is probably to leave the bulleted item as an  
8 objective, but to restructure it in a way that says to perhaps  
9 evaluate the merits of limiting share ownership. Would you be  
10 okay with that? Andy.

11  
12 **MR. STRELCHECK:** When we were working with the council staff in  
13 drafting a lot of these goals and objectives, there was a lot of  
14 evaluations kind of put before the objective, right, and we  
15 thought a lot about whether or not we should include that word,  
16 right, because then it kind of opens the door to like, well,  
17 there's more work to be done, versus, you know, are we at a  
18 decision point, and we should be more definitive, in terms of  
19 our objective, be very specific that we don't want, or we do  
20 want, people holding shares that aren't directly harvesting  
21 quota, or that aren't directly fishing in the fishery, right,  
22 and so, to me, what I've heard around the table is more  
23 sentiment to prohibit that action, and so I personally am more  
24 neutral on this topic, but was yielding toward the perspective  
25 of those around this table that it sounded like this was  
26 something that we did want to be prescriptive on and prohibit.

27  
28 I lean toward, where we can be definitive, we should, and avoid  
29 using terms like "evaluate", because I think that takes us down  
30 a lengthy road of then evaluation, and we may not be addressing  
31 some of these things for quite some time.

32  
33 **CHAIRMAN FRAZER:** Fair deal, and I am happy to leave the  
34 language in as written, and, you know, clearly there will be  
35 some analysis, right, as we go through that, and discussion, and  
36 we may walk that back, and I don't know, and I don't have the  
37 answer to that, but, if that's the sentiment, it's certainly an  
38 assertive way, right, to structure it as an objective, and we  
39 can do that, and so let's go ahead and move that bullet point  
40 then over, Bernie, the one that says "limit share ownership",  
41 and make it a second objective.

42  
43 Okay, and so that's a second objective, and where is our first  
44 objective? Let's work this out, real quick. All right. There  
45 you go, and I will let her go ahead and format that. All right.

46  
47 So then, again, in the interest of time, I'm going to try to at  
48 least work us through this first goal, and hopefully the second

1 goal, and what I'm hearing, also, is that these other bullet  
2 points, the last two, there is certainly some desire to create  
3 some type of an allocation bank, to reduce barriers to fishing  
4 privileges, and I think that gets, in part, to what Dale and Bob  
5 were trying to get at as well, right, and so we will leave that  
6 as an objective.

7  
8 Bernie, what we're going to do is go to Slide 14, and, for now,  
9 why don't you take the third and fourth bullet points that are  
10 in that Slide 14, and we'll transfer them to objectives on the  
11 Word document that you're working on, and that will leave us  
12 with four objectives, and we'll just talk about those last two,  
13 and then we will move on to Goal 2.

14  
15 Okay, and so I'm going to first do 4, and sorry, but, Phil, I  
16 think that's in line with your original comments, right, and  
17 you're happy to keep that as an objective under this goal?  
18 Okay. I'm not -- Is there any objection to making this as an  
19 objective? I'm not seeing any, and so then we'll go to Number  
20 3, which is identifying barriers inhibiting, or limiting,  
21 participation by surveying participants and those wanting to  
22 enter the fishery.

23  
24 I mean, that's largely an informational exercise, but probably  
25 one that's well worth doing, and so I don't -- I would be  
26 surprised if there's any objection to that. Are people happy  
27 leaving it on the list? All right.

28  
29 Did anybody want to add anything to this list? I mean, this  
30 will be an evolving document, you know, perhaps, but I think  
31 this gives us a good starting point, and we'll talk about our  
32 next steps after we talk about the next goal, right, and so  
33 we're going to leave this one behind, as soon as Bernie feels  
34 comfortable with that. Andy, go ahead.

35  
36 **MR. STRELCHECK:** I don't know if we have time to wordsmith  
37 today, but this issue of inheritance, you know, kind of shares  
38 and privileges being passed down through generations, and I  
39 don't know if it's fully captured in this list, but maybe  
40 something that the council staff maybe could take a stab at  
41 coming back to, if that's something of interest to the council.

42  
43 **CHAIRMAN FRAZER:** I am looking if everybody is willing to  
44 listen. Okay. Andy, I think that's good. We will -- In fact,  
45 what we'll do is come back in Full Council, and we'll think  
46 about some appropriate language in there, to make sure that  
47 people are good with that, and so, Dr. Simmons and Dr. Diagne, I  
48 just wanted to make sure that you captured this comment, that

1 we're going to add -- We've got some discretion here to add some  
2 language in this Goal Number 1 objectives that has to deal with  
3 ownership of these shares, perpetual ownership, I guess, right?

4  
5 **DR. DIAGNE:** Yes. Thank you, and that would include,  
6 essentially, temporal limits, in terms of ownership, let's say  
7 ten years, et cetera.

8  
9 **CHAIRMAN FRAZER:** I don't think, again, we would get that  
10 prescriptive, but we want the objectives to deal with that. All  
11 right, and so we'll bring that back to the folks in Full  
12 Council. Ms. Boggs.

13  
14 **MS. BOGGS:** I am only commenting because of that little kind of  
15 side discussion there, and I don't think, when we look at this,  
16 it needs to be limited. I mean, again, these fishermen, whether  
17 they've been in the fishery since the IFQ was created or they  
18 worked their way up from the deck and bought a boat and acquired  
19 shares, and I do not feel like that we need to limit this. That  
20 is something that they worked for, and commercial fishing is  
21 commerce, and, like any other business, you build your business,  
22 and you have a good business model, and somebody wants to come  
23 in and buy you out, or you want to leave it to your family, and  
24 to say you can only do this for this many years, and you can't  
25 give it to your -- That's kind of sometimes what I hear at this  
26 table, and I just wanted to get that out there.

27  
28 This is a business that these people have built, and some of  
29 them are second and third and coming into the fourth generation,  
30 and to say, oh, you can't do that anymore, and you need to go  
31 find a new profession, I think it would just be very derelict of  
32 this council to do something like that.

33  
34 **CHAIRMAN FRAZER:** I understand that sentiment, and, again, these  
35 are an initial list, right, and they are simply, hopefully,  
36 providing us a more focused path forward, where we'll be able to  
37 deal with these specific items in a more efficient and effective  
38 manner, moving forward, and so, whether we adopt something like  
39 that or not, there will certainly be a tremendous amount of  
40 discussion, and so we'll just keep it on the board now, but your  
41 comments are, obviously, reflected in the record, or will be,  
42 and so thank you, Susan.

43  
44 Okay, and so we're going to go ahead and go to the second goal  
45 that was on our list. All right, and so the second goal that we  
46 prioritized is to reduce IFQ discards, and so, again, there are  
47 three bulleted items here, and, in order to achieve that goal,  
48 one way to do it is to improve collection of discard information

1 from IFQ vessels, and we can, again, create an allocation bank  
2 to further reduce bycatch and discards of the various IFQ  
3 species, and the third bullet point here is to evaluate  
4 additional or new flexibility measures to reduce discards.

5  
6 As an individual, I looked at this, and I said, I don't think  
7 that there's going to be much debate about the first bullet  
8 item, right, and, I mean, the more information that we can  
9 gather that would allow us to characterize, you know, in a  
10 precise and accurate way, the number of discards, that will help  
11 us, right, and so I'm just going to go out on a limb and say  
12 we'll go ahead and adopt that bullet as an objective. Mr.