

**Reef Fish Committee Report  
June 25, 2024  
Dr. Thomas Frazer – Chair**

The Committee adopted the agenda (**Tab B, No. 1**), after adding an item under Other Business to discuss the greater amberjack recreational fishing season. The minutes (**Tab B, No. 2**) from the April 2024 meeting were approved as written.

*Discussion: Reef Fish Amendment 60: Individual Fishing Quota (IFQ)  
Programmatic Distributional Issues (Tab B, No. 4)*

A Committee member stated that the Committee should discuss its vision for the IFQ program and offered a motion. While the Committee acknowledged the merit of the motion, it was decided to table further discussion until full Council.

The Committee recommends and I so **move**: **To establish a vision for the red snapper and Grouper/ Tilefish IFQ programs.**

**VISION:**

**Fishery vision: a cohesive commercial fishery - including a diverse range of profitable small, medium and large businesses, and fishery trusts – that maximizes access to and use of available IFQ shares.**

**Process vision: a simple, automated, and transparent process that ensures IFQ shares and allocation are equitably distributed by NMFS to a defined user group, the impacts of which are measurable and evaluated over time.**

*Motion to table carried without opposition.*

Council staff gave a presentation of Reef Fish Amendment 60, which addresses the distribution of shares held by NMFS (from Reef Fish Amendment 36A), recovered from inactive shareholders accounts or from the divestment by shareholders who do not meet requirements that would be set in Reef Fish Amendment 59, and annual allocation collected from future quota increases. In the need statement, the Committee suggested replacing the word “barriers” using a phrase such as “addressing inequities of access.”

Inactive accounts were defined as having no allocation transfers or landings within a year. Staff discussed alternatives to reclaim shares from inactive accounts including, 2, 3, and 4 consecutive years of inactivity. Committee members inquired whether inactivity was determined based on aggregate shareholdings or based on individual share categories. The Committee noted that a shareholder may not elect to utilize their allocation in a particular share category due to market conditions, but would use them as the markets improve. Staff replied that analyses provided to illustrate previous levels of inactivity were performed by share category and indicated that alternatives evaluating inactivity across all share categories will be developed.

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Staff discussed alternative methods to distribute shares reclaimed from inactive accounts and shares held by NMFS, including distribution based on shareholders' share percentages, inverse share percentages, as well as equal distribution. Committee members noted that the fairness and equity implications of distribution methods should be considered and noted that shares will not be distributed to anyone at the share cap. The Committee indicated that the Interdisciplinary Planning Team (IPT) should discuss how shareholder accounts without shares would be included when distributing shares based on inverse share percentages. The Committee suggested that the share distribution of a particular share category might consider shareholders that have landings in that share category. The Committee asked whether the process of share distributions would be an ongoing process by NMFS. Staff replied that distributions will be on a rolling basis. A Committee member asked whether NMFS would sell the reclaimed shares. NMFS staff replied that shares would be re-distributed at no cost.

Staff discussed options to set aside future quota increases and alternatives to distribute annual allocations from said quota increases, noting that shares cannot be distributed because quotas fluctuate over time. A Committee member noted that any consideration of new entrants as recipients of some of the quota increases would require that a definition of 'new entrants.' Staff noted that, for each share category, a baseline quota would be required to quantify future quota increases. A Committee member stated that if a quota decrease is followed by an increase, setting aside the increase for redistribution would adversely impact shareholders. The Committee suggested that setting baselines would require more discussion and indicated that the intent is not to negatively impact current shareholders. A Committee member noted that the baseline for gag grouper should account for the fact that it is on a rebuilding plan. NOAA General Counsel suggested that stocks undergoing rebuilding could be treated differently and noted that baselines could account for the fact that species landings in cases of a rebuilding plan are well under historical quotas. A Committee member asked whether the timing of the distributions has been determined. Staff replied that the IPT has not yet discussed the issue in detail. A Committee member asked about the timing of quota increases and shareholding status. Southeast Regional Office (SERO) staff indicated that that if a quota increase happens during the year, it is distributed based on the shareholdings at that time.

A Committee member suggested that some issues needed to be discussed during full Council including, restructuring Amendment 60 by first aggregating what would be distributed and then determining distribution methods. The impact of the alternatives presented on quota banks should also be discussed. The Committee noted that the action schedule shows that Amendments 59 and 60 are both planned to be brought back before the Council in August and inquired whether a more achievable timeline should be considered. Staff replied that, to give the IPT sufficient time to further develop the amendments, one amendment will be scheduled for the November Council meeting and the second at the January Council meeting.

### *Draft Options: Reef Fish Amendment 59: Requirements for Participation in Individual Fishing Quota Programs (Tab B. No. 5)*

Dr. Jessica Stephen (SERO) discussed the various entities holding shareholders accounts in the red snapper and grouper/tilefish IFQ programs and the business models adopted by participants in the programs. Business models presented included simple ownership (i.e., a single fisherman

with one shareholder account), and business entities with multiple shareholder accounts. She also provided numerical examples to illustrate how share caps are calculated. A Committee member asked why anyone would open a shareholder account without shares. Staff replied that some participants open multiple accounts for business liability purposes while others have accounts without shares because they are planning to acquire shares later. In addition, some of the accounts without shares are opened by dealers who purchase IFQ annual allocation.

Staff presented actions and alternatives included in Reef Fish Amendment 59. The amendment considers permit requirements to open or maintain shareholder accounts, to obtain or maintain shares, and to obtain or maintain annual allocation. The amendment also includes active participation requirements and divestment measures for non-compliant entities. While discussing permit requirements for shareholder accounts, a Committee member expressed support for removing Alternative 3 because it would require considering alternative time periods between obtaining a shareholder account and getting a commercial permit. The Committee also noted that based on the same rationale, Alternative 3 should also be removed from Actions 3 and 4. A Committee member asked about the number of commercial reef fish permits terminated each year and whether they could be utilized by new entrants. Staff suggested that a permit pool could be created to collect permits that would have expired.

The Committee recommends and I so move, **to direct staff to explore the possibility of establishing a permit pool from terminated commercial reef fish permits for future use, including use by new entrants.**

*Motion carried 15 to 1 with 1 abstention.*

Committee members noted that active participation requirements may result in unintended consequences and suggested that lower minimum landings percentages could be considered. A Committee member noted that participation requirements should account for potential impacts from hurricanes and asked whether the requirements are by share category and commented that fluctuations in shareholdings during the year should be kept in mind. Staff replied that the participation requirements are based on shareholders' aggregate shareholdings. In Alternative 4 (Actions 3 and 4), the Committee recommended to replace "obtain or maintain" with "obtain and maintain."

### *Presentation and Discussion on the 20-Fathom Recreational Seasonal Closure for Shallow-water Grouper (Tab B. No. 6)*

Council staff presented an overview of the management history surrounding the existing 20-fathom recreational seasonal closure for shallow-water grouper (SWG) and the rationale for exploring management options to remove the closure. The SWG seasonal recreational closure (seaward of 20 fathoms, February 1 to March 31 annually) was implemented in 2013 with the aim of conserving species in the SWG complex during their spawning period, particularly gag and red grouper. Since implementation of this rule, each species in the SWG complex has been subject to additional management action and harvest is constrained by annual catch limits (ACLs) and accountability measures.

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Committee members discussed concerns about compliance or limited awareness of the 20-fathom seasonal closure among recreational anglers. Also, the Committee discussed that the closure may result in increased regulatory discards because fishing is not completely closed seaward of 20 fathoms, and discards may also increase when targeting red grouper in waters less than 20 fathoms where fish are smaller.

Captain Dylan Hubbard (Reef Fish Advisory Panel [AP] Chair) provided a summary of the AP's discussion about the 20-fathom seasonal closure. The AP stated that the recreational seasonal closure has been in place for a long time and was implemented before there were long seasonal closures for gag and red grouper. During the April 2024 Reef Fish AP meeting, a motion to recommend that the Council remove the 20-fathom SWG closure for the recreational sector carried unanimously.

In contrast, a Committee member thought that removal of the 20-fathom closure would not reduce red grouper discards, but simply shift the timing of discards because the red grouper quota would be met sooner if opened from February 1 to March 31. Committee members also recommended proceeding with caution when deciding to remove conservation rules for species that are all currently experiencing reductions in allowable harvest and whose management issues have not yet been resolved. A Committee member stated that enforcement difficulties should not be the reason for removing a rule, and that outreach may increase awareness about the 20-fathom closure. A Committee member asked whether there are data to evaluate the efficacy of the closure, and Council staff responded that the spatially explicit data necessary to explore this question are largely unavailable. Committee members also asked whether there were other options to consider as conservation measures in place of the 20-fathom closure.

The committee put forth a motion to direct staff to begin a framework action to remove the 20-fathom recreational seasonal closure for SWG.

The Committee recommends, and I so **move, to direct staff to begin a framework action to remove the 20-fathom recreational seasonal closure for shallow-water grouper.**

*Motion carried without opposition.*

*Discussion: NMFS Letter to Gulf Council on Lane Snapper Overfishing (Tab B, No. 7)*

SERO reviewed recent landings and catch limits for lane snapper, which have exceeded the stock ACL in four of the last five years. Council staff summarized the Reef Fish AP's discussions about lane snapper, reporting increasing length composition, frequency of catch, and expanding spatial distribution of catch. The Reef Fish AP recommended that the Council evaluate the minimum size limit for lane snapper. Council staff recalled research which estimated the length at which 50% of lane snapper are sexually mature is just over 10 inches total length (TL). The Reef Fish AP Chair added that the Council has an opportunity to stay in front of this healthy fishery and suggested matching the minimum size limits for gray snapper (12 inches). Currently, the federal minimum size limit for lane snapper is 8 inches TL.

A Committee member asked about the effects of discards should the minimum size limit be increased. The Reef Fish AP Chair replied that an increase in the minimum size limit to 12 inches may result in an increase in regulatory discards; however, he thought those discards would be occurring in shallower coastal waters where barotrauma on snapper species is less of a concern.

NOAA General Counsel reviewed the requirement in the Magnuson-Stevens Fishery Conservation and Management Act for the Council to address the management of lane snapper to reduce the probability of an overage. Council staff proposed consideration of a change to the fishing year, such that the majority of the landings are not occurring at the tail end of the fishing year and when estimating accurate projections for a seasonal closure is problematic. A Committee member asked whether it would be preferable to keep the current fishing season if the landings peak in the summer, or if it would be better to change the fishing season. The Reef Fish Chair replied that lane snapper were most important to private vessels in the summer and in the fall for the for-hire fleet. A Committee member expressed interest in the average length of retained lane snapper in any analysis.

The Reef Fish AP requested that the Council ask the Southeast Fishery Science Center (SEFSC) to conduct an annual interim analysis on lane snapper. NOAA General Counsel noted that the Council could use the ACL/Annual Catch Target Control Rule to address the management uncertainty associated with the recent ACL overages. Council staff suggested examining whether a more in-depth analysis of lane snapper could be explored given the likely increase in available length and age composition data for the stock. The SEFSC added that interim analyses should be scheduled in advance and considered whether stock perception is positive or negative. A Committee member confirmed with NOAA General Counsel that the Council is not under a defined time limit for addressing overfishing for lane snapper; however, SERO added that the Council should be demonstrably working toward that responsibility.

The Committee recommends, and I so **move, to request staff to start a document to evaluate minimum size and bag limits, and other measures to stay within the ACL for lane snapper.**

*Motion carried without opposition.*

*Review: Reef Fish AP Charter For-hire Buffer and Fishing Season for Red Snapper, and Other Business (Tab B, No. 8)*

Council staff reviewed the Reef Fish AP's discussions and motions about changing the charter for-hire buffer and fishing season for red snapper. The Reef Fish AP was unanimous in considering these measures, which has not typically been the case regarding measures like fishing seasons. He added that the for-hire members of the AP thought that fishing into August was less desirable than having access to red snapper in the fall.

SERO staff thought that a November 1 start date may not be feasible due to data availability issues, and instances of short notice of season openings makes it difficult for for-hire operations

to book those newly available fishing days. The Chair of the Reef Fish AP replied that while short notice on re-openings is less desirable, it is still preferable to no additional fishing days later in the season. A Committee member suggested moving the start date for the for-hire component earlier into May. Another Committee member thought there was confusion between the public and fisheries managers regarding the use of weekend seasons for private anglers and continuous seasons for the for-hire component. They added that they thought the buffer could be decreased but did not recommend decreasing it below 5%.

A Committee member thought reducing the buffer to 5% was appropriate and noted also that many for-hire fishermen want to see the fishing season open for Memorial Day weekend. Another Committee member expressed concern with a fishing season going into September, which is within a Marine Recreational Information Program (MRIP) wave and would increase uncertainty in season duration projections. Instead, he proposed projecting backwards from August 31<sup>st</sup> if the fishing season is expected to extend beyond that date, based on a June 1<sup>st</sup> start. The Committee member responded that projecting backwards from August 31<sup>st</sup> would create some uncertainty in the season start date. The SERO Regional Administrator retains the authority to reopen any fishery if it is determined that the catch level has not been met. The Committee largely agreed with moving the fishing season opening back into May and said that it would be possible to book days for a late fall season with only a couple weeks' notice.

Council staff briefly reviewed the items covered by the Reef Fish AP under Other Business and will further discuss these items at Full Council as appropriate.

### *Update and Next Steps on Recreational Initiative (Tab B, No. 9)*

Dr. Willy Goldsmith and Andrew Loftus (Private Consultants for the Recreational Initiative) presented a status report on the work of the Recreational Steering Committee to date. Captain Walker and Mr. McDermott are the Council's representatives on the Steering Committee, which is expected to meet monthly. Dr. Goldsmith reviewed the seven initiatives to be addressed by the Steering Committee in the next year. A technical working group is being assembled to provide context, background, and supporting information to support the efforts of the Steering Committee. A Committee member asked for clarification as related to the process to appoint individuals to the committee. Council staff verified positions would open to the public immediately following the Council meeting and individuals would be selected during a closed session at a subsequent Council meeting. Another Committee stressed the importance of selecting applicants who would dedicate the time and effort to the Recreational Initiative that it needs. The SEFSC added that it would support the initiative and asked for consideration of a recreational definition of optimum yield and synergy with other Council Fishery Ecosystem Initiatives.

### *Other Business*

#### 2024 Recreational Season for Gag

SERO staff indicated that a fishery bulletin announcing the 2024 gag recreational fishing season was imminent. The recreational ACT will be approximately 105,000 lb gw in 2024, and the

fishing season will be open from September 1<sup>st</sup> through September 15<sup>th</sup>, closing at 12:01 a.m. on September 16<sup>th</sup>, 2024.

### 2024 Recreational Season for Greater Amberjack

SERO staff announced that a regulatory action to modify the greater amberjack fishing season was delayed. SERO is currently responding to public comment, but does not expect the rule to be in place before the current fishing season is scheduled to open August 1<sup>st</sup>.

Mr. Chair, this concludes my report.