

GULF OF MEXICO FISHERY MANAGEMENT COUNCIL

JOINT MEETING OF THE AD HOC REEF FISH HEADBOAT AND AD HOC RED SNAPPER CHARTER ADVISORY PANELS

Hyatt Centric French Quarter New Orleans, Louisiana

JANUARY 9-10, 2017

AD HOC REEF FISH HEADBOAT ADVISORY PANEL MEMBERS

- Pam Anderson.....
- Randy Boggs.....
- Clifton Cox.....
- Jim Green.....
- Chad Haggert.....
- Mark Hubbard.....
- Kelly Owens.....
- Charles Paprocki.....
- Eric Schmidt.....
- Tom Steber.....
- Skipper Thierry.....

AD HOC RED SNAPPER CHARTER ADVISORY PANEL MEMBERS

- Jim Green.....
- Tom Steber.....
- Gary Bryant.....
- Shane Cantrell.....
- Daryl Carpenter.....
- Michael Eller.....
- Troy Frady.....
- Charles Guilford.....
- Gary Jarvis.....
- Mark Kelley.....
- Robert Langlinais.....
- Rene Rice.....
- Scott Robson.....
- Sonny Schindler.....
- Frank (Skipper) Thierry.....
- Ed Walker.....

STAFF

- Assane Diagne.....Economist
- Matt Freeman.....Economist
- Karen Hoak.....Administrative & Financial Assistant
- Emily Muehlstein.....Public Information Officer
- Carrie Simmons.....Deputy Executive Director

OTHER PARTICIPANTS

1 Jeff Barger.....
 2 Doug Boyd.....GMFMC
 3 Bill Butler.....
 4 Dylan Butler.....
 5 Katie Chapiesky.....
 6 Roy Crabtree.....NMFS
 7 Myron Fischer.....GMFMC
 8 Richard Fischer.....
 9 Sue Gerhart.....NMFS
 10 Johnny Greene.....GMFMC
 11 Betty Harder.....
 12 Pamela Jarvis.....
 13 Jason Klosterman.....
 14 Campo Matens.....GMFMC
 15 Sharon McBreen.....
 16 John Sanchez.....GMFMC
 17 Elizabeth Silleck.....
 18 Bill Staff.....
 19 Betty Staugler.....Facilitator, Sea Grant, FL
 20 Jessica Stephen.....NMFS
 21 Ed Swindell.....GMFMC
 22 Ben Weber.....
 23 Daniel Willard.....

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TABLE OF CONSENSUS STATEMENTS

PAGE 63: Consensus statement that the APs are willing to consider and will try to design an allocation based system.

PAGE 142: Consensus statement that we want all five species included in the management program.

PAGE 180: Consensus statement that the charter and headboat programs are implemented at the same time.

PAGE 195: Consensus statement that headboats be those vessels that are included in the Beaufort study, those that have established catch histories.

PAGE 237: Consensus statement that the landings histories for the Beaufort survey vessels should be brought into the program(s). For vessels with high passenger capacity that were or were not previously included in the survey, the survey vessels will set aside allocation with future cyclical redistribution for those vessels that are operational.

PAGE 239: For those additional vessels that would be added to the program, a portion of what would have been allocated for charter vessels will be transferred to the headboat vessels.

PAGE 258: Consensus statement to move forward with two amendments and neither will move forward without the other. Both go to referendum at the same time. If one referendum fails, then they both stop.

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1 The Joint Meeting of the Ad Hoc Reef Fish Headboat and Ad Hoc
2 Red Snapper Charter Advisory Panels of the Gulf of Mexico
3 Fishery Management Council convened at the Hyatt Centric French
4 Quarter, New Orleans, Louisiana, Monday morning, January 9,
5 2017, and was called to order at 9:00 a.m. by Emily Muehlstein.
6

7 **MS. EMILY MUEHLSTEIN:** I am Emily. I am a council staff member.
8 Most of you guys have probably seen me around or talked to me at
9 some point. We also have the lovely Betty Staugler. She is a
10 Sea Grant agent in southwest Florida, and, today, we are going
11 to be approaching things a little bit differently. We are here
12 to sort of help moderate this meeting and help facilitate our
13 way, hopefully, towards some decisions about what we're going to
14 do for the for-hire fleet, both charter and headboat.
15

16 I think the first thing that we need to do is sort of introduce
17 ourselves around. I assume that you guys already know each
18 other. You will notice that there are different colored
19 nametags around the table. Just to help you sort of decode
20 that, the white ones are folks that are on our Charter Advisory
21 Panel. The red ones are the folks that sit on our Headboat
22 Advisory Panel, and then the blue ones, besides Betty's, are the
23 few gentlemen that we have that sit on both of those panels.
24

25 As sort of the day goes on, I just want to make sure that you
26 guys sort of can see that and sort of understand where people
27 are coming from sometimes when they're giving us their comments.
28 With that said, Betty, do you want to introduce yourself and
29 then we'll start around the table and keep going?
30

31 **INTRODUCTIONS**

32
33 **MS. BETTY STAUGLER:** Good morning. As Emily said, my name is
34 Betty Staugler. I work for the Florida Sea Grant Program, which
35 hopefully you guys all know your Sea Grant programs in your
36 respective states. It is a university-based program, and I am
37 located in southwest Florida.
38

39 I know Emily very well, and she asked me if I would come and
40 help you guys. Hopefully we can move forward and come to some
41 consensus on some ideas to move this joint AP forward or
42 separately, and so I am going to maybe go down to Sonny and, if
43 you guys would, we kind of know whether you're headboat or
44 charter boat, based on your color, but maybe your homeport as
45 well. That would be helpful for me.
46

47 **MS. MUEHLSTEIN:** I think you guys are all pretty used to using
48 these mics, and so don't follow my lead, and make sure that,

1 before you speak, the mic is turned on.
2
3 **MR. SONNY SCHINDLER:** Sonny Schindler, Bay St. Louis,
4 Mississippi, charter boat operator, owner/operator.
5
6 **MR. TROY FRADY:** I'm Troy Frady, from Orange Beach, Alabama.
7 I'm a six-pack operator.
8
9 **MR. ED WALKER:** Ed Walker from Tarpon Springs, Florida.
10
11 **MR. TOM STEBER:** Tom Steber, Orange Beach/Fort Morgan, Alabama
12 Charter Fishing Association.
13
14 **MR. CHARLES GUILFORD:** Captain Chuck Guilford, Mexico Beach,
15 Florida.
16
17 **MR. ERIC SCHMIDT:** Eric Schmidt, Fort Myers, Florida.
18
19 **MR. MARK HUBBARD:** Mark Hubbard, Hubbard's Marina, Johns
20 Pass/Madeira Beach.
21
22 **MR. CHARLES PAPROCKI:** Charlie Paprocki out of Panama City
23 Beach.
24
25 **MR. SCOTT ROBSON:** Scott Robson, Destin, Florida.
26
27 **MR. MARK KELLEY:** Mark Kelley, Panama City.
28
29 **MR. JIM GREEN:** Jim Green, Destin, Florida.
30
31 **MR. MIKE ELLER:** Mike Eller, Destin, Florida.
32
33 **MR. GARY JARVIS:** Gary Jarvis, President of the Destin Charter
34 Boat Association.
35
36 **MR. SHANE CANTRELL:** Shane Cantrell, Galveston, Texas.
37
38 **MS. PAM ANDERSON:** Pam Anderson, Captain Anderson Marina, Panama
39 City, and also I sit on the Bay County Chamber of Commerce for
40 fisheries.
41
42 **MR. MIKE NUGENT:** Mike Nugent, charter boat owner/operator,
43 Aransas Pass, Texas.
44
45 **MR. KELLEY OWENS:** Kelley Owens, Port Aransas, Texas.
46
47 **MR. SKIPPER THIERRY:** Skipper Thierry, Dauphin Island, Alabama.
48

1 **MR. DARYL CARPENTER:** Daryl Carpenter, Grand Isle.

2
3 **MR. RENE RICE:** Rene Rice, Grand Isle.

4
5 **MR. GARY BRYANT:** Gary Bryant, Fort Morgan, Alabama.

6
7 **MR. DUSTIN TROCHESSET:** Dustin Trochesset, Biloxi.

8
9 **MR. JOHNNY WILLIAMS:** Johnny Williams, Galveston, Texas.

10
11 **MR. CLIFF COX:** Cliff Cox, Destin, Florida.

12
13 **MR. RANDY BOGGS:** Randy Boggs, Orange Beach, Alabama.

14
15 **MR. CHAD HAGGERT:** Chad Haggert, Clearwater Beach, Florida.

16
17 **MEETING OVERVIEW AND CLARIFICATION OF GROUP NORMS**

18
19 **MS. STAUGLER:** Thank you. You guys have been obviously meeting
20 as two APs, working on separate amendments. More recently, the
21 council has asked that you come together and explore working as
22 a single AP and see if you can move forward with one amendment,
23 and so that's kind of what we're going to explore today, and
24 Emily and I are just up here so that each one of you can fully
25 participate, and so you don't have to worry about being the
26 Chair or being the Vice Chair. We will explore it, and
27 hopefully we can make some progress moving forward.

28
29 What we want to do to kind of kick off the meeting is build a
30 rationale for us to work together. You guys know the council
31 wants this to happen, but what do you see as a rationale for
32 working together, and I'm going to open that up to the floor.
33 We kind of want to just build that framework and so if you have
34 any thoughts.

35
36 **MR. BRYANT:** I guess some of my thoughts are that I want to
37 understand I guess where the percentages are set, if that's set.
38 As far as working together, I think we need to decide if both
39 sides are going to go on a new system, where it's divided
40 evenly, or are we going to get both sides to go on a catch
41 history version? I mean, in my mind, that's what we need to
42 decide. That's my thoughts.

43
44 **MS. STAUGLER:** Karen, are you ready to -- Do we need to re-
45 summarize that really quick? Okay. Can we just, real quickly,
46 re-bullet that for Karen, because she was pulling up files.
47 Sorry about that.

1 **MR. BRYANT:** In my mind, to be here, I was wanting -- I guess
2 the first thing I wanted to know is are the percentages set for
3 a split? My thoughts were are both sides going to move forward
4 in a similar system, either based on some kind of allocation or
5 based on a catch history?
6

7 **MS. STAUGLER:** Great. Thank you. I saw somebody over here, I
8 thought.
9

10 **AP MEMBER:** I was pretty much just trying to convey the same
11 question. We already have been down this road and all talked
12 and realized the charter boats and the partyboats were totally
13 different, because we didn't have the catch history with charter
14 boats, and so how can you manage them together? That's going to
15 be the biggest sticking point in managing the two resources
16 together.
17

18 **MS. MUEHLSTEIN:** That's figuring out what we can do with our
19 catch histories or the lack thereof, if we're going to try and
20 work together.
21

22 **AP MEMBER:** For the charter sector. The partyboat sector has
23 catch histories.
24

25 **MS. STAUGLER:** Okay. Go ahead, Assane.
26

27 **DR. ASSANE DIAGNE:** Thank you very much. Just, I guess, a favor
28 to ask. Before you speak, please state your name. That will
29 help with the recording. Just, for example, say "Assane" and
30 then make your point. That will be very helpful. Thank you.
31

32 **MS. STAUGLER:** Okay.
33

34 **MR. TROCHESSET:** I know we're going to get into this later, but
35 not all partyboats have the same catch history. Some people
36 have been in the program for twenty years, and some have been in
37 for a handful of years, and so that's something we're definitely
38 going to have to tackle, because you put a broad scope over
39 something that's not that broad.
40

41 **MS. MUEHLSTEIN:** Okay, and so not just using the catch
42 histories, but the mechanism with which we can fairly use them,
43 if that's where we go.
44

45 **MR. TROCHESSET:** Fairly and equitable.
46

47 **MR. JARVIS:** Emily, is this just like a the meeting hasn't
48 really started yet type of thing?

1
2 **MS. MUEHLSTEIN:** Yes. We're just trying to sort of figure out
3 where you guys are and where we want to be at the end of the two
4 days that we're here. It looks like you guys sort of have some
5 concerns about what we need to address, and then sort of the
6 other question, the point that we're trying to sort of get to,
7 is, knowing that we have a really hard decision-making process
8 that we need to go through in the next two days, it's really
9 nice to have a rationale or a reason to want to get there. What
10 we're trying to do is sort of build that end goal and all be on
11 the same page as to like why we're even sitting here arguing
12 with each other.

13
14 **MR. JARVIS:** Yes, and I just was asking because we haven't
15 adopted the agenda and that kind of stuff.

16
17 **MS. MUEHLSTEIN:** That's actually part of it, and we can kind of
18 go into that a little bit before we move forward, if that is
19 making things strange. I think we need to erase all of our
20 preconceived notions about what an AP usually is, and so we
21 won't be using Roberts Rules. We won't be doing all of that
22 sort of agenda adoption stuff, like we normally do.

23
24 **MS. STAUGLER:** I saw a hand over here and then here and then
25 there and then there.

26
27 **MR. HUBBARD:** This is more of a workshop, and we're trying to
28 figure out how to put the two sectors together. The previous AP
29 meetings, there was a specific strategy to move management to a
30 catch-share-based system.

31
32 Being that we don't have the data to do that, to be able to
33 split the fishery up specifically, if we took a couple of steps
34 back, utilizing the electronic logbooks for the for-hire sector
35 on both sides, charter and headboat, gaining solid information,
36 as the gentleman, Dustin, mentioned for all the sectors -- For
37 example, I have a small or a large charter boat that really, I
38 feel, should be more like a partyboat. It's twenty-four
39 passengers, but it's currently now lumped in with all the
40 charter boats.

41
42 With the new logbook system, being able to get solid data for
43 the for-hire sector, using traditional management measures,
44 through seasons, bag limits, and size limits, get the
45 information we need to be able to perhaps go to the next step in
46 the future.

47
48 **MS. MUEHLSTEIN:** Okay. So, moving forward, some of your

1 rationale is looking at getting the right data, so that we can
2 maybe consider a new program, or a new type of a program.

3
4 **MR. HUBBARD:** If we're going to manage the two sectors together,
5 then we have to be on a level playing field, and it would be
6 difficult to move into a resource management, a PFQ or splitting
7 the resource up for the charter boats, separately than the party
8 boats. It would be difficult to do that fairly, fairly and
9 equitably, and I guess we're going to hash that out here in the
10 next two days.

11
12 **MS. STAUGLER:** Yes, we are.

13
14 **MS. MUEHLSTEIN:** Yes, and you make a good point. We are going
15 to hash it out, and the idea here is sort of to explore the idea
16 of one program, but I just want everybody to know that there are
17 tons of other valid outcomes. If we try and go down that road
18 and it doesn't work, and that's part of what we discover today
19 and tomorrow, that's okay. We can back up and explore separate
20 programs. We can back up and explore the traditional management
21 measures that we have been using and just decide that we want
22 like a spring season or something like that.

23
24 While sort of the idea here is that we're going to try and go
25 down that road and see if we can get there, if we can't, that's
26 a completely valid way to end this meeting as well. Does that
27 make sense? I just want to make sure that you guys recognize
28 that we're not just like full-bore going that way. What we're
29 doing is exploring that option. If we hit roadblocks, that's
30 totally fine, and that's a completely valid way to find an
31 outcome.

32
33 Back to this, this idea of building a consensus and why we're
34 here to work together, are there any reasons that maybe you guys
35 want to explore different management options? I mean, sort of
36 throw out there some of the rationale for us even being here to
37 look at managing our fleets differently. Is there any sort of
38 genesis or reason that you guys, as individuals, are here to
39 sort of try and make things different than they are?

40
41 **MR. WILLIAMS:** Emily, this may be a little bit off the subject,
42 but I'm a little bit confused. When we had the initial for-hire
43 sector panel, Bob Zales, who is in the charter boat industry,
44 made the motion that we divide them into partyboats and charter
45 boats.

46
47 It was fully understood at that time that the partyboats, as
48 Mark mentioned, have their catch data and stuff and it was

1 probably going to be an easier program to implement than the
2 charterboat was, and I think that motion passed almost
3 unanimously, if not unanimously, and I am just wondering, what's
4 the rationale for us even being here? Maybe, if you explain
5 that to us, maybe we can kind of understand what everything is
6 about here.

7
8 **MS. MUEHLSTEIN:** It looks like Assane wants to address that
9 question. I think that's a great question. It's a good
10 starting point.

11
12 **DR. DIAGNE:** Thank you, and I would also ask to put the
13 statement that is at the top of the scope of work. It
14 essentially talks about -- Essentially, really, this meeting
15 comes without any preconceived idea. This is giving you an
16 opportunity to design and discuss a practicable path forward
17 that we would put back before the council and let them make
18 decisions.

19
20 What it is that that path forward would entail, that is why we
21 are here, essentially. To the extent that we see value in
22 putting you together and having you discuss the best way to
23 approach management in the for-hire sector as we move forward,
24 those are the ideas that we want to hear.

25
26 I heard some of the concerns here, in terms of the landings, the
27 presence or absence of catch histories, single separate
28 programs, et cetera. All of those issues, you are going to have
29 an opportunity to discuss them one-by-one as we go through this
30 meeting, and so, essentially, really, the gist of it is to offer
31 you an opportunity to tell the council, through your
32 recommendations, what is the best path forward for the
33 management of the for-hire sector, as we try to make progress.

34
35 **MS. MUEHLSTEIN:** Just to sort of stress what Assane said and
36 clarify it for Johnny, you're right that, very early on, this
37 issue was addressed as separate groups, and so we sort of went
38 down those paths, and we have developed Amendment 41 and
39 Amendment 42 pretty much separately from one another.

40
41 The council kind of got to a point where they wanted to bring
42 everybody together and ask us to make sure that, as a group, an
43 entire group, we can decide upon the path that we want to take.
44 Like I said, that could be continuing to go separately, or that
45 could be bringing everybody together, or that could be doing
46 nothing drastic at all. Does that make sense?

47
48 **MR. ELLER:** I am assuming that some of the problems overlap, as

1 far as trying to figure out who is in the fishery and who is not
2 in the fishery. Of course, on the partyboat side, they do have
3 a logbook, and so they can obviously tell, I would assume, if
4 there is somebody that's not in the fishery, because they're not
5 in the logbook program, where, for us, we don't know.

6
7 I think, on the charter boat side, who is in the fishery, who is
8 not in the fishery, who is catching fish, what permits are
9 latent, what permits are not latent. For us, that's a first
10 step, and I would concur with what Captain Hubbard said, is
11 that, on the charter boat side, without a catch history, you
12 can't even discuss doing a split, because you don't know what
13 the truth is.

14
15 As Scott Robson always says, we're putting the cart before the
16 horse. On the charter boat side, it would seem like, to me, the
17 horse is finding out who is in the fishery and who is catching
18 what and moving that forward as quickly as possible.

19
20 **MS. MUEHLSTEIN:** Karen, can you please add that as a bullet,
21 sort of defining who is in the fishery and their activity in the
22 fishery?

23
24 **MR. STEBER:** First of all, we're all here on the same team.
25 We're all charter fishermen that take Americans fishing. We're
26 not dealing with us versus CCA. We're all here together. We're
27 in a real time crunch. We've got Amendment 40 that's sitting
28 out there that's got a sunset on it, and we know that, and so we
29 have to have a plan, if we have any inkling or any chance of
30 having that sunset moved down the road some more, and we've got
31 to be fair to everybody in the room and not just one part of the
32 group.

33
34 For the long range future, in my mind, of this fishery, we have
35 to have mandatory logbooks, number one, and I'm pretty sure that
36 everybody in here agrees with that. Yes, it's going to create a
37 major problem in some areas of the Gulf, because they don't have
38 -- They haven't been too honest in what they've turned in, but
39 we have to have that to get this started, and I know that's
40 going to be voted on later in the month.

41
42 In my opinion, it needs to be for all reef fish, because it will
43 help us all in the future. It doesn't help us maybe today,
44 because we're dealing with snapper, or we're dealing with
45 snapper and grouper, but it will help us five years from now
46 when vermilion is the next target.

47
48 We've already got amberjack, and we've got trigger, and we've

1 got grouper. We've got red grouper. We need to have all reef
2 fish on this program. If the headboats can do it for the last
3 twenty years and report every fish, there is no reason that Gary
4 can't do it in Fort Morgan on a six-pack, and so it only makes
5 sense to do that.

6
7 Randy put together an EFP for a headboat pilot program. With
8 the exception of a couple of small things, it worked perfectly.
9 There is no reason that whole idea can't just go forward. It
10 worked. Why change it? Make it mandatory for all headboats.
11 It was simple.

12
13 Yes, you've got to figure out how to divide the fish, but
14 there's a way to divide the fish, basically, on the headboat
15 side. Alabama tried to do the same thing, but it's, oh no,
16 Alabama can't do that and it's not fair to the rest of the Gulf.
17 We've got to get together, and we've got to get together today
18 and tomorrow.

19
20 When we leave this room, we've got to be all on the same team,
21 and I know it's going to be difficult, because there is -- We
22 have so many bears to wrestle with. When I look down the road
23 and I look at south Florida, and they're not catching snapper,
24 and then I look at south Florida and they're catching all the
25 grouper, that's part of the reason we need all the fish.

26
27 If we divide any kind of equal situation or any scenario that is
28 there, Alabama and the Panhandle of Florida, that catches 85
29 percent of the snapper in the Gulf, are only going to get about
30 30 percent of what they're catching, and that's not fair.
31 Please think about it. Please think about how to be able to
32 wiggle a little bit, because we've got to come together in the
33 next two days.

34
35 **MS. STAUGLER:** I've got Mike, Jim, Shane, Gary.

36
37 **MR. NUGENT:** As far as I'm concerned, no matter what kind of
38 management system we go, whether it's together or it's separate,
39 it's interesting to me that -- Just go by what you're hearing so
40 far. You hear the headboat people saying that we've got this
41 system and we had a pilot program and we've got a data
42 collection, and so we're a little different, but yet, one of the
43 biggest sticking points, to me, is you may have all of that, and
44 we know who the headboats are, but yet, when you come up with
45 headboats that have no catch history, you have no problem
46 dumping them into the charter boats, because they have no catch
47 history.

48

1 Well, to me, if it's a headboat, it's a headboat. It doesn't
2 matter if it's got a catch history or not. If it's a headboat,
3 then what's it doing being shuffled off to a charter boat
4 fishery? Those headboats would become the largest vessels,
5 passenger capacity, in the charter boat fishery, and they would
6 probably be the big, I don't know, winners or takers when the
7 fish was divvied out.

8
9 There is some things that have to be worked out and fleshed out
10 before we're all brothers in arms and can work together. Then
11 the other thing, in regards to what I think Tom said about some
12 sections haven't been real honest, well, I hope you
13 differentiate between the fishermen and the people that are
14 doing this. A mandatory logbook, when it comes to Texas, we're
15 in favor of it, and it would be -- It's essential, because the
16 Texas anglers haven't been dishonest or haven't been incompetent
17 or haven't been mistaken. We would welcome mandatory data
18 collection, to get everybody on a level playing field, just as
19 you stated. Thank you.

20
21 **MR. GREEN:** I was just going to say, to add to what the previous
22 couple of people have said, it's just we need to identify these
23 burdens that are on this industry and properly distribute them.
24 I think that's -- Being on both sides of the fence and watching
25 how both played out, I think that's what a lot of 41
26 participants have heartburn about, is that they feel as if the
27 majority of the burden of an industry taking on a rights-based
28 management or a catch share or anything like that has been
29 placed upon them and that 42 has catch history and 41 doesn't.

30
31 42 doesn't have latent permits and 41 does. I think some of
32 these real drastic burdens that have been placed upon 41 is what
33 is giving these guys heartburn, to where they feel like they're
34 toting the load on this, and so I hope that both sides can come
35 together and maybe share these burdens, or equalize them
36 somehow, and grow to understand this a little better. That's my
37 view from the outside here.

38
39 **MS. STAUGLER:** Okay. Shane and Gary, and then we do need to
40 move on, if that's okay with the group. Okay. Then Randy.

41
42 **MR. CANTRELL:** Kind of where we started down the road after
43 Amendment 40, where all of this got started, is we sat down in
44 two different APs and ran through what at this point would be
45 circular logic. We have to consider these traditional ways of
46 management, the seasons, size limits, and bag limits. I know
47 that the Charter Boat AP has gone through that at almost every
48 meeting, and I imagine that the headboat group has done a lot of

1 the same.

2
3 The traditional management has, time and again, been indicated
4 that's not the direction we want to go. I hate to continue to
5 bring -- Right now, we've got almost thirty people together and
6 the members of the audience, and to come back and just say,
7 let's see if seasons, size limits, and bag limits will work for
8 us.

9
10 That is what got us here, and that's not where we want to go.
11 We have quickly identified, in every single meeting, that we
12 want to explore some type of an allocation-based management and
13 see if that's where we want to go. Moving forward, and in
14 hearing some of the comments, what is surprising to see, when
15 you look at the breakdown of permits and capacities, is that a
16 lot of these permits and capacities are very large, and they're
17 very large charter boats, because of the definition of the
18 headboats that has been used to develop these amendments.

19
20 It's a large-capacity charter boat of a hundred people or more,
21 and I don't buy that they're getting hundred-person charters. I
22 would imagine that you probably have people paying by the head
23 and pursuing a federally-managed species. It may be some
24 groups, but the definition there, it needs to be fleshed out.
25 That way, we can all agree on what is a charter boat and what is
26 a headboat. Then we get to the portion of where we develop this
27 catch history.

28
29 Catch history is a funny thing, when you come down to the
30 opportunities that a defined charter boat has and a defined
31 headboat has. When you define what a headboat was under
32 Beaufort, it's a survey that doesn't -- It's not a census. It's
33 a survey of a subsector of that group, and so, automatically,
34 you're including some and excluding others.

35
36 When we get down to time to divvy up a catch history, you're not
37 doing it on a level playing field to start with, and so, while
38 we've got this group together, we've got to define what is a
39 charter boat and what is a headboat.

40
41 I see a lot of opportunity for two amendments, and I see
42 opportunity for one amendment. We can define those things here,
43 what is a charter boat and what is a headboat, and what we agree
44 on and where we would like to move forward. We've got a huge
45 opportunity, and I don't want to have to try putting forty
46 people in a room multiple times. That had to be really
47 difficult for you all to do.

48

1 **MR. BRYANT:** Just real plain, what I want out of this meeting is
2 I want what the headboats have got. I want a catch history.
3 What I would like to do is flesh out why -- If there is a reason
4 why that won't work, I want to know, so we can move on. If we
5 can do our catch history, then both sides can move in the same
6 direction, but, to me, that solves all the fairness problems,
7 because, if you're catching fish, you will get fish. If you're
8 not catching fish, you won't.

9
10 I think that eliminates all the problems, if we have a catch
11 history, but what I would like to know over the next two days is
12 any reasons why that won't work, so we know which way to go and
13 quit chasing our tails and get somewhere.

14
15 **MS. STAUGLER:** Thank you. Okay, Randy.

16
17 **MR. BOGGS:** The big thing that we're fighting here is the catch
18 history on the charter/for-hire industry. That's what it all
19 comes down to, and everybody is talking about electronic
20 logbooks and moving forward, and the headboats are defined by
21 the ones that participated in Beaufort. We know there is latent
22 permits. There is latent permits, large permits and small
23 permits. There is permits everywhere that are latent. That
24 determination needs to be made.

25
26 Electronic logbooks, moving forward, you're going to be back
27 here in four years, if you put the logbooks in place today for
28 the charter/for-hire industry. You're going to be back here
29 hearing how unfair it is, because, if you move forward and you
30 let them build a catch history on either side, headboats or
31 charter boats, moving forward -- It's just like with me.

32
33 My boat is licensed for fifty-six. Two of them are for fifty-
34 six and sixty-four. If you let the charter/for-hire build their
35 catch history going forward, I want to do the same thing with
36 the headboats. Sure, if you guys want to do that, that's great.
37 I am going to cut my price to thirty-five dollars. Instead of
38 carrying thirty-two, I'm going to put sixty-four people on the
39 boat, and I'm going to wrap up the effort.

40
41 When you do this, and we've seen it in the commercial fishery.
42 When they knew the IFQ was coming, you saw the guys that ramped
43 up their catch history, and they fished as hard as they could
44 fish, and they drove the price of gutted-and-gilled snapper down
45 to a dollar-and-a-quarter a pound.

46
47 Building a catch history going forward, you create the worst
48 derby fishery, the worst overfishing, and it's going to crash,

1 and you're going the wrong way by trying to build a catch
2 history in the future. You've got to figure out a way to
3 distribute the fish equitably.

4
5 Everybody is so concerned about the latent permits. Wayne
6 Werner, who worked his way through the commercial IFQ program,
7 explained something to me. You have to make this hurt equally.
8 Right now, the best thing for the charter/for-hire industry is
9 the forty-four-day derby fishery. There is nobody at this table
10 that can't say that that's the best thing for it.

11
12 The boats, whether they've got a hundred-passenger permit -- I
13 have looked through the list a dozen times, and, yes, there's
14 like a ninety-nine-passenger permit in Alabama that's in the
15 charter/for-hire side. It's on a dolphin cruise boat that
16 operates in Mobile Bay. It wouldn't matter if you allocated
17 fish to him in the first year of a program and you gave them to
18 him. He has no intent and no way to ever harvest those fish.

19
20 Building a catch history going forward is the most detrimental
21 thing that you will ever do to this fishery, because every one
22 of us are going to lower our price and ramp up effort, and
23 you're going to go exactly the opposite direction. You will be
24 back to a six or seven-day season in a matter of weeks.

25
26 **MS. STAUGLER:** Okay. We really do need to move on, but this is
27 a huge list. I mean, obviously we have a huge task ahead of us,
28 no matter which direction you guys want to decide in the end,
29 whether it's separate programs or what type of allocation or
30 whether you go to traditional e-reporting, all of that type of
31 stuff. It's a huge task that we have ahead of us.

32
33 **MS. MUEHLSTEIN:** One of the neat things that I am noticing, just
34 from this list, is that pretty much every concern that you guys
35 have brought up is something that we have kind of planned to
36 address in one way or another in the next two days, and so
37 hopefully we're set up for some pretty good success, because I
38 didn't see anything out of left field that we're not ready to
39 talk about and sort of try and figure out some solutions to, and
40 so thank you, guys, for helping sort of guide that so far.

41
42 **MS. STAUGLER:** Okay. Because this is a little bit different
43 than what you guys are used to, with this facilitated process --
44 You guys have all been through facilitated processes before,
45 right? Sometimes they're good and sometimes they're not so
46 good. Emily and I did come up with a list of group norms. I
47 think you guys will recognize most of them, but we have five.

48

1 This is just kind of that process for making the meeting go
2 smoothly, and so we want to encourage practicing active
3 listening. These are standard, guys. Listening to other people
4 when they're talking and not kind of formulating your thoughts
5 and what you're going to respond with. Recognizing that all
6 ideas are important and allowing everyone to have equal access
7 to be able to speak, and that's really important.

8
9 We are going to make decisions based on consensus, and so we're
10 going to talk a little bit about what that consensus means. We
11 have a definition that we want to go over with you guys, and we
12 just ask that you guys help us, as facilitators, make the
13 meeting move forward.

14
15 These are our suggested group norms, and we want to put it out
16 to you guys, if there is anything that you want to tweak on
17 there or if there's anything we're missing, and we didn't
18 address cellphones, and so we just put it out there if you guys
19 wanted to address cellphones.

20
21 **AP MEMBER:** Turn them down or turn them off.

22
23 **MS. STAUGLER:** We have a recommendation to turn them down or
24 turn them off. Are we okay with that? No? We're not okay with
25 that.

26
27 **MR. CARPENTER:** I just got a quick call that I had to step back
28 there from my contractor, where we're still recovering from the
29 flood, and this cellphone is not getting turned off. I still
30 have other things to deal with.

31
32 **MS. MUEHLSTEIN:** Okay. Can we go with trying to make them as
33 unobtrusive as possible? Whatever that means to you or, if you
34 take a call, maybe walk out, like Daryl did.

35
36 **MR. CANTRELL:** Keep them quiet, turn them on silent.

37
38 **MS. STAUGLER:** Okay. Is there anything else that you want to
39 add to the group norms? Is what we suggested okay with you
40 guys?

41
42 **MR. BOGGS:** I kind of have a problem with the consensus thing,
43 because, when the 42 headboat pilot met, we had all the members
44 there, and we don't have all of our members here. We can make
45 recommendations and go forward and try to work out some answers
46 here, but we've already met and formulated a plan. We've got
47 everything already to the council process.

48

1 There is people that are not being represented here that have
2 already worked through the solutions and we have what our
3 industry recommended and wanted, and it's already to the point
4 of going for referendum. It just fell at the vote at the
5 council level, and we don't have enough people here to -- All
6 the people that were there at the other meeting, we're not well
7 represented here.

8
9 **MS. MUEHLSTEIN:** Actually, that's exactly why we're using the
10 consensus model, meaning, if we were to use traditional Roberts
11 Rules and we were going to be voting, sometimes, and you guys
12 have all seen this happen, a vote wins by one, and what ends up
13 happening is the whole meeting could potentially be railroaded
14 in one direction because there is one extra person in one extra
15 interest.

16
17 What we're actually going to be trying to do, and that's why
18 we're using consensus, rather than the traditional motions and
19 voting, is because we want to avoid a situation where the
20 majority at this table rules, or even the majority out in the
21 fishery rules. What we're looking to do is sort of come up with
22 a set of agreements where everybody can live with what we're
23 going with and also acknowledge that there are going to be some
24 people that are dissenting completely.

25
26 **MR. BOGGS:** I don't think that will work, because, if you go
27 with --

28
29 **MS. MUEHLSTEIN:** How about we try? How about we go with --

30
31 **MR. BOGGS:** Emily, if you go with a consensus, and there is one
32 person that doesn't agree with it, then you don't have a
33 consensus.

34
35 **MS. MUEHLSTEIN:** That's not true.

36
37 **MS. STAUGLER:** Can we put up our definition of "consensus"?

38
39 **MR. GREEN:** I was just going to say that there's only two
40 members of the Headboat Panel that isn't here. Almost the
41 entire Headboat Panel is here, and let's try and move forward
42 with productive talks. This is just talks. Randy, I understand
43 that 42 -- I was there. Game, set, and match, you all are ready
44 to move forward, but there is heartburn with that, and there is
45 burdens that people want to address. I just hope we all come
46 together and talk about this and not have this I don't think
47 that it's going to work thing. You've got almost everybody on
48 your AP here, and so let's move forward.

1
2 **MR. BOGGS:** Jim, you keep speaking of these burdens. Amendment
3 42 has placed no burdens on Amendment 41. We didn't place the
4 latent permits on you, and we didn't deal with the --

5
6 **MR. GREEN:** You did that by design, Randy. You took 1,200 boats
7 and you picked sixty-seven, and you picked the ones that had
8 catch history. You picked the ones that were active in the
9 fishery. There are things that 41 is grappling with that 42
10 didn't have to do, and that's why we're all here, because,
11 Amendment 41, people have heartburn about that. Let's get
12 together and let's figure it out, because sitting here and
13 going, well, you all don't have catch history, I understand
14 that, but that was by design, and that design is flawed in 41,
15 in peoples' eyes.

16
17 I'm having a hard time doing it. I am watching the -- I mean,
18 this is a juggling action, and I understand. I understand that
19 you have a plan that works for you and you want to move forward,
20 but the rest of this fleet doesn't have that, and they're not
21 willing to just roll over and say, screw you all and let's not
22 do this. They want to come together and work on it, and so
23 let's try and do that.

24
25 **MS. STAUGLER:** Okay. Just to kind of reiterate on that, and
26 thank you, Jim. We put up our definition of consensus. We
27 often think of consensus of everybody is in agreement and this
28 is like the big Kumbaya around the table. In the real world,
29 that often does not happen.

30
31 We can talk until our heads go off or whatever, and there is
32 going to be that one person that just can't live with whatever
33 we put forward, and so we're looking at MIT's definition of
34 consensus. What we really want is that overwhelming majority of
35 people can live with an idea that's put forward and that those
36 who can't live with it, we actually looked at what their
37 interests were, their reasons for not agreeing with us, and we
38 tried -- We made every effort to address those particular
39 interests. We were unable to do so, but the majority of the
40 group is in consensus. Does that make sense?

41
42 **MS. MUEHLSTEIN:** Those people who maybe aren't fully okay with
43 it, we have at least addressed and done everything I could to
44 make a goodwill effort or everything we can to address that
45 concern. At the very end, sort of what we're hoping for is to
46 look at sort of a list of recommendations that we can come out
47 of this meeting with, and, if there is dissenting ideas, that
48 those are also acknowledged and those are also given weight to

1 we thought this with this in mind, and does that sort of make
2 sense?

3
4 Really, we're just trying to avoid this idea of voting, because
5 that doesn't always end up with the most productive outcomes.
6 That doesn't always communicate to the council what the full
7 picture of the room is, and so that's what we're trying to do,
8 is to come out of here with everybody's understanding
9 acknowledged. Does that make sense?

10

11 **MS. STAUGLER:** Okay. Gary.

12

13 **MR. JARVIS:** I just want to address the whole issue of
14 representation and stuff like that. Most of my comments the
15 next two days, when I speak, are going to be as President of the
16 Charter Boat Association, doing my best to represent the
17 interests of our fleet and not my personal interest. Some of
18 the rest of the panel members may be here mainly focused on
19 their personal interest, and that's okay too.

20

21 Almost half the council is here in this room, and I think the
22 reason they're here is they want to hear the discussion of pros
23 and cons and the challenges and the different opinions of the
24 people, to get a real feel for the challenges facing this
25 industry. What works for one guy in this room may not work for
26 someone else. I think the reason this AP has been formulated is
27 because of the products that we have to look at now, in both
28 amendments. A lot of us don't feel like it's the best that we
29 can do.

30

31 We don't feel like it's a finished product. I just want to make
32 sure that we come in here with open minds and be very truthful
33 and tell it like it is. Hopefully, in the end product, we maybe
34 recognize, if we can't solve the challenges that we face today,
35 that we put ourselves in a position, with the help of the
36 council, to work towards solving those issues at a later date,
37 and so the end result will be a product that this industry can
38 be proud of.

39

40 We have made mistakes in the past as an industry, and some of
41 them are not too far off that we've made in the past, and I just
42 want to almost try to encourage people not to get up and leave
43 because they're mad.

44

45 Probably not everything that is said and done in this room is
46 going to make me happy, but at least -- What we don't want to
47 walk out of this room is putting a stamp of death on these two
48 pieces of hard work that the council and the staff and the

1 industry representatives have done, but, at the same time, I
2 think it's very apparent, and you will hear it through the
3 discussion in the next two days, that this product is not the
4 best that we can do. Thank you.

5
6 **MS. STAUGLER:** All right. Moving on, I want to go over -- You
7 guys all have a scope of work, I do believe, and so we'll kind
8 of be following through that this morning. Emily tells me that
9 you don't have to adopt the agenda. We're just going to kind of
10 go over it.

11
12 The big thing that I want to point out is on the second -- I
13 guess it's actually page 3, but there's a list of questions, and
14 those are what we're going to be focusing the majority of this
15 meeting on, is those nine questions. Our goal today is to get
16 through Questions 1 through 4 and also a PowerPoint presentation
17 that will lead you -- It's the decision tool that we're going to
18 leave you with tonight, so that we can come back tomorrow and
19 specifically refer to that.

20
21 **MS. MUEHLSTEIN:** Knowing that, after Question 4, we start
22 talking about allocation and sort of the ways that that's going
23 to happen, and that being a big issue, and actually some of the
24 National Marine Fisheries staff has prepared a really nice
25 decision tool, where you can sort of start to understand the
26 different allocation options, specifically for red snapper at
27 this point, which doesn't mean that we're limited to red
28 snapper, but it's just that we have the most data and we were
29 able to get that ready for you.

30
31 Our goal is to leave you tonight, after answering these first
32 four questions, with that tool and with that information, so
33 that you can go back and play with it, so that, tomorrow, we're
34 like ready to rock.

35
36 **MS. STAUGLER:** Is that fair enough? Charles.

37
38 **MR. GUILFORD:** On the allocation, if the allocation is provided
39 to the charter boats do not, under any circumstances, allow an
40 individual that is allocated to sell his allocation out, such as
41 is being done with the commercial right now. I've been in the
42 charter boat business and the commercial business, and this will
43 be the forty-second year, and the worst thing that has happened
44 in the commercial is the sale of those allocations.

45
46 If it's allocated to charter boats and a charter boat does not
47 use his allocation, then divide it among the remaining charter
48 boats, but do not allow it to be sold, under any circumstances.

1
2 **MS. MUEHLSTEIN:** Okay. We will definitely get there, and there
3 will be a major space for that conversation to happen.

4
5 **MR. GUILFORD:** Which, by the way, and it's not the subject, but
6 I am happy to see three or four folks, old boys, that has been
7 in business for a while here at the table. Under the current
8 management, it's kind of hard to do. I've been in the
9 commercial and charter business for forty-two years this year.
10 Thank you.

11
12 **MS. MUEHLSTEIN:** Thank you, Charles.

13
14 **MS. STAUGLER:** Okay. We are going to turn it over to staff to
15 give us a little background.

16
17 **MS. MUEHLSTEIN:** Are you ready to start us off, Assane? Are you
18 guys ready to do this?

19
20 **AP MEMBER:** (The question is not audible on the recording.)

21
22 **MS. MUEHLSTEIN:** No, we don't have a ton of those. Those were
23 actually for the staff members to look at. I don't know if --
24 Actually, Karen is going to have the questions up on the board.
25 There is probably a better background that I can give you. If
26 you guys want to see the specific questions we're going to ask,
27 I can maybe get some of those printed out for you, but let me
28 see what I can get for you, so you can anticipate what we're
29 going to do. I will do that while you're doing that.

30
31 **MS. STAUGLER:** Yes, and it's in the scope of work.

32
33 **OVERVIEW OF THE FOR-HIRE SECTOR**

34
35 **DR. STEPHEN:** What we did is prepared some background material,
36 to make sure we're all on the same page with what we're looking
37 through, and I'm going to start to go through that. The
38 background material, we're going to go over some of the key
39 issues that I think I've heard you guys talking about here
40 already. We're going to talk a little bit about permits,
41 landing distribution, some regional background, and passenger
42 capacity.

43
44 Let's just go over a little bit about permits. There are about
45 1,300 for-hire permits, and you guys know, with the way permits
46 go, this number kind of changes a little bit on a daily basis,
47 although we are under a limited access and we can't really
48 increase. Sixty-three of those permits, based on the date we

1 pulled the information, were headboat surveys, and I have just
2 kind of shown the distribution. The bulk of the permits exist
3 in the Florida area, with about 425 in the Peninsula and 274 in
4 the Panhandle. Then Texas has a fairly large number, with about
5 219.

6
7 We have talked a little bit about landings. This is the
8 timeframe from 2000 to 2015, and I just wanted to show you how
9 the charter, the headboat, and the private angler broke out and
10 how the total recreational landings have broken out. You guys
11 have probably seen this before, from the different amendments
12 for sector separation, and I just wanted to illustrate a few
13 points with this.

14
15 When we look at it and when I show you, there's been a lot of
16 discussion about the percentages, percentages of the overall
17 for-hire as well as the percentages of the private anglers, and
18 so I wanted to break that out and show you how we got to things,
19 so that we're not in confusion about some of the information
20 that was given out before.

21
22 On the left-hand side, in green, it shows the percentage of each
23 sector or sub-sector of the total recreational, and so you can
24 see -- I'm going to pick 2013 as an example here. The charter
25 boat had 12 percent of the entire recreational landings,
26 headboats had 4 percent, and private anglers had 84 percent.

27
28 When we look at just within the for-hire sector, which is the
29 blue-colored one on the right, we're looking at just what that
30 percentage is of both the charter and headboat combined, and so
31 not of the entire private anglers. Again, in 2013, we see 74
32 percent for charter and 26 percent for headboat. My main point
33 in this is that these percentages are of different total values,
34 and so it's not that 4 percent changed into 26 percent.

35
36 On this slide, I'm just going to show you how that worked out.
37 You can see that the 12 percent was the charter is about 1.1
38 million pounds out of the total recreational 9.7, versus, if
39 you're looking at the charter, it's 74 percent of the for-hire.
40 That's the 1.1 million pounds divided by the 1.1 from charter
41 plus the 414,000 from the headboat, and that's 74 percent. I am
42 going to stop here for a second and ask if there's any questions
43 about this.

44
45 **MR. ELLER:** I noticed that, on the very first chart that you
46 showed, the 2013 showed a nine-million-pound total catch, and it
47 was almost double every other year on the chart.

48

1 **DR. STEPHEN:** In that sense, I probably picked a not
2 representative year. What I was just picking at that point in
3 time was just a year for example.

4

5 **MR. ELLER:** Okay, and so you're just using 2013 as an example?

6

7 **DR. STEPHEN:** It's a pure example. When we do the percentages
8 that we've done for the sector separation and what was
9 considered in 41 and 42, it was taken to use that same time
10 series of years, and that time series was 1986 through 2003,
11 excluding 2010, plus 2003 through 2013, excluding 2010, because
12 of the Deepwater Horizon event. This is one year, to show you
13 an example, to keep the math easy, but, overall, we look at a
14 large time series, and so it would never be based on one year.

15

16 **MR. ELLER:** So I'm assuming we're all agreeing that it's
17 accurate, that in 2013 the catch was almost double of what it
18 was in all the other previous years? If you go back and look at
19 that chart, that number is way higher in 2013, nine-million
20 pounds.

21

22 **DR. STEPHEN:** Can we go back one slide? One more.

23

24 **MR. ELLER:** Yes, and see that? In 2013, the total catch is --

25

26 **DR. STEPHEN:** If you look at that, it's where the private
27 anglers were contributing the majority of that to that.

28

29 **MR. BOGGS:** Is that when the MRIP data came in?

30

31 **DR. STEPHEN:** Yes, these are the most updated numbers we had at
32 the time I pulled it.

33

34 **MR. BOGGS:** Mike, that's when the MRIP came in, and that's when
35 Bonnie and the Science Center did the recalibration workshop.
36 Under the recalibration workshop, almost 18 percent more fish --
37 Under the previous way that they sampled the fish, there was no
38 landings counted after 2:00 P.M. When the MRIP came in, then it
39 counted the fish landed after 2:00 P.M. on the private boats.
40 That's why you see that big jump.

41

42 **MR. CANTRELL:** If that was the case, then the rest of them would
43 have been recalibrated as well, rather than just that one
44 number, because you're looking at it, and they more than doubled
45 over one year, while the charter boats stayed the same. Then,
46 the following year, the charter boats got 30 percent, while they
47 caught three-million. That eight-million is an outlier,
48 regardless, and we need some more information on that.

1
2 **DR. STEPHEN:** If, down the road, when we decide time series, if
3 that's an outlier year that you guys feel should be thrown out
4 for some reason, that can come into play as we talk about it.
5 My main point here was just to illustrate how we got to
6 percentages for the different sectors, in that a 12 percent to a
7 74 percent or vice versa, but they were percentages of different
8 things. Any other questions on this?

9
10 If we go forward a couple of slides, the other thing we've done
11 for, and this was done for Amendment 41, is we looked at how red
12 snapper, in particular in the charter side of the fleet, was
13 distributed against different regions, and this is just showing
14 the different percentages for the different regions and what
15 we've had. These are going to be here more for your reference
16 later on, when you want to look at things.

17
18 Here is what I was talking about with the time series of years.
19 These were the time series of years that we had in Amendment 41
20 for the charter fleet, and I just wanted to re-illustrate what
21 they are. You will see the first two are the lines where we
22 were looking at the longer time series. 2003 to 2013 was one of
23 the suggestions, just by itself, for a model, and the first two
24 lines were used in what we call the kind of 50/50 model, where
25 we took 50 percent from the longer time series and 50 percent
26 from the shorter time series to get to some values. This all
27 should have been something you've seen in Amendment 41.

28
29 Passenger capacity has been a big point of discussion, and so,
30 to reiterate, we've got a couple of different types of passenger
31 capacity to think about. On the for-hire permits, we have what
32 we call a baseline permit passenger capacity that's been
33 established. That passenger capacity does not change. It stays
34 with the permit.

35
36 Then, of course, every vessel has a passenger capacity based on
37 their COI. Again, that typically doesn't change for the vessel.
38 What does change is the permit and the vessel combination, and,
39 by regulations, for fishing in the for-hire fleet, you're
40 restricted to the lesser of the two values.

41
42 For example, if you had a baseline passenger capacity with
43 fifteen, but your vessel held six for your COI, you could only
44 fish six. In reverse, if your baseline was six, even though
45 your boat could carry fifteen, you're still restricted to the
46 lesser of the two, which would be six.

47
48 We looked at the different kinds of baseline-to-vessel

1 equations, how many of them are exactly the same. Out of all of
2 our vessels, the baseline permit and the vessel permit matched
3 up on the bulk of them, that 1,140 vessels. There are a few,
4 152, where the baseline permit was higher than the vessel. For
5 twenty vessels, the baseline was less than the vessel.

6
7 Now, these numbers change as permits and vessels change up and
8 the different permits are attached to a different vessel, and
9 this is typically what we've seen, looking at different
10 iterations, that the bulk of them match up to each other.

11
12 I just kind of wanted to give you guys a graph of kind of what
13 the cumulative baseline passenger capacities are. 81 percent of
14 the vessels in the for-hire fleet have a passenger baseline
15 capacity of six or less than six, and so the bulk of these
16 vessels are really six-pack vessels. When we get up to 90
17 percent of the vessels have less than twenty-nine, less than or
18 equal to twenty-nine passengers, and, when we get up to 95
19 percent of them are fifty-four or less, and so there is just a
20 small percentage of vessels that have a really high passenger
21 capacity. I am going to stop here for a second and ask if there
22 are questions on the passenger capacities. Okay. Assane, are
23 you doing this one?

24
25 **DR. DIAGNE:** Yes, I will do this one.

26
27 **DR. STEPHEN:** Sounds good.

28
29 **SUMMARY OF CURRENT REEF FISH AMENDMENTS 41 AND 42**

30
31 **DR. DIAGNE:** Thank you very much. I will just cover, very
32 quickly, what I call an overview of Amendments 41 and 42, as
33 they stand right now, and, as I mentioned, before we go to a
34 break and start tackling the decisions that you guys will have
35 to consider.

36
37 Essentially, here on this slide, we looked at the main points of
38 difference, if you would, between these two amendments. At the
39 core, the similarity is that both of these potential management
40 actions consider the establishment of allocation-based
41 management programs within the for-hire sector, but they differ
42 when it comes to the participation, the scope, and where they
43 are in terms of the status, in terms of the timeline.

44
45 One thing, perhaps, that we can add here is they also differ, by
46 design, in their approach to individual allocations. What I
47 mean by that is, in terms of participation, Amendment 42 would
48 be limited, of course, to what we called landings history

1 vessels. As you recall, those would be headboat vessels that
2 have catch histories by the control date, and the control date
3 the council did pick was December 31, 2015, and having catch
4 histories recorded by the Southeast Survey. Those would be the
5 participants in 42.

6

7 **MR. WALKER:** Just on that issue, how many headboat permits are
8 outside the Beaufort landings?

9

10 **DR. DIAGNE:** I am not sure right now. Jessica, do you recall?

11

12 **DR. STEPHEN:** By headboat vessels outside, do you mean ones that
13 have greater than a certain passenger capacity? I think that's
14 part of our problem here, is the headboat definition changes in
15 different ways.

16

17 **MR. WALKER:** I know that we're talking a lot about latent
18 permits in the headboat, and I'm just trying to -- Is there a
19 hundred or is there twelve? I couldn't find that information, I
20 guess because there is not an exact definition of headboat.

21

22 **DR. STEPHEN:** Within those that have been selected for the
23 headboat survey program, they either have to report or do a no-
24 fishing report, and different vessels, depending --

25

26 **MR. WALKER:** By size of the permit, like passenger capacity.

27

28 **DR. STEPHEN:** How many are latent?

29

30 **MR. WALKER:** How many are outside of the sixty-six that have
31 been reporting?

32

33 **MR. BOGGS:** Pick the number of passengers, like forty-nine and
34 above, and how many are not in the --

35

36 **DR. STEPHEN:** How many are not in it? I can look that up and
37 have that after the break.

38

39 **MR. BOGGS:** There is only maybe twenty-five or thirty permits in
40 the entire Gulf, going by memory, that are that large, but, by
41 definition of Amendment 42, the headboat had to be participating
42 in Beaufort, but what you're asking is how many boats have a COI
43 above forty-nine passengers that are not participating in
44 Beaufort.

45

46 **DR. DIAGNE:** Yes, we can look back at the number and the slides
47 that Jessica talked about in passenger capacity, but, just a
48 quick read here, 90 percent of the vessels have a passenger

1 capacity equal or less than twenty-nine, but we can go into the
2 spreadsheet and count the exact number that you are looking for.
3
4 Of course, in Amendment 41, because in the Gulf of Mexico we
5 have one for-hire reef fish permit, as you know, everybody else
6 that wouldn't meet this definition that we just offered would
7 then, by default, be in Amendment 41.
8
9 There is also, I guess, a major difference when it comes to the
10 scope of these two potential actions. As you recall, in
11 Amendment 42, the scope that the council did select actually as
12 a preferred alternative was to include the five major reef fish
13 species. By major, I mean red snapper, red grouper, gag,
14 greater amberjack, and gray triggerfish. To this date,
15 Amendment 41, its scope is red snapper.
16
17 Another difference, I guess, that we can highlight is although
18 both amendments are at the stage of revised drafts, you can
19 remember that, during the last council meeting, the council
20 initiated, or at least started, looking at eligibility
21 requirements for referendum purposes, but it was at least on the
22 agenda, and let's put it that way, but that decision was not
23 made, and I guess that's part of the reason why we are meeting
24 here as a group.
25
26 The final thing that I will highlight is that, by design,
27 because, of course, these landings history vessels do have
28 individual catch histories, as recorded by the Southeast Survey,
29 individual apportionment would have been, or would be based, on
30 those catch histories. What years, et cetera, that remains to
31 be determined, but, on the charter side, if you would, or in
32 Amendment 41, proxies or instruments would have to be developed.
33 So far, some of those instruments and the consideration include
34 region of the Gulf and passenger capacity, using those different
35 weights, and a series of, I guess, approaches of equal
36 distribution, proportional, half and half, and so on and so
37 forth.
38
39 In a nutshell, that is where we are, and our purpose was not
40 really to get into the intricacies of each one of these
41 amendments and discussing PFQs versus IFQs, et cetera, et
42 cetera. Those discussions would happen at some later time, but
43 we just wanted to quickly highlight some of the similarities, if
44 you would, and the main differences to keep in mind as you guys
45 discuss the decisions that you would like to recommend to the
46 council going forward. I am going to stop here. If there are
47 questions, we will try to answer them. If not, I guess maybe
48 Emily would have an announcement to make before we go to break.

1 Mr. Williams.

2
3 **MR. WILLIAMS:** I have a question for you, Assane. Over here,
4 where we're talking about Amendment 42 and Amendment 41, when
5 we're talking about Amendment 42, these vessels that have catch
6 history, let me ask you a question. Isn't it true that when you
7 apply for a permit that there is a little box there that you
8 check of is this vessel more likely considered -- Would you
9 consider this vessel a partyboat or a charter boat? The
10 applicant checks one or the other, and is that not correct?

11
12 **DR. DIAGNE:** Yes, that is correct.

13
14 **MR. WILLIAMS:** Do we know, or can we identify how many of these
15 folks that have these -- We will just call them mega-permits,
16 but they may have a 149-passenger permit on a charter boat, and
17 do we know how many of these folks checked the box for
18 partyboats?

19
20 **DR. DIAGNE:** I will let Jessica answer that, but we have to keep
21 in mind that it is possible that some folks didn't check
22 anything in the first place, but I will let her talk about that.

23
24 **DR. STEPHEN:** I'll kind of reiterate Assane's point. That's
25 probably not one of the things that will get your permit
26 returned to you if it's not checked, and so there's probably a
27 little wiggle room on what people have checked in the past, if
28 they haven't updated it, but, yes, we can do those numbers. I
29 have not pulled them. I can get someone probably to pull them
30 for us by tomorrow, at the latest.

31
32 **MR. WILLIAMS:** I certainly agree with Mike Nugent. I mean, if
33 we have folks in there that are in 41 that are not fishing, but
34 they checked headboat on the permit, I think they should be
35 included in 42 and have zero landings for those years. If we
36 can identify some of those, we could get rid of one of the
37 problems that we have in this system, and that's why I was just
38 curious if staff could identify how many of these boats that are
39 what we'll call mega-permit boats.

40
41 I know there is a couple in my area that are crew boats that
42 never have caught a fish in the for-hire sector that have
43 permits for 149 people. People like myself, that's been in this
44 industry since day one, and have been involved in the council
45 since 1989 and have been fishing this entire duration, we depend
46 on these fish to provide a living for our families and
47 everything. We shouldn't be held up because we have people that
48 have these permits that didn't contribute to our catch.

1
2 I mean, everything is being divided, the catch of the industry,
3 and, if somebody hasn't participated in the industry, they
4 shouldn't participate in the divvying up of the fish. I think,
5 if we have people that are identified as partyboats, that they
6 should go in 42, if they have any catch history or not.

7
8 **DR. STEPHEN:** I just want to make sure that I got what you said
9 correct. What you would like is for us to look at those who
10 self-identified as a headboat and have a very high passenger
11 capacity and if they did not have landings in the survey that
12 you would --

13
14 **MR. WILLIAMS:** Specifically the ones with the high capacity, but
15 it could be one with forty-eight people or something too that
16 identifies as a partyboat, but doesn't have any landings. I
17 think they should go in 42 instead of 41.

18
19 I am not saying that -- The panel may not desire that, but it
20 would be nice if we could identify -- The six-passenger boats,
21 you know it's not -- If they checked partyboat, you know that
22 was a mistake or something like that, but if they have -- If
23 it's a multi-passenger charter boat and they checked partyboat
24 instead of charter boat, I think we should put those people in
25 42 and give them zero, if they don't have any data for those
26 years.

27
28 **DR. STEPHEN:** Okay. What we will do is we look for those
29 numbers and see if we can get those back for the discussion.

30
31 **MR. WILLIAMS:** If you could identify that, it might help the
32 panel make a recommendation to that effect. Thank you.

33
34 **MR. KELLEY:** Just for clarity on my part, first off, we're
35 defining a headboat as a boat that's in the Beaufort program,
36 correct?

37
38 **DR. STEPHEN:** Correct.

39
40 **MR. KELLEY:** That is what constitutes making them a headboat.
41 Is this program a voluntary program or is it a mandated program?

42
43 **DR. STEPHEN:** I believe it's mandated. If you are selected by
44 the program for participation, you must participate, and they
45 have gone by and looked at passenger capacity and how you charge
46 per trip. If you charge by head per trip and have the higher
47 passenger capacity, you would become selected.

48

1 **MR. KELLEY:** How long has that been in process?
2

3 **DR. STEPHEN:** The headboat survey has been in place since I
4 believe in the 1970s. I'm not sure of the exact date, and I can
5 look it up. It's been there for a long time.
6

7 **MR. WILLIAMS:** Being involved in this, like I say, for such a
8 long period of time, I've got a little insight into this. In
9 Amendment 1, prior to Amendment 1, I was filling out these
10 surveys on a voluntary basis.
11

12 The event of Amendment 1 required us to only be able to maintain
13 seven red snapper per person, and I had a little heartburn about
14 that. I thought it was going to put us out of business and
15 everything, but it was the best thing that ever happened to us,
16 but, anyway, one of the statements in Amendment 1 was that the
17 headboats that were selected to report were required to report.
18

19 The gentleman that came by to pick up my reports in 1990, after
20 Amendment 1 went into place, who is a friend of mine, and his
21 name is Robert Ross. He came by and he said, I'm here to get
22 your reports. I said, what report? Then he said, you know, the
23 reports that I pick up every month from you, and I said, well,
24 I'm not required to do it, and he said, if you look over here in
25 Amendment 1, it says those headboats that are required to report
26 have to report, the ones that are selected.
27

28 I said that nobody advised me that I was selected, and so I'm
29 not turning them in. I had them, but I was just being a little
30 obstinate, which occasionally happens to me, and so, about two
31 weeks later, we got a letter in the mail that said that all
32 headboats were selected to report, and so it didn't have
33 anything to do with the number of passengers at that time.
34

35 It was all headboats were. If you considered yourself a
36 headboat, you were supposed to report, but I guess if you didn't
37 catch anything that I guess you didn't report anything. That's
38 why I was trying to say that, if we could identify the headboats
39 that have no landings, we could maybe take away some of the
40 burden from the charter boat folks. Thank you.
41

42 **AP MEMBER:** Emily, I've got a quick question, if I can get it in
43 there. Of course, I didn't pay a whole lot of attention to
44 Beaufort and the headboat survey, because I don't operate a
45 headboat and so forth, but, when it came into existence and when
46 it was done, what was the purpose for it? What was the goal
47 that they were looking to do with that? What was it?
48

1 **DR. STEPHEN:** I would probably say the goals have changed over
2 time from when they were initially collecting the reports. I
3 would have to go back to look what the original goal was at the
4 time. They look at catch and effort, and the information
5 supplied helps out stock assessments and information like that.
6 Originally, they had headboats that weren't necessarily always
7 federal boats in it. There is actually currently a boat in
8 there that's not federal, and so it's not part of this
9 discussion, but we can double-check. 42 has a fairly lengthy
10 discussion, I believe, of the headboat survey program. If not,
11 we can find that information out and get it to you.

12
13 **AP MEMBER:** But it would be safe to say that when Beaufort went
14 in, whether it was voluntary and then later other boats got
15 brought into it or whatever, but it can be safe to say that it
16 was never intended to be done for allocation purposes.

17
18 **DR. STEPHEN:** No, that was not the intention of that at all. It
19 was a way of collecting landings history, but it was not ever
20 intended in order to go forward with a catch share program,
21 similar to commercial logbooks weren't put in place in order to
22 go forward with a catch share program on that end, but it is a
23 tool that can be used when you go forward with catch share
24 programs.

25
26 **MS. MUEHLSTEIN:** I think, at this point, thank you. You will
27 notice that I have given everybody sort of our facilitator list
28 of questions, and so one of the cool things that I'm seeing
29 happening is a lot of the concerns that we heard at the very
30 beginning of this morning and then, as you guys were asking
31 questions, things about how we can define a headboat and things
32 like that are all topics that we're going to be able to sort of
33 discuss.

34
35 You know where we are now. They just presented what we have and
36 where we've been with 41 and 42. Like I said, sort of, if
37 that's where we end up moving, we can sort of continue to move
38 in that direction, but today is our opportunity to bring up
39 these things like how we've defined a headboat in 41 or 42, and
40 we're going to have that opportunity to maybe rearrange that in
41 a way that makes everybody comfortable, if that's not something
42 that we're already comfortable with, and so I'm kind of liking
43 the direction of where things are going, and I hope everybody is
44 kind of there with me.

45
46 We're going to take a quick, fifteen-minute break. When we come
47 back, just so you guys know where we're at, our next thing is
48 we're going to start on this questionnaire, and we're going to

1 try and go through sort of these questions in chunks. Our first
2 chunk of questions is going to be answering Questions 1 through
3 3. Naturally, we're going to start with Question 1 when we get
4 back from break. With that, Assane is going to come back after
5 the break and give us some background on Questions 1 through 3.
6 Then we are going to go ahead and sort of try and work through
7 those. We will see you in fifteen minutes.

8

9 (Whereupon, a brief recess was taken.)

10

11 **MS. MUEHLSTEIN:** We will move on to the most important topic of
12 the day, which is we've had a couple of questions about the
13 lunch situation and how that's going to work. Theoretically,
14 what we're going to do is we're going to try and find a natural
15 break somewhere between 12:00 and 12:30. Then we're going to
16 try and have about an hour-and-a-half to go have lunch
17 independently and hang out and then come back. Tell your
18 tummies sometime between 12:00 and 12:30 to come up with a
19 natural break in conversation to allow for that to happen.

20

21 The second most important thing today is football, and we will
22 definitely be done in time for you to go watch that. Thank you
23 guys for sort of walking through that with us this morning. I
24 know it was sort of a long way to set the stage to actually get
25 to the conversation, but the exciting thing is now it's time for
26 the conversation.

27

28 As we walk through, and I did give you guys those questions, and
29 what we're going to do is we're going to start trying to answer
30 those questions in sequence, but don't be fooled into thinking
31 that all of the issues are going to sort of show up in sequence.
32 I know that your answer to Question 1 might be dependent on your
33 answer to Question 7, and that's okay, and that's part of the
34 process.

35

36 What we're going to do, throughout the course of the next day-
37 and-a-half, is walk through these questions in sequence,
38 reserving the right to back up at any time that we need to.
39 Before this meeting is over, at the very end of the meeting, we
40 are going to conclude by walking back through everything
41 entirely, and so, just sort of for the purpose of flow, those
42 questions are in sequence, but understand that we totally
43 recognize that your answers to any of those first couple of
44 questions could be completely dependent upon whatever the answer
45 to the last question is, and that's okay and that's something
46 that we should be noting out loud as we start to move forward
47 with these questions.

48

1 With that said, these two lovely folks are going to give us the
2 background information that we're going to need to start looking
3 into Questions 1 through 3.

4
5 **DECISIONS ON FOR-HIRE MANAGEMENT PROGRAMS**
6

7 **DR. DIAGNE:** Thank you very much, Emily. For this part of the
8 discussion, we are going to try to highlight some of the key
9 decision points and some of the issues that you guys will have
10 to decide and provide recommendations.

11
12 Essentially, here, we have two parts, types of management and
13 the timing and number of the programs to be considered, what
14 species to include, and Part 2, which will deal with additional
15 issues.

16
17 The very point decision point, perhaps, that could be considered
18 is to look at where we are right now, meaning we are under what
19 we call traditional management. We are still managed -- By we,
20 I guess I temporarily include myself in the for-hire sector, I
21 guess. The for-hire sector is still managed using traditional
22 methods. By that, we mean seasons, bag limits, and so on and so
23 forth.

24
25 Fundamentally, 41 and 42, or whatever amendment comes forward,
26 the conclusion of these may consider allocation-based systems.
27 One of the decision points would be should we stick with
28 traditional management measures and perhaps have split seasons,
29 different bag limits, and so on and so forth, or explore
30 allocation-based management systems. The third bullet, of
31 course, leaves room for other things we may not have had a
32 chance to consider, which you guys would bring up, if need be.

33
34 Another one of the decision points to be discussed would have to
35 do with the timing and the number of programs to be designed.
36 Obviously right now, if we were to just consider with where we
37 are, we would have separate programs, I mean so far 41 and 42,
38 but there is room, of course, for you to consider a single
39 program under provisions that you would establish and recommend
40 to the council and essentially a variety of conditions.

41
42 Again, we could proceed with a single amendment, and that one
43 would then put everybody in, and the initial apportionment would
44 presumably be based on some of those proxies or instruments that
45 we highlighted earlier, meaning passenger capacity, region of
46 the Gulf where one fishes, et cetera.

47
48 Something that was discussed around the table this morning had

1 to do with the importance of the data, the landings history for
2 all of the vessels, and so one of the alternatives that you may
3 consider would be to say let's just wait until we have solid and
4 functioning data collection programs. After a few years, look
5 at everyone's landings history and take it from there. That is
6 an option. Again, we still give ourselves, I guess, some
7 latitude to include other considerations that you may identify
8 during this discussion.

9
10 This is the first part of our flow chart, the flow chart that we
11 put together, looking at the different decision points, some of
12 which we are discussing right now. In terms of management
13 decisions, we could stay on the blue course. By blue, we mean
14 the current path that we are pursuing, and that would be go and
15 implement some type of allocation-based program and further
16 proceed with the development of two separate programs. That is
17 the blue path that would lead to 41 and 42.

18
19 Here, we have the opportunity to consider, potentially, the
20 implementation of a single program or to stick with traditional
21 approaches and recommend changes to bag limits, size limits,
22 seasonal closures and so forth.

23
24 The dates that we have here are tentative, really. They are
25 ballpark estimates. For example, if one wanted to implement a
26 framework action to change bag limits and size limits and so
27 forth, that could be done via a framework action, something
28 fairly simple, and one could consider an implementation
29 somewhere around 2018.

30
31 If we wanted to wait until we have e-reporting and have everyone
32 have a chance to develop a catch history, obviously that would
33 take longer, and we could potentially look at implementation
34 around let's say 2022, if we are using the landings, the catch
35 histories, as the basis for initial apportionment. At the
36 earliest, it would be by 2020, if we are essentially identifying
37 the vessels harvesting red snapper, for example. Again, the
38 blue path is the path that we are on currently, and we have
39 alternative approaches highlighted here. I think I should --

40
41 **MS. MUEHLSTEIN:** Can I interrupt you for a minute?

42
43 **DR. DIAGNE:** Yes, please.

44
45 **MS. MUEHLSTEIN:** Just to sort of keep you in track with this
46 sequence of questions that we're going to be asking, and it's
47 sort of relative to what we're looking at here, Question 1,
48 which deals with which sort of management approach we're going

1 to use, is this first set of arrows. We have to decide which
2 path we want to take in Question 1.

3
4 Question 2 is dealing with the timing ideas, and that's also
5 sort of the idea of dealing with whether or not we're going to
6 wait for that electronic reporting or not. Then Question 3,
7 which then we're going to address, is going to be right here. I
8 just want to sort of keep you guys understanding sort of where
9 we're headed when we're asking these questions and how it
10 relates to the flow.

11
12 **DR. DIAGNE:** Thank you, Emily. Here, we have initial
13 information, if you would, that could help us start the
14 discussion and put out ideas to be able to contribute to
15 answering Questions 1 through 3.

16
17 If we wanted to perhaps begin to consider the potential scope of
18 these amendments or this amendment, however the case may be in
19 the future, one of the issues to be addressed would have to do
20 with the species to be included in those management instruments.
21 Would this be for red snapper? Would this be for the five major
22 species that have commercial and recreational allocation, which
23 are the five species included in Amendment 42, which are red
24 snapper, red grouper, gag, greater amberjack, and gray
25 triggerfish. That is also a decision point, if you would, or an
26 issue that, as a group, you guys will have to discuss.

27
28 Here it comes again, meaning our flow chart, but, this time, we
29 have added additional decision points. You see now that the
30 scope, meaning the species to be considered, has been included.
31 That is the box over there, and, finally, we can stay on the
32 blue course, quote, unquote, and the landing history vessels,
33 meaning those vessels that have reported landings and have catch
34 histories via the Southeast survey, and also the charter
35 vessels, meaning everybody else with a federal for-hire reef
36 fish permit. These are the paths, if you would, that we are
37 pursuing so far with 41 and 42, or 42 and 41, respectively.

38
39 The other decision point here, if one does not look at the
40 separate programs, would be to implement a single program. Of
41 course then, that would be applicable to all federally-permitted
42 for-hire vessels, reef fish that is.

43
44 Now the question comes of how would individual allocations be
45 made. Here again, we would have to look at the proxies that we
46 talked about, and those include passenger capacity, region of
47 the Gulf where one fishes, and any other instruments that you
48 may want to consider while developing this amendment. The

1 tentative dates would be, presumably, at the earliest, 2018.
2 These are really rough estimates.

3
4 This highlights the first set, if you would, of decision points
5 that we are offering for you to consider, and maybe I will stop
6 here, we will stop here, and turn it over to Emily, and then we
7 will pick it back up.

8
9 **MS. MUEHLSTEIN:** You guys will be available back there if we
10 have any questions that we have as we're trying to work through
11 this stuff, right?

12
13 **DR. DIAGNE:** Absolutely. Thank you.

14
15 **MR. BRYANT:** We have a lot of the council members here. We're
16 looking at on into the future. As background into making
17 decisions, extending this into the future, what are the
18 ramifications of this following a -- Is there anything that we
19 need to know about going forward, based on timelines, that would
20 cause this not to happen? Is there any information that we need
21 on that? Is there the likelihood that this amendment falls
22 apart or doesn't have support by making it longer? I am just
23 asking if there's any time-based ramifications that we need to
24 consider.

25
26 **DR. DIAGNE:** I think maybe that question is for council members.
27 I guess we have several of them in the room, and perhaps they
28 would like to address that.

29
30 **MR. JOHN SANCHEZ:** The appointment process is precarious.

31
32 **DR. DIAGNE:** Let me turn it back to Emily.

33
34 **DR. ROY CRABTREE:** Let me say one thing. You guys have all been
35 at council meetings a lot, and you know the council is pretty
36 divided on things. If the constituents are divided and fighting
37 amongst themselves over things, then I think that, yes, there's
38 a chance that it could fall apart. It's always easier to get
39 something done if we can come to some kind of agreement on it.
40 Who knows who is going to be on the council?

41
42 We've got a new administration coming in, and we don't know who
43 is going to be in charge of the Fisheries Service or NOAA.
44 Council appointments will come in and things may change. It's
45 hard to predict.

46
47 **MS. MUEHLSTEIN:** But our success can only be bolstered by
48 bringing it in the spring.

1
2 **MR. JARVIS:** I would just like to comment to that, Gary. Apart
3 from the sunset provision in 2022, that could be considered a
4 time restraint, but I just want to remind everybody that the end
5 result is so critical, for what we end up and what we pass on to
6 the next generation of fishermen and saltwater public anglers
7 that uses this industry to access the fishery.

8
9 It took eleven years for the commercial industry to get their
10 IFQ program. It took us eight years and some months to get
11 sector separation, Amendment 40, passed. I know there's people
12 that think that certain things can be ramrodded through the
13 council process in a set deadline or timeline, but I just want
14 to -- After being a veteran of these wars, I think the end
15 result is going to be more important than how fast we get it
16 done.

17
18 **MR. NUGENT:** I've got two questions regarding Question 1 and 2.
19 I think the first one would be for Jessica, I think. Do you
20 have the means to give us a rough hypothetical of, with the
21 current traditional season that we're under right now, versus
22 the proposed rights management or allocation or whatever we're
23 calling it -- In other words, could you take a hypothetical six-
24 passenger boat and a hypothetical multi-passenger boat and show
25 what the catch can be under the system we're doing now versus
26 the system we're talking about implementing?

27
28 **DR. STEPHEN:** Under the system you guys are under now, it's the
29 traditional bag limits and seasons, and you have the for-hire
30 sector that has its own number of days. Of course, depending on
31 other results that could come down -- Those amount of days, we
32 determine every year.

33
34 With that, and not knowing what landings are for your six-packs,
35 and I do have landings for headboats, I can't do a comparison
36 there. Now, when we look into the different ideas of the kind
37 of allocation-based programs, I've got decision tools that we'll
38 probably show at the end of the day that will give you an idea
39 of what could be allocated to someone under different scenarios.

40
41 **MR. NUGENT:** As usual, what I was trying to ask didn't come out
42 like it should have, but I didn't mean to compare them, the six-
43 pack to the headboat. I am saying staying completely within the
44 charter fleet right now and don't even count the headboat, and
45 you could give it -- I mean, I think everybody could agree that
46 you don't have to be Captain Magic to catch a limit on your six-
47 pack charter vessel during snapper season.

1 By assigning a value, and I don't care how many days or how many
2 numbers, and just show us, okay, if a six-pack boat caught this
3 number of snapper during the current season, so we could look at
4 a comparison of what this six-pack boat would be able to catch
5 under some of those proposals that we've been looking at in the
6 AP, just to give us an idea of how many fish we can catch now
7 compared to how many fish we might be catching under the
8 allocation system. That's probably not any more clear than it
9 was the first time.

10
11 **DR. DIAGNE:** As Jessica mentioned, what we are going to provide,
12 by the end of the day, would be decision tools, and those are
13 available to you now anyway, via the FTP or on our website, that
14 will give you a ballpark estimate of what it is that a vessel, a
15 six-pack or a thirty-nine-passenger, et cetera, would be
16 allocated under a variety of scenarios.

17
18 Now, if it is a comparison, let's say one-to-one, obviously,
19 with a headboat vessel, we can do that, because we have the
20 landings histories to go with it, but to pick a six-pack and say
21 that this vessel is currently catching X, and under one of these
22 programs will catch Y, that would be difficult, because we do
23 not essentially have that catch history to rely on, but you guys
24 know what you catch, on average, and what we are going to do is
25 offer estimates for what you would be allocated under the
26 various scenarios. In the discussions, the numbers will come
27 out, and you will let us know that, well, on average, we catch X
28 and your estimate is too low or too high, as the case may be.

29
30 **MR. NUGENT:** Okay. I've got you now. My second question, under
31 the basic same thing, under 1 and 2, is, when you have headboats
32 and, as Jessica said, we know they're a headboat when they take
33 pay-per-person and they go out and do their thing and report to
34 Beaufort and come in, but what is the provisions or how do you
35 differentiate, because I would suggest that every headboat that
36 I know of take -- I don't know if it would be substantial, but
37 they take a number of private charter trips over the course of a
38 year.

39
40 Now, I assume that, when an oil company charters a boat, that
41 the captain is still going to do his Beaufort survey, but I
42 think we could agree that when you took the total headboat fleet
43 and, if we didn't try to account for the number of private
44 charters they ran over the course of a year, because those are
45 not headboat fish, if they took a private charter. I think we
46 can agree that would be a significant number of fish that are
47 basically charter boat fish being caught by a headboat. I think
48 it's something else that needs to be considered when we start

1 breaking these fish down. Thank you.

2
3 **DR. STEPHEN:** I just want to make sure that I'm understanding
4 that correctly. You're talking if a headboat in the survey is
5 not doing a headboat-styled trip and if they report their
6 landings, and I believe the answer is that they have to report
7 any trip, with the exceptions of dinner cruises where they're
8 not fishing and sometimes research cruises fall under a
9 different category, and so we know that that's being done for a
10 research purpose and not for a private angler or recreational-
11 type fishing.

12
13 **MR. NUGENT:** Yes, and that's my very point. I agree that
14 they're doing what they're supposed to do and they're reporting
15 them, but what I am saying is when is a headboat not a headboat?
16 If a headboat is accepting a charter and it's not a headboat
17 that day, because it's not taking individual fares from people,
18 if an oil company charters that complete headboat for the day,
19 to me, that particular day, that catch would have become a
20 charter boat catch over the course of when you're adding the
21 fish in, because the fish wasn't caught off of a headboat.

22
23 They were caught off of a charter boat, even though it was a big
24 charter boat. Do you understand what I'm saying? I just think
25 that's a significant number of fish. If it's going to become
26 that important down the line in differentiating, I think that's
27 something that is going to have to be looked at.

28
29 **DR. STEPHEN:** I think that's why we've designated, in Amendment
30 42, that they're vessels with landings history, recognizing that
31 they might not function as a headboat the whole time, but
32 they've always reported their landings.

33
34 I understand now that your point is that we're attributing to,
35 quote, the headboat sector something that might have been fished
36 in a different manner, but the difference between the two
37 amendments is that these have reported vessels and these vessels
38 did not.

39
40 **MS. ANDERSON:** I am wondering if Mike is trying to get at, when
41 all is said and done, as far as the divisions between headboats
42 and charter boats, you certainly used the headboat survey for
43 the percentages that you came up with, because that was a set
44 amount, and so that included any private charters these
45 headboats might have run. Those fish were allocated on the
46 headboat side, because they were used on the headboat side, and
47 so we weren't taking anything away from the charter boat side,
48 and is that correct?

1
2 **DR. STEPHEN:** I think so.

3
4 **DR. DIAGNE:** Yes, that's correct, but I think the point that has
5 been raised is critical, but it addresses something very
6 specific. What it tries to address is how is it that you are
7 going to divide let's say the resource between the two
8 subcomponents, should you decide to have two separate programs?

9
10 These considerations are more than welcome to be discussed and
11 put on the table when you guys are trying to answer that very
12 particular question, saying that, well, using the headboat
13 landings in total, as they are reported, may not be the most
14 accurate picture and we would like to recommend adjustments X,
15 Y, or Z, essentially, to address the concerns that Mr. Nugent
16 has raised.

17
18 **AP MEMBER:** Just one clarification, and you just touched on
19 that. Some of the numbers that I saw and information was the
20 split between for-hire and headboats was basically 72/28. In
21 this decision tool, is that said, or was that just something put
22 out there? Basically, if it's set, what they do has no effect
23 on the for-hire.

24
25 **DR. DIAGNE:** When we get to discuss the decision tool and when
26 Jessica goes over it, you will see that there are a variety of
27 alternative splits between the two groups. Essentially, your
28 discussions and the concerns that you are going to raise and
29 recommendations that you would make to the council would then
30 inform their decision making, if they decide to pursue this
31 course of action, but there is no split that is set in stone
32 right now between the two components.

33
34 **AP MEMBER:** The point I was getting at is, if it was set, what
35 they didn't wouldn't have any effect on us, and so it wouldn't
36 matter. That was all.

37
38 **MS. MUEHLSTEIN:** I think one of the things that we're getting
39 at, sort of as a whole here, is the concerns about how we are
40 going to define the headboat or how we're going to define the
41 charter component and then how we're going to look at allocating
42 those fish between the two.

43
44 Then I just want to remind you that we have gone down this road
45 on 41 and 42, but, today, part of our purpose is to be able to
46 take the opportunity to redefine those parameters so that
47 everybody is onboard. If there is something like the way that
48 the fish have been allocated so far in the path that we've been

1 down, or the way that the two fleets have been separated that is
2 a sticking point for you, that's the purpose of why we're moving
3 forward with this meeting of everybody together, rather than
4 maybe what we already have. We will take one more, and then
5 we'll actually move on to these questions. Pam, go ahead.
6

7 **MS. ANDERSON:** Okay. I think, just to the point that I made a
8 moment ago, that we could resolve part of this issue if it is
9 confirmed by the Gulf Council or the Science Center that the
10 headboat allocation that you're using in all of this is only the
11 headboat survey allocation, whatever the landings history was
12 for the headboat survey.
13

14 If that's the case, then it would be fair that the boats that
15 are in that are from the headboat survey only, but, if that's
16 not the case, then maybe we need to look at the overall
17 allocation together and see, well, maybe some of the headboats
18 that are operating in the charter boat side, where is that
19 allocation? Has that allocation been placed with the headboat
20 allocation or has it been placed with the charter boat
21 allocation? Then make that confirmation of which side they
22 should be on, if it's going to be separated.
23

24 I think that it has caused a lot of anxiety between the guys
25 that there is a gray area there, and they're talking about
26 whether or not it's going to affect their personal allocation,
27 and so we probably need to clarify it.
28

29 **DR. DIAGNE:** That's understood, and we will get an opportunity
30 to revisit these points and issues when specifically you
31 concentrate on Question Number 5. If we look at the question, I
32 believe the title is "How should we apportion the resource
33 between the two subcomponents?" Some of the issues that you
34 have highlighted, as well as other concerns, would be addressed
35 when we get there.
36

37 **MS. MUEHLSTEIN:** Okay. Are we ready to move?
38

39 **DR. DIAGNE:** I am ready. Thank you.
40

41 **MS. MUEHLSTEIN:** Okay. I think, again, and I think we knew that
42 this was going to happen, that it's really sort of hard to sort
43 of answer these questions in sequence, because, again, some of
44 the answers to the questions farther down the line are going to
45 help you feel more comfortable or determine your answer to these
46 first questions, and so we're going to try and just go through
47 this sequentially and start with Question 1.
48

1 **MS. STAUGLER:** Right, and keep in mind that we're going to look
2 at the pros and cons of each of these questions. We're going to
3 try to come up with some kind of consensus statement that we're
4 going to ask you to come up with.

5
6 We may have consensus, and we may move to Question 2. When we
7 get to Question 3, we may have to go back and revisit Question
8 1, and so that is absolutely perfectly acceptable. I see lots
9 of hands going up, and are these related to the questions?

10
11 **MR. CARPENTER:** Yes, and I've heard loosely, a couple of times
12 now, decision tools being mentioned, and one of the things that
13 took every bit of the oxygen out of the room at the charter
14 boat's last AP meeting was when they finally revealed that
15 spreadsheet that told us. You're asking questions about which
16 management style and so forth we're going to go, but, yet, we
17 don't have those decision tools.

18
19 I believe -- I've got my way of describing it, and I will
20 reserve it for here, but it sucked every bit of oxygen out of
21 the room when the charter boats realized that, uh oh, best case
22 scenario, I'm going to get what equates to twelve to eighteen
23 days under this scenario. I think it would help if we had those
24 decision tools before these questions are asked, something we
25 can study.

26
27 **DR. DIAGNE:** That's a very good point, and, again, the decision
28 tools are available to you. They are on the FTP site, and they
29 are on our website. We are going to discuss them today, and
30 something that Emily mentioned was that, even though we are
31 going through these questions kind of sequentially, before the
32 end of this meeting, or at any point in time, we are free to
33 back-track and go back to Question 1, because everything is
34 linked.

35
36 My supporting this or that approach may be conditional upon me
37 seeing how better or worse would I do under one of these
38 scenarios. Keeping that in mind, we go through the questions
39 and lay out of some of the issues and discuss the decision tools
40 under the various scenarios. If there are avenues in there that
41 are practicable and appealing to you guys as a group, that would
42 be the recommendations that you would forward to the council.

43
44 The decision tools, and I put that in plural, because we have
45 three of them. One is for the entire for-hire fleet, one is for
46 the headboat standalone, and one is for the charter standalone,
47 and so we would have the opportunity, really, to look at the
48 scenarios and different allocations between the two groups and

1 so forth. One last thing is we only had time to do this, of
2 course, for one species, and we picked red snapper. I'm sure
3 that everybody could have guessed that. Thank you.

4
5 **MS. MUEHLSTEIN:** Just to that point as well, Daryl, one of the
6 reasons that we've decided to sort of go through some of the
7 questions before we even get to the decision tools is the idea
8 that we're not coming up with a decision, but we want to list
9 sort of some of the benefits and drawbacks, in absence of you
10 knowing, individually, if you win or lose.

11
12 The idea is that there is a good rationale in either direction,
13 no matter what the individual effect is, and so what we wanted
14 to do was sort of go through these first ones and see if we can
15 -- It is available to you, but, rather than make it so that you
16 get to look at the beginning of where you want to sort of drive
17 the train, we're kind of trying to approach this piece-wise
18 before we even get to that, because we're just going to build a
19 rationale, in probably both directions here. Does that make
20 sense?

21
22 **MR. CARPENTER:** I just was unaware that it had been released.
23 We were told that you all wouldn't release that, and I was
24 unaware that it was there. Assane is saying it's on the
25 website.

26
27 **MS. MUEHLSTEIN:** Gary, do you have something before we move on?

28
29 **MR. JARVIS:** I'm ready to address Question Number 1, in order.

30
31 **MS. STAUGLER:** All right, and so let's move on to Question
32 Number 1. You guys have our questions, and you have our sub-
33 questions, and so let's address them in order, the first one, of
34 course, being that preferred management approach.

35
36 Right now, your status quo is traditional, and you guys have
37 been exploring, through Amendments 41 and 42, allocation. We
38 want to look at each of these approaches and identify benefits
39 and deal breakers, and so can we start with traditional?

40
41 **MR. JARVIS:** I would like to.

42
43 **MS. STAUGLER:** Okay. Go ahead with benefits.

44
45 **MR. JARVIS:** Question Number 1 is what is the preferred
46 management approach for the for-hire fleet, and I'm going to
47 break them down. This is pretty much the position of our entire
48 fleet. What is the benefit of traditional management? Right

1 now, it's basically only one, and that's equal access, based on
2 your bag and size limit each year.

3
4 What are the deal breakers for traditional management, and the
5 reason for 41 and 42 is that it's not good. We have no
6 triggerfish season this year, under the status quo system
7 management, and we might get two-and-a-half or three months out
8 of the amberjacks. In the past, red grouper has closed mid-
9 season. We had a nine-day red snapper season not too long ago,
10 and so the deal breakers for traditional management, as far as
11 the fishing industry, is closed seasons. That is the deal
12 breaker.

13
14 The benefit, in my mind, is equal access, but the deal breaker
15 is that it's not working for the industry with closed seasons.
16 The benefits of an allocation-based system would be that it
17 would preserve a level of access to the fishery annually, not
18 only for the operator, but for the American angling public.
19 That access would be depending on the health of the resource,
20 triggerfish and amberjacks, but there would be a secured level
21 of access.

22
23 I think what the deal breakers for using an allocation-based
24 system, and this is based on my participation in the AP process,
25 is a deal breaker would be an IFQ over a permit quota system in
26 the charter boats and intersector trade between the commercial
27 and the charter/for-hire industry, and so that's my answer to
28 Question Number 1, and I would just throw that out there and let
29 everybody start chewing on it.

30
31 **MS. STAUGLER:** Before we move on, I want to make sure that Karen
32 gets the benefits of the allocation, which was that secure level
33 of service.

34
35 **MS. MUEHLSTEIN:** Yes, and preserve access.

36
37 **MR. JARVIS:** It secures the level of access, not only for the
38 operator and the business owner, the permit holder, but it also
39 -- That access is secured for the American, non-boat-owning
40 public.

41
42 **MS. MUEHLSTEIN:** Thanks, Gary. Does anybody want to add to
43 that?

44
45 **MR. HUBBARD:** What brought us to the PFQs and the allocations
46 were we weren't happy with the fishery, with the current
47 management style, the closed seasons. As a charter/for-hire
48 sector, we need a year-round season. The biggest challenge, at

1 that time, was the science used to count the fish.

2
3 To this day, even the charter sector has run with challenges,
4 because of the triggerfish and the amberjack fishery. There has
5 already been measures implemented to combat that, with the
6 electronic logbooks moving forward, and so Mike had mentioned
7 having an idea of what the fishery would be now.

8
9 Just from a year ago, it would be changed dramatically if the
10 charter sector had the electronic logbooks and could manage that
11 fishery with them. It would eliminate the spike in the
12 amberjack landings last year that caused the closure of the
13 amberjacks, because it would be better data.

14
15 I am not all against the allocation-based fishery management.
16 What I am for is the simplest way to manage the fishery, and
17 using the traditional management measures with electronic
18 logbooks, getting some more solid science, the fishery is
19 obviously coming back. Granted, yes, we had a nine-day red
20 snapper season. That was horrible, but, since then, just the
21 small measures that have taken place, we have a forty-five-day
22 season. If we take the charter boats to that same electronic
23 logbook and getting better data, and the for-hire sector is
24 managed together, and we could have, conceivably, a year-round
25 fishery, meeting all of our needs in a very simple style of
26 management.

27
28 **MS. MUEHLSTEIN:** Okay. Just so I make sure that we're filing
29 these sort of thoughts in the right place, Karen, under the
30 benefits of traditional management, I think what I'm hearing is
31 that it's simple, straightforward and simple, and then I think,
32 under the deal breakers for using allocation-based management,
33 is you're mentioning sort of the quality of the data that we
34 have available to us at the moment. Does that seem right to
35 you?

36
37 **MR. HUBBARD:** It's not a deal breaker. I think it's a deal
38 enhancer. I think, currently, with the increased using of the
39 electronic logbooks, the traditional management style would, I
40 think, benefit. It would work really well, and so I should
41 speak in answering these questions a little bit better.

42
43 **MS. MUEHLSTEIN:** I'm just trying to sort of file them in the
44 right place. Sometimes it stops the flow, but --

45
46 **MS. STAUGLER:** Are we good? Okay. I saw Scott.

47
48 **MR. ROBSON:** Just let me add something here to this, and then I

1 know he has talked about what wouldn't be or what would be good
2 about the traditional management might be simpler, but one of my
3 concerns is the deal breaker of traditional management that
4 we've been bringing up is that we never know what the council
5 make-up is ever going to be in the future. We don't know what
6 the administration up there in Washington is going to be.

7
8 Now that we're experiencing a forty-four or forty-five or forty-
9 six-day season, that may not be somewhere down the road. Where
10 you do an allocation-based, you get an allocation and it's
11 basically locked in, as long as your quota remains the same or
12 goes up, and you don't lose these days because states might have
13 done something in creating longer seasons and so forth, and I
14 know, as a separate sector, we're kind of out of that, but we
15 never know what the future of administrations are going to be
16 like, and it just seems to me in the world that, when you've got
17 an allocation, as the future goes, hopefully it builds on
18 instead of it suddenly turns into where we lost.

19
20 We used to think that a hundred days was great. Then, the next
21 thing you know, we're looking at nine days, and so my point is
22 that you never know, when you're under traditional management
23 measures, what your future is going to be. Under an allocation,
24 you do. You then, as a business person, you can start making
25 business decisions based on this is -- I think we all will
26 probably feel like -- We probably all will come to a consensus
27 of we're all going to understand that you're probably not going
28 to get as many fish, multi-passenger or not, as what you're
29 receiving now under a forty-five-day season.

30
31 Like she said, we have to come to an agreement of what we can
32 live with and understand that at least we can live with it for
33 years on with no doubt that the following year that it could
34 suddenly change. You've locked in an allocation.

35
36 **MS. MUEHLSTEIN:** Some of those deal breakers or concerns with
37 traditional management is the uncertainty, whether that's driven
38 by the political side of things or by the scientific side of
39 things.

40
41 **MR. ROBSON:** Correct.

42
43 **MS. STAUGLER:** Charles and then Troy and then Pam.

44
45 **MR. PAPROCKI:** One of the negative things that I see in the
46 traditional is it's like derby fishing. What it has evolved to
47 is so many boats going out at the same time. I think it's tough
48 for the resource and the economics of it, because, in that short

1 period of time, whereas, if it was stretched over a longer
2 period of time, it would be better for the resource, year-long,
3 and a longer season also, because, instead of two fish, that
4 person could do one fish and double his season, if he had it,
5 and it would be better economically, like I say, because it's
6 stretched out not in just one short period there, but, when it
7 first starts the season, it's unbelievable, in probably a ten-
8 mile radius, of how many vessels are there.

9
10 I mean, you can't even find spots, and so it's creating -- I
11 don't know. I guess you all call it derby fishing, but it's a
12 rat race. It's a big race, is what it is. It's one big race,
13 whereas, if it was stretched out, I think it would be very much
14 more positive for the resource, the pressure of it on that
15 resource.

16
17 **MS. MUEHLSTEIN:** So a drawback being the social and economic
18 impacts of a derby fishery.

19
20 **MR. PAPROCKI:** Yes.

21
22 **MS. STAUGLER:** That's under traditional management?

23
24 **MR. PAPROCKI:** Under traditional, yes.

25
26 **MS. STAUGLER:** Then the benefits of allocation-based would be
27 that it's stretched out?

28
29 **MR. PAPROCKI:** It would extend the season. It would be less
30 pressure for the fish at one time in an area also, and the
31 economic parts, you've got X amount of days to do so many trips,
32 whereas, if you lengthened it and stretched it out, you could do
33 that many trips over a broader area of time and passengers also.

34
35 **MS. STAUGLER:** Okay. Karen, do you have that? Let's let Karen
36 catch up. She's got extend the season, and it would be better
37 for the fishery, less pressure on the fishery, and better
38 economically.

39
40 **MR. PAPROCKI:** I think better economically, because it's
41 stretched out over a longer period of time also.

42
43 **MS. STAUGLER:** Then, up under your deal breakers for
44 traditional, is that -- Can we just say derby fishing and
45 everybody knows what that means? Okay. Troy.

46
47 **MR. FRADY:** Under one of the benefits of traditional management,
48 there's about probably half of the people I know who are

1 concerned about leaving what they're already being managed by,
2 which is traditional management. There is this preconceived
3 notion that the forty-six days that we had this past year,
4 because we did not exceed our allocation, will continue to grow
5 and that we may get fifty days next year, and so there's this
6 preconceived notion that why should I do anything more strenuous
7 or that requires more work on myself, when I'm still going to
8 gain?

9
10 What's going to guarantee us forty-six days going forward? If
11 we do, what happens with the fish stock if it shows a negative
12 trend? What's the breaking point of what someone will accept?
13 Is it forty-six days? Is it fifty? What if it goes to twenty
14 days? Those are the concerns that I have of breaking free of
15 traditional management, in addition to what everybody else has
16 said. I am concerned, like everybody else, for the future, but
17 I want to know what's going to make me say that I'm done with
18 traditional management and I want to move forward into something
19 that's more predictable. Thank you.

20
21 **MS. STAUGLER:** Okay. So your deal breaker is the uncertainty,
22 but, your preconceived notion, would you say that's a benefit?

23
24 **MR. FRADY:** It's a false or an unknown preconceived notion.
25 It's an assumption that no one can actually put their finger on,
26 because we've seen what the stock assessment has said is going
27 to happen to the red snapper fishery in the next couple of
28 years. Knowing that that's coming, there are people out there
29 who are unaware of it and who are just willing to take that risk
30 of saying I'm fine being able to run two trips a day for forty-
31 six days.

32
33 I catch my 5,000 pounds of fish and I'm happy, because they've
34 already heard rumblings of what this proposed number may be. It
35 was going to be one-third of that or one-fourth of that, and so
36 they're already saying, well, if I can't catch my fish, I don't
37 want to move out of the norm and into something that is more
38 regulated that restricts my effort to fish.

39
40 **MS. MUEHLSTEIN:** Presumably, you're saying that some of the
41 folks who are okay with sticking with traditional management are
42 okay under the current forty-four or forty-six-day season.
43 However, there is a breaking point at which you think those
44 people might feel a little bit more motivated to try a different
45 program.

46
47 **MR. FRADY:** Yes, and those are decision-makers. For each
48 person, it may be different, but I've heard grumblings saying

1 that I will not take one fish less than what I'm already
2 catching now, when they've already heard the numbers that are
3 coming down from the agency.

4
5 Me personally, I am perfectly comfortable with forty-six, but
6 I'm also smart enough, as a businessman, to try to have some
7 kind of strategic plan in the future to help adjust my buffer of
8 what I can accept and what I can't live with in the future. I
9 just want to be able to slide into as simple, like Mark said, as
10 simple as it could be, with as few restrictions and regulations
11 as it has to be, but I want something that's adjustable and
12 that's flexible and will work now and work tomorrow and work for
13 the future generation of charter boat operators.

14
15 **MS. STAUGLER:** Okay. I've got Pam, Michael, and Gary.

16
17 **MS. ANDERSON:** Thank you. For the traditional, I am going to
18 mostly speak to that, because that is what I feel is best for
19 our customers. It offers more opportunities to fish, and, even
20 though you're in a set season, the seasons can change, and the
21 seasons should change, according to the way the fishery is
22 growing.

23
24 There should not be cuts in allocation. There should not be
25 cuts in days fishing in a growing fishery. Just, case in point,
26 and I don't know whether any of you remember Steve Southerland's
27 chart that Melissa gave to everybody, but, in 2000, the fishery
28 was showing thirty-million pounds of fish that were a two-pound
29 average. That is with a nine-million-pound allocation or ACL.

30
31 That was wrong. It was overfishing. That's true. We all knew
32 that, but now we've got a fourteen-million-pound allocation, or
33 annual catch limit, with over 200 million pounds out there. In
34 all reality, that fishery is growing astronomically, and so
35 there should be more fish coming to the recreational community
36 and the commercial community, for that matter.

37
38 In days to come, because we have gone through this rebuilding
39 plan, and we should be rewarded for that, and so that is a -- It
40 should be a sure thing, because that's what we've done. Forty-
41 six days is not enough, and we shouldn't be settling for forty-
42 six days, but we're not going to get any more days if say we get
43 into a plan where the government can come in and say, like they
44 did in 2007 with the commercial fishery and all of us, they
45 said, oh, you have overfished, and so we're going to drop you
46 from 9.12 million pounds down to five or six million pounds.

47
48 Your allocation may be the same percentage, but it's not the

1 same number of fish, and it is going to hurt, and it's going to
2 put a lot of people out of business, and that is what happened
3 to the commercial industry. That is the reason why I stay
4 strongly for the traditional fishing.

5
6 Another thing I wanted to mention, and I put my hand up earlier
7 and you didn't catch it, but, in 2013, just for instance, one of
8 the things that we've pressed for since 2007 is better data, and
9 I still think that that's the thing to do. As far as the
10 charter boats, the charter boats were not in MRFSS, and that's
11 the reason why their system was in the Silver Spring Science
12 Center, and is that correct?

13
14 It's something that they were not handled by the Science Center
15 in Miami, like the headboats are, and so, at the time, and it's
16 been said all along in council meetings, that it was a difficult
17 thing to pull the charter boats out of that system, whatever it
18 was, data collection system, in Silver Spring, and it never
19 really truly was totally addressed, but the reasoning, at the
20 time, was that the data processing for such a large number of
21 boats would be onerous to the Southeast Science Center.

22
23 Now that we have the ongoing request for electronic monitoring
24 and electronic logbooks and all of this, that should change, and
25 that should be better, because that's going to be more accurate.
26 More accurate data is going to give us more fish, just in the 20
27 percent buffer. It's going to give us more fish, and more fish
28 will mean more days.

29
30 **MS. MUEHLSTEIN:** Can I back you up one, because I just want to
31 make sure that we capture the first point, before talking about
32 the monitoring and the fish. Am I right in understanding that
33 sort of what you're saying is that expanding and contracting the
34 seasons, when we're talking about traditional management, versus
35 manipulating sort of allocation, in order to respond to a
36 difference in a stock or a change in the stock health or a
37 growth of the stock, is a benefit of traditional management and
38 that sort of the season manipulation, rather than the allocation
39 manipulation, is a better way to respond to a stock rebuilding
40 or dipping?

41
42 **MS. ANDERSON:** Yes, and the reason I say that is because, with
43 the allocation-based, like the commercial, they can always
44 decrease the overall amount that every boat gets, and so, if you
45 think that you are not getting enough right now, just wait until
46 it drops 50 percent. You're not going to get anymore, and so
47 you need to remember that.

48

1 I mentioned that in 2013 -- I wanted to just throw this in
2 there, because it's a point that I wanted to make earlier. In
3 2013, the private angler harvest showed a tremendous number that
4 is really concerning, but it's possibly based on incorrect
5 number of participants, number one, and that is the reason why
6 we have advocated getting all of the states to get harvest data
7 from the private anglers, and they are doing that, and that is
8 going to help with that 20 percent buffer also.

9
10 Then I wondered, ever since I saw that, if it's based on the
11 average weight for that community, because it was only nine days
12 of the state fishing was in federal waters. The rest of it was
13 in state waters. Therefore, they would be smaller fish, and so
14 I think that that question needs to go maybe to the Science
15 Center.

16
17 **MS. STAUGLER:** Thank you. Michael.

18
19 **MR. ELLER:** It's supposed to be Mike, but that's okay. My mom
20 calls me Michael.

21
22 **MS. MUEHLSTEIN:** All right. Mike it is. Captain Eller.

23
24 **MR. ELLER:** Thanks. Can we move on to the consensus statement,
25 because I guess consensus means not everybody, but most
26 everybody, and it seems like, to me, from listening to
27 everybody, that the consensus statement is that the traditional
28 management is flawed and not working and that an allocation
29 based management system is where everybody wants to go.

30
31 Then you can add behind all of that, because of the data and all
32 of that, but it seems like, to me, listening to everybody in
33 this room, that traditional management is not working for the
34 vast majority of people and that an allocation-based system is
35 where most people want to go.

36
37 **MS. STAUGLER:** Okay. We have a consensus statement on the
38 floor, and, before we get to Gary and Chad, I just kind of want
39 to go around the room and see what that consensus is. Can you
40 kind of just, maybe by a show of hands, if you're in agreement
41 with that consensus statement? This is a non-binding kind of
42 thing.

43
44 I am going to say that we do not have overwhelmingly consensus.
45 It's the majority, but it's not the overwhelming majority, and
46 so I think we want to maybe talk about this a little bit more
47 and maybe tweak that consensus statement a little bit.

48

1 **MS. MUEHLSTEIN:** Is there somebody that didn't raise their hand
2 that can sort of speak to why this doesn't sort of sit with
3 where you're at, so maybe we can start to change it in a way
4 that will get you there?

5

6 **MS. STAUGLER:** We want to get Randy, because I don't see Randy
7 over there.

8

9 **MR. BOGGS:** I am going to take a stab at this, and my hand was
10 halfway up. I agree with exactly what you said. Nobody is
11 happy with what we're doing, and an allocation-based fishery is
12 where we're headed. I don't understand why an IFQ fishery,
13 which we've seen proven and we've seen it work and we know how
14 well the data collection in the IFQ system works.

15

16 Along with an IFQ system comes pride and ownership and
17 flexibility of the ability to fish when you need to, the ability
18 to move fish back and forth, and I don't have a feeling either
19 way on intersector trading, but I would be jumping up and down
20 and yelling for this perfectly as Mike had put it, but I just
21 don't understand why the IFQ is a negative in this, because the
22 IFQ is proven to work.

23

24 It works in every fishery across the nation. We've seen it in
25 the crab fishery, and we've seen it in every kind of fishery in
26 the world, and I don't understand why something that has worked
27 in all the other fisheries that we need to reinvent. That's the
28 only rub I had in this whole thing.

29

30 **MR. ELLER:** Do you agree with the consensus, basically?

31

32 **MR. BOGGS:** Yes, I do.

33

34 **MS. STAUGLER:** How about if we get somebody who doesn't agree to
35 consensus and tell us why you don't agree to consensus. Mike.

36

37 **MR. NUGENT:** Well, just to sum it up simply, if you're familiar
38 with the expression "pig in a poke", and that's why I asked a
39 while ago. I mean, it's all well and good to say that we want
40 to spread this out over the course of a year, but what if you
41 give me a handful of fish to spread out over the course of a
42 year, as opposed to forty days to catch fish, and they need to
43 be able to give us some examples.

44

45 That's why I was asking that question a while ago, and the other
46 thing is, as presently written, as Tom mentioned earlier, the
47 only way to divvy these fish up, if you do it by regional catch
48 history, then you can just go ahead and shoot Texas in the head,

1 because we're done. That's just the way it is, whether the data
2 was flawed a little or flawed a lot.

3
4 I don't know, but I have found it curious, since everybody has
5 hammered on the Texas data, that, back when we were in a quota
6 and when the data would come in, if it kept us fishing for a few
7 more days, I never heard anybody bitching and moaning about the
8 Texas data. Once it comes to where it's important for the
9 charter boat split, which I understand that it's pick-and-choose
10 stuff, but that's the two concerns that I have. As presently
11 constructed, the Texas charter boat fleet is going to
12 effectively have an arrow in the heart. Then the other thing is
13 show us what we get.

14
15 **MS. MUEHLSTEIN:** What I'm hearing is that you would potentially
16 be willing to look forward at an allocation-based system if we
17 found a way to address the regional sort of proxies that we
18 would be using, specifically in relation to Texas, and then also
19 you had a second point.

20
21 **MR. NUGENT:** Yes, and the second point is what my question was
22 earlier, is show us an example of how many. I mean, just take a
23 boat that fished thirty days during the season, a six-pack boat
24 or whatever, but, I mean, in other words, this stuff about trust
25 me, well, that don't go a long ways.

26
27 **MS. MUEHLSTEIN:** So let's try this. Maybe if we amend this
28 consensus statement so that what it says is that, as a group, we
29 are willing to look at the idea of allocation-based management
30 as long as we find a happy ground or a reasonable place to deal
31 with the regional differences and the individual landings as
32 well, before we sort of commit there.

33
34 We might be willing to play on the playground if it has these
35 things there, and it would be taking into account the regional
36 things and taking into account sort of what your individual
37 landings would look like or what your individual allocations
38 would look like.

39
40 **MS. STAUGLER:** Go for it, Gary.

41
42 **MR. BRYANT:** I was up next to talk, but one of the things that I
43 was going to mention was the consensus statement, and my stab at
44 the consensus statement was that the charter/for-hire fleet move
45 forward with allocation-based management using electronic
46 logbooks. That was what I was waiting to say.

47
48 **MS. STAUGLER:** Do we add that to the consensus statement that's

1 on the floor or is that a separate consensus statement?
2
3 **MR. BRYANT:** Well, that was just what I was -- That was my
4 version of the consensus statement that I was going to put out.
5
6 **MS. MUEHLSTEIN:** Okay. If we're going to look at allocation-
7 based programs, we need to consider electronic logbooks, we need
8 to consider the regional proxies that we might use for
9 allocation, and we need to consider what our individual
10 allocations would look like under whatever scenario we choose.
11 Okay. Karen, what we might want to do is almost start a new one
12 completely that says the AP is willing to consider allocation
13 and then those three factors being sort of our sticking points
14 here.
15
16 **MS. STAUGLER:** I want to give Karen just a little bit of time to
17 catch up before we completely confuse her.
18
19 **AP MEMBER:** (The comment is not audible on the recording.)
20
21 **MS. MUEHLSTEIN:** Okay. Then we will amend it again and again.
22
23 **MS. STAUGLER:** That's right.
24
25 **MS. MUEHLSTEIN:** We will make it more prominent in a moment, but
26 let's let her work through the details first. Then we'll bring
27 it up so that's the only thing on the screen, but we can kind of
28 refer back then to the things that we've already gone through.
29
30 **MS. STAUGLER:** Okay. We've got the AP is willing to consider an
31 allocation-based system if these factors are considered, and
32 that is that electronic logbooks is preferred, regional proxies
33 could be identified, and regional differences are taken into
34 account. Is that correct?
35
36 **MS. MUEHLSTEIN:** That's where we are so far, I think.
37
38 **AP MEMBER:** That was under charter boats, right, and not
39 headboats or what?
40
41 **MS. MUEHLSTEIN:** Okay. There we go. We will make this larger,
42 just the consensus statement we're working on, and let's start
43 sort of -- We're going to continue to amend this statement until
44 we have something that we're in with. Let's just do this in
45 order of hands. I don't know if we had a -- Did you have an
46 order in mind?
47
48 **MS. STAUGLER:** An order?

1
2 **MS. MUEHLSTEIN:** Yes, of people. I don't know who has been
3 raising their hand.
4
5 **MS. STAUGLER:** Yes, I know Ed has and Gary has and Shane. Ed,
6 Gary, Shane, and Daryl.
7
8 **AP MEMBER:** Can I follow-up real quick? Just to follow up real
9 quick, I am in favor of electronic logbooks. I've already seen
10 the regional stuff, and I'm not real pleased with that.
11
12 **MS. STAUGLER:** Okay.
13
14 **MR. WALKER:** At one time, I was opposed to this whole sector
15 separation idea, 100 percent opposed, but I have come around and
16 changed my views, as I've seen the way things are going. Gary
17 never thought that would happen, and I told him that I hated his
18 idea for many years, and I said that I refuse to agree with you,
19 because I think it's wrong, but I have changed my mind on that.
20
21 As a businessman, I think it's the way to go. That being said,
22 I can tell you that, in the Charter Boat AP, we started out by
23 saying that -- We started out as kind of everybody gets an equal
24 share, and that was a popular idea.
25
26 We did some work with that, and, since then, it has started to
27 slide into what people don't like, which is certain people get
28 way more than other people, and we immediately started to lose
29 consensus.
30
31 Guys like Troy and me and Shane, in places that would probably
32 get really short-changed on some of the schemes, ended up
33 thinking, well, I am going to be a lot better off with
34 traditional management, because I'm going to get two days under
35 one scheme and -- Just the more it goes into people getting more
36 than other people, the more opposition there is, and so I would
37 speak in favor of an allocation-based program, and I don't think
38 that we can't iron out the issues that we have, but there are
39 significant issues, but I wouldn't say that we should stick with
40 traditional management. I think we should continue to seek
41 common ground on allocation-based programs.
42
43 **MS. MUEHLSTEIN:** For you, does that mean that, in the charter
44 then, if it comes to allocating amongst the charter fleet, that
45 you would like to add in here somewhere with the consideration
46 of having equal distribution of shares, or does that matter?
47
48 **MR. WALKER:** Well, I would say it's likely to fail if there is

1 perceived inequities. If you're going to proceed forward,
2 you're just going to have to yield a little bit, and I think,
3 eventually, things will find their way to where they need to be,
4 if we do go down that road.

5
6 **MS. MUEHLSTEIN:** That actually brings us to -- Maybe, under
7 here, one of the sub-bullets is saying that we're considering --
8 What we're going to do is work our hardest to minimize perceived
9 inequities.

10
11 **MR. WALKER:** I don't think we should abandon allocation
12 programs. I think it's good, and I think it's the way to go,
13 but it needs to be done fairly and equitably, or you're going to
14 lose support for it and it's going to fall back into
15 traditional, but I don't support traditional at all at this
16 time.

17
18 **MS. STAUGLER:** Okay. Karen, on the consensus statement, can you
19 add a statement that says "fair and equitable distribution"? It
20 can be under the factors. We have Gary next, then Shane, and
21 then Daryl.

22
23 **MR. JARVIS:** I have a comment and then I want to make a
24 recommendation to the consensus statement. The whole issue,
25 when we were going through Amendment 40 and sector separation
26 and people like Mr. Hubbard and Captain Walker there fought it
27 early in the game, but what brought that around is we started
28 seeing the trends and the reality that was happening to the
29 charter/for-hire industry.

30
31 We were in a limited access privilege program that was a great
32 idea at the time, but the mistake that was made is it didn't
33 give the industry the allocation to go along with the limited
34 access privilege program. We got the limited, but we didn't get
35 the privilege, and so that was a mistake.

36
37 I think, what we're working on here, we'll be real, real careful
38 to make sure we don't make those kind of same mistakes, to come
39 up with a good idea, but then not finish a good product. The
40 reality is, in the traditional management system, and we see it
41 with amberjacks and triggerfish, but we're virtually not going
42 to have any access to them.

43
44 Unfortunately, we're only addressing the charter/for-hire
45 industry, and there is a lot of council members here, but, being
46 a limited access privilege sector with no allocation, we're at
47 the whims and the mercy of the other sector, and that's
48 recreational fishermen, that have no limited burdens put upon

1 them, and they grow in leaps and bounds.
2
3 Even though you might be happy with a forty-five-day red snapper
4 season, it's only because we have allocation in that resource.
5 All the other species, we're going to be losing and losing and
6 losing access, to where, in the end, we're down to that nine-day
7 or, in triggerfish, we're already there.
8
9 There's going to be no triggerfish season for the charter/for-
10 hire industry, and is it anybody's fault? No, but it's status
11 quo management, and I think that's why, when you saw the people
12 raising hands to explore rights-based management, it was the
13 idea of securing some access. Whether you get enough or what
14 you want or what you think you deserve, that's to be discussed
15 at a later date.
16
17 I think that's why you saw so many people raise hands, is
18 because there is very few people in the room that don't
19 understand that the trends and the reality is that status quo
20 management is failing the industry and the non-boat-owning
21 public.
22
23 That being said, one of the things that probably should be added
24 to this consensus statement is it needs to incorporate multi-
25 species, and the reason for that rationale is that's how we
26 execute the fishery now, all of us, charter boats and headboats.
27 We go fishing every day based on seasons and bag limits. We're
28 doing it at the same time, and we're fishing for a variety of
29 the resource.
30
31 When you're talking just red snapper, a certain area might get
32 red snapper, but there's other areas of the country, like where
33 Mr. Walker and Mr. Hubbard are, that they crush groupers. They
34 live in grouper city, and we don't.
35
36 Sometimes all those things will average out, but I think a big
37 mistake in our approach to these amendments is not to
38 incorporate the entire reef fish complex or at least the five or
39 six or seven major species that are having these in-season
40 closures because they're highly-targeted resources, your
41 groupers, triggerfish, amberjack, red snapper.
42
43 Red porgy and vermilion and some of those other species, right
44 now they don't appear to be an issue, but that all can change,
45 with effort shift, at a later date, and so I think it's
46 important that, to this, when we're looking at a consensus-type
47 statement is, if we don't put it in black and white, even though
48 half the room might be thinking multi-species, the other half

1 may not, and I think that needs to be part of the consensus
2 statement.

3
4 **MS. STAUGLER:** Okay. We've got quite a few hands up. I know
5 I've got Shane, Daryl, John, and Troy to get through. I am
6 wondering if you guys want to go back to this consensus
7 statement, or do you want to continue on? Is there anyone that
8 needs to add to the consensus statement? Troy.

9
10 **MR. FRADY:** When Ed was talking about the fair and equitable
11 distribution on the initial allocation of this program, in order
12 to get more buy-in of the 200-plus boats that are what we call
13 overload boats or multi-passenger boats, some people in this
14 fishery, and I am not saying right or wrong, but some people
15 have more of a substantial investment in this industry, and I
16 would like to say fair and equitable distribution in the
17 beginning, but, once we get the program rolling, add a weighted
18 allocation, based on additional increases or decreases in
19 allocation, in order to not punish, but in order to get the ball
20 rolling and get it past a referendum, and then reward those
21 people who are multi-passenger boats who made that initial
22 investment.

23
24 I don't want to punish those people, but, if they had more of a
25 weighted vote than a six-passenger boat who got the initial
26 equal allocation, that would be more of a fair system to address
27 the system than the pushback we're going to get from those
28 people who say, well, no, it's not equitable, because fair is
29 not always equitable.

30
31 **MS. MUEHLSTEIN:** So fair and equitable distribution that is
32 revisited periodically.

33
34 **MR. FRADY:** Yes.

35
36 **MS. MUEHLSTEIN:** Okay. Can you just add that to that line
37 there, Karen?

38
39 **MS. STAUGLER:** Okay. John, do you need to add or amend?

40
41 **MR. WILLIAMS:** Yes, and I would like a definition of what fair
42 and equitable means, because it's awful vague, in my opinion,
43 and I think that if fair and equitable means that a six-
44 passenger boat in Key West, Florida that never caught a red
45 snapper gets as many red snapper, and we're talking about red
46 snapper here, as I do that fishes for them every day in the
47 season, when the weather allows, if we were to get the same
48 number of fish, I wouldn't say that was -- That would be fair

1 and equitable, I guess, but I think, if we leave that sort of
2 language in there without some sort of explanation of what fair
3 and equitable actually means, I think you're going to lose all
4 the partyboats in this consensus.

5
6 **MS. MUEHLSTEIN:** I think the cool thing is, as we move down the
7 line of the questions, it's you guys that decide what that
8 means. If we can't decide what that means, then, again, we back
9 up and we don't get to play this game, and so that's not for us
10 to define or for the staff to define. That's something that now
11 we understand, moving forward, as we try and sort of build this
12 program that works for everybody, that that's something that you
13 guys need to come up with.

14
15 **AP MEMBER:** Fair and equitable doesn't necessarily mean equal.

16
17 **MS. MUEHLSTEIN:** Right, but does that sort of address that
18 concern?

19
20 **MR. WILLIAMS:** Like I say, I mean, to vote for this, I would
21 kind of like a little bit of an explanation of what fair and
22 equitable really means before I say, yes, I want fair and
23 equitable, but what does that really mean?

24
25 **MS. MUEHLSTEIN:** I think the idea is you have a definition of
26 fair and equitable and somebody else has a definition that's
27 different, and we can agree that we're all looking for that.
28 Then, as we get further through this agenda, we will figure out
29 if we can make that a consensus, if we can figure out what fair
30 and equitable means.

31
32 **MR. WILLIAMS:** Thank you.

33
34 **MS. STAUGLER:** All right. Shane.

35
36 **MR. CANTRELL:** I think, by making this list, we may -- Correct
37 if I'm wrong, but the people that we were looking to get onboard
38 with the consensus, we're there for a reason. By making and
39 further defining this list, we may be further driving them away
40 from a consensus then we are by bringing them to a consensus,
41 because, the way I understand it, is, if the allocation-based
42 direction is going to be pursued, the only way to finish that
43 track would be through a referendum, and the referendum is going
44 to be by permit holders and the industry.

45
46 Wouldn't it be the best opportunity to bring an allocation-based
47 system to the industry to be approved, up or down, at that point
48 and having that to compare against traditional management,

1 because that's where we're at. We're in traditional management.
2 Why would we not want to have something, a product, developed to
3 make that decision for the industry, rather than going down and
4 putting all these catches and list of demands, for lack of a
5 better word, to try to get there?
6

7 If we can, in good faith, design a program to be considered
8 against traditional management, to make that decision to the
9 industry, rather than where we're at now, I think we're going to
10 be a lot better off towards a consensus of seeing this is where
11 we want to go and we want to compare it against what we've got.
12

13 To be able to make an apples-to-apples comparison, business-
14 owner-to-business-owner, before it's approved would be the way
15 to go in getting a better opportunity for that consensus that we
16 are looking for.
17

18 **MS. MUEHLSTEIN:** Basically, you're almost completely revising
19 what we're doing, this consensus statement, and suggesting an
20 alternative, which would be the AP is willing to consider an
21 allocation-based program in an attempt to basically present the
22 fleet with an alternative to what we have.
23

24 **MR. CANTRELL:** Yes, it would be more of a statement to say that
25 the APs are working to develop an allocation-based system or
26 design an allocation-based system to be considered by the fleet,
27 because, in no world, do we get an allocation-based system
28 without a referendum, and that referendum is going to be by a
29 lot of people, most people, outside of this room.
30

31 **MR. KELLEY:** First off, I am not for or against this consensus,
32 but the whole reason we're here is because traditional
33 management is not working. That's the whole thing. We're here
34 trying to figure out something, and so we're spinning our
35 wheels, but the fair and equitable part, I am with Johnny on the
36 fair and equitable part, because Johnny -- I am not picking on
37 Johnny, but I'm just using Johnny as an example, but his fair
38 and equitable part of the headboat is his catch history. Some
39 guys have got it and some guys don't.
40

41 In my aspect of fair and equitable, I am looking at my
42 historical region participation, which is up there in the
43 Panhandle of Florida. It's up in the 40th percentile, and so the
44 first question is the regional differences and needs are taken
45 into account. Are we talking the historical participation of
46 the fleet or are we -- I mean, I need that more defined for me,
47 I guess.
48

1 **MS. MUEHLSTEIN:** Okay, and so we need to mess with this second
2 sort of line that talks about the regional --
3
4 **MR. KELLEY:** The third, that the regional differences and needs
5 are taken into account. Also, another thing being is you go
6 back to fair and equitable, and Troy is talking about -- Troy
7 evidently has got a six-passenger boat. I've got a twenty-
8 passenger boat. I fish all twenty passengers, and fair and
9 equitable, to me, is not a six-passenger share.
10
11 The biggest reason on the consensus statement that I couldn't
12 raise my hand is I might be raising my hand to something that I
13 don't agree with, until I see, on down the road, what I would be
14 getting, but I am ultimately here for something better than what
15 we've got.
16
17 **MR. CARPENTER:** Emily, that was going to be my suggestion, and
18 it fell in perfectly behind Shane, is your consensus statement.
19 The AP is willing to consider and will try to design an
20 allocation-based system. Then stop right there. You've got
21 thirty-plus people here that sit on two different APs. They
22 wouldn't be here if they weren't willing to consider that, at
23 least.
24
25 You lose me at the first qualifier, because I've seen what this
26 agency and what this administration and everything does. If
27 electronic logbooks are preferred, then no. Now you're talking
28 VMS. I know the code words. I am willing to consider it, but
29 let's stop right there. We're here.
30
31 **MS. MUEHLSTEIN:** Okay. Here's an idea. Following that idea,
32 Karen, can you put a period after the word "system"? The AP is
33 willing to consider and will try to design an allocation-based
34 system.
35
36 **MR. CARPENTER:** Period. Otherwise, we wouldn't be here. We
37 volunteered for these APs.
38
39 **MS. MUEHLSTEIN:** Okay. Now, can you sort of cut all of that
40 other stuff out for the moment, just for the moment, because we
41 might need to bring it back, but let's just try this. If this
42 is our consensus statement for Question 1, is there anybody that
43 cannot live with this? Is there anybody that cannot move
44 forward if this is our consensus statement for Question 1?
45 Done.
46
47 **MS. STAUGLER:** Charles.
48

1 **MR. GUILFORD:** I am not for or against the consensus statement.
2 However, I am totally concerned about the validity of the
3 information that the decisions have been made ever since you
4 started managing, because the information you've been using has
5 not been -- My section of the Panhandle of the Gulf of Mexico,
6 the red snapper, the triggerfish, the amberjack, are so out of
7 natural order until you can't get a bait down through the red
8 snapper or the triggerfish to try to catch a grouper, because
9 they are so large. They've never been that large before.

10
11 The larger these fish are, the more small ones they have to eat,
12 and it's all because of the information that has been made is
13 made on invalid information. For instance, when I submit a
14 report on my charter boat for a week's fishing, they ask how
15 many hours did I go and how many people did I have, but not one
16 point on there do they ask how many fish did I catch, and I
17 don't always catch my limit of red snapper. I have people that
18 don't even want red snapper, but the National Marine Fisheries
19 Service considers it on every charter that I limited out on red
20 snapper, and that's wrong.

21
22 **MS. STAUGLER:** I think we'll get to the data, especially when we
23 get to Questions 7, 8, and 9, but I want to make sure that we're
24 closing out this one.

25
26 **MR. GUILFORD:** That's my real concern, the validity of the
27 information that the decisions are made on.

28
29 **MS. STAUGLER:** Perfect. Okay.

30
31 **MR. PAPROCKI:** I've got a question for you all. Is it possible
32 to do like a two-year program, set up your basis, where it's
33 temporary with what we're hashing out, and then come and revisit
34 it? There are so many variables involved that, without the
35 information, it's so hard for people to commit and connect and
36 say, yes, I want to do this, but, if you can reevaluate it after
37 maybe one year or two years or three years and then readjust it,
38 because what happened on the commercial end, that's what they
39 were supposed to do after five years.

40
41 They got all their fish allotted and all of that, and it had so
42 many unintended consequences, which we can't foresee right now.
43 It made fish lords out of them. There are so many people
44 fishing now that have the allocation that they're not even
45 fishing. They just stay home, but it's possible to do, like I
46 said, a two-year -- I mean, it's something to think about for
47 all. A lot of people do not want to commit.

48

1 They don't want to do this, because they don't know, but people
2 would be more apt to if, after two years -- It's not permanent.
3 It's not in stone. That's the hard thing for people to accept.
4 I don't think they're going to, because they don't have enough
5 information. Does that make sense?
6

7 **MS. STAUGLER:** If you look at Question 7, that's where we're
8 going to address that.
9

10 **MS. MUEHLSTEIN:** Actually, the staff has prepared, that we'll
11 look at after lunch, some sort of non-traditional ways of
12 approaching this idea of sort of going back through that initial
13 allocation and determining whether or not we can sort of reward
14 those who are catching and -- Absolutely. Let's go back to this
15 consensus statement.
16

17 I didn't see any sort of major roadblocks to moving forward from
18 Question 1 with sort of the idea that we're willing to consider
19 and try and design an allocation-based system while we're here
20 today. Without any objections to that, I think we can move
21 forward to start actually looking then at what the -- I think
22 what we'll do now is move on to Question 2, and we'll start
23 working on, if we're going to look at allocation-based, let's
24 start looking at the program that we want to design. Thank you,
25 guys, for that exercise, and we get to do that like nine more
26 times.
27

28 **MS. STAUGLER:** Okay. You guys tell us when is a good breaking
29 point for lunch.
30

31 **AP MEMBER:** It's a good breaking point for lunch.
32

33 **MS. MUEHLSTEIN:** Do we want to do lunch before we jump in? Do
34 we have a consensus statement that somebody wants to -- Pam.
35

36 **MS. ANDERSON:** I was just going to make the statement that
37 everybody knows where I stand on this, but I don't mind looking
38 at this and seeing what it's going to do to my husband's
39 business and our marina's business, but I do not agree with it
40 at all, and so just so that is very clear when we're going
41 forward on this.
42

43 **MS. MUEHLSTEIN:** I want to be clear in appreciating the fact
44 that you are willing to sort of move forward and look at it,
45 even though it's not something that you're comfortable with, and
46 so I actually think that that's a really incredible example of
47 what we're kind of looking to accomplish today, because there
48 are a ton of places where certain people are going to start

1 getting uncomfortable, but your openness and willingness to move
2 forward in looking at something is something that I greatly
3 appreciate, and I think should be an example as to sort of what
4 we're looking for as we move forward through these two days, and
5 so thank you for that.

6
7 **MS. ANDERSON:** Right. You're welcome. Just being comfortable
8 with going forward and discussing it doesn't mean that I
9 advocate it.

10
11 **MS. MUEHLSTEIN:** Absolutely. So lunch?

12
13 **MS. STAUGLER:** Yes, I think we should do lunch.

14
15 **MS. MUEHLSTEIN:** So an hour-and-a-half for lunch, and we will
16 see you at 1:30, and we will start with Question 2. Go eat
17 something good. You're in the right city for it.

18
19 (Whereupon, the meeting recessed for lunch on January 9, 2017.)

20
21 - - -

22
23 January 9, 2017

24
25 MONDAY AFTERNOON SESSION

26
27 - - -

28
29 The Joint Meeting of the Ad Hoc Reef Fish Headboat and Ad Hoc
30 Red Snapper Charter Advisory Panels of the Gulf of Mexico
31 Fishery Management Council reconvened at the Hyatt Centric
32 French Quarter, New Orleans, Louisiana, Monday afternoon,
33 January 9, 2017, and was called to order at 1:30 p.m. by Emily
34 Muehlstein.

35
36 **MS. MUEHLSTEIN:** Before we sort of start back with what we were
37 doing, it has come to our attention that there are some folks
38 that have some questions about a potential MRIP recalibration
39 that we should be expecting, and so we happen to be lucky enough
40 to have Dr. Roy Crabtree here today to sort of address that
41 situation. Before we sort of get back to where we were, I think
42 we want to take a moment and give the floor to Roy to have a
43 conversation about that.

44
45 **DR. CRABTREE:** Thanks, Emily. Probably a lot of you are aware
46 that the MRIP survey, the recreational survey, is in the process
47 of transitioning away from the telephone survey that's being
48 used to estimate private fishing effort levels to a mail survey,

1 where they will mail letters out to people and get effort
2 estimates that way.

3
4 The biggest driver of that is, over the past decade or so,
5 everybody has got caller ID now, and a lot of households don't
6 even have landlines anymore. The net result is people don't
7 really answer the phone for these kinds of things, and so
8 telephone surveys just aren't working anymore.

9
10 They pulled in a group of statisticians and spent a lot of time
11 looking at how to do it, and they decided that a mail survey was
12 the way to go. This year, and I think last year, they're
13 running the telephone survey and the mail survey simultaneously,
14 to see how they compare, but they have done some pilot studies
15 in a number of areas, and, generally, the mail survey indicates
16 the effort levels are two to three times higher than what the
17 telephone survey was indicating.

18
19 There is going to be a calibration workshop that takes place
20 sometime the first half of this year to look at the side-by-side
21 studies of the two and then come up with a way to calibrate the
22 historical landings time series, and that will probably involve
23 increasing the recreational catch estimates back for the past
24 ten or fifteen years or so.

25
26 I don't know exactly how it's going to go, but, in all
27 likelihood, it's going to show the private sector is catching a
28 lot more fish than we thought, and this has been something that
29 has come about over the past ten to fifteen years. I don't
30 think it will likely affect the charter boat catches, because
31 they're not done through the random household surveys.

32
33 You can see it will have a lot of implications. One, those
34 catch estimates are part of the stock assessment, and so a lot
35 of the assessments are going to have to be rerun. Two, it
36 affects allocations. A lot of the commercial and recreational
37 allocations are based on historical time series, and so, if you
38 change the catch estimates on the recreational side, that's
39 going to mean, if you go back and recalculate the allocation
40 based on that historical time series, it's going to change.

41
42 It also will affect the Amendment 40 allocation, because I think
43 that covered 1986 to 2013 or something like that, and so, if
44 they were to calibrate back to 2000, that would likely mean the
45 private catches were higher than what was originally thought,
46 and that would mean the allocation in Amendment 40 would change.

47
48 It's going to affect the catch estimates of everything that has

1 a substantial recreational component of it, and so I don't know
2 exactly how this is going to change things, because I don't know
3 how they're going to calibrate the catches, but my guess is,
4 when we get to late 2017, we're going to have calibrated
5 landings. They're going to rerun some of the assessments,
6 including red snapper, and we're going to see where it leaves
7 us, and then we're going to have to revisit some of these
8 allocations and things.

9
10 It almost certainly is going to give some different outcomes
11 than what you have now, and so there is going to be a lot of
12 change coming over the next couple of years, in terms of
13 recreational catch estimates, and it's just going to be
14 something that we're going to have to work through and that the
15 council will have to deal with.

16
17 **MR. JARVIS:** Roy, can I ask a question, real quick? That scares
18 the hell out of me, personally, but, at the same time, if we
19 went to an electronic logbook and were accurately reporting what
20 our true harvest rates are at, that possibly could counter any
21 surprises that we get in the increase in harvest rates with the
22 private boat sector. It at least would give you an accurate and
23 clear picture that may offset the doom and gloom that you just
24 laid on us.

25
26 **DR. CRABTREE:** I don't mean to offer up doom and gloom. I am
27 just saying that there are going to be changes coming, and I
28 don't know where they're going to be, but the recreational
29 catches apparently have been higher than we thought.

30
31 If you put in place electronic reporting and it gives exactly
32 the same catch estimates that the current survey gives, that's
33 one thing, but, if it gives really different catch estimates,
34 then we would have to do something to calibrate the charter
35 catch estimates to plug it into the assessments, because you
36 need that historical catch history.

37
38 That's a big part of the assessment, and so we'll have to deal
39 with it when we see how the charter boat electronic reporting
40 compares with the current survey, and I have no reason to expect
41 one way or the other. I don't know if you guys will report that
42 you're catching more fish than we thought or you're reporting
43 less or about the same thing.

44
45 We will just have to see, but all of these programs, when you
46 improve the data you're collecting, sometimes they show
47 something really different of what's happening than what you
48 thought was happening, and you've got to factor that in somehow.

1 It can lead to some instabilities and things that you have to
2 deal with in the transition.

3
4 **MS. ANDERSON:** In stating that, doesn't it usually mean that, if
5 there are that many more fish being harvested, and yet the stock
6 is going by a much lower number, wouldn't it stand to reason
7 that there are a heck of a lot more fish out there to catch than
8 first thought and, therefore, there would be no problem
9 increasing the ACLs, the OFL, and, therefore, releasing some of
10 these fish and the higher percentages of ACL?

11
12 **DR. CRABTREE:** It could. You remember when we did Amendment 28
13 and we adjusted the allocation of red snapper and moved a little
14 more towards the recreational fisheries, and that was because
15 they had readjusted the recreational catch time series all the
16 way back to I think the 1970s, and it gave the outcome that
17 you're suggesting, but it depends on how far back they calibrate
18 it.

19
20 If the calibration effect is largely just in the last five or
21 six years, then it probably would not change the overall
22 estimate of stock productivity, and so it really depends on what
23 comes out of the calibration workshop and how far back in time
24 they change the catch history, whether it's a very recent thing
25 or it's a long-term trend that's been going on for decades.

26
27 **MS. ANDERSON:** Wouldn't it be more beneficial to find out, with
28 the long-term, if it really has been growing that way all along,
29 instead of maybe guessing that maybe this was just a fluke in
30 the last several years?

31
32 **DR. CRABTREE:** A lot of the feeling for why these differences
33 between the mail survey and the telephone survey has to do with
34 caller ID and cellphones. A lot of households now -- I think
35 when they started it in 2000, only a very small percentage of
36 households didn't have a landline. Now it's a very large
37 percentage of households don't have landlines, and then, if you
38 go back to 2000, almost nobody had caller ID. I don't know
39 about you guys, but, when my phone rings now, whoever is calling
40 pops up on the television screen, and so people are screening
41 calls and not responding.

42
43 We have seen the response rate change a lot, but a lot of that
44 change has just been over the past decade or fifteen years, and
45 so there are things that are recent, and I don't know what the
46 calibration workshop will decide about all of this. We'll just
47 have to wait and see.

48

1 **MS. ANDERSON:** Just one more follow-up question. The states are
2 addressing private angler data of their own and trying to get
3 that lined up with MRIP, and Florida is showing that there is
4 more harvest and they believe that, therefore, there are more
5 fish than what was first thought also, and so I think that
6 that's a positive.

7
8 **DR. CRABTREE:** We will just have to wait and see, but you're
9 right. I am aware that Florida did a similar type of pilot
10 project, using their reef fish endorsement and a mail survey,
11 and they came up with catch estimates that were twice as high as
12 what MRIP was estimating, but, again, it really depends on what
13 happened back in time and how far back that effect persists.

14
15 **MR. FRADY:** Thanks, Dr. Crabtree, and I've got a question for
16 you. I can't really remember, but I'm trying to put my finger
17 on it, but how are the charter/for-hire landings captured in
18 MRIP. Will they be affected?

19
20 **DR. CRABTREE:** My understanding is they're not affected, because
21 they do the effort estimates differently through the charter
22 boat effort survey, and they haven't had the problems there that
23 we have with the random digit household survey, and so I don't
24 think they're going to change how the charter boat effort
25 estimates are done. It's just how the private effort estimates
26 are taken, and so I don't think your catches change based on
27 this.

28
29 **MR. WILLIAMS:** Roy, are we still dealing with the Texas data
30 that no one believes?

31
32 **DR. CRABTREE:** Without commenting on the second part of that
33 question, we still use the Texas catch estimates that are
34 produced. Now, there have been discussions about doing the mail
35 effort survey in Texas and trying to look at how it compares to
36 the state's estimates, and I think we're trying and would like
37 to work with the state to look at the survey and ways that it
38 might could be improved and how to factor it into these kinds of
39 things, but, ultimately, Texas will have to decide what they
40 want to do with that, but we're trying to work with them.

41
42 We're also working with Mississippi and Alabama and Florida as
43 well on different ways to estimate catches, and so there's a lot
44 going on with that, but, where it's all going to wind up, I
45 don't know. LA Creel, I think, is very close to being certified
46 by MRIP. Parts of it have been, and so we'll continue to work
47 with all the states, to the extent they're interested in doing
48 that.

1
2 **MS. MUEHLSTEIN:** Thank you for taking the time to sort of bring
3 that up and sort of let us know that there might be things that
4 are coming that we should be expecting. Before we jump back
5 into sort of this list of questions, I think what we're going to
6 do, in sort of recognizing that, in order to answer sort of
7 these programmatic questions, now that we've sort of decided
8 that we're okay with exploring an allocation-based program, is
9 we're going to have our technical staff come back up here and
10 sort of walk you through some of the different scenarios and
11 some of the different things that they have anticipated for this
12 conversation.

13
14 In other words, this morning already, we've talked about
15 different things like our initial allocation and maybe this idea
16 that we could revisit that allocation a couple of times, and so
17 we actually have a pretty good sort of framework and some
18 background that we want to give you before we start jumping into
19 kind of defining the logistics of what an allocation-based
20 program might look like. Assane and Jessica, are you guys ready
21 for us?

22
23 **DR. DIAGNE:** This is the beginning of Part 2.

24
25 **DR. STEPHEN:** When we start thinking about all the different
26 things we've heard at council meetings, some of the ideas we've
27 been trying to put down on paper here, and one of them is
28 division of quota between what we're calling the LHV, the
29 landings history vessels, and the charter programs and the idea
30 of using average landings during set time periods, combining
31 vessel allocations for each program, or some other ideas. We
32 are, of course, always open to more from the industry of ideas
33 that we might not have considered, but we have a couple of ideas
34 that we've considered going throughout.

35
36 The idea of combining the vessel allocations for the two
37 programs, we can begin with a total for-hire quota, based on
38 historical landings, that would be a certain time period. What
39 I think we've used in our examples have probably been the ones
40 that we've used for sector separation. You can then calculate
41 an amount for each vessel, using some different components.

42
43 Things that have been talked about already, of course, were
44 passenger capacity and region, and we're open to other ideas
45 that are out there. Another idea would be to combine the
46 landings history amounts for a landings history quota for that
47 sector, sub-sector, or combining charter amounts for a charter
48 quota and then, using the landings history, you can allocate

1 quota to those vessels based on landings through some kind of
2 combination of a bunch of these different varieties out there.

3
4 One of the things that comes up is kind of this idea of
5 adjustments to individual allocations. If we go back to the way
6 traditional catch share programs have been run, particularly in
7 the Gulf, we took a time period and we assigned allocation based
8 on landings within that. We've got a couple different problems
9 that we know about. Charter, we don't have any landings history
10 and timeframe, and the thought is that, when we assigned it, it
11 was a once-and-done scenario.

12
13 What we're looking at is some idea that it's not a once-and-done
14 scenario, that we might assign something initially and then we
15 have some criteria that allows things to go on further from
16 that.

17
18 One of the problems we've also run into, of course, is knowing
19 who has been harvesting red snapper. Again, without a landings
20 history, you could say that every permit out there could be
21 harvesting the maximum. That's most likely not true, and so is
22 there some mechanism that we can use to try and identify
23 individuals who are harvesting?

24
25 One of the things brought up at one of the prior AP meetings was
26 some kind of requirement for participation, such as an income
27 requirement. Those have been used in the past within the
28 National Marine Fisheries Service. We are also open to other
29 ideas that you guys might come up with that have something to do
30 with showing a level of participation.

31
32 As I mentioned before, that kind of once-and-done allocation
33 thing, that's what has been traditionally done in catch share
34 programs, and so we start to think of what can we do that's not
35 traditional? What mechanism might work for this industry?

36
37 One of them is the idea of redistributing the shares over time
38 to those who are active in the fishery, and, by active here,
39 we're a little bit more defined in what we mean. It's active as
40 in harvesting. It's not active as in I have something and I'm
41 trading it back and forth. That's one of the problems that we
42 run into with the commercial, is what does active mean?

43
44 Over time, what would happen is that these shares would end up
45 with those who actually fish and harvest the species, keeping it
46 in the fishery, in the hands of those who have shown that they
47 are the ones that are going for these species and not in the
48 hands of someone who has a majority of shares that they might

1 only incidentally catch or have kind of the problems we've also
2 seen in the commercial, where there seems to be a disjuncture
3 between those who are fishing and those who have the shares or
4 allocation.

5
6 When we think about redistributing, you could do it in numerous
7 different ways. You could do it just once. You run it for a
8 certain amount of years and do one other time distribution. You
9 could do it several times. You could do it several times, where
10 you come to a point and say, after this, we're done, or you
11 could do it indefinitely. Every X amount of years, we're doing
12 some kind of redistribution.

13
14 Before I get into the example, I want to mention that this kind
15 of concept has been talked about at the national level, among
16 the other catch share programs. Now, they're mostly dealing
17 with commercial, and so they were thinking longer-term time
18 series and cycles.

19
20 I am going to walk through an example. This is a very, very
21 basic example. I am going to have ten vessels. I am going to
22 use a ten-vessel fleet, and I'm going to assume equal
23 distribution at the very start of the program, and so this is
24 probably things we've talked about, and I don't think we're
25 going to know, necessarily, an equal one, but this is the
26 simplest, mathematically, to look through. Keep in mind that
27 there is different variations of how to start and how to
28 redistribute.

29
30 What I'm going to do is start that an iteration, in this case,
31 would be one year. Every year would be a new cycle or a new
32 iteration. Keep in mind, going forward, if this is a concept
33 that appeals to you, you could have longer or shorter
34 timeframes, ones that change over time.

35
36 In order to keep the math simple, at the end of an iteration, 50
37 percent of everybody's shares comes back to the program. That
38 is then only distributed to those who had landings during that
39 program. Again, to keep the math easy in here, I did equal
40 distribution to those who had landings, and, of course, if
41 you're taking half of everything, you don't ever get to zero,
42 right, and so what I put in is, by the third iteration, if a
43 vessel had no landings, all of their shares come back.

44
45 When I go through, I have some little color-coding examples in
46 here. If the vessel is colored green, that means they had
47 landings. If they're red, they had no landings for that
48 iteration.

1
2 I am going to go back. What I started here with is there are
3 ten vessels. They each have a 10 percent share. That adds up
4 to 100 percent shares. We have had one iteration, a one-year
5 cycle. The vessels in green all harvested some fish. The
6 vessels in red, and there are five of them, had no harvest.
7 Every vessel within here, 50 percent of their shares come back,
8 and so you can see, at the end of Iteration 1, everyone has 5
9 percent. If you guys have questions along the way, please stop
10 me.

11
12 Now we have to redistribute what we took back. We have 50
13 percent that came back, but we only had five vessels with
14 landings, and so those five vessels with landings each got one-
15 fifth, because I'm just doing equal distribution here, of what
16 was brought back. Five divided by fifty is they got 10 percent
17 back.

18
19 What we see here is they had their 5 percent of the end of
20 Iteration 1, plus what they got back with the 10 percent, and
21 they each have 15 percent. The vessels that didn't harvest
22 still have something. They had 5 percent of their shares.

23
24 Now we're at Iteration 2. This is the start of a new cycle.
25 Here is what everybody has. They each have 50 percent of the
26 original, plus any reclaimed amount that was given back to them.
27 This time, we also have five vessels that didn't fish, and
28 they're a different five vessels. Everyone gets 50 percent of
29 what they had back. The original vessels that also had
30 landings, they had 15 percent. Half of that comes back, and
31 they're left with seven-and-a-half percent.

32
33 For the vessels that didn't fish, they had 5 percent at the end
34 of the distribution. Half of that comes back, and it's 2.5
35 percent. The same amount is coming back to NMFS for
36 redistribution as before, but, as seen, it's taken
37 proportionally a little bit differently from everyone.

38
39 Now it's time to redistribute at the end of Cycle 2. The
40 vessels in green, which are five, they get one-fifth of the 50
41 percent taken back, and so they get an additional 10 percent
42 back to them. What you can see is the vessels that have been
43 harvesting keep growing in their percentages. The vessels that
44 didn't harvest don't get anything given back to them.

45
46 Already, we're starting to see that those that didn't harvest
47 over two years have 2.5 percent, but those that missed just one
48 year at this point had 7.5 percent. You see that there is

1 already some differences occurring.
2
3 This is the start of Iteration 3. Remember, at the end of the
4 three-year cycle, if no harvest had been done, we're going to
5 take everything back from those vessels.
6
7 When we come to reclaim everything, what I'm going to show here
8 is the vessels in kind of this dark black color, those had three
9 years of no harvest. Everything of theirs comes back, and so
10 now what we have is 53.75 percent back, versus the 50 percent we
11 had back in all the other iterations. We actually gained a
12 little bit more back. In this case, we have, I believe, six
13 vessels fishing and one other vessel that didn't fish, but he
14 had at least one year in those three years where he fished, and
15 so he retained something.
16
17 We redistribute only to the vessels that, of course, had
18 landings. Now those three vessels that had no landings, I have
19 taken them out of the model now. They are no longer factoring
20 into redistributions.
21
22 What we have are the vessels that have fished for a longer
23 period of time and have a higher -- These were all three years
24 of fishing. They have 17 percent. The vessels that missed one
25 year here had 12.71. This vessel also missed a year, but it was
26 in a different time period, and so the distribution was a little
27 bit different than other years, and the vessel that only
28 harvested for one year still ends up something, at 6.25 percent.
29
30 I just wanted to show the end of this kind of redistribution.
31 We all started out equally, with 10 percent, and, in the end,
32 there were different amounts, based on who was harvesting. Now,
33 the key point is I did this all with equal distribution. If
34 some of those vessels were harvesting more and you choose to do
35 landings that were brought in during this cycle as a
36 proportional amount, these values could change more
37 dramatically. I am going to stop for a second and see if
38 there's any questions about this. Shane.
39
40 **MR. CANTRELL:** So you could redistribute, based on an initial
41 formula, and have that on a couple of different percentages,
42 like we've talked about, and it could always come back through
43 that, or however it was set up by the AP.
44
45 **DR. STEPHEN:** Redistribution can be a variety of ways, and
46 that's up to you as a group. If you decide that you like this
47 kind of method, all of you need to decide. There could be
48 redistribution based on exactly how you had it the first time,

1 but having a landing requirement as a factor of being able to
2 play in it. You could do it equally. Everyone who lands could
3 get equally something back. You could do it on landings history
4 during that cycle. During that cycle, the ones who land more
5 get a little bit more back.

6
7 What some of this does is we know that not everyone is fishing
8 red snapper that's listed in the fleet, and we've kind of
9 thought about this long and hard, trying to figure out a way in
10 which to get to that, and there's not really a good way, with
11 the base data, for initial distribution. What this allows is,
12 through the cycle of it, to get to where it should be.

13
14 Also, for those who probably don't have something, they might
15 have shares, and they would possibly be allowed to sell
16 allocation, again based on how you guys decide what goes on, and
17 so they don't feel like they're losing out completely in this
18 scenario, but, after X amount of time, if you haven't been
19 harvesting, you're not part of that fishery, and things get
20 revoked back to NMFS for redistribution to those who are. I saw
21 more hands up. I will start with Tom.

22
23 **MR. STEBER:** What happens with all the fish you leave in the
24 water?

25
26 **DR. STEPHEN:** You would be recording through a catch share
27 system. You would be recording your landings history.

28
29 **MR. STEBER:** I know, but you just -- With all these people that
30 weren't catching fish, you're leaving those in the water.

31
32 **DR. STEPHEN:** Right. That's one of the things, if they decide
33 to go down this, we can have discussions of allocation
34 transfers. If they wanted to transfer the allocation to someone
35 who was harvesting, they could then pick up that allocation and
36 harvest it that way. If you did a landings history as a method
37 to redistribute, there would be incentive for people who would
38 want to buy the allocation from those who weren't harvesting.
39 There is a lot of different paths we can go if we decide that
40 this is a good mechanism. Anyone else? Dustin.

41
42 **MR. TROCHESSET:** We spoke earlier, and some of us here
43 representing our charter fleet, and some of us are here
44 individually. Some of us are from a very small portion of this
45 fishery, but we have other people at home to consider.

46
47 Personally, I wouldn't be in the category that I'm about to
48 describe, which is the use-it-or-lose-it, which it sounds like

1 we're getting to a use-it-or-lose-it, and we've already become
2 limited entry, years and years ago, and so it sounds like we're
3 squeezing even more and more limited entry, because we do want
4 to make the non-boat-owning public to have access to be able to
5 fish.

6
7 Say a guy in my region, in Biloxi, who doesn't snapper fish very
8 often, or his wife gets cancer and he can't fish for a couple of
9 years, because he is taking care of her. You said, in your
10 words, he has something. Well, that six-and-a-quarter percent
11 is not a third of somebody else's, and so there's a lot of other
12 things that we need to take into consideration.

13
14 If you can't fish, you don't get any more fish, and that goes
15 back to what Johnny said of what is fair. There's just some
16 things that we need to look at, because this is a nice plan and
17 all, but there is a lot of things that come into consideration,
18 where some people may not be able to work. Maybe they blew an
19 engine and they've got to get a loan or the economy went to shit
20 because of a new administration or whatnot. If I don't fish for
21 a couple of years, then I lose a third of my allocation? That's
22 just something that I think that we need to think about.

23
24 **DR. STEPHEN:** I think you're absolutely right. This example was
25 a one-year iteration cycle, and that, most likely, is not going
26 to work for anyone. As a group, if you like this idea, you need
27 to consider all of those points and decide if there's a length
28 of time, a three-year cycle or five-year or less, and what do
29 you want to do? Do you want to make it a completely use-it-or-
30 lose-it, or do you want to allow some mechanism to go through
31 with it?

32
33 **MR. TROCHESSET:** That's my point. I am just saying that there's
34 a lot of other stuff to consider. I'm sorry that I was late. I
35 had a luggage problem, but that's what my point was. This can
36 go many different tentacles.

37
38 **DR. STEPHEN:** You're exactly right. That's kind of what we want
39 to get at. If you like some idea of redistribution, here is one
40 mechanism for it. Then we can talk about these key points and
41 find out what you as an industry feel is best. Eric.

42
43 **MR. SCHMIDT:** I kind of have a special perspective on these
44 whole discussions, as I sat on the IFQ panel for red snapper and
45 the grouper. What we saw in the grouper fishery, prior to the
46 IFQ, is, about the same time that there was the IFQ, there was
47 also discussion of a buyout.

48

1 There was an awful lot of permit transfers going on. What you
2 have today in the fishery is doctors and lawyers sitting on IFQ
3 shares and leasing them out. You have a lot of former boat
4 owners that just lease shares. The participation in the fishery
5 has decreased significantly, and I think that there is a lot of
6 people in the for-hire sector that are speculating on what might
7 happen here.

8
9 Five years ago, you could buy a suite of permits for about
10 \$5,000. It's about \$25,000 now, and so I think there's a lot of
11 people that are trying to hedge their bets to stockpile shares
12 or allocation or however this decides to filter out.

13
14 **DR. STEPHEN:** Those are very good points. Anyone else? Scott.

15
16 **MR. ROBSON:** You have this plan here, but I thought, at least in
17 our for-hire charter AP, at one time it was brought up,
18 probably, I think, in the very first meetings, of reallocating
19 every year. According to science, they said that we don't have
20 any time to do this, and so, when you throw this out there, it's
21 a good idea, but when is year one and when does year two begin
22 and so forth?

23
24 In other words, you all -- Basically, the science could -- You
25 started out with 10 percent, but we can't reallocate you 6
26 percent more the following year, because we're not going to even
27 have our data in there to know who participated and who didn't
28 participate. It takes so long to get that, and so, in this
29 plan, I think we need to be aware that this could be your 10
30 percent that you may live with for five years before it gets
31 reallocated.

32
33 It's going to take science that long before -- I am just
34 throwing a number, five years, and whether it takes five years
35 or three years and I don't know, but I know, when we threw that
36 idea out there, kind of something based on this, of
37 redistributing allocation every year. You all came back and
38 said we can't do that every year, because it takes too long to
39 get all of your -- It's not in the perfect world where a catch
40 share system is, where you get real time, at this point in time,
41 for us. It would be hard. When this idea is there, if we had
42 more of a realistic idea of could this work every year or is
43 this going to take like every two years or so forth?

44
45 **DR. STEPHEN:** I would like to address that. When we talked in
46 the Charter AP, we were talking about what we were calling, at
47 the time, PFA, where it was allocation and no shares. That is
48 difficult. With shares, we're talking about a percentage, and

1 we could take that back and do the distribution two months into
2 the year, rather than on January 1, and so it gives us a little
3 bit more room for that calculation.

4
5 When we talked PFA, we did talk about recalculating based on
6 passenger capacity, region, et cetera, things that can change
7 throughout the year. With this type of scenario, what we tried
8 to do is take what you guys had and find a way that we could
9 make it work. With this scenario, if we redistribute not based
10 on passenger capacity or things that change every year, with
11 landings, the way the commercial IFQ works, and I would envision
12 this as similar, you would report your landings as you come
13 along.

14
15 Now, we might need a month or so to catch those last of December
16 ones and make sure we have QA and QC'd everything correctly, but
17 I think we can work faster in a timeframe when we're talking
18 shares and not allocation and if you pick a method of
19 redistribution that doesn't have kind of revolving parts to it,
20 being something that, when you change your permit, the passenger
21 capacity, the lesser of two kind of deal changes, but those are
22 adequate concerns, and we tried to work with something that you
23 guys had come up with in a feasible manner.

24
25 **MR. ROBSON:** Then I just have a question then, and maybe
26 somebody can refresh me, because I don't have all of that
27 sitting here, but there was a reason, at least in our for-hire,
28 and maybe one of you all can step in if you remember this, of
29 why we were wanting to choose the wording or it being called
30 allocation and not shares, and maybe you can refresh me, because
31 I'm trying to remember. You're talking about a share type of
32 thing here, and we were talking about, well, we don't want to do
33 shares and we want to do allocation.

34
35 There was lots of confusion, and you all were trying to explain
36 to us the differences and why you can't be shares, but you can
37 be allocation and so forth, and it's kind of confusing me all
38 now with this idea.

39
40 **DR. STEPHEN:** Let me back up. Does everyone understand the
41 difference between shares and allocation? Shares are a
42 percentage of the quota that is held by an entity, however we
43 determine that. When you take that percentage times the quota,
44 that's your allocation for the year, and that's annual. It
45 expires at the end of the year.

46
47 If you don't have shares, we have to do the hard math of who
48 landed what and do that reiteration, which is a significant

1 timeframe to figure out how much everyone gets the next year.
2 With shares, we know what your shares were, as long as we know
3 what they were at the start of the year when allocation was
4 distributed to it, and so it's simple math. We plug it into a
5 computer, and it works away at it. There is a little difference
6 there between doing something with shares and without shares to
7 it. Does that start to help answer the question?
8

9 **AP MEMBER:** When we threw that out, we were trying to come up
10 with a system that did not have ownership, and so we were
11 talking about allocation only, and there was no ownership.
12 That's the reason we were talking about that.
13

14 **MR. ROBSON:** Okay. That's what I mean. That's where it was,
15 because we couldn't call it a --
16

17 **MR. GREEN:** This is basically a share-based program and no PFQ
18 OR IFQ or whatever name or acronym you want to use. It's a
19 share-based program with redistribution is what she is basically
20 getting at. This is different than an allocation that you were
21 given every year, like we were talking about at that time. We
22 were kind of thinking outside the box, and it has changed
23 direction three times since then, too.
24

25 **DR. STEPHEN:** Any other questions?
26

27 **AP MEMBER:** In a program like this, what would the definition of
28 a participant and a non-participant be? Would that be one red
29 snapper and he's a participant and so he is gaining his
30 increase, I guess you would say?
31

32 **DR. STEPHEN:** That's a good question. I think that would be up
33 to this group to put input into. Do you want it to be a minimum
34 of one red snapper caught, if it's incidental? Do you want it
35 to be a higher amount? How do you want to work what, in
36 essence, I think was termed kind of a use-it-or-lose-it scenario
37 out there? That is not something that we need to define, as
38 NMFS. It's what we want to hear from you guys and what you feel
39 is most effective. I think I had Tom next and then Eric.
40

41 **MR. STEBER:** Part of the issue that we went back and forth on
42 IFQ versus PFQ was we did not want, at least for the first
43 several years, buying and trading, and so we created a PFQ more
44 than an IFQ.
45

46 **DR. STEPHEN:** Correct. With this scenario, you could do it
47 either way. Obviously, I think, with transferring allocation,
48 you probably get to something that's more representative of your

1 fishery than we started with initially. If you're concerned
2 about keeping it in the fishery, stipulations such as you need a
3 permit to hold or to maintain or to receive might start to
4 address some of those concerns, and that's more discussion I
5 would like on that. To that point, Tom?

6
7 **MR. STEBER:** Yes, and the key here is giving them to the people
8 that catch the fish to start with and not having to keep going
9 back and forth. It needs to -- We need to come up with a way
10 that you don't spread it evenly and that you come up with a way
11 that, whoever is catching the fish today gets the fish today and
12 not ten years from now and not by trading and not by buying.
13 We've got to have a way to get who is catching the fish to get
14 the fish.

15
16 **MR. SCHMIDT:** I am familiar with the commercial fishery and the
17 IFQ, and so, in this type of a system, one share equals one
18 pound or one share equals one fish?

19
20 **DR. STEPHEN:** One share would equal -- If you're taking one
21 share as being one percent, a share is a percentage of the
22 quota, just similar to commercial. If you have a 0.001 percent,
23 depending on what the quota is, that gives you a different
24 poundage of fish. We probably have to start with poundage and
25 convert them to number of fish.

26
27 **MR. SCHMIDT:** Okay, because, if you were going to go with just
28 one share equals one fish, I could envision, say down the road
29 three or four years, you have a strong year class that moved
30 through the fishery and, say in 2020, you're catching a four-
31 and-a-half-pound fish. By the year 2024, you're catching a six-
32 and-a-half-pound fish, and now you've just busted your quota.

33
34 **DR. STEPHEN:** The way we've talked before about the differences
35 between quota in pounds and quota in number of fish is using
36 kind of an average pound at some point in the process. Again,
37 if we like this methodology, we can dig more into it. We did
38 average pounds by region for the Headboat Collaborative Program.
39 Each region's -- They might have had the same hundred pounds of
40 fish, but it might have translated into a different number of
41 fish, based on the average weight within that region. Here, the
42 idea is a share a percentage of the quota in pounds, which is
43 then translated by some mechanism to number of fish, and that
44 mechanism may need to be updated every year as the size of the
45 fish, average size, might increase.

46
47 **MR. SCHMIDT:** Then I guess you would have to try to figure some
48 sort of regional average. Say, for instance, and I'm not

1 picking on anybody in the Panhandle, but, if you fish closer to
2 shore, of course, you're going to catch a smaller fish. Where I
3 fish out of, most of the red snapper are caught on multiday
4 trips, and they're caught in water from 160 to 250 feet, and so
5 I might have trip where every fish that we catch is all over ten
6 to twelve or fourteen pounds, versus somebody that's fishing six
7 miles off of Panama City or Orange Beach is catching a five or
8 six-pound fish.

9
10 **DR. STEPHEN:** Again, to me, it's this panel's decision whether
11 you want one regional average, if we do some kind of method with
12 that, or one average for the Gulf or by region.

13
14 **MR. SCHMIDT:** Okay. Then the other thing that I was thinking
15 about is, okay, I'm in the Southwest Region, and we're at a ten
16 average pound fish, and I transfer it to somebody from Panama
17 City, and how does that convert? Does my one share then count
18 for one-and-a-half shares for them?

19
20 **DR. STEPHEN:** We talked about this a little bit, I believe, in
21 Amendment 42. We were thinking of the fact that, when you
22 transfer your poundage from your shareholder to your vessel,
23 that's where the conversion occurs. If you were selling to
24 someone else, you would transfer the poundage, and it would
25 convert based on their average, if we used that. Jim.

26
27 **MR. GREEN:** I was just going to say that it feels like we're
28 bogging down on this a little bit, but, to me, this is just one
29 of the mechanisms in the idea of a share-based system. We're
30 not talking about like this mechanism of redistribution. There
31 is the same mechanism for who qualifies for the redistribution,
32 and there's a mechanism for average weight of fish.

33
34 I think we're getting bogged down in this wholeheartedly. This
35 is one little mechanism, and it's showing a different way of
36 redistributing the fish over anywhere from a nine to fifteen-
37 year period, it seems like, three to five years, and so I think
38 we need to kind of push forward. This is just one little
39 mechanism, and I would like to see more.

40
41 **DR. STEPHEN:** I will take one more question.

42
43 **MR. CARPENTER:** Kind of echoing on what Mr. Green said, I am
44 little confused on where we're trying to go here, because I know
45 that -- I can't speak for what the headboats have discussed,
46 but, in our prior AP meetings, I think we all recognize that,
47 should 41 or 42 move forward, that some type of redistribution
48 process or some way of identifying those latent permits will

1 take place.

2
3 I mean, you're talking about an animal -- If you lock us all in
4 a room, we're talking about three months or more to work this
5 out without food, because there are so many different ways. I
6 mean, who is going to host the appeals board? Like the
7 gentleman said, if somebody gets sick and misses a year, if
8 we're on a one-year iteration, and who is going to work the
9 appeals board? Who is going to decide whether she was sick
10 enough or not to have missed that year?

11
12 To use Gary's example, the emails that bounced around this time
13 last year, where some in NMFS staff believe that, once my boat
14 has a permit on it, it has a permit for the entire year, whether
15 I take it off of it or not. If my boat breaks down in January,
16 but there are so many ways. I think that we can agree that,
17 should 41 or 42 move forward, that some way of redistribution
18 needs to be done, but, if we're going to hash this out, we need
19 to get food brought in and not leave.

20
21 **DR. STEPHEN:** This was just, again, to give you an idea of a
22 different mechanism other than traditional catch shares. I will
23 take one more question and then we'll move on. Shane.

24
25 **MR. CANTRELL:** Thank you for putting this together and being
26 able to put some numbers to this, so we can see what that looks
27 like. Until now, it's just been a circular concept around the
28 table. We can talk about what if, what if, what if, what if I
29 get sick and what if I break my leg, but what happens if you do
30 that now? You've got nothing.

31
32 I look up there, and you've got something. You've got 365 days
33 to do it, or if you fall down and break your leg on day one, but
34 now, if you do it on June 1, you've lost it all. You've got
35 nothing. Is looking at this and spending some time to go
36 through this better than nothing?

37
38 **MR. JARVIS:** I am with you. It's time to move forward. I see
39 this, and I thank you for putting this together, because we
40 didn't get to see something like this. This is a glaring
41 example of what I was speaking about in my opening statement
42 earlier, is that I think we can get a better product put
43 together to move into a rights-based management system.

44
45 This is another tool or opportunity to achieve that, and, when
46 it comes down to supposition, I mean, you could come up with the
47 zombie apocalypse or any of a number of scenarios that could
48 affect any one of us in this room, but, when you're trying to

1 put in a management program that's going to ensure the
2 transitional transfer of this fishery and industry and access
3 for the American public, you can't go there.

4
5 You have to try to come up with something that -- What was the
6 word, fair and equitable? Even if we went and used the exact
7 plan that you put together here, everyone knows what is at stake
8 if you initiate this. They know the playing field. They
9 understand that.

10
11 I am sixty years old, and I could have a health issue in a
12 minute, but my family and myself is going to make adjustments on
13 the business side, on the fishing side, to adjust to my problem
14 within a management system like that. If I know there is a risk
15 of losing allocation because I can't fish, I am going to hire
16 someone to fish for me.

17
18 If I make a living fishing and I do have to stop fishing, I am
19 going to have to do that anyway, so I can pay my electric bill,
20 and so I just want to caution everyone, because we can -- For
21 every idea or concept we try to make this work, we can sit here
22 in ten minutes and make fifteen scenarios of what-ifs, and so I
23 think you have to be cognizant of what-ifs, and that's where
24 fair and equitable comes into play, but you can't derail a whole
25 system of our ideas.

26
27 I mean, we heard this in the data collection problem. We're all
28 here, and we've got the biggest problem in the charter/for-hire
29 in Amendment 41 is the lack of known participants. The reason
30 we're at that stage is, when we tried to move, six years ago,
31 into a mandatory charter boat logbook, the what-ifs got us.
32 What if this or what if that, instead of saying we have a
33 problem and we need to fix it and let's do it.

34
35 Here is another glaring thing. This is the first time I've ever
36 seen this, right along with everyone else, and I'm thinking to
37 myself that that's way more fair than anything I've thought of
38 or our AP thought of during the whole course of the discussion.
39 Between now and the next time we have a meeting like this or
40 another AP, staff or some of the guys, we may come up with even
41 better tools to consider, and so I just want to -- I just want
42 to caution everybody to not play the what-if game.

43
44 **DR. STEPHEN:** All right. We're going to move on to one of the
45 other ideas that we've come up with as well. Just to go over,
46 again, these redistribution variations. You can vary the number
47 of iterations, you can vary the amount being reclaimed, you can
48 vary the timeframe of the iterations and the redistribution, and

1 so there is a lot of variations that you can come off of this,
2 and I could probably come up with thirty different types of
3 scenarios off the top of my head, and so keep that in mind when
4 you think about whether you would enjoy something like that or
5 not.

6
7 Again, participation was kind of a key concept in a lot of the
8 discussions we heard, whether it was mandatory to participate
9 versus voluntary, opting in and opting out, and maybe some type
10 of phased implementation, and so we don't kind of force the
11 whole industry into something at one point in time. Along those
12 lines, we tried to think about what type of alternative method
13 could we look at that might be of interest to you.

14
15 Within a phased-in implementation, we kind of created a plan.
16 Again, there is a lot of variations to this, and this would be
17 where we have a quota applied to the season, and so you have a
18 for-hire open season and then you have an IFQ season for the
19 rest of the year. All federal permits could harvest during the
20 open season, and so nothing is taken away from those who wish
21 not to participate in the IFQ program.

22
23 You can have optional participation within the IFQ season, which
24 would be outside of the open season. There could be discussions
25 about whether that open season harvest may or may not count
26 against that IFQ allocation that's being used for the rest. The
27 idea would be, for the IFQ season, is we take the number of for-
28 hire days and reduce it by the amount of quota that we're giving
29 to the IFQ season and kind of phase in IFQ over time.

30
31 Each year iteration, and it might not be a year cycle, more
32 would go to the IFQ column and less to an open season
33 methodology. It allows people to make business plans to figure
34 out how they want to work into the IFQ. Do they want to adopt
35 early or do they want to see how it works or how will things
36 change?

37
38 This one is a little bit easier to work ourselves through. With
39 an existing management plan, we have a closed season, and we
40 open up for part of the year. Then we close again. In an
41 implementation that's phased in, we would have IFQ season, by
42 voluntary participation, prior to that open season period. We
43 would have the open season period, where everyone could go, and
44 then we would have IFQ afterwards.

45
46 In the next year, that open season decreases. Notice it's
47 starting to decrease, and so, each year after, it would
48 decrease. To save room, I only did three iterations. At the

1 end of the fourth iteration, everything is IFQ. Now, of course,
2 with each of those new iterations or years, we would probably
3 have to do a new calculation, because we would anticipate a
4 change in who is participating.

5
6 There might be a little time lag in figuring that out each time,
7 and that might set what some of the iterations are, but it's
8 another mechanism to look about how to go to a type of catch
9 share program. I want to mention that I said IFQ here, but, if
10 you want a PFQ instead, that's perfectly doable as well. Are
11 there any comments on this type of program? Ed.

12
13 **MR. WALKER:** In the Charter AP, one thing we kicked around a
14 lot, and pretty much just gave up on, was an opt-out plan. Just
15 no one could come up with any reason that anyone would opt out,
16 and we tried and tried and tried to figure it out, just to get
17 rid of people that weren't participating, but people are going
18 to say that they participate, because they stand to gain
19 financially down the road. They've seen the commercial share
20 system and all of that. Where I am at on that, and we hashed it
21 out a lot, is, if you want my opinion, I would say just
22 disregard any opt-out strategy and move past that and onto non-
23 opt-out and opt-in programs.

24
25 **MR. BRYANT:** That open season, I guess how do you get ahead in
26 that system? Is just everybody the same and you're just
27 decreasing the open days, or are you using the open days to kind
28 of build a catch history for redistribution? How would that
29 work?

30
31 **DR. STEPHEN:** You could use those open days to build a catch
32 history for later on, if you wanted to phase in implementation.
33 By that final full catch share spot, maybe that initial
34 distribution is based on the years, whether people wanted only
35 the open season or both. There is a lot of room to play with
36 ideas within this.

37
38 Typically, the way we were thinking is that the number of days
39 open during the open season would decrease as you allocate more
40 quota to those who are participating in the catch share program
41 that occurs on either side of that. Did I see a hand over here?
42 Gary.

43
44 **MR. JARVIS:** I think, to reiterate what Ed was talking about, we
45 wrestled with some of this stuff, and, just knowing how the
46 council process works, I commend you for thinking outside the
47 box, but I think this would be -- The complexity here, even
48 though it may soothe the needs or the angst or the concern of

1 some operators in our industry, because they don't really
2 understand what's going on or just their inherent mistrust of
3 the government, but -- I think that would be a good reason to go
4 down that route, but I have a feeling that to try to get this
5 through the council process would really be cumbersome.

6
7 **DR. STEPHEN:** Anyone else? Okay. Again, just to go over that
8 the phased variations, you could have a set number of iterations
9 or progressive, where they're longer or shorter in time period,
10 and you could also use that kind of iterative approach to
11 reclaim and redistribute within the phased-in, and so combining
12 these two new kind of concepts together, and, of course, you can
13 make participation voluntary or mandatory.

14
15 What this slide does is shows kind of what we've talked about.
16 From that kind of flow chart before, we have kind of given you
17 guys some more things to go home and think about. The full
18 quota to program is kind of more of that cyclic approach, and
19 then you could have -- If you follow this kind of blue path
20 here, that was the original kind of plans in 41 and 42. It was
21 more of a single distribution, a once-and-done, and then your
22 shares gave you everything the next year.

23
24 Moving over to this cyclic approach that's more of the something
25 gets reclaimed and redistributed based on some percentage over
26 some amount of iterations, based on input from you guys. With
27 that, you can have a set cycle that you're going to do X and Y
28 and that's the way it's going to be forever, or you can have it
29 progressive. Maybe the first iteration is two years and the
30 next iteration is three years in length.

31
32 Maybe, at the same time, you take back 50 percent the first time
33 and 40 percent the next, figuring that you might be starting to
34 bring the fishery in line with shares with what you think is
35 representative of what's being harvested. You can then either
36 stop that progressive cycle at a point or have it set where you
37 have it on a longer-term cycle with a smaller amount of shares
38 coming back.

39
40 The same thing with that kind of partial quota stepping to the
41 full quota, that phased-in approach. You can do that also with
42 the cyclic distribution or without and a kind of terminal cycle
43 or continuous cycle with it.

44
45 Of course, we've got a box here where we're interested in other
46 ideas. We've been trying to think outside the box, but you guys
47 know your industry well, and we would love to hear if you have
48 other ideas that are outside of traditional catch share

1 management or traditional management that you think we can go
2 with. I would be happy to have anyone talk to me, and I can
3 help figure out the feasibility of it.

4
5 **MR. BRYANT:** Just a question. Since electronic logbooks --
6 Under the two scenarios that you all just gave us, would that be
7 incorporated with logbooks or without logbooks? Would it work
8 better with logbooks?

9
10 **DR. STEPHEN:** Typically, with a catch share program, we require
11 you to report landings. That, in essence, is a form of
12 electronic logbook for the species in the catch share, if not
13 the full amount of all species.

14
15 **DR. DIAGNE:** I think this us sharing most of the information
16 that we have. I guess we have kept the million-dollar question
17 or questions or discussion for later this afternoon, meaning
18 taking the time to go over some decision tools and the various
19 scenarios and see the amount of quota or pounds that one may or
20 may not be apportioned under various programs. That part will
21 come later on.

22
23 What we have done, up to this point, is show you the flow chart
24 and the major decision points, in terms of the type of program,
25 the timing, et cetera, and so forth. The second part here
26 today, we looked at what we have on the commercial side. Once
27 the program was designed, or the programs were designed, that
28 was it.

29
30 Everybody was locked into what they got, and the system was
31 done, but here -- Hopefully your future discussion will help
32 adjust as we move forward, adjust the quota in the big picture
33 and also adjust the individual allocations. Hopefully you guys
34 will come up with the suggestions that will help us design the
35 programs that you are looking for, if that's the direction you
36 want to go to. We will turn it over to Ms. Emily and Betty.
37 Thank you.

38
39 **MS. MUEHLSTEIN:** I think we just wanted to give you guys a
40 little bit more background on some of the possibilities that we
41 have considered. Also, just let's emphasize the fact that that
42 was all just sort of baseline ideas that we're presenting.

43
44 If there's ways to tweak them, if you have completely different
45 ideas, something different than this catch share thing or
46 general traditional, that's okay. We're trying to see if we
47 want to move in that direction, but it sounded like this
48 morning, from the sort of get-go, that we had a lot of

1 questions, and so I'm hoping that that clarified sort of some of
2 the direction that we can be taking when we think about
3 designing a program that works.

4
5 Karen, we are back up to Question 2. This next question that
6 we're going to move along to, and we're just going to jump right
7 back into it, is the idea of whether or not we want to approach
8 this in a single amendment or if we want to continue down that
9 path where we had been going, which would be generating two
10 separate amendments for either component, and so, again, we have
11 some sub-questions under here, some benefits and deal breakers
12 of separate programs, what are the benefits and deal breakers of
13 a single program. Is there anybody that would like to sort of
14 start off the discussion in discussing whether or not we're
15 going to move forward in exploring a single or separate
16 programs? Tom, go ahead.

17
18 **MR. STEBER:** First of all, although we're all charter/for-hire,
19 you have two different fisheries. You're fishing for the same
20 fish, but they have two different modes of operation.
21 Charter/for-hire is basically more of a upper business, so to
22 speak, and headboats are more of a, for example, a hundred-
23 dollars-a-head fishery, where you put thirty or fifty people on
24 a boat.

25
26 Headboats already have twenty years' worth of history. The
27 headboats already have a pilot program that worked very well.
28 To me, it just doesn't make sense to start all over again. You
29 created and built a program that worked great. Take 42 and let
30 42 go at whatever time it needs to go.

31
32 The issue from charter/for-hire is that headboats are way ahead
33 of charter/for-hire, and so the total heartburn is because the
34 headboats are in front of it, and they will have an advantage.
35 In my mind, you've got two different deals, and we're going to
36 need to keep them two different deals. Also, in my mind, and I
37 have said this before, the only way, in my mind, we can get a
38 fair catch history, based off of what we're actually catching,
39 from the charter/for-hire side is to build it.

40
41 I know most of you know my opinion, and I know there is issues
42 that they don't want to go that way, because it's going to take
43 longer, but that's the only way that I can see us getting the
44 fish to who the fish rightly should go to.

45
46 **MS. STAUGLER:** Okay. Mark and then Jim.

47
48 **MR. HUBBARD:** A question to the council. Is there any plans for

1 the charter/for-hire sector with logbooks or some other means
2 other than the phone-in survey that they have? If things are
3 going to change in the near future, then that will affect
4 whether they could be managed together, partyboats and charter
5 boats.

6
7 Even with the partyboats, we have the Beaufort logbooks, but a
8 lot of us understand there is flaws with that as well. If the
9 system is going to change, then that will dictate whether the
10 fishery could be managed together, both sectors. If not, then
11 we're going to be stuck counting the fish in these two sectors
12 separately. Then, of course, they're going to have to be
13 managed separately. Really, there is some fundamental questions
14 just on how we're going to count the fish within these two
15 sectors.

16
17 **MS. MUEHLSTEIN:** I am wondering if that's something that needs
18 to be addressed before we move forward. Did you have a response
19 for that, Roy?

20
21 **DR. CRABTREE:** The council has made changes to the headboat
22 survey by going to electronic logbooks, but the more fundamental
23 change is they're working on an amendment to require electronic
24 reporting in the charter boat fleet as well, and I believe
25 that's going to be scheduled for final action at the January
26 meeting. There are changes in the way that catch accounting is
27 going to take place, but it's probably going to take several
28 years to get that fully implemented on the charter boat side.

29
30 **MR. HUBBARD:** With that said, it's going to take several years
31 for the decisions we make here today to be implemented.

32
33 **MS. MUEHLSTEIN:** Not necessarily. If you look ahead at Question
34 3, that discusses the timing of the program. There would be a
35 way to move forward without getting into sort of that landings
36 history or that landings data directly from the charter boats,
37 and so one of the questions that we'll be addressing next is
38 whether or not we need to wait for this electronic reporting to
39 be implemented in order to start a program, specifically for the
40 charter side of things, because the headboats sort of already
41 have that information, and so we will address that one next, and
42 there are ways to move forward without it.

43
44 **MR. GREEN:** Backtracking a couple of people, Tom, and I don't
45 know what kind of headboat operation you run, but mine is top-
46 notch. Mine is up there, man. I don't know, but I've got high-
47 class -- No, I'm -- Headboats have catch history because the
48 council mandated it, eventually.

1
2 Charter boats don't, because the council didn't. Headboats are
3 supposed to move forward because they were put at a different
4 advantage than the charter boats? I don't know what the answer
5 is. I don't know if it's 41 and 42 or if it's combined. I am
6 kind of -- There is a lot pulling on each direction for me, but
7 the headboats are at an advantage because they were put in that
8 advantage. It wasn't because charter boats said don't give us a
9 logbook, because I've been coming to these meetings since 2004,
10 and every one has been that we need a logbook.

11
12 I don't understand where -- Being a headboat operator, but also
13 answering to one of the biggest fleets in the Gulf, I am
14 supposed to go back and tell that, because I have catch history,
15 I should move forward and we should figure out what to do with
16 you all next?

17
18 I mean, I see inherent problems, in my homeport, telling the
19 people that I represent that, hey, man, I got to fill it out and
20 you didn't and now I'm in a cooler club than you now and now you
21 need to work harder. I'm just going to take this, and then you
22 take the burden of the latent permits, and you take the burdens
23 of the uncertainties of this management system, and you all just
24 figure that out, because we got our sixty-seven boats and we got
25 our catch history, and I am going to go catch snapper. I'm
26 going to be too busy doing that, and you all figure out how to
27 do this.

28
29 I have a problem, personally, with going back and looking back
30 anybody in the face and straight up telling them that 42 should
31 go forward and you all should figure out your problems.

32
33 **MS. MUEHLSTEIN:** You're saying that one of the drawbacks of
34 doing separate programs is that one group, specifically the
35 headboat program, is on a faster timeline than the charter
36 program.

37
38 **MR. GREEN:** I am saying that it's wrong, but, yes, in a
39 nutshell.

40
41 **MS. MUEHLSTEIN:** Okay. We will put that under drawbacks of the
42 separate programs.

43
44 **MR. GREEN:** I don't see where, because a permit was selected by
45 an arbitrary group of people, to say, okay, they've got to have
46 fifteen passengers, and, hey, you function as a headboat.
47 Dustin, you kind of function like a headboat, and you're in the
48 survey now. I have a problem with that. All of this was

1 arbitrary. It was kind of -- I mean, I'm sure there was some
2 rationale for it, but not on the manner in what we're trying to
3 use this for now.

4
5 **MS. MUEHLSTEIN:** So that's a second drawback of using a second
6 program, is that the definition that we're using for headboats
7 right now is arbitrary.

8
9 **MR. GREEN:** It's either arbitrary or it's a moving target. It's
10 a moving target, because it's not just that you have to meet
11 these criteria. You also have to pass these humans saying that,
12 yes, you are a headboat.

13
14 **MS. MUEHLSTEIN:** So two drawbacks, from what I am hearing, of
15 the separate programs are the timeline and the definition of
16 headboats.

17
18 **MS. STAUGLER:** Okay. I've got Gary and then Pam.

19
20 **MR. JARVIS:** Tom spoke of some benefits of a single program, and
21 Jim brought up the deal breakers of the single program, and so
22 I'm not going to rehash that. What are the benefits of a single
23 program? Well, it's kind of the same benefits of the separate
24 program. We could establish allocation for each sub-sector,
25 because, under a single program, you can still have a sub-sector
26 within that.

27
28 The timing issue is resolved, because, in my community, we have
29 ten headboats and about 105 federally-permitted charter boats
30 and a whole bunch of state-licensed guides. To have a very
31 small segment of that community operate in rights-based
32 management is problematic in and of itself, just on the issues
33 of how you execute the fishery, when, historically, we've all
34 executed the fishery together. Our season starts at the same
35 time and ends at the same time, and we do the best we can and
36 catch what we can during the way that fishery is executed.

37
38 The problem comes or the solution is, under one program, is the
39 timing of it is, when we finish the product, that, as we have
40 done historically, and the way our heritage has been
41 established, we're all going to execute rights-based management
42 together at the same time. That is good for community
43 relations, to say the least.

44
45 Also, one of the things that is a benefit of the single program
46 is, as you execute that fishery in the historical manner, it
47 creates less chaos, not only for the Gulf Council, but for the
48 National Marine Fisheries and for the community that is

1 executing the fishery in the first place.
2
3 The detrimental side, the deal breakers of using a single
4 program, the only one that I see is the one that was spoken of
5 in Tom's comments, is that we've got our stuff together and
6 we're ready to go and you're not. I have got a real, real
7 problem with that, because what that does, especially the way
8 the thing is written right now, where 42 is a multispecies and
9 41 is red snapper, I am staring a sunset provision in the face
10 under red snapper and they're not, under this scenario.
11
12 Number two is, if we don't come up with solutions to our
13 problems that exist right now in 41, we can get back into the
14 black hole of the recreational fishery and forevermore, in my
15 community, you have a very small minority in a rights-based
16 management system, and you've got the rest of us clinging onto
17 our very lives, being swallowed up by the other sector that
18 doesn't have limited access.
19
20 In the interest of preserving the historical participation of
21 the entire charter/for-hire fleet, I don't see any way, even
22 though, for whatever reason, we went off on these separate
23 amendments, I don't see how you can execute this with a very
24 good product if we don't combine the two and use that one
25 document to address the various different issues that we face,
26 but also preserve the very same issues that we need and rely on.
27
28 **MS. STAUGLER:** Okay. I want to make sure that Karen got all of
29 this, because there were several points there. We have, under a
30 single program, one of the benefits is that you can establish
31 allocations, the same as you can under separate programs.
32
33 **MR. JARVIS:** Timing is correct. I will do it for you, real
34 quick, just from my notes. You can establish the allocations
35 for each sub-sector. The timing ensures that it's approved by
36 the Secretary of Commerce and we execute the rights-based
37 management at the same time. We will address latent permits the
38 same, all together, so one segment of the latent permits doesn't
39 get thrown over into the other user group.
40
41 Basically, that's pretty much it. Also, by it passing, or
42 working through when it's approved by the Commerce Secretary,
43 one sub-sector is not at risk from detrimental aspects of the
44 sunset provision or changes in management while the other one
45 presses on with immunity.
46
47 **MS. STAUGLER:** Okay. Let's let Karen catch up, real quick. We
48 also have, Karen, that it will address latent permits. Then the

1 deal breakers under that, and I don't know if that's a deal
2 breaker, but it was on the bad side, was that the headboats were
3 ready to go.

4

5 **MS. MUEHLSTEIN:** I think we can stress that as a benefit.

6

7 **MS. STAUGLER:** Then I guess the other consideration was the
8 getting sucked back into the larger pool of recreational for the
9 charter/for-hire.

10

11 **MS. MUEHLSTEIN:** Okay. Are we ready to move on? I think Pam
12 was next.

13

14 **MS. ANDERSON:** I think, if we are forced to go down this road, I
15 think that we do need to have separate programs, but I do
16 believe that they should be implemented at the same time.

17

18 I have a marina that has forty boats there, and you would be
19 pitting five headboats against thirty-five charter boats in this
20 situation, and we would be having to explain to all those folks
21 that come through our office and answer our phones and on our
22 website, explain why one group of boats does it one way and
23 another group does it the other way. It would be an
24 astronomical problem, an issue, and it would cause a lot of
25 confusion. It would cause a lot of anger, and it would be
26 detrimental to the economy.

27

28 **MS. STAUGLER:** Should that be under deal breakers?

29

30 **MS. MUEHLSTEIN:** Yes, and that would be deal breakers for
31 separate programs, would be timeline, but we have that on there.
32 We will just reemphasize it. I think Chad was next.

33

34 **MR. HAGGERT:** Listening to what's being said here, as far as
35 having both programs move forward together or to be combined
36 into one amendment, some of the reasons were that the headboats
37 were mandated to fill out their logbooks, where the charter
38 boats weren't, and so the charter boats shouldn't be punished,
39 but yet, in the same sense, you're wanting to punish the
40 headboats for having a catch history.

41

42 It was all fine and good and we were all moving forward. I have
43 been to a lot of these meetings where they've said the charter
44 boats, Amendment 41, we want it to move forward like 42. Then,
45 all of a sudden, it changed.

46

47 I think, instead of stalling a process that's already moving, we
48 can look at getting something that will work for the charter

1 boat industry and help that move forward and maybe look at
2 implementation different, but I don't think we need to combine
3 both of them into one amendment, because, although we're all in
4 the same fishery, there are different aspects to it.

5
6 As far as some of the other larger marinas saying that there's
7 going to be an advantage and it's going to be hellfire and
8 brimstone if the partyboats or these boats can catch them, my
9 question would be, what do you do with the state guideboats that
10 are there that fish under the special state seasons? Are there
11 people burning boats in the marina there or fighting amongst
12 each other? I don't know. I don't have that problem where I'm
13 at, because we don't catch red snapper in state waters in
14 Clearwater, but that would be a question that I would ask there.

15
16 **MS. STAUGLER:** I skipped over Gary. I apologize. Then I'm
17 going to Jim and then back to Pam.

18
19 **MR. BRYANT:** I have a six-pack boat, and there seems to be some
20 pretty strong feelings, but I'm in a very small marina. I don't
21 have a headboat. When the pilot program went on, it didn't
22 affect me at all. My customers aren't headboat customers.

23
24 Something I would think is that we've got these two amendments,
25 and one is ready to go. It seems, to me, if one goes through,
26 that it's going to be harder to leave the other one flopping in
27 the wind. If things change at the council level, if one is in -
28 - If people are against this, they want to keep them both out,
29 but, once one gets in, I think it's something to think about.
30 It looks like it would be harder to leave the other side out.

31
32 **MS. STAUGLER:** It was Charles that was first. It's Charles,
33 Jim, Pam.

34
35 **MR. PAPROCKI:** I agree with Chad and Gary, I guess it was. It's
36 kind of penalizing the headboats for what they've already done
37 and all, in moving along and such, and, the more sectors that
38 are in it, the more complicated it is, and so it's kind of
39 penalizing that they're that far ahead. What about if they
40 broke theirs up into six-packs and then overloads? Maybe that
41 would facilitate things.

42
43 The other aspect is what if -- Some of them can overlap, too.
44 Like the whole system could overlap, but broken down into like
45 three categories there, and so subjects would work as a whole,
46 where we have the power together, like Gary was saying, and, if
47 one goes through, I think the others are going to go through,
48 the rest are. If the headboats go through, they're going to be

1 pulling the rest.

2

3 With sixty people versus 1,200, it's easier to get something
4 done, and I think that's one of the things. It's not just
5 because of the data. That's one aspect of it, but you've got
6 sixty boats, versus 1,200. That is something else to think
7 about.

8

9 I don't know on theirs. They've got so many issues and stuff,
10 and maybe they do their six-packs one way and overloads another
11 way. That way, maybe they can agree upon something, more
12 agreement in other ways. Maybe that's possible.

13

14 **MS. MUEHLSTEIN:** I just want to step back, because what I'm
15 seeing is sort of a couple of people reiterating different sides
16 of one point, and it's the concern about timing, if we were to
17 go with separate programs versus single programs, and I am
18 hearing that potentially some folks that are going forward with
19 the headboat program like the timeline that it's on and want to
20 keep going and don't want to be sort of held hostage by the
21 charter program. However, I am hearing, from the charter
22 program, that there is concerns that if the headboat program
23 goes forward that they will sort of be left in a less-than-
24 advantageous situation.

25

26 **MR. PAPROCKI:** I think it's an unknown, but, if one does get
27 through, the other one way. There's a good chance that it will,
28 but it's an unknown.

29

30 **MS. MUEHLSTEIN:** So then the response is sort of --

31

32 **MR. PAPROCKI:** We don't want to leave them behind really, but
33 it's making their problems our problems, and so our problems,
34 some of them, are solved, but now we're going backwards with it.
35 If we need to wait and hash theirs through, the process is
36 there, but don't implement it until theirs is done, we're okay
37 with that. They can implement it then.

38

39 **MS. MUEHLSTEIN:** Okay. I just wanted to identify that problem
40 that we sort of are having for making that decision right now.
41 Go ahead, Gary.

42

43 **MR. GREEN:** So I would say there is sixty and then there's
44 1,200. Of course, there is going to be more problems with the
45 1,200, and so we should let the sixty go forward, because they
46 may be able to speed them along? This is exactly what I'm
47 talking about. The problem is that all the burden is on 41.

48

1 You take the people with the catch history, you take the people
2 you know are participating, and you move them into this
3 management plan that's not fair to the other 1,200 participants
4 because you've got it figured out? You didn't figure it out,
5 because you just took all the problems and you pushed them over
6 here.

7

8 **MR. PAPROCKI:** No, but we can wait to implement it though.

9

10 **MR. GREEN:** Yes, you can wait to implement. The charter boats
11 waited two years on the EFP. We bit our tongue and we said we
12 wanted to be a part of that, and that was cool. We cheer-lead
13 for it, and then, when it comes down, it's like, no, those are
14 your problems. We did our EFP and we're good, and that's BS,
15 man. You're telling 1,200 people to just -- That's not going to
16 happen.

17

18 **MR. PAPROCKI:** What do you want me to do to help them out?

19

20 **MR. GREEN:** God-dang, man, that's exactly what I said.

21

22 **MS. MUEHLSTEIN:** That's a valid question. The question is then
23 how do we reconcile this difference? Is it a reconcilable
24 difference?

25

26 **MR. GREEN:** You take the idea that you've got it all figured out
27 for the sixty-seven and you throw that in the air and say we're
28 all in it together. You talk about data collection and be like,
29 oh, well, we've got to see if they're going to collect this, and
30 we're all being managed the same right now. The headboats are
31 collecting on an electronic, and charter boats are using phone
32 and guesstimation. We're all being managed under the same
33 umbrella right now on red snapper, and so I don't see where the
34 big deal is.

35

36 We waited two years, and you all can either help out to make it
37 quicker or you wait too, but the problem is that we have latent
38 permits, and the problem is that you don't. The problem is that
39 we all are in this together, and we're all managed the same
40 right now, and, because it's easier for 42 to go forward, it
41 should. Why don't you take some of these damn problems and put
42 them in 42 and we'll all get there at the same time?

43

44 **MR. PAPROCKI:** We don't want them. Ours are gone. You guys
45 have got your own.

46

47 **MR. GREEN:** That's where you screwed up, because that's not how
48 the vote went at the last council meeting. You aren't there

1 yet. You're not done.
2
3 **MR. PAPROCKI:** No, we're not.
4
5 **MR. GREEN:** Okay. So let's all get together on it.
6
7 **MS. MUEHLSTEIN:** All right. We recognize that this is a
8 problem, that timing, specifically, seems to be a bit of a hot-
9 button issue. Sort of two thoughts that came up is we go with a
10 single amendment, so that we're all on the same timeline, or
11 maybe the idea that I think Charlie sort of committed to was the
12 potential that it would be okay to have separate amendments and
13 then waiting to implement 42 until 41 is worked out, and so that
14 would keep you on the same timeline, but it would keep you
15 separate. I am not saying that's the answer, but I am just
16 saying these are some alternatives.
17
18 **MR. GREEN:** What I'm saying the glaring problem is, it's that 41
19 -- People believe that 42 hasn't incurred enough burden. If
20 they move forward and they just wait for us to get done, that
21 means that the burden can't be -- What are you talking about?
22 What is this? If you pass 42, then that's your plan, right?
23 Then, if you're going to wait for us to implement it, that means
24 you're waiting for us to figure out what we're going to do over
25 here.
26
27 **MS. MUEHLSTEIN:** Hold on. We're going to time out, and let's
28 see if we can get some perspective outside of sort of what's
29 going on in that corner. I had Pam next, I think. Is that
30 right?
31
32 **MS. STAUGLER:** Yes, and are we capturing all of this? Have you
33 got that?
34
35 **MS. ANDERSON:** Can we just stop and make a list of all of these
36 issues that they believe they have that we don't have and try
37 and hash some of them out right here? I mean, this is what this
38 whole group together is supposed to be like. What about latent
39 permits? How is that going to be dealt with and who is in
40 authority to deal with? Are we?
41
42 **MS. MUEHLSTEIN:** Okay. Thinking about that and sort of stepping
43 back for a moment and listing what the problems are, what the
44 differences are, and seeing if we can sort of knock some of
45 those out and then coming back to this general question of
46 together or separate.
47
48 **MS. ANDERSON:** Exactly.

1
2 **MS. MUEHLSTEIN:** Okay. Does anybody have a big problem with us
3 taking that direction? All right. Let's do it. What we're
4 going to do is we're going to try and generate sort of a list of
5 the grievances that we're having, that the charter vessels are
6 having that the headboats are not, that are going to have to be
7 addressed.
8
9 **MS. STAUGLER:** Okay. Can we go --
10
11 **MS. MUEHLSTEIN:** How about this? It's three o'clock, which
12 means that it's a reasonable time to take a fifteen-minute
13 break. Why don't we take break and we will regroup with a
14 strategy to make that happen? We will see you at 3:15.
15
16 (Whereupon, a brief recess was taken.)
17
18 **MS. MUEHLSTEIN:** I guess we can get sort of started generating
19 this list. Then, as they walk in, and, if they miss out, they
20 miss out.
21
22 **MS. STAUGLER:** One thing to keep in mind is Karen is writing
23 this stuff down, and so we want to make sure that she is
24 capturing the list completely before we move on to the next
25 item. I know she was having some trouble keeping up. This
26 should hopefully be a little bit easier, because she doesn't
27 have to put it in the right box, but we do want to make sure
28 that she has got your thoughts captured. We are looking at
29 issues that the charter fleet has, as far as implementing that
30 42 that headboats do not have, and so --
31
32 **MS. MUEHLSTEIN:** We will start with Mike.
33
34 **MR. ELLER:** The Charter Boat AP feels like that there are latent
35 headboat permits, let's call them latent large-capacity permits,
36 that are out there that, because they've never participated in
37 the Beaufort headboat study, the Headboat AP wants to just throw
38 them aside, which would throw them down into the charter boat
39 category.
40
41 We believe that there is a latent permit issue, because of the
42 loose or lack of a definition of what a headboat is, and so that
43 definition has to be squared away, fifteen passengers or forty-
44 nine passengers, but we believe there is latent capacity of
45 large-capacity permits, and that needs to be dealt with.
46
47 We believe that the problems with the difference between the
48 Headboat AP has a five-species working plan and the Charter AP

1 has a one-species working plan, and we believe that's a big
2 issue that's going to have to be dealt with, and what was the
3 other one? There was one more.

4
5 The Charter Boat AP has, from the very get-go, tried to develop
6 a plan that is extremely inclusive and that looks out for new
7 entrants coming into the fishery and that does not devalue
8 permits, especially right off the bat, and so I think that was
9 some of the big differences between the Charter Boat AP was
10 working on, is we working on something that was inclusive and
11 more fair.

12
13 The reason is because we have a lot of six-passenger boats that
14 we're going to have to deal with. If we have a referendum, we
15 deliberately set out to make it where it's something that they
16 could live with and they would probably vote for, and so we
17 weren't using the commercial fishing, the way it worked in the
18 commercial fishing for red snapper, as a guide for how to do it.
19 We were using it as a guide of how to not do it, and we, from
20 the very get-go, we wanted to make sure it was extremely fair,
21 and a lot of issues to make it that way, and so that was the
22 three things that the Charter AP was trying to do. We need to
23 deal with the latent issues on the partyboat side, deal with new
24 entrants, and whatever the third one. Multispecies.

25
26 **MS. MUEHLSTEIN:** Multispecies. Okay. Is there anything, in
27 addition to what Mike just said, that we wanted to add to this
28 sort of list of challenges that the charter guys are facing that
29 potentially the headboat program doesn't have?

30
31 **MR. BRYANT:** The logbooks and the catch history. If we had
32 that, all the other problems would go away.

33
34 **MS. MUEHLSTEIN:** That would be your catch records?

35
36 **MR. BRYANT:** Yes, and we would know our universe. It wouldn't
37 matter what region you were in. You would have what you've
38 done. I think a lot of our problems would go away if we had
39 that information. We've got to start sometime.

40
41 **MS. STAUGLER:** Okay. Gary, go ahead.

42
43 **MR. JARVIS:** To add to Mr. Bryant, in the e-logbooks -- When you
44 talk about initial allocation, our biggest problem is we don't
45 even know how many mouths we have to feed, let alone that there
46 may be too many or what have you. Just one year of mandatory
47 logbooks will define the harvest universe, in multispecies, for
48 the charter/for-hire sector, so we don't have to do a -- In the

1 interest of the needs of the headboat guys that Katy-bar-the-
2 door and full steam ahead, we don't have to wait for a three or
3 four or five-year catch history building process, which is
4 detrimental to the resource by creating a derby.

5
6 I think, through some of the presentations that we just
7 witnessed on redistribution and some of the discussions we had
8 at the AP, I think we can come up with an initial allocation
9 distribution that will make it through the council process with
10 just one year of ELBs.

11
12 At the workshop that I attended, with very much the same staff
13 members and agency representatives, that, if the council will
14 come to final action on the ELB amendment, which is the big
15 issue two weeks from now, that 2018 is a reasonable year to get
16 an ELB up and running, and so now we're talking about a two to
17 three-year process, which, in the realm of FMP lifespans, that's
18 a very reasonable and actually a fast timeline.

19
20 **MS. MUEHLSTEIN:** Okay. Let's just double-check. Jessica, is
21 that right? Can you sort of remind me of what the timeline is,
22 if we were to be waiting for let's just say one year or are you
23 comfortable with one year? Where are you at with that?

24
25 **DR. STEPHEN:** I guess there's a couple of things that we need to
26 think about. If you're using one year of electronic for-hire
27 reporting, just to identify vessels that are active and not
28 actual landings, I think we're at a quicker timeframe.

29
30 If you're using it to determine how much landings particularly
31 of a specie or species we're interested in, you stand the chance
32 of people inflating those values to gain something, in which
33 case my suggestion would be a longer time series.

34
35 When it comes down to when for-hire electronic reporting is in
36 place, keep in mind that 2018 is our best estimate guess, and
37 this is sometimes the way it works. We don't have a system in
38 place. We don't have hardware or software in place, and the
39 council has not yet, although we hope to see final action in
40 January, and so all of those factors might play into when we
41 actually start recording the information, and so it might be
42 more realistic that 2019, versus 2018, as things come down.
43 Just keep that in mind, that, again, 2018 is the most
44 optimistic.

45
46 **MS. STAUGLER:** Thank you. Gary, go ahead.

47
48 **MR. BRYANT:** If we just had to use a short-term, like a year, to

1 get started, then that would open the door to like one of your
2 examples that you gave us, where we got started and then you
3 started reallocating based on what you actually did after that,
4 and so I think we have lots of options.

5
6 **MS. STAUGLER:** Okay. It sounds like we're starting to move
7 towards some solution on this list, or at least thinking about
8 moving --

9
10 **MR. ELLER:** We're identifying the problems, but I don't think
11 we're moving towards solutions.

12
13 **MS. STAUGLER:** Well, we're talking about if we could go with one
14 year, and that would be a potential solution.

15
16 **MS. MUEHLSTEIN:** Or some sort of cyclic redistribution that
17 would sort of even things out over time. In the idea that maybe
18 we're working towards the solution, we have those three defined.
19 Very concretely, the question still is are there any other
20 issues that need to be reckoned? Not necessarily giving me any
21 solutions, but are there any other issues, besides the latent
22 headboat permits that are potentially going to be lumped in with
23 the charter boats, the species to include, and then what to do
24 about new entrants? Okay.

25
26 I think then we work towards, knowing that those are our three
27 issues, I think, Chad, you had your hand up to talk about some
28 of the solutions, from sort of headboat side, that might be able
29 to help work through these issues with the charter boats.

30
31 **MR. HAGGERT:** It's something to throw out there, throw against
32 the wall to see if it will stick. Again, I don't think that 42
33 should be held back. Hearing the problems that 41 has, there
34 has been some members of the Headboat AP that have done some
35 discussion on possible compromises that can be thrown out, and
36 one of them was, for Amendment 42, to absorb some of those
37 latent permits, but what we would like to have with that is -- I
38 guess what we've all been asking for, for most of the day, is a
39 better defined option of what a headboat is.

40
41 If it takes us bringing them in, we have talked about that. We
42 have also talked about the exclusion part of it, about a
43 possible set-aside for new entries. We talked a little bit
44 about it at one our AP meetings, and I think some of the numbers
45 that were being thrown around were too high for some of us to
46 accept, but there would be -- We have been talking about that as
47 a possible option.

48

1 I know, Jim, you said earlier that Amendment 42 is not done yet,
2 and so we're all here to try to come to some kind of conclusion
3 of what we can do to help things out. If it takes 42 absorbing
4 some of those permits, to take the burden off of 41, we could
5 look at doing that, if we're talking about absorbing headboat
6 permits.

7
8 We don't want to take all of them, just like you don't want to
9 take all of them, and so we need something from the council or
10 staff of what that would be for us to take. A big thing is new
11 entrants. They shouldn't have to come in and buy their way into
12 the fishery. We discussed some of it at our AP meeting, about a
13 set-aside. We come up with a number base that we could set
14 aside.

15
16 Any increases in quota, as the program goes forward, can be set
17 aside in that. A stipulation that I come up with is that, if
18 we're going to fund a permit with some of that set-aside, that
19 it needs to be a headboat permit that's on a boat for its
20 capacity and being fished.

21
22 I don't want to take permits that have been sitting latent for
23 several years that have no catch history and fund them if
24 they're just going to sit there again or be turned around for
25 profit, and so those are a couple of things that we've been
26 talking about. Throw out something against the wall and see if
27 it will stick and try to get some compromise going here, so we
28 can move the ball forward.

29
30 **MS. STAUGLER:** Okay. Dustin and then Jim.

31
32 **MR. TROCHESSET:** I would agree, because I know there is a
33 charter boat in Biloxi that is -- He just went down from forty-
34 something to twenty-two people, and he doesn't fish snapper,
35 reef fish, and he's probably not going to be in the business
36 that much longer, but he wants to sell his permit, because he's
37 thinking he's got a good dollar sign on his permit, and that's
38 an issue that has got to be addressed, whether he's a new
39 entrant or has catch history. That's the thing that is
40 important to some people sitting around this table, is what
41 happens to that permit?

42
43 Actually, I think his permit stays the same, doesn't it? It's
44 still forty people or whatever, but he just got his COI reduced.
45 That's a big permit that somebody might buy, and so that's just
46 things that we need to be considering that we're going to have
47 to look at. I'm not saying that we're making a decision right
48 now and argue about it and whatnot. I know, case in point,

1 about that one, and so I will let that go.

2

3 **MS. STAUGLER:** Thank you. We have Ed and then John.

4

5 **MR. GREEN:** No, Jim and then Ed and then John.

6

7 **MS. STAUGLER:** You're right. I need to read my notes.

8

9 **MR. GREEN:** I was just going to respond to you, Chad, because
10 you mentioned me. When I've discussed this with different
11 headboat operators and different people on that AP, they told me
12 that, well, we're ready to go and we're done. That is where
13 some of this -- I am going to say passion, and I'm going to
14 apologize to everybody for kind of getting a little hot under
15 the collar earlier, and, Charlie, I like you. I am not mad at
16 you, but that's the thing, is that we have these problems, and
17 we said -- I was told that that's 41's problem and that 42 is
18 figured out, and so you've got to understand where I'm coming
19 from.

20

21 I am straddled in this whole thing, and then, on top of that,
22 whenever I did go to talk to someone about this, I was told that
23 that's your problem in 41, and that's where some of this comes
24 from. This isn't -- As a headboat operator, as someone who
25 operates a big headboat business also, I want 42 or -- I want
26 whatever is best for our industry, but I'm not going to try and
27 sell a bill of goods to 95 percent or 85 percent of our fleet
28 that it may happen or it might or this is going to help it
29 along, when that other 80 or 85 percent of this fleet sat it out
30 for two years and watched it happen.

31

32 It might not have been a big deal like at Gary Bryant's dock or
33 somebody else's dock, but it was at ours, and you talk about
34 burning, and it can get down to burning boats. Twenty years
35 ago, probably burning and sinking boats. When my dad was a
36 charter captain, it would have, but, right now, it's a little
37 bit more civil than that, but it has divided a town.

38

39 I guess my big passion is that I'm not going to sit here and go
40 back to my guys and say this is the way forward when I have
41 already watched the blood begin to spread out in the waters and
42 sharks circle. Whenever we're talking about this, I am not
43 against 42. I don't know which way we should go with it, but
44 all I know is that you're not going to get the rest of the
45 people to sign on to it unless --

46

47 **MS. MUEHLSTEIN:** That's exactly what we're doing, and so I
48 think, as a genesis of sort of you expressing the fact that you

1 are very passionate about this issue, what sort of happened
2 after you left the room is that Pam made this great idea that we
3 come up with a list of the grievances. Then, sort of privately,
4 some of the guys that are on the headboat side came up
5 afterwards and said, hey, we're willing to work out a solution.

6
7 I think that that's exactly what we're trying to do, and I don't
8 know where the blood is in the water. I don't see sort of what
9 happens, but what I see happening at the table right now is you
10 expressed that you were upset and Pam came up with an idea of
11 how we can try and address it, and people seem very willing to
12 have a conversation that would solve those issues that are
13 concerning you, and I think that's where we are.

14
15 **MR. GREEN:** I just wanted to say, again, that I'm sorry for -- I
16 walked out because I was having a hard time not interjecting,
17 and so I walked out to do a couple of laps and then you all took
18 a break, and so I wasn't leaving.

19
20 **MS. MUEHLSTEIN:** I just wanted to tell you where we're at. I
21 think, actually, what happened was very positive, in that now
22 we're all ready to sort of really identify the issues and try
23 and figure out if there are solutions. We've got the issues,
24 but we're still working solutions, right?

25
26 **MR. ELLER:** We haven't started on solutions yet, I don't think.
27 They said they were willing to talk about it, and is that where
28 we're going now?

29
30 **MS. MUEHLSTEIN:** That's where we're going. Ed, what do you
31 have?

32
33 **MR. WALKER:** I have what I hope is a bit of a solution, and I've
34 been thinking about it. I asked earlier, but the latent permit
35 issue on the headboat side is a big issue, obviously. It's an
36 ambiguous number, the best I can tell. Well, it comes from
37 whatever you decide to call a headboat, and I would propose that
38 we pick a number to call a headboat and not based on
39 participation in the Beaufort survey, but, all of us that are in
40 the room right now, let's pick a capacity number that makes you
41 a headboat and agree on it, whether it be sixteen or twenty-
42 eight or whatever the breakdown is.

43
44 Then we can take it from there, and that will address these
45 latent permit issues that we are kicking around and not even
46 knowing who would fall in that category, and so let's define
47 what we're going to talk about first, and maybe we can
48 compromise somewhere along those lines, because, in the charter

1 boat side, we have way more latent permits, and we don't want
2 the headboat guys latent stuff. We would certainly trade our
3 latent stuff for your latent stuff, because there is probably
4 300 or 400 latent permits in the charter boat stuff.

5
6 I could suggest, and it's up to the room, but let's pick a
7 number that we're talking about, by capacity, of what identifies
8 a headboat for our purposes. That's my suggestion.

9
10 **MS. STAUGLER:** Okay. I know I have John and Charlie up, but do
11 we want to talk about this as a solution before we move on? We
12 have a proposal for a solution.

13
14 **MS. MUEHLSTEIN:** It's to define headboat. Your first thought is
15 that we define it based on some sort of passenger capacity?

16
17 **MR. WALKER:** COI permit capacity.

18
19 **MS. STAUGLER:** Does anybody want to talk about defining headboat
20 capacity? Pam, you do?

21
22 **MS. ANDERSON:** I believe, and maybe it's just in the State of
23 Florida, but headboats are ticketed. The passengers are
24 ticketed on a headboat. Charter boats, they are not. A person
25 comes and books the boat for their group. The stipulation is,
26 if there are latent headboats that get into a situation where
27 they're charter boat or headboat and they're in the wrong side
28 here, they may get into a tax problem, because headboats pay
29 sales tax on those tickets. Charter boats do not pay sales tax
30 on the fee they charge their guests, and so there is a
31 difference there. It's very clear in Florida what makes a
32 headboat and what makes a charter boat.

33
34 **MS. MUEHLSTEIN:** But that maybe isn't true in other states.

35
36 **MS. ANDERSON:** In other states, but, still, that is what I have
37 always heard, is that headboats are ticketed.

38
39 **MR. GREEN:** What is the number in Amendment 42, Emily? I
40 thought the amendment itself had a passenger capacity. Am I
41 wrong? Can somebody help me here on staff?

42
43 **DR. STEPHEN:** I believe, in 42, we based it on what the headboat
44 survey did, and they had a fifteen-passenger minimum, but it was
45 also charging by head, and so remember the survey has slightly
46 different criteria than the NMFS definitions of headboat and
47 charter.

48

1 **MS. ANDERSON:** So it was charging by head.
2
3 **MR. GREEN:** In 42, there was a motion made talking about forty-
4 nine passengers or forty-five passengers. It wasn't in the
5 actual document. It was a motion, and I don't even know if it
6 carried. I don't remember. That was May. Did it carry,
7 because me and you were sitting there. That was for new ones,
8 was forty-nine, and that was a motion. That wasn't in the
9 document.
10
11 A headboat is deemed by Beaufort by their criteria and their
12 decision making. It doesn't have anything to do with collecting
13 sales tax, although in Florida, because we sell a ticket, they
14 call us retail, and so we have to collect sales tax, but that's
15 not the same in Alabama, I don't think. I don't think they have
16 to collect sales tax, but it's under the criteria of Beaufort
17 and what they say is a headboat.
18
19 **MS. MUEHLSTEIN:** That is fifteen passengers, sales by the head,
20 and --
21
22 **DR. STEPHEN:** It's primarily sales by the head.
23
24 **MR. GREEN:** It's primarily sales by the head.
25
26 **AP MEMBER:** I was told by Beaufort that, because we can carry
27 over ten people and, on occasion, we take, for lack of a better
28 word, ticketed, but we don't sell tickets, but we do individual
29 trips -- This is Beaufort now. I was put into Beaufort because
30 I take over ten or twelve people and sometimes it's an
31 individual trip and not a group trip that I am a headboat. I
32 know that's something to hash out probably tomorrow, but that's
33 what I was told for getting into Beaufort.
34
35 **MS. STAUGLER:** Charlie, go ahead.
36
37 **MR. PAPROCKI:** I've got two things. One is just a general
38 statement and then one is about the latent permits and such. As
39 far as animosity between charter boats and headboats, I did not
40 join the EFP. I wanted to, but I didn't. I lost customers in
41 the winter, and I did not want to do it, because of the local
42 charter boats.
43
44 I know most of my guys there, and I did not want to stir the pot
45 and all of that, and you can ask Pam. I spoke with her, and I
46 think it was 2014, and, the winter customers, a lot of them are
47 going to Destin. A lot of mine were going, but I did not want,
48 like I say, the animosity with the charter boats. I have known

1 them too long. I've been a charter boater for seventeen years
2 before the headboats and such.

3
4 The other thing is the latent permits. As far as the solution,
5 if they're latent at all, they don't have any history, and
6 couldn't we just phase them out without any history? Isn't that
7 an easier problem to solve, or is it because of the cost of
8 permits? They would sell them and then get in later? Is that
9 the main issue, or they could be kind of phased out?

10
11 **MS. MUEHLSTEIN:** I don't know. Maybe Jessica can address that.

12
13 **DR. STEPHEN:** Can you just kind of rephrase exactly what you're
14 asking? I'm getting confused as well with --

15
16 **MR. PAPROCKI:** The big issue is the latent permits, whether they
17 be headboats or the charter. If they're latent, I guess they're
18 laid up, and that means they're not in use, and so they wouldn't
19 have any history. I mean, wouldn't they be pretty much phased
20 out? How relevant are they? That's what I'm trying to --

21
22 **MS. MUEHLSTEIN:** That's why they're being sort of stuck into the
23 charter boats.

24
25 **MR. PAPROCKI:** But, if they're in there, they don't have any
26 history anyway.

27
28 **MR. GREEN:** Neither do the other 1,200, and so we would phase
29 out everything but the ones -- Do you know what I'm saying? No
30 charter boat in 41 has any history, because there is no
31 documentation of that. If we phase them out, it's basically
32 sixty-seven headboats get to catch the -- Just sixty-seven
33 permits with catch history or seventy or whatever that number is
34 would then be -- If we knew what was latent, we would already do
35 something with them.

36
37 **MR. PAPROCKI:** But the headboats, they do, and so we could phase
38 them out as headboats. That would solve that problem, but not
39 in the charter part of it.

40
41 **MS. MUEHLSTEIN:** The problem is that then they fall onto the
42 charters to have to deal with these latent permits, and that's
43 the heartburn.

44
45 **MR. PAPROCKI:** Send them all into ours and then we will phase
46 them out.

47
48 **MR. GREEN:** But we don't want fleet reduction. You don't need

1 fleet reduction when you don't have overcapitalization. We're
2 talking about latent permits, but there's no overcapitalization.

3
4 **MS. MUEHLSTEIN:** Let's move back to where we were with Ed, where
5 we were trying to define -- Jessica, go ahead.

6
7 **DR. STEPHEN:** Okay. Let me kind of help this out a little bit.
8 When we're talking latency, we also have to think about are you
9 talking of just red snapper or latency of every species? In the
10 headboat, you have quite a few vessels that might not catch red
11 snapper, depending on where they're located or what their
12 business practice is.

13
14 In using the landings history, they either get nothing, because
15 they had no red snapper, but that doesn't mean they're latent,
16 in the sense of not actively fishing for other species, and so
17 they're not just sitting there at the dock, per se. With the
18 headboat survey, they evaluate the boats every year who
19 participate in that survey, and there have been vessels that
20 have dropped off in recent years because they no longer meet
21 Beaufort's criteria, or maybe they are no longer fishing, and
22 then they're dropped off that list.

23
24 When we looked at the overall list of vessels, it's a little bit
25 higher for -- The longer time period you go, the more vessels
26 you have, but they don't stay consistently in it, or may not be
27 currently in it, and I think that was one of our struggles in
28 looking at Amendment 42.

29
30 Depending on what you mean by latency, there is a way to sort of
31 identify those with landings history, whether a vessel was
32 actively fishing something, versus actively fishing the species
33 of interest.

34
35 On the other hand, with our charter boats, everyone is well
36 aware, if there is no landings history, there is no way to
37 determine if someone was not fishing red snapper or just not
38 fishing at all, and that, I think, is the crux of the problem
39 between the two amendments.

40
41 **MS. STAUGLER:** Okay. John and Gary and Pam.

42
43 **MR. WILLIAMS:** I have testified before the council on numerous
44 occasions, and I've spoken to members of Congress, and one of
45 the things that I like to point out when I'm there is that the
46 only avenue that the average citizen of the United States has to
47 access the resource is through a partyboat or charter boat.

48

1 Many of the folks that come out on partyboats, and, as a matter
2 of a fact, the great majority of them, cannot afford to charter
3 a boat. I do not want to see us lumped into one category,
4 because, if we are, then, at some point, that's going to allow
5 trading between partyboats and charter boats.

6
7 A fish is worth much more to a charter boat than it is a party
8 boat. We charge \$90 on weekends and \$80 on weekdays, per
9 person, and people are allowed to harvest two fish. Charter
10 boats might charge \$1800 for six people to harvest two fish per
11 person, and so a fish is worth a whole lot more to a charter
12 boat fisherman than it is a partyboat fisherman.

13
14 **MS. MUEHLSTEIN:** So we're clear, Karen, can we scroll back up to
15 sort of the deal breakers of a single program, is the idea that
16 Johnny is expressing that that might allow trading. Then the
17 value of the fishery or the fish in either component is
18 different. I just wanted to make sure that we capture that.

19
20 At the moment, can we work towards finding a solution to these
21 issues that the charter boats have identified with why they want
22 to move forward or either allow you guys to move forward without
23 them?

24
25 **MR. WILLIAMS:** Well, you know, this is just my personal feeling,
26 and I can't speak for our group there. I am on the advisory
27 panel for 42, and I would be willing to absorb the folks that
28 are forty-nine passengers or above. The Coast Guard requires
29 different rules and regulations for folks that carry over forty-
30 nine passengers. They have to have a different type of radar.
31 They have to have an open-array radar. They can't have a little
32 dome radar and stuff, if you carry more than forty-nine
33 passengers.

34
35 I think it would be pretty easy to identify who was actually a
36 participant with vessels that are forty-nine passengers or over.
37 Like I say, a little charter boat might be hard to identify as a
38 latent permit, but I think it would be very easy for us to
39 certify if a boat was actually in the fishery or not, and I
40 think that, if they're over forty-nine passengers and they're
41 not fishing, that they ought to come into 42. They can purchase
42 or lease fish in 42, but they probably wouldn't be getting
43 anything, or very little, of the initial allocation. I can't
44 speak for our group, but I certainly would be willing to do
45 that, to take one of the burdens off of 41. Thank you.

46
47 **MS. MUEHLSTEIN:** There is two things that we sort of need to
48 figure out here if we're going to start having this

1 conversation. Jessica, if we come up with a number, is there a
2 way for you to give us a concrete amount of permits that that
3 would be taking on or how is this conversation going to work in
4 a way that you can give us background?
5

6 **DR. STEPHEN:** Based on what Johnny said earlier, I'm working
7 here right now, while listening to you guys. I'm looking up the
8 vessels that have self-identified as headboats, and so, just to
9 give you a little preview, when you self-identify on your
10 permit, from the list I've had so far, we've had for-hire
11 permits that have vessels self-identify as a charter boat, a
12 headboat, unknown, and commercial, because some of them are
13 dually-permitted commercial.
14

15 We will have to make some decisions if any of the unknowns are
16 commercial or forty-nine passenger and higher, but, when I get
17 done with this list, which I hope to have done by the end of
18 today, we can figure out which have self-identified as headboat
19 and have forty-nine passengers or higher. That will give you
20 some idea of what that number is, and so I'm working towards
21 that.
22

23 **MS. MUEHLSTEIN:** I think what that means is this latent issue is
24 something that it sounds like the headboat guys are willing to
25 work with. What we need to do is find that magic number, or
26 that magic definition, and so we've got two parameters. From
27 the group, is there another parameter that needs to be looked
28 at, so that we have sort of a range of options?
29

30 **DR. STEPHEN:** I would just caution that you're saying it's
31 latent because the survey did not select them, but it does not
32 necessarily mean that they haven't been out fishing, and so
33 let's be careful with the use of word "latent", and be clear,
34 when you say "latent", what you mean. Is it latent in the
35 fishery or latent in a certain species capture, et cetera?
36

37 **MS. STAUGLER:** Okay. Go ahead, Gary.
38

39 **MR. BRYANT:** Okay. We're talking latent, and I guess it's
40 important to recognize that not everybody snapper fishes. As a
41 solution, if 41 incorporates some kind of catch history or some
42 kind of redistribution, those permits that are not snapper
43 fishing will not affect us, in the long run. If they're not
44 going fishing for snapper, there should be a mechanism where
45 either it gets redistributed or they're not in it to begin with,
46 because we've got a history of some kind.
47

48 Just because they're not catching snapper, it don't mean they

1 can't use their permit to, in the Keys, to go catch other reef
2 fish, and so we're not trying to get rid of permits. We're just
3 trying to identify who is in the snapper fishery and how many
4 fish they should start with. I don't think we need to get too
5 wrapped up, because, if we design this with some kind of catch
6 requirement, a catch history or some kind of redistribution
7 component, that will solve itself.

8
9 **MS. STAUGLER:** Okay. I think we're going to -- Maybe, since we
10 know that there is some interest in coming together on these
11 latent permits, maybe if we can move to -- We've got other
12 issues that were identified. The species that was identified,
13 we're going to be addressing that in another question, and so we
14 were thinking that maybe we could look for the issue of the new
15 entrants into --

16
17 **MS. MUEHLSTEIN:** This latent conversation, we're sort of waiting
18 for more information before we move forward, and so it might be
19 useful to sort of put that one on hold for a moment and go with
20 something that we can work on. Is that okay with everybody if
21 we move forward that way? No, we're not ready yet. We will
22 start with Carrie.

23
24 **DR. CARRIE SIMMONS:** Thank you, Emily. Don't forget that we
25 have to go through these decision tools before we break today.

26
27 **MS. MUEHLSTEIN:** Absolutely. I think we're going to try and
28 leave an hour for that, and so that's why we're trying to wrap
29 this one, so that we can go to that.

30
31 **MS. STAUGLER:** Okay. Ed.

32
33 **MR. WALKER:** Okay. We're trying to pick this number, and the
34 number of forty-nine has been floated, and I've seen, but I
35 don't remember, the statistics exactly, but, essentially, at
36 that point, anything below forty-nine passengers on the permit
37 would be left on the charter/for-hire side. That's what we're
38 saying, right?

39
40 If that's the case, I would suggest a lower number, such as,
41 just picking a random number, twenty-four passengers, because,
42 in my mind, that's a headboat. It seems to be coming down to an
43 issue of how many guys do the headboat guys want to leave on the
44 charter boat side, and that's going to be selected by capacity,
45 and so I'm going to float out an alternative number, just to say
46 that, if we're negotiating, I'm not comfortable with forty-nine.

47
48 **MS. MUEHLSTEIN:** Okay, and so I wonder if there's a natural --

1 Jessica, is there any sort of other natural number?
2

3 **DR. STEPHEN:** There is the NMFS definition of fifteen and above,
4 but I think Johnny's point of what is required on a vessel by a
5 Coast Guard for a higher passenger capacity has some merit. I
6 would like for us to pick a number that has some merit to it and
7 not something that we're arbitrarily picking because it sounds
8 good or bad for either group. You guys probably know your
9 requirements better than I do for what the Coast Guard
10 recommends.
11

12 **MS. MUEHLSTEIN:** Daryl, do you have an answer for that?
13

14 **MR. CARPENTER:** Now that we've come back around to what I raised
15 my hand for fifteen minutes ago, I think, as we move forward,
16 one of the things that I have heard is I've heard included in
17 the Beaufort survey, and I know that we've got one in our area.
18 I have heard that they've got to sell tickets or you've got to
19 charge per head. There is one in our area that is in the
20 Beaufort survey that does not charge per head, and so I think
21 one of the more important things, if we're going to discuss
22 this, is to define the number.
23

24 Speaking to the gentleman's remarks about, well, there is forty-
25 nine, the Coast Guard breaks at forty-nine and there is
26 additional requirements, your biggest and most obvious break is
27 -- You showed a slide at the opening, and 82 percent of your
28 fleet represented in this room are six-pack boats. Six-pack
29 boats are uninspected vessels. They make up 82 percent of your
30 fleet.
31

32 Once you get above six, that's when all of your Coast Guard
33 regulations start changing. You have to then have an inspected
34 vessel, you have to have a larger license, Coast Guard license
35 and so forth. So, I mean, like somebody else was saying, we're
36 going to throw a number out there and 82 percent of your
37 baseline fleet is a six-pack boat, and so anything above six.
38

39 **MS. MUEHLSTEIN:** Okay. So we could do then -- Analysis on who
40 self-identifies is one factor. The other one would be forty-
41 nine being sort of the high range of capacity, and then we want
42 to look at the information for anybody above six. Jessica, is
43 that something that you can make happen?
44

45 **DR. STEPHEN:** I think so, and we're all talking the lesser of
46 the two and not your baseline and not your vessel, but what
47 fishing regulations require, and I want to make sure we're clear
48 on which passenger capacity we're talking.

1
2 **AP MEMBER:** Yes.
3
4 **DR. STEPHEN:** Okay. Lesser of the two.
5
6 **MS. MUEHLSTEIN:** So she is going to do that for us for latency.
7 Then can we move on -- It's not latency. I know that word isn't
8 the one, but boats to include in the headboat group then is sort
9 of what we're talking about. Can we move forward to addressing
10 new entrants? Tom, did you have something to add?
11
12 **MR. STEBER:** Just one thing. If you decide to pull all multi,
13 for lack of a better word, which is what we call them, anything
14 bigger than a six-pack, when you pull those out of the
15 charter/for-hire, remember that that could pull half the
16 charter/for-hire quota out of charter/for-hire to go to
17 headboats.
18
19 **MS. STAUGLER:** Okay. We want to leave an hour for the decision
20 tool. We have like four minutes. Shane.
21
22 **MR. CANTRELL:** To get to this discussion and kind of put this at
23 a place that the agency can work on this, because they have the
24 numbers, they have the capacity, they have who self-identified,
25 and, at some point or another, we were presented a permits by
26 passenger capacity slide, at the 41 AP, I would imagine.
27
28 There is going to be a natural break in permit capacities that
29 are going to arise, and I am looking at it. Above forty, you
30 start to have a lot more headboats than you did before. Above
31 forty, you start to have a lot less charter boats, and so there
32 is going to be some natural breaks in there that they're going
33 to be able to identify and bring to each group or both groups or
34 however we may do it.
35
36 That's their expertise, and I'm going to leave them to that,
37 but, if we get to a big number, and I know this argument is
38 going to come up and this is going to be brought to us, and it's
39 like -- I can hear it now, that you're only moving a handful of
40 permits from 41 to 42. I want to go ahead and try to put that
41 to rest now, before it gets later.
42
43 There is ten permits over a hundred passengers on the charter
44 boat side. You move ten permits and you have moved over 1,000
45 passengers. That is not an insignificant number. That's a lot
46 of effort moving from one to the other, and so the number of
47 permits isn't as important as the amount of effort that can be
48 moved there, and so just keep an open mind when we come to that

1 time.

2
3 **MS. STAUGLER:** Okay. Pam, did you want to go real quick? Then
4 we're going to wrap up.

5
6 **MS. ANDERSON:** Real quick. With those permits, again, repeating
7 something that Tom said, with those permits, I would think that
8 there would be quota switching over too, and so they need to
9 realize that that may be a significant amount. I had something
10 on the latent permits, and are we going to do that later?

11
12 **MS. MUEHLSTEIN:** That's a good question, and I think that's
13 where we're at right now. One of the goals that we had, and
14 correct me if this isn't what you guys were looking for, is the
15 idea that we want to leave you tonight with the decision tools.
16 We want to let Jessica have enough time to walk us through the
17 decision tools, where you're actually going to be able to sort
18 of play with the different scenarios and start to look at what
19 the changes in allocation are going to be.

20
21 I don't want to cut off this conversation, because I do think
22 trying to reckon these three differences that we've identified
23 is really important. However, I also don't want to prioritize
24 this conversation over looking at the decision tool, and so I
25 guess I am looking for your guidance here on where we want to
26 spend our time this afternoon before we find a sort of end to
27 the day.

28
29 We could sort of put this conversation on hold for tomorrow and
30 so the decision tool right now. Maybe we do the decision tool
31 and see how long that takes. If we have some time at the end of
32 the day, we can come back to one of these issues, but I don't
33 want to cut this off if you guys feel like this is what we need
34 to be doing at this very moment, and so any thoughts? We can
35 move on? Okay.

36
37 I think what we will do is we will stop now and we will let
38 Jessica sort of present us with this decision tool, because what
39 that's going to end up doing is start to allow to sort of look
40 at the implications as they are occurring in the real world.
41 Then, tomorrow, we will pick back up and hopefully having some
42 more background information on this idea of the definition of
43 the headboats and how many boats that's going to leave us with
44 in either direction.

45
46 Then we can also talk about the latent permits, and we have an
47 exercise that we can do to start defining the species that we'll
48 include in some sort of program. With that, I think we're ready

1 to rock.

2
3 **MR. STEBER:** While she's coming up, let me just give you all a
4 number to chew on. In Alabama, there is 136 permits. Eighty-
5 one of them are charter/for-hire, eighty are headboats, forty-
6 five are six-passenger boats that are not charter boats, and two
7 are multi-passenger boats that are not charter boats. When you
8 think about the number, it's roughly 30 percent. In Alabama,
9 that's a factual number that are latent permits that are not
10 charter boats. I have got a feeling that it's the same rough
11 number when you go Gulf-wide, that you're going to have about 30
12 percent of latent permits that do not fish for a living.

13
14 **MS. MUEHLSTEIN:** Thank you. I think Jessica will have some more
15 information on that tomorrow, but I appreciate you having that
16 background.

17
18 **DR. STEPHEN:** I have got three different models to look at, and
19 so I will let you guys have the preference. There is the
20 charter-only decision tool model, which is a little updated
21 since the last council meeting, and there's a decision tool that
22 has all for-hire thrown in together, and then there is a
23 decision tool that is really basic for 42. It doesn't have
24 built in, for guys who are involved in 42, as much as before. I
25 picked one scenario for comparison.

26
27 **AP MEMBER:** Can you make it any bigger?

28
29 **PRESENTATION OF DECISION TOOLS**

30
31 **DR. STEPHEN:** I will make it bigger. Don't worry. I think what
32 we'll do is we're going to start with the charter only and then
33 flip between that and the all for-hire. Give me a second here
34 to get set up.

35
36 **DR. SIMMONS:** This is on our website. It's also on the FTP
37 server, these three Excel spreadsheets.

38
39 **DR. STEPHEN:** The way this decision tool model works, which is
40 kind of similar to other ones you've seen before at the council,
41 is this is very similar to what was used for sector separation.
42 I took that as the base model.

43
44 The first part, in step one, what I've put in is the 2017 ACL
45 for the entire for-hire fleet. Then, in step two, what you do
46 is choose the portion that is going to be attributed to the
47 charter boats in this model, and, over here on the side, are
48 some of the different alternatives that were put forward in

1 either Amendment 42 or Amendment 40 with sector separation.
2
3 What I believe I have chosen right now is the 50/50 from
4 Amendment 40, and that means a combination of the 1986 through
5 2013 and I believe it's the 2006 through 2013. We're excluding
6 2010, of course, because of the Deepwater Horizon.
7
8 **AP MEMBER:** Can we get somebody to fix this thing, because we
9 can't see it worth a damn.
10
11 **DR. STEPHEN:** Is it not coming up there?
12
13 **MR. ELLER:** It's just not very clear. It's hard to see.
14
15 **DR. STEPHEN:** If I increase the size of it, does that help on
16 the little ones, or is the focus on it?
17
18 **MR. ELLER:** Yes, I think it's the focus.
19
20 **DR. STEPHEN:** I am going to keep talking while she's fixing
21 that, and we'll wait to see the things on the screen for a
22 little bit. What I've done is I've just picked that 50/50 year
23 as one of the kind of more worthwhile ones to look at with the
24 longer time series. Now, at any point in time, we can change
25 that to any of these other ones, but that's the one that I use
26 for any comparisons to 42 later.
27
28 Then the next step, in step four, was determining the buffer
29 between the ACL and the ACT. In this model, I am not having it
30 changeable, because we're kind of stuck at the 20 percent. At
31 some point in the future, we might have the ability to change
32 that, once we see how a program works, but it gives you an idea
33 of what's going on.
34
35 What you see down here, in step five, is the charter ACT value,
36 and so that's the value we're going to be playing all the
37 different scenarios on for this model, and that is, again, just
38 the charter-only model.
39
40 In the different amendments, we had a bunch of different
41 scenarios, and I'm going to walk through all of them, and then I
42 will show you how to play with it in the very end, so you guys
43 can download this from the FTP server and play with it if you
44 want.
45
46 The first one was, of course, equal distribution. Everyone got
47 the same amount no matter what. We don't consider passenger
48 capacity and we don't consider region. We solely consider the

1 number of permitted vessels, and we determine how many pounds
2 per vessel is given. In that scenario, with the 1,247 vessels
3 that were pulled at the time that I pulled the data for this,
4 that leaves just under 1,300 pounds per vessel.

5
6 The next one I looked at was the permit baseline passenger
7 capacity, and that's on individual permit baseline passenger
8 capacity, and so no grouping together of anyone. It's solely
9 the value that's on your permit.

10
11 We looked at that. In order to calculate that, you need to
12 calculate what the fleet's total passenger capacity is and then
13 you get a pounds per passenger capacity. If you see here, the
14 pounds per passenger capacity is 128 pounds per passenger. If
15 you had six passengers, you would take six times 128, and that
16 would give you how many pounds you would get for the year.

17
18 You can see, understandably, these numbers are probably not what
19 you guys are expecting. Part of that is, if you look at the
20 high fleet passenger capacity, and this would be -- If
21 everyone's vessel capacity matched their permit capacity
22 exactly, this is how many passenger capacities would be out
23 there.

24
25 Since we know that's actually not an overly realistic model, one
26 of the other things we looked at is just based on the vessel's
27 passenger capacity, what they have listed on their permit. You
28 can see here that the fleet passenger capacity is much less than
29 it was under the permit baseline passenger capacity, but what
30 you end up getting is 150 pounds per passenger capacity, and so,
31 again, a six-pack would be six times 150.

32
33 Again, because we know there is a discrepancy between the permit
34 and the baseline, what I did is create the lesser of the two.
35 The lesser of the two is what you guys are allowed to fish.
36 This probably the most realistic scenario, based on what is
37 going on out there right now. The fleet passenger capacity has
38 dropped a little bit more, and what we now have is 153 pounds
39 per passenger. Any questions on these scenarios before I dig
40 into the next ones? All right.

41
42 The next two scenarios I looked at were this concept of tiering
43 passenger capacities. This came out early on in the amendment
44 process. We talked about six-packs and then greater than six-
45 pack passenger capacities and that they were tiered differently,
46 where those at greater than six-pack, in essence, would get
47 double what the six-packs would get.

48

1 When we look at this, this is a little bit different metric.
2 What I'm looking at, instead of passenger capacity per pound, is
3 total pounds per vessel. In this case, these six-packs and less
4 would get roughly 1,131, slightly less than you got under equal
5 distribution for those vessels. For those who are in the second
6 tier, seven-pack and higher, they would get 2,263. Again,
7 that's more than what was seen under equal.

8
9 We also looked at tiering in three-level tiers, and this would
10 be a six-pack and less, seven to twenty-four, and twenty-five
11 and greater. When you guys were discussing kind of what level
12 should go somewhere, that twenty-five came up from one of the
13 discussions, and so, if we wanted to look at that for tomorrow's
14 numbers that I'm working up, I can grab one from that value,
15 too.

16
17 Here, the way it works, again, is the six-packs would get one
18 level and the Tier 2, which are the seven to twenty-four, get
19 double the amount of what the six-packs do, and the Tier 3 gets
20 triple the amount. What you can see here is the number of
21 vessels that fit into these categories.

22
23 One of the other concepts raised was just plain regional
24 distribution without passenger capacity. I think we've all seen
25 that passenger capacity probably has some issues that we will
26 need to work through.

27
28 With regional, I did two different regional timeframes to split
29 this up. One was the 50/50 from 1986 to 2013 and 2003 to 2013.
30 The other one was just 2003 to 2013. What we did here is we
31 broke down the vessels into different regions, and we had to get
32 the Science Center to help us break Florida into the different
33 Florida regions, which has the Keys, the Panhandle, and the
34 Peninsula.

35
36 I was left with a little bit of a problem. We have non-Gulf
37 homeported vessels, and they had to go somewhere. In this
38 model, and this assumption can be changed, I threw them in with
39 the Keys, assuming that they were not fishing the Gulf often,
40 especially if they were say a South Atlantic-oriented homeport,
41 and I am open for suggestions, if you wish to group them
42 somewhere else. There are only about twenty-three of those
43 vessels.

44
45 Then, here, we've broken out every other state by itself. You
46 can see the pounds per vessel. Alabama ends up with some of the
47 largest pounds per vessel, followed by the Panhandle, and then
48 Louisiana.

1
2 If we switch the timeframe, kind of your breakout remains the
3 same by regions, but how much each region gets changes a little
4 bit with the different time series. Again, if we go down any
5 regional thing, time series and what years you want to count may
6 be a point where you want to have a lot of discussion.

7
8 At the council, there was discussion about what to do with
9 Mississippi, and so I've done the same scenarios with
10 Mississippi added to Alabama, so that it's been joined together.
11 I can just give you guys a little time to look at this. If you
12 want to see happens, you get the 3,523 from Alabama, and,
13 previously, it was 4,290, and so adding Mississippi to it
14 lowered it for those who were Alabama, but raised it pretty
15 dramatically for those that were Mississippi. Again, we're only
16 talking thirty-one vessels there.

17
18 **AP MEMBER:** Do you do the tiers with that?

19
20 **DR. STEPHEN:** I did not do the tiers with that. If that is
21 something that you guys want to see at some later point, I can
22 do that. There was also another discussion of including
23 Mississippi with Louisiana instead of Alabama, and so I did a
24 series that looks at that as well. Tom, have you got a
25 question?

26
27 **MR. STEBER:** Well, I've got a scenario for you, and this is just
28 here where our problem lies. I am using Gary Bryant's boat as
29 an example. Scenario 1, he would get 185 fish. Scenario 2, he
30 would have got ninety fish. Scenario 3, he gets 161 fish.
31 Under 4, it's 153. Regional, he gets 479. With Mississippi,
32 it's 469, but he actually caught 850.

33
34 In the best-case scenario, with regional, we still get half of
35 what we're catching, and so there's where this whole room's
36 problem lies. Mike's comment is squeeze a tear, and that's
37 where our whole issue is to try and figure out.

38
39 **DR. STEPHEN:** Right. I would like to point out that this, of
40 course, is based on every permit that is listed in the permit
41 database, and, as we discussed before, there are probably
42 permits that are either not fishing at all or not fishing for
43 red snapper, and the regional tries to approach that by looking
44 at regional landings history, but, as you can see, it probably
45 doesn't get it just right either.

46
47 **MR. BRYANT:** I want to correct that number. We have the VMS
48 system, and we're using it now, but, on my six-pack boat, it was

1 820 this year. You gave me too many. It was 820, based on our
2 VMS pilot program.

3
4 **DR. STEPHEN:** Okay. The last one is actually probably the more
5 interesting one and some of the things we've talked about. It's
6 using a kind of combination of a bunch of these other ones.
7 Now, there are probably endless amounts of combinations. I
8 tried to prepare ones that we could work with. If there's other
9 ones that we want for a later timeframe, I will try and work
10 those up for you.

11
12 In the amendment, we talked about some kind of split between
13 equal distribution, individual permit passenger capacity, and,
14 for the sake of ease, I selected the baseline, since that
15 doesn't change. If we go with the lesser of the two, I can
16 recreate this with the lesser of the two, and then the regional
17 components.

18
19 In this example, I stuck with the region where the Keys and the
20 non-Gulf were together and Mississippi was with Alabama, which
21 was the last recommendation we heard out of the council. Again,
22 later on, I can start changing these, but there's a lot of work
23 behind the scenes of what you're seeing to build it, and so I
24 didn't do every scenario.

25
26 **AP MEMBER:** Can I add one scenario to you?

27
28 **DR. STEPHEN:** Sure.

29
30 **AP MEMBER:** Listening to Tom's comments earlier, and I don't
31 think a whole lot of people would disagree that there was -- I
32 think time will prove that there is probably somewhere around a
33 30 percent latency, i.e., not participating in the fishery.
34 Just for example's purpose, if we could knock that total number
35 of permits by 30 percent.

36
37 **DR. STEPHEN:** So would you want that equally knocked off by
38 regions as well, if we use the different areas?

39
40 **AP MEMBER:** Yes, I think so.

41
42 **DR. STEPHEN:** Okay. That would be easy. It's just to knock 30
43 percent off the top.

44
45 **AP MEMBER:** Because I think we can all understand, looking at
46 this, there is going to be definite sticker shock initially,
47 but, as we weed out -- If we were to weed out, and let's say
48 that number is anywhere, realistically, near 30 percent, that

1 might give us a three to four-year window of what we would be
2 looking at.

3
4 **DR. STEPHEN:** I can work something up that would do that. It
5 will probably have a bunch of different assumptions, but we'll
6 get an idea of what it looks like.

7
8 **AP MEMBER:** It will all be a guesstimate.

9
10 **DR. STEPHEN:** In the amendment, there were, I think, about four
11 different suggestions for this mixed model that we're calling --
12 There was one where everything was a third split, and there were
13 ones where 50 percent was weighted to one of the components, and
14 the others were equally split, and I just left that in there so
15 that you guys were aware of it when you play with it yourself.

16
17 In here, when you decide to download this and play with it, most
18 things in orange, within the whole document, are fields you can
19 change the value of. In here, you can see that you can change
20 it from 33 to 25. You can even type in your own percentage. If
21 you are typing in your own percentage, just make sure the field
22 down here says 100 percent, to make sure that you're not
23 shortchanging yourself in any scenario that you're developing.

24
25 When we do that, things you can look at is how much -- This
26 little spot shows you how much you get from that equal 33
27 percent, how much is gotten from the passenger capacity part,
28 and the different regional parts. What you guys want to play
29 with is down here. Once you set your scenario for your mixed
30 model, you will type in your passenger capacity, if you're
31 looking for your or for anyone else's value.

32
33 You type in the region and then the time series, and there is
34 two time series to pick from. These all have drop-down boxes.
35 You can change what you want. You see, down here, the final
36 pound value will change based on what information you've put in.

37
38 If you're looking to see what just one of yours was under one of
39 these kind of scenarios, you can always zero out two things in
40 the mixed model and see what just the one kind of model is.
41 Now, I am going to caution, again, that this is individual
42 baseline permit passenger capacity in this portion. It sounds
43 like, after the discussion today, we are probably going to end
44 up with the lesser of the two, which we can work up as well.
45 That was for just charter by itself. We've got the same model
46 for the for-hire, as a fleet as a whole.

47
48 There's just a few differences when you look at this one. Of

1 course, you're not allocating to a sub-sector, and so there's
2 not a step where we said the charter has X amount or the
3 headboat has X amount. It's all as a whole, and we still have
4 stuck with the 20 percent buffer.

5
6 After that, things are pretty much the same. What I will do is
7 page down them, if any of you guys were taking numbers and
8 wanted to calculate again. As a whole, the pounds per vessel
9 goes up. Obviously you've added more quota, as well as more
10 vessels, and so, in the equal distribution, there's a little bit
11 more for everyone on the for-hire side. Along the same line,
12 you've increased fleet passenger capacity, somewhat of a big
13 increase compared to what it was without the headboat portion of
14 it added to it. Gary.

15
16 **MR. JARVIS:** Would it be out of line to assume that, in the
17 other rights-based management programs in the Gulf that are
18 currently operating at a 5 percent buffer, that that probably
19 would be feasible, even early in the game, that that buffer
20 could be reduced by 10 or 15 percent right out of the shoot?

21
22 **DR. STEPHEN:** One thing that we'll have to take into
23 consideration is that the for-hire fleet lands in numbers of
24 fish and not in pounds, and you probably will not be recording
25 in pounds. That adds an additional uncertainty to it. I think,
26 the first year, we're going to probably err on the 20 percent.
27 Maybe, after a year or two of data and seeing what that
28 difference is, it could go down afterwards. That's something
29 that actually is a worthwhile discussion tomorrow, is whether
30 you guys would think, if you go with some type of catch share
31 program, if you're willing to do pounds versus number of fish.

32
33 With the Headboat Collaborative, we realized that number of fish
34 is a lot easier, not only on you, but on the port samplers and
35 law enforcement, to count and that there wasn't much of a
36 difference when we converted to fish versus pounds. We had very
37 little differences, at times.

38
39 Now, that might fluctuate year to year and depending on how
40 samplers are getting there to get our average weight per region,
41 if that's the chosen method, but, again, it's a consideration
42 that's up to you guys as a whole. I think we heard before that
43 there seemed to be a preference for number of fish over pounds,
44 but we're willing to do either.

45
46 **MR. HUBBARD:** If there's not much of a difference between fish
47 and pounds, then why do we have to settle for a 20 percent
48 buffer?

1
2 **DR. STEPHEN:** I think you would have to just initially, to get
3 the buy-in and the confidence in it. Once we ran a year or two
4 of data, it would be obvious that it's the same. With the
5 Headboat Collaborative, years one and two were a little bit
6 different, and there was some differences within region, and
7 we're talking significantly more vessels and to make sure that
8 we're doing it right. It could be something that you would want
9 to discuss, to maybe lower it to 15 percent right off. One
10 thing to be aware of is there are lawsuits over buffers, at
11 times, and so you might want to be thinking forward about that.

12
13 **MR. BRYANT:** Just to add to what Mr. Hubbard said, so far, under
14 Amendment 40, in our first two seasons, we have underfished our
15 allocation by quite a bit, and so there's even a bigger buffer
16 than 20 percent, and so I guess that's something that the
17 council would consider and that we could recommend as an AP.

18
19 **DR. STEPHEN:** Yes. All right. Going through the for-hire
20 tiered, similar with the other two, the passenger capacities,
21 the vessel and the lesser of two, you have an increase over what
22 you saw with the charter only, but, of course, you're splitting
23 that out over more vessels. This is the two tier levels and the
24 three tiers. If I go too fast and anyone wants me to page back
25 up, just let me know.

26
27 Now, with regional distribution, for this for-hire model, I was
28 not able, in time, to break down the headboats by the
29 appropriate regions that they were fishing in. There's a little
30 bit different way they do things, in particular breaking out the
31 Florida part.

32
33 What I used for the regional proportions were the ones only from
34 the charter. If this is the method we're going to go down in
35 the future, we can revise this decision to take and incorporate
36 the data from the headboat surveys of actual regions, and so I
37 just wanted to put that caveat out there when you're looking at
38 it. Again, down here is the part where you get to play with
39 what the values are. Is there any questions on these two
40 models? Mark.

41
42 **MR. HUBBARD:** Back on the charter side of it and not where we're
43 combined, is it possible, on the passenger poundage, where we
44 did just the passenger poundage, is it possible for us to cap
45 the passenger count?

46
47 **DR. STEPHEN:** You're saying that, after a certain amount, they
48 don't get more, and so say, after fifty passengers?

1
2 **MR. HUBBARD:** I mean, we talked about forty-nine. Let's just
3 say forty-nine, if we capped it at forty-nine. I don't know of
4 any charter boat here that can fish forty-nine. I may be wrong,
5 and I know, if we capped it there, that's quite a bit of effort
6 above that that could make a difference. I mean, I would like
7 to see that, even if we capped it at twenty-five or thirty or
8 just it's a number, so we could see. I know it's not a perfect
9 world, but it does give us some form of an idea.

10
11 **DR. STEPHEN:** When I'm going to go ahead and play with making
12 one with kind of an assumption of 30 percent, I can make another
13 model that we stop counting the fleet at these two different
14 marks, a twenty-five and a forty-nine, and do the information
15 from there.

16
17 This is the Amendment 42 model. It doesn't have as many bells
18 and whistles as the other one. Similar, we're going to start
19 out with a for-hire ACL and then you specify the portion that
20 went to the headboat. Again, as headboat, what I am really
21 saying are the vessels who fished under the survey, and, right
22 now, it's set to the same amount that was set in the for-hire
23 charter only model. Then it has a buffer to it as well and the
24 final ACT for that sector.

25
26 This one was done a little differently. In order to give a good
27 comparison, what I wanted to do is kind of give a comparison of
28 what the vessels under 42 would have themselves versus being
29 included in all for-hire, under a couple of different scenarios.

30
31 What you're looking at here is the passenger capacity in region
32 for one of the vessels in the survey and, based on the scenario
33 calculated, the assumption of pounds, and there is probably a
34 lot of assumptions in there. I just took one possible scenario
35 to put it in, and these are ranked from those who would have the
36 most kind of down to the least amount.

37
38 What I've done, going across, is looked at that compared to some
39 of the different scenarios suggested in the all for-hire. One
40 was equal distribution, one was permit passenger capacity, and
41 that was, again, based on the baseline permit, which is probably
42 not what we're going to talk about in the long run.

43
44 One is based on regional, with Alabama and Mississippi together
45 and the 50/50 year split. Then the mixed model, I looked at
46 some of the ones there, and some of them didn't seem really
47 conducive, and so what I did is picked a slightly different one,
48 which is only split between two things, passenger capacity and

1 region, doing a 75/25 percent split. If someone has a different
2 scenario they want us to work up, we can figure it out.

3
4 Anything you see in red in those columns is how much they would
5 have less than they would have had in the headboat program only.
6 Then, as you page down, you will see vessels that end up with
7 more.

8
9 I like numbers, but I'm a visual person, and so what I did is I
10 created graphs of all of these different ones, to give you a
11 feel for it, and hopefully this will all fit on here. This
12 first one is equal distribution. If they're going down below
13 the zero line, that's how much they, quote, would lose, so to
14 speak, compared to having a program on their own, and the red
15 line going up is how much they would gain under these different
16 scenarios. That was the equal one.

17
18 This is the permit baseline passenger capacity, and what I want
19 to highlight here is that, depending on what method you take,
20 there's a very different dynamic going on. The reason I did
21 these graphs is what we're seeing here, looking at the headboat
22 compared to the other programs, is pretty much I think what
23 we'll see in the charter with the permits that are and are not
24 fishing red snapper and the inability to identify that.

25
26 For an example, a lot of these vessels here, generally at the
27 end of here, are the ones that might have been in the survey and
28 weren't fishing red snapper. Yet, under different scenarios,
29 they gain, versus, under their landing history, where they would
30 have received nothing. It just kind of highlights, I think, the
31 problem that we all know exists.

32
33 This one here is the regional only. You can look at the
34 differences, and this one in the purple is the kind of mixed
35 model, with the 75/25 percent split that I did. That is all
36 that I have to present with the decision tools. There is not
37 much to change in the headboat one. Just the all for-hire and
38 the charter only are the ones where really there is a lot more
39 to play with. Are there any questions at this time? All right.

40
41 All of these can be downloaded, and you guys can play with them
42 yourselves, to take a look at what it is. I think we've kind of
43 illustrated that the idea of latency, in some way, is a major
44 factor in setting these programs forward.

45
46 **MR. STEBER:** I just rounded a couple of numbers on my partyboat,
47 and I know this will affect Johnny. Can you live with 252 fish?
48 What did you have, 8,800? In the best-case scenario there, it's

1 994 fish, and so you're going to lose 90 percent of what you're
2 catching now.

3
4 **MR. SCHMIDT:** I guess this gets back to the point about latent
5 permits. You've got ten permits that are for a hundred
6 passengers or more, and I know six of them. One of them is
7 sitting on the Big E, which has not fished in several years, and
8 one is on the boat that I ran last winter. Two of them are in
9 Fort Myers on ninety-foot Gulf Crafts that do nothing but half-
10 day fish for grunts and lane snapper. One is on a partyboat
11 that used to come to Fort Myers in the wintertime and hasn't
12 come in ten years, but maintains a permit. The other one
13 belongs to Captain Greg Mercurio down in Key West. He is the
14 only one of those six that has landed red snapper on a
15 consistent basis when the season is open, of those six. You
16 take the other five, and now you're down to five over a hundred-
17 passengers, and that's an awful lot of capacity to remove right
18 there.

19
20 **MR. STEBER:** There's another one in Alabama that has got 150
21 that's a dolphin boat.

22
23 **MR. SCHMIDT:** I think you have to clear the criteria to
24 determine, of those permits, who is actively fishing in the
25 fishery. Now, the boats in Fort Myers are in the reef fish
26 fishery, but they don't red snapper fish. The boat that I run
27 currently is a forty-passenger vessel. It's a sixty-five-foot
28 Bonner. It used to be a forty-nine-passenger boat, and the
29 Coast Guard dropped the COI down when the weight limits changed
30 a few years back, and we do catch red snapper. That gets back
31 to determining the realm of who is actually participating.

32
33 **DR. STEPHEN:** I would say that, if we could figure out that
34 realm of who is participating, these models would probably
35 change very dramatically in how much pound per passenger
36 capacity or how many pounds per vessel. It's a factor of how
37 many permits are out there and the total passenger capacity, if
38 we use that.

39
40 **MS. STAUGLER:** Go ahead, Gary.

41
42 **MR. JARVIS:** That's been one of our biggest obstacles all along,
43 is this whole issue of -- I'm not going to use the word "latent
44 permits", but non-operational permits in the Gulf of Mexico.
45 That is some of the motivation of why I want to combine the two
46 documents together, is so we go through this process together.

47
48 Do we want to recognize that -- Captain Green says we're not

1 overcapitalized, which is a true statement in the industry,
2 because not every boat and permit is fishing to the maximum of
3 their capacity. That's overcapitalization.

4
5 In the initial allocation, we almost like have this permit
6 capitalization problem. We're trying to find out how many
7 mouths to feed and, not knowing that information, it's, as you
8 can see through the various things that you've already showed
9 us, it's very difficult to do. I think one of the tasks that us
10 and the agency need to do is to decide if we put a
11 substantially-fished threshold that we grab out of the air or do
12 we maybe gravitate towards that timeline redistribution system
13 that will take care of itself if this is the route that we take?

14
15 **DR. STEPHEN:** That is kind of where the idea of that cyclic
16 timeline thing came from, is a way to somewhat resolve through -
17 - To get you started and out there and resolve, as you guys are
18 fishing, who is actually out there fishing, but there are
19 probably other ideas out there that you guys might have. What
20 we know is, the data we have right now, we don't have enough to
21 do it, and we're willing to listen to suggestions and other
22 ideas on how to get there and identify who is operational or not
23 operational.

24
25 **MR. JARVIS:** Maybe a combination of those two things could do
26 it. Still, we need a year of ELBs in our side of the family to
27 help establish that operational, just who is operating, in
28 operation, and so maybe use a combination of those two things.

29
30 **DR. STEPHEN:** Are there any other comments while they're working
31 behind me? Cliff.

32
33 **MR. COX:** I kind of think that we need to come to a consensus on
34 whether we're going to try to work within the two amendments
35 that we have and push them forward, fix the problems that are in
36 each one, or if we're not going to do that at all, and I think
37 there is a lot of differences of opinion regarding that.

38
39 It's almost like this other stuff doesn't matter if we don't get
40 that figured out first, which track we're going down. It looks
41 like we've got three directions to go, and I think we need to
42 figure that out as a group and kind of come to some kind of a
43 consensus, if it's possible.

44
45 Then we can try to fix the things that are wrong with each
46 amendment and push them both forward, rather than try to merge
47 the two and then try to fix another whole set of problems.

1
2 **CONTINUATION OF DECISIONS ON FOR-HIRE MANAGEMENT PROGRAMS**
3

4 **MS. MUEHLSTEIN:** What a great lead-in. The scope of work that
5 we have to accomplish tomorrow, which is obviously pretty large
6 -- Sort of what we've been thinking about the way that we should
7 approach this is it is now 4:34, and so we have a half-hour.

8
9 There are two things that I think that we can get accomplished
10 tonight. The first one is one of those three issues that was
11 brought up or one of the four issues that was brought up that
12 needs to be reckoned, before we can decide about whether or not
13 we want to move forward with that single or that separate
14 program, is this idea of which species to include.

15
16 That is one thing that I think that we can sort of start working
17 on in this half hour. Then what we were planning is sort of,
18 before the end of the day, we're going to do sort of a secret
19 ballot, just so we can gauge where you guys are at with doing
20 one program or moving forward with two programs.

21
22 What that's going to do is Betty and I will be able to look at
23 sort of where we're trending, if we're totally on opposite
24 pages, or if we just have a couple of those outliers to take
25 care of. Then we can come back and start tomorrow with a better
26 understanding of where we are with the single versus separate
27 amendments. Does that seem reasonable to you guys? Tom.

28
29 **MR. STEBER:** I don't think there's an issue with that right
30 there in this room at all. It's all five fish need to be in
31 both programs. Now, maybe I'm wrong, but I think you could get
32 a consensus with that right now.

33
34 **AP MEMBER:** Tom, if we're going to go that road, I would just as
35 soon see two of them up there, either red snapper by itself,
36 which is what we've been talking about, or the other one of all
37 reef fish.

38
39 **MS. MUEHLSTEIN:** What we're doing right here is, if you look at
40 your questions, is it's not a matter of me wanting to know if
41 you guys want all five, because that might be the answer. Just
42 because you do want all five, but we're still been asked to
43 prioritize those species in sort of the order of which are most
44 important, and so I guess what we'll do is -- Just trust here
45 for a minute, and we're going to let -- Betty, do you want to
46 sort of introduce and give them instructions through this?

47
48 **MS. STAUGLER:** Yes, and so you guys are getting five sticky

1 dots. They're numbered 1 through 5. Each of these sticky dots
2 are numbered 1 through 5, and what we're going to ask you guys
3 to do is to go up to the sheets that we have up here. Your
4 number-one-priority fish is going to get the Number 1 sticky
5 dot. Your number-two-priority fish is going to get the Number 2
6 sticky dot. Don't put two dots on one fish. There are five
7 fish and five dots. Is that simple enough?

8
9 **MS. MUEHLSTEIN:** All right. My number-one fish is my Number 2
10 sticky dot. You guys can figure this out. When you get your
11 dots, go for it.

12
13 It looks like amberjack and triggerfish are pretty close, but
14 amberjack is -- That are blue, which are 4. It looks like gag
15 is actually pretty low down there on the majority of people's
16 lists.

17
18 I am just going to go ahead and guess that very few people
19 actually put all of their five stickers in this order that we're
20 sort of seeing show up, and so, maybe one person, that's exactly
21 what you were hoping for.

22
23 **AP MEMBER:** That's exactly what I put.

24
25 **MS. MUEHLSTEIN:** Okay. What I also want to do now is sort of
26 what we've been doing all along, is sort of, when we come up
27 with this idea of a consensus statement, what we need to is
28 acknowledge the people who did not put them this way and sort of
29 then start to build a record as to why they don't like sort of
30 what the prevailing wisdom is.

31
32 Is there anybody that looks at this and is totally offended and
33 can sort of give me sort of the reason why that is and how they
34 would rather see it? Karen, if you could just go ahead, and
35 this is going to be under that species under Question 4, sort of
36 the deal breakers idea, and let's build a case now for those
37 folks who maybe don't agree with what looks like the general
38 consensus. Shane, do you want to start us off?

39
40 **MR. CANTRELL:** I would like to hear a lot on this discussion
41 from people who have all five species in their area, especially
42 people like Ed or anybody that didn't put a Number 1 on red
43 snapper. That is a lot of permits that we're going to have to
44 address at some point.

45
46 **MS. MUEHLSTEIN:** Okay. Does anybody that doesn't see it this
47 way have anything that they would like to offer to that effect?
48 I know it's the end of a long day. Go ahead, Ed.

1
2 **MR. WALKER:** Well, I mean, just recently, we got this crazy
3 influx of small red snapper in our area, but, prior to that,
4 growing up in west central Florida, we didn't have any red
5 snapper. I mean, if you caught a red snapper when I was a kid,
6 you got your picture in the newspaper and everybody looked at
7 it.

8
9 Now, there are millions of three-pound red snapper off of Tarpon
10 Springs. I mean, they're on every rock, thirty feet high, and
11 you can't drive out of them in some places, and so things have
12 changed, but I wouldn't say that, for me in my region, that it's
13 still number one, like it is for most of you guys, because we
14 have other options, and I kind of specialize in gag fishing, and
15 so, to me, gag is my thing, but there have been changes in the
16 fishery now.

17
18 Where there weren't, a long time ago, any red snapper, there are
19 a lot of red snapper now. I mean, a partyboat out of Tarpon
20 Springs could go and limit out right now on a full-day trip
21 pretty easily on red snapper. They're all the same year class,
22 likely, and they just showed up last winter, but there are
23 thousands upon thousands. I had to close out my IFQ account at
24 the end of the year, and so I went out the other day and I
25 caught 650 pounds of three-pound red snapper in three stops.
26 Then I tried to stay away from them for the rest of the day, and
27 so things have changed, but gags, to me, are still the more
28 important for my charter fishing.

29
30 **AP MEMBER:** I agree with Ed. We contribute that, I guess, to
31 the shrimpers in that area. We had a huge shrimp industry, and
32 those boats aren't there anymore, and so, between that and since
33 Hurricane Elena, the red snapper population has just boomed, but
34 we have, in the central west Florida area off of Tampa, with the
35 bottom the way it is, we catch a lot of the reef fish.

36
37 Our gags, our red grouper, and our amberjack are the main
38 species that we've gone after for years and years. With the red
39 snapper, it's right there along with them. If we had a longer
40 season, we would be able to catch more of them, and so I think
41 all the reef fish are very important to us.

42
43 The triggerfish hasn't been an important species for us, because
44 we have all these other species there, and it's really not --
45 Some people don't even keep them. They just catch them and
46 throw them back, even when they are in season. No disrespect,
47 but it's just that you're catching all these gags and red
48 grouper and red snapper and why would we keep a triggerfish?

1
2 That has been our thing, and the amberjack are a great sport
3 fish, and they're a year-round fishery, and they're huge in that
4 area, and -- It's year-round without a -- They never leave.
5 They're always there. It's a great fishery for us, and so
6 that's just our area.

7
8 **MR. SCHMIDT:** I will continue the trend here. I'm a little
9 further down the coast. I'm in Fort Myers. Most of our red
10 snapper come off of multiday trips. We leave on Friday and
11 return on Sunday. Last spring, I had an FWC observer, and we
12 had 466 discards of red snapper, up to approximately twenty
13 pounds, on a weekend trip.

14
15 I also have a commercial fishing vessel. Once you get past 120
16 feet, the fish are just thick. Once you get down around the
17 Tortugas -- Captain Greg on the Yankee Caps is a good friend of
18 mine, and, unfortunately, he has some family issues and so he
19 wasn't able to attend, but he will tell you the same thing.
20 When you get down and fish around the Fort, where you catch the
21 muttuns, the red snapper are so aggressive.

22
23 They have moved in on the bottom. That's why mutton landings
24 have fallen off, because you can't physically get through them.
25 When you're rod and reel commercial fishing, you will go through
26 fifty or seventy-five pounds of bait and pull off your stop and
27 you end up with three fish in your box, and so, back when -- The
28 west coast of Florida has been sort of the red-headed stepchild
29 on this red snapper rebuilding.

30
31 I was around for the Class 1 and Class 2 commercial permits.
32 There was nine days at the beginning of the month that you could
33 land 1,000 pounds for Class 1 and 100 pounds for Class 2, or 200
34 for Class 2, and our commercial fishery was made up so that --
35 We do six-knot boats, and we go for a week at a time, and so we
36 very rarely ever were able to maximize the day-by-day catch for
37 the permits.

38
39 The recreational and the commercial and the for-hire sector all
40 bore the brunt of the rebuilding plan, and, as this fishery does
41 come back, and we're getting ready to set allocation here, I
42 would hate to see the boats that have been in the fishery -- I
43 have been here for thirty-four years, and Captain Greg has
44 fished out of Key West for, I believe, thirty-two years. Mark's
45 family has been in it since, I believe, the 1920s. I would hate
46 to see that we get our fish taken away as the fish rebuild in
47 our area, and we would like to remain a participant in the
48 fishery.

1
2 **MS. MUEHLSTEIN:** Let's say that red snapper is a given, right?
3 When we think about the differentiation between the two groups,
4 the headboat group and the charter group, one of the things that
5 we need to reckon is the species that we're going to include.
6 What I hear is we want all five. The first thing that we can do
7 is we know that red snapper is a given. This one is the one
8 that both groups have already sort of went by.

9
10 Let's just assume that red snapper is at least the first species
11 that we're going to start thinking about for a program moving
12 forward, either separate programs or single programs. Kind of
13 what we need to do is an understanding that maybe all five are a
14 priority for everybody in this room, and we can absolutely and
15 absolutely will communicate that to the council, but I want to
16 make sure that we set this order of priority, so that if the
17 council isn't comfortable with all five, they know where they
18 can make that break and what species they will and will not
19 include. With that said, I think Daryl had his hand up.

20
21 **MR. CARPENTER:** Under that scenario that you just put up, yes, I
22 can understand what you have up here, but the immediate thing
23 that grabs me is you put these five up there, and you're
24 standing in Louisiana. Red grouper is -- I mean, I don't want
25 to diminish its value to the guys to the east of us, but I have
26 caught one, because they have very limited distribution over
27 here.

28
29 That is the reason that I said that my -- You have got red
30 grouper up there, and where is our fish? Where is our gag, so
31 to speak? If you're going to expand it off of red snapper,
32 which is a Gulf-wide distribution, your first four are Gulf-wide
33 distributions, which would apply to everybody in the room.

34
35 Your fifth fish, red grouper, like I said, in twenty years, I
36 have caught one, and so that's the reason that I say that this
37 whole thing started on the red snapper idea. It's obvious that
38 we're looking to expand it to greater amberjack and to other
39 things, but, if we're going to expand it off of red snapper,
40 include all reef fish.

41
42 **MS. MUEHLSTEIN:** Okay. Basically, you're saying that we either
43 make the break here or we don't make a break at all.

44
45 **AP MEMBER:** Why would they delete any of the species? What
46 would be the motivation to only have four species?

47
48 **MS. MUEHLSTEIN:** There is an answer to that that I am not clear

1 on, but I feel like it's been expressed. Has it been addressed
2 already? Can one of you guys speak to that?

3
4 **MR. CARPENTER:** If they go to those five and you give me red
5 grouper allocation, I don't want it taken away from me because I
6 didn't catch one. It might take me another twenty years.

7
8 **MS. MUEHLSTEIN:** I've got you.

9
10 **MS. GERHART:** In regards to why those five species were chosen,
11 there is a couple of reasons. The main reason is those are the
12 five species where we actually have a commercial/recreational
13 allocation. Other species are stock annual catch limits, and so
14 they would have to actually come up with allocation, which, as
15 we know, is going to get kind of complex, and so that's one
16 reason those were chosen. The other is that all of these are
17 species that have experienced closures in recent years, and so
18 they're probably more in need of something like this than
19 others.

20
21 **MS. STAUGLER:** All right. We're going to try to close this up,
22 because we're getting close to five o'clock. I know, Jim, you
23 had your hand up first.

24
25 **MR. GREEN:** I was going to say that I understand what Daryl is
26 saying, but that's basically 40 percent of the fishing fleet is
27 in the western Gulf. The other 60 percent of us do catch red
28 grouper, and we catch them in the act of trying to catch almost
29 all of those, except for amberjack, fishing up in the water
30 column.

31
32 I think it's odd that the first three that we listed in
33 importance are the ones that are the most plentiful in the Gulf
34 right now. The gag and the red grouper are down there because
35 we're not catching any of them, but, for me, it was red snapper,
36 triggerfish, red grouper, amberjack, and gag. That's my mode of
37 transportation, because I operate as a headboat, where the
38 charter boats in our area are going to put the jack in front of
39 the trigger any time, because they're charging a premium price.
40 It's not necessarily a higher-class client, Tom, but they're
41 charging a more premium price.

42
43 I would say that you need to leave all five of them up there,
44 because they're all sought after over the majority of the fleet.
45 I understand what you're saying, Daryl, and that's why I think a
46 little bit of a regional component needs to be in there, but I
47 understand the difficulties of Texas data and fishermen and all
48 that stuff, but, if we have all five, and the charter boats and

1 the headboats are in there, then I think that there needs to be
2 a little bit of an ability to trade those fish back around, so
3 we make sure that we catch them, until we get redistribution
4 figured out.

5

6 **AP MEMBER:** Tom, come see my clients.

7

8 **MS. STAUGLER:** Gary, go ahead.

9

10 **MR. JARVIS:** We're looking at these five species, and I think
11 the answer is that those are the five that have had closures,
12 and those are the five that have commercial and recreational
13 allocations. I don't think we need to overanalyze this, whether
14 you catch them or you don't. I think this is where the document
15 has already gone in 42, but I do want to remind everyone that,
16 in the present two documents, the situation that the gentleman
17 over here spoke about, Greg, isn't addressed in either one, and
18 so it goes right back to what I'm saying about creating a better
19 product.

20

21 That's why I don't think 42 is really that much further along,
22 in some respects, as 41, because there is nothing in either
23 document to address the increase of the biomass and it moving
24 into new regional areas, and there needs to be some type of
25 mechanism to address those, whether it's done every three years
26 or five years. If we do a real good job of rebuilding these
27 fisheries, range and the expansion of the resource is going to
28 be the side product of it.

29

30 In the early 1970s, they caught snapper out of Key West real
31 easy. Right now, not so much, unless you go on a multi-day
32 trip, but, if the resource increases in the next ten years like
33 it has in the past five, then it's reasonable to assume that
34 some of the things that Mr. Walker said is happening off of
35 Clearwater right now will be happening off of Marco Island or
36 down off the Keys.

37

38 Again, there is not any mechanism in the present document to
39 address that, and so, when we're talking about multispecies and
40 allocation, those types of things, we need to address the
41 regional expansion of the resource if we end up doing a good
42 job.

43

44 **MS. STAUGLER:** All right. Guys, we're pretty much out of time.
45 We will probably revisit this a little bit tomorrow morning.
46 What I do want to wrap up, because I don't want to waste your
47 time, and it's five o'clock, is we've got a lot of questions
48 that we're going to try to plug through tomorrow.

1
2 You will see that we're going out of order a little bit, because
3 we shifted to Number 4. We're going to back up to Number 2 and
4 to Number 3. Number 3 and 4, we've kind of talked about those a
5 little bit today already.

6
7 **AP MEMBER:** Are we going to pick up here again?

8
9 **MS. STAUGLER:** We're going to pick up here in the morning.

10
11 **MS. MUEHLSTEIN:** Hold on. Before you leave, we've got a couple
12 of things that we need you to do for us.

13
14 **MS. STAUGLER:** Okay. What we want you to do tonight is to look
15 at these questions, certainly look at the decision tool, and be
16 ready to just kind of plug through these questions tomorrow
17 morning. Before you leave tonight, all of you, sitting on your
18 table, have got this Hyatt Centric notepad here. We want to go
19 back, real briefly, to Number 2.

20
21 Number 2, we talked about separate or single amendments being
22 the preferred option, and we have a list of issues that were
23 brought forward by the charter/for-hire sector. We have this
24 willingness from the headboat sector to maybe address some of
25 those issues, and so we want to get a feel for where you guys
26 are standing right now, if you were going to have to make a
27 decision, so that that gives us some framework for how to
28 proceed with this tomorrow.

29
30 If you would, if you are kind of leaning towards a single
31 program, put a Number 1 on a piece of paper. If you're leaning
32 towards a separate program, put a Number 2 on a piece of paper,
33 and Emily is standing over here to collect those.

34
35 **MS. MUEHLSTEIN:** Hand that to me before you leave, so that we
36 can sort of start to plan our day tomorrow, and we will see you
37 at 8:30 in the morning, and we will have breakfast here again.
38 Does that sound reasonable?

39
40 **MS. STAUGLER:** See you at 8:30.

41
42 (Whereupon, the meeting recessed on January 9, 2017.)

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45
46 January 10, 2017

47
48 TUESDAY MORNING SESSION

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The Joint Meeting of the Ad Hoc Reef Fish Headboat and Ad Hoc Red Snapper Charter Advisory Panels of the Gulf of Mexico Fishery Management Council reconvened at the Hyatt Centric French Quarter, New Orleans, Louisiana, Tuesday morning, January 10, 2017, and was called to order at 8:30 a.m. by Emily Muehlstein.

MS. MUEHLSTEIN: I'm glad you guys came back. I get to actually start today with some really good news. I didn't know this, but we all have a twenty-dollar credit that we can charge to our room in the hotel, and so it turns out, if you want to go get coffee or have a drink at the bar, and you charge it to your room, twenty-dollars of that will be paid back by the hotel. So get it while you can, I suppose. I just wanted to remind everybody of that, if you didn't know that, like I didn't, there is a free twenty-bucks for everybody.

We obviously sort of had a lot of discussion yesterday and made a couple of decisions, but I think today that we want to refocus and really sort of get rolling on trying to figure out if we can kind of work out some of the differences that we have as a group.

That vote that you all did last night, when you sort of gave us what your preference was on a single or separate program, not surprisingly, was pretty split in the middle. There was a little bit more in one direction than the other, but that sort of really shows us that we're not close yet, and so I think the first thing we're going to do is Betty is going to sort of review where we were with the sort of discrepancies between single versus separate programs. Then we're going to get some information and really sort of start attacking these issues one-by-one, and hopefully we can find some common ground and figure out how to push forward to design some kind of program.

MS. STAUGLER: Okay. Are you guys ready? All right. If you recall, we spent some time looking at the benefits of separate and single programs. Then we also looked at issues and deal breakers.

Just focusing on those issues and deal breakers of a separate program, what came up was timing of the implementation and the latent permit issue, due to the definition of headboats, the fact that headboats are working on five species and the charter/for-hire only have one species, and that the

1 charter/for-hire is being inclusive in 41 of new interests. Is
2 that complete? Pretty much? Okay.

3
4 Then, when we looked at issues and deal breakers of a single
5 program, what came up was that it would be more complicated,
6 because there is two modes of operation, being the headboats and
7 the charter vessels, and they are very different, that they
8 headboats are all ready to go and the charter/for-hire is not,
9 and there could potentially be trading between the charter/for-
10 hire and the headboats. Is this pretty complete? Okay. All
11 right.

12
13 **MS. MUEHLSTEIN:** We don't have more. That's good.

14
15 **MS. STAUGLER:** I know this is really early in the morning.

16
17 **MS. MUEHLSTEIN:** Okay. We kind of looked at this, and there is
18 a couple of interesting things that we can sort of, at the
19 moment, table and understand that, as we design whatever program
20 we decide on, that these are sort of details that are going to
21 be part of that program design.

22
23 Specifically, this idea of trading between charters and
24 headboats, when it comes to trading allocation or shares,
25 whatever we decide, and that's actually an element of design
26 within the program. If we were to go forward with a single
27 program and we wanted to limit that, that's something that, in
28 the future, we could look at, and so I don't know that this is
29 something that we need to be focusing our efforts on today.
30 Does that seem reasonable to everybody? I don't want to take
31 this off the table right now if that's a problem. Okay. I'm
32 just trying to streamline.

33
34 The next one is this idea of it being more complicated with two
35 modes of operation. If you do separate programs, theoretically,
36 it's just as complicated as it is if you do a single program,
37 and so, yes the amendment is complicated, but I think, for the
38 purposes of today, that's not something that we can sort of come
39 to an agreement on, that we can sort of bargain with and figure
40 out.

41
42 I'm going to go ahead and take this one off the table for today,
43 so that we can really kind of get down to focusing on what we
44 can deal with. Also, this idea of the charter/for-idea being
45 inclusive of new interests, and so I'm not saying that this
46 isn't important and it's not -- None of these issues are being
47 wiped away, but what I'm saying is this is, again, sort of part
48 of the program design.

1
2 This is something that maybe we don't deal with today, because,
3 depending on how we start to design the program, that's
4 something that we can put in there, and so is it all right if I
5 take this away, just for the purposes of streamlining today?
6 Okay.

7
8 What that leaves us with are sort of the three biggies, right?
9 Species is a biggie. It's big for if we do separate programs,
10 and it's also very big if we do single programs, and
11 understanding, if we do separate programs, there is potential
12 for different species to be addressed, but, if we do a single
13 program, we've got to do one species. Species, we know, is
14 something that we need to deal with.

15
16 What's really neat about that is, yesterday, we sort of came up
17 with this list of priorities. I had some conversations with our
18 technical staff, because I was trying to, a little bit,
19 understand where we need to go with species, and I think sort of
20 what I'm understanding is, in a perfect world, everybody wants
21 all five, and so that's okay.

22
23 We can move forward with that recommendation to the council. It
24 is my understanding that the Charter/For-Hire AP has already
25 suggested that to the council a number of times, and so I think
26 maybe we can all sort of agree on five, that we're moving
27 forward to recommend five, with the understanding that, if we do
28 move forward with five, that red snapper has gone through this
29 process of having its own allocation and that these other four
30 species would all have to do that, and I think everybody
31 remembers that process with red snapper, and so I just want to
32 make you aware of the fact that that similar process would be
33 happening then for these four species.

34
35 What's neat is we kind of have a framework to address that
36 already, because we've gone through it, but, since you've all
37 been here, you saw how easy that wasn't, right, and so I just
38 want to sort of make sure that we know what we're asking for is
39 potentially a big bite to be taking. It's a lot to chew on.

40
41 I think what we'll do is, for the purposes of right now, is we
42 can sort of go to the council and continue to recommend five
43 species for everybody involved. Does anybody have a huge issue
44 with that?

45
46 **MS. ANDERSON:** In our Amendment 42 group, I brought this to the
47 attention, and it was decided to go with the five anyway, but my
48 understanding is that, if you go to five and everybody says, oh,

1 this doesn't work and this is not what we thought we were going
2 to get and so we want to get out of this, it can't be changed by
3 ending sector separation, Amendment 40, because that only
4 addresses red snapper, and so it will be a lot more complicated
5 with the five species.

6
7 I just want everybody to be very clear about that, that you may
8 be very certain that this is exactly the way to go and
9 everything, but then, once you get hit with how few fish you're
10 going to get and how few days you're actually going to be able
11 to offer to your customers, then you're going to probably
12 rethink this, and this is going to be an issue for you down the
13 road.

14
15 **MS. MUEHLSTEIN:** Okay, and so a bit of a be careful what you ask
16 for.

17
18 **MS. ANDERSON:** Exactly.

19
20 **MS. MUEHLSTEIN:** Okay. Is there anything else to add on the
21 species before we move on?

22
23 **MR. JARVIS:** I am trembling in my boots as we speak.

24
25 **MS. MUEHLSTEIN:** This is how we're starting? Come on.

26
27 **MR. JARVIS:** I mean, what we're trying to do, rights-based
28 management in recreational fisheries, whether it's separate or a
29 single deal, has never been done in the United States, let alone
30 the world. Telling us that it's going to be hard to a bunch of
31 charter boat captains and individual business owners is like,
32 okay, now what? What is next?

33
34 I mean, we understand the difficulty of it, but, if we're going
35 to execute this fishery in the manner that we have for the last
36 ninety years in the recreational fisheries as a charter/for-hire
37 industry, there is no way in hell that we can do this just
38 single species, especially if you've got a sub-sector doing
39 multispecies in their amendment as it's written right now, and
40 that's the biggest heartburn on Amendment 41, to me personally.

41
42 There is no way that my industry or my fleet is going to support
43 that setup. Yes, it's going to be very difficult, but
44 everything in life worth fighting for is difficult. None of us
45 get a participation trophy here. We're trying to do the best
46 thing that we can do for the next generation of fishermen and
47 public access for the non-boat-owning public.

48

1 Yes, it's going to be hard, but does that mean, because it's
2 going to be hard, that we are satisfied with something less than
3 that we should do? That's my feelings on that. Let's do what
4 we should do, regardless of how hard or how long it will take.

5
6 **MS. MUEHLSTEIN:** Okay. I think we're going to go with five,
7 with sort of the recognition that it could potentially, once we
8 start looking at the numbers, cause some discomfort, but we're
9 still moving forward with the five, and so we're good.

10
11 **MR. JARVIS:** With that being said, how less can we get with
12 triggerfish than 2017?

13
14 **MS. MUEHLSTEIN:** No, I get you.

15
16 **MR. JARVIS:** None.

17
18 **MS. MUEHLSTEIN:** Go ahead, you guys back there.

19
20 **DR. DIAGNE:** Thank you. I guess just a small comment, before we
21 move off the topic of species. We see the priority order that
22 you guys came up with, but there is another issue that we need
23 to perhaps spend some minutes talking about.

24
25 At the end of the day, we would like to know what is the minimum
26 number of species that you can live with, so that, let's say,
27 for example, the council looks at this list and says, well, I am
28 prepared to do one or I am prepared to do two and so forth.
29 Essentially, we need to begin to draw some lines, if you would,
30 to understand, from this group, what is the minimum acceptable
31 number of species that would make these programs valuable, so
32 that, if the council can meet that, we know, and, if the council
33 decides to go another direction, we also know. Thank you.

34
35 **MS. MUEHLSTEIN:** Okay. Assane, just let me sort of re-ask that
36 question, and tell me if what I'm asking is right, because I
37 think I am going to ask a direct question that might be
38 uncomfortable. The question that Assane is asking is, if you
39 don't get five, and the alternative is five or nothing, are you
40 comfortable with that, or is there a line where, if you don't
41 get five, you're cool with going ahead with just red snapper or
42 just red snapper and amberjack? Is that what you're kind of
43 asking, Assane? If five is a no, does that shut down
44 everything?

45
46 **DR. DIAGNE:** No, I am not thinking about shutting down anything.

47
48 **MS. MUEHLSTEIN:** Right, but here's the thing. Are you asking

1 for all five?
2

3 **DR. DIAGNE:** What I am saying is when you ask, of course, you
4 ask for the moon and see what you get. We have five species
5 here on the board. The reality is that, right now, what we have
6 is we have a program in which, as a preferred alternative, all
7 five species are included.

8
9 We have a second program in which the scope is one species.
10 That's what we have today. What we also have is that previous
11 attempts by let's say various efforts to perhaps expand the
12 scope to five in the other program, meaning the charter program,
13 and they have not been successful, to date. Then, if I sit here
14 and I hear that we want five, I have to wonder, what if you
15 don't get five? What are you prepared to live with, as a group?
16

17 **MR. ELLER:** So you're asking four and then it would be three and
18 then it would be two and then it would be one.
19

20 **DR. DIAGNE:** If you are willing to live with one, that's good to
21 know, that, if this program is limited to a single species, it
22 is still a go. Okay.
23

24 **MS. MUEHLSTEIN:** Okay. What I just heard was you will take what
25 you can get and you want five. Is that wrong? Is there some
26 amendments?
27

28 **AP MEMBER:** Assane, I'm going to put it in your terms. Are you
29 willing to get paid only in January or only in February or only
30 in March? That's the way we look at it. It takes all five
31 species for us to operate, and, with red snapper in forty-six
32 days and amberjacks evidently is going to be three or four
33 months and triggerfish are obsolete, eventually -- The whole
34 time, as everything is getting shortened, we're getting less.
35 We're losing business, and so it takes all five. It takes more
36 than five, but we're just settling for five.
37

38 **DR. DIAGNE:** Yes, and it's not -- I mean, I don't need any
39 convincing. What I am trying to say is that type of information
40 has to be crystal clear from your discussion in the report going
41 forward, and I based my comment on the fact that previous
42 attempts to expand to five across the board have not been
43 successful, and so, going in, it is something that we have to
44 put on the table.
45

46 **MS. STAUGLER:** Okay. I've got Tom, Shane, Pam.
47

48 **MR. STEBER:** First of all, I think most all of our conversations

1 is, if we're doing this and we're using electronic logbooks, we
2 really want all reef fish, but, from a practical standpoint, we
3 can't jump all the way out of the pan and into the fire. The
4 big purpose of this is so the council can manage the fishery.

5
6 We are going to give it to them on a silver platter, for lack of
7 a better word, because now you can manage these fish, and the
8 council is not spending three out of the four days fighting over
9 snapper, because they're going to be able to manage it now.
10 What a wonderful idea would that be?

11
12 **MS. STAUGLER:** Shane, go ahead.

13
14 **MR. CANTRELL:** We're sitting here trying to figure out this
15 program, and we're now having the opportunity to see what we can
16 live with. I have watched the council negotiate before, and
17 it's sickening. They're going to sit there and -- That's what
18 Amendment 28 was, what can you all live with. What do you mean
19 what can we live with? We want all the reef fish that our
20 permits have.

21
22 We're already compromising to go to five species, and now they
23 want to go, well, what about two, what about one? Where does it
24 end? We're here trying to figure out what's going to work, and
25 we're going to watch the council say, well, what can we take
26 away from you? That's not how to execute a fishery management
27 plan. It's what can we do to make the fishery better and not
28 how can we penalize these fishermen because we don't want to do
29 the work because it's hard.

30
31 **MS. STAUGLER:** Go ahead, Pam.

32
33 **MS. ANDERSON:** I wanted to bring attention to something that I
34 picked up on the headboat program, because this may play into
35 this also, this decision. In 2.4, Action 4, Alternative 2,
36 which was, I believe, the preferred alternative, part of that
37 paragraph says an LHB endorsement holder, or one of the
38 headboats in the program, may only fish off the LHB quota for
39 the species selected in Action 2 throughout the year. This does
40 not say that we can harvest other fish with seasons and bag
41 limits.

42
43 If this is left this way, it's leaving a gray area, because we
44 are signing on to something that does not address the other
45 fishery, and so we need to be clear for both amendments of is
46 this what we want or is this not what we want, because this
47 eliminates b-liners and everything.

1 **MS. MUEHLSTEIN:** I think we've got a response about that.
2
3 **DR. STEPHEN:** What that meant was only for those species that we
4 put into share categories in the LHB. You would still have the
5 same management strategy, bag limits and et cetera, for other
6 things like b-liners, et cetera. If we didn't make that clear
7 in the document, we will go back and make sure that it's clear.
8
9 **MS. ANDERSON:** I think that it's imperative that it's very
10 clear, because, otherwise, somebody on down the road that wasn't
11 at these meetings on the council could say, well, you're not
12 supposed to be fishing for these other species.
13
14 **MS. MUEHLSTEIN:** Yes, and you understand what Pam's concerns
15 are, and it's something that we can fix for our next iteration.
16 Thank you for finding that and pointing that out.
17
18 **MS. STAUGLER:** Okay. We have Gary Jarvis and then Gary Bryant.
19
20 **MR. JARVIS:** When we're talking about the multispecies here, and
21 we're talking about the charter/for-hire industry as a whole,
22 and, of course, everybody at this table is in the industry, but
23 what gets lost in the whole discussion are the two main factors.
24 One is the fishery itself better managing each resource.
25
26 We have issues with amberjacks, we have no triggerfish, and I'm
27 pretty sure even red snapper, in a certain portion of the
28 recreational fishery, may have been overfished this past season,
29 and it's looking like, with all the actions of the states, that
30 it probably will, for sure, in 2017.
31
32 The management of the resource is lackluster, or poor, at best.
33 We're sitting here talking about trying to develop an FMP that
34 is going to enhance the management of the fishery and hopefully,
35 in turn, means the fishery will improve, but the key ingredient
36 that is always missed here, when we talk about allocation
37 especially, is the allocation that is going to be allocated to
38 the charter/for-hire industry.
39
40 It's already been done in Amendment 40, and it will have to be
41 done if we move forward with 41 and 42, but this is a level of
42 access for the American public. None of the guys in this room
43 are going to harvest these fish and take them home. Every damn
44 fish that is allocated to the charter/for-hire industry will be
45 harvested by a recreational saltwater angler who doesn't have a
46 boat, at least at that port at that time.
47
48 Yes, allocation is going to be a battle, because you have the

1 private boat lobby involved and you have the charter/for-hire
2 industry, and you've got the commercial sector, and you've got
3 the environmental community. All of the stakeholders will do
4 their best to line things up to best suit them, but we're not
5 just fighting for ourselves. We're not fighting for the next
6 generation of the folks in our industry.

7
8 What we're trying to do is better manage this fish to ensure
9 that the American public is going to have access to this
10 resource for generations, and that seems, for some reason, to
11 get lost in this whole debate.

12
13 **MS. STAUGLER:** I think we have a comment from staff in the back.
14 Is that correct? Skipper.

15
16 **MR. THIERRY:** I just wanted to say that it seems like we already
17 have an overwhelming consensus for this point. I don't know if
18 we should call the question or whatever you do.

19
20 **MS. MUEHLSTEIN:** I think we've got Gary Bryant and Johnny
21 Williams, and then I think we can probably move on. I'm with
22 you though.

23
24 **MR. BRYANT:** I was just going to say the same thing. Let's
25 celebrate our victory. We've got a consensus. It's really
26 frustrating to agree on something and then you come back and ask
27 us to start all over with what we can survive with. When it
28 gets to the council, they're going to dictate what we're going
29 to end up with, and they're not going to -- Anyway, let's
30 celebrate the victory and move on.

31
32 **MS. MUEHLSTEIN:** Okay. My understanding is that we want all
33 five, and we will take what we can get. However, we want all
34 five. Johnny, did you have something to add before we move on?

35
36 **MR. WILLIAMS:** Basically, I think this panel was convened to try
37 to come up with a consensus. It's obvious that everybody here
38 wants five, and so why are we pussyfooting around it? Tell the
39 council we want five. That's the dead-drop number. We would
40 like to have all the fish in the reef fish complex put in there,
41 but we will accept these five and nothing less.

42
43 **MS. MUEHLSTEIN:** So we're already settling with five. Okay.
44 All right. How about we move on? Karen, can you do me a favor
45 and bring back up that flow chart that shows sort of all of the
46 different pathways and things?

47
48 What I would like to move on to is timing. We've got species

1 down. One of the things that we identified as a big issue sort
2 of with deciding how we're going to progress is this idea of
3 timing, and so the first thing that I want to do is, very
4 quickly, remind you of our sort of different routes and the
5 timing associated with each one, because the timing issue is
6 also an issue of reporting, and it's an issue of getting a catch
7 history versus just knowing who is active in the fleet or not,
8 right? Let's walk this back.

9
10 It sounds like the headboat program, if it was to go forward as
11 conceived now, would not be able to be implemented until 2019,
12 as is, if it was left alone, because we missed that referendum.
13 We didn't sort of move forward, and so, right now, our start
14 date for the fastest track for that headboat program to go
15 forward is 2019.

16
17 Similarly, our fastest track for a charter program would be
18 2019, and that would be without landings history and if we used
19 some sort of proxy to determine everybody's sort of individual
20 allocation within that program. So, the fastest we can do it is
21 2019.

22
23 Now, that is without sort of the extras of using this electronic
24 reporting, and so the next things that we can sort of look at
25 are, if we want to wait for electronic reporting for the charter
26 side, we've got two options here.

27
28 The first option would be just to determine participation,
29 determine who is fishing in the fishery, and so that would take
30 one year of data, and it's my understanding that, in that case,
31 2020 would be the earliest that we would be able to implement a
32 charter program that includes the proof of one year's data that
33 people are active or not. Yes, Jessica.

34
35 **DR. STEPHEN:** I just want to say some caveats to that. We're
36 using one year. If, for some reason, one of you couldn't fish
37 for that one year, you would be lost out of that, and so that's
38 always the danger of using one year for doing anything, even
39 though this was just for determining activity or operational-
40 ness of a vessel. So keep that in mind.

41
42 **MS. MUEHLSTEIN:** Is there an appeals process? Would there be an
43 appeals process? Let's say I am sick or my motor blows.

44
45 **DR. STEPHEN:** There could be an appeals process, but we would
46 have to set some really hard guidelines to go through.
47 Otherwise, everyone would appeal, I would think.

48

1 **MS. MUEHLSTEIN:** Okay. It looks like I have some questions.
2
3 **MR. CANTRELL:** This seems, to me, to be similar to a historical
4 captains' permit, whenever that moratorium first went into
5 place. There are going to be some exceptions, some people that
6 are not going to meet the initial requirements, and there should
7 be an avenue to do that. Even if they are very high
8 requirements to meet, I think that's a very acceptable way to
9 go.
10
11 **MS. MUEHLSTEIN:** Okay. Is there any other -- Go ahead, Skipper.
12
13 **MR. THIERRY:** So it's possible to have a charter program without
14 electronic logbooks? Is that what I heard you to say?
15
16 **MS. MUEHLSTEIN:** Jessica.
17
18 **DR. STEPHEN:** We could do the charter program where, if you're
19 taking some -- When you do a catch share program, you report
20 your landings, because that's how we deduct your allocation that
21 you've gotten, and so, for those species, it becomes kind of a
22 de facto logbook of the landings, and not necessarily the catch
23 and effort and all the other things that the for-hire electronic
24 reporting logbooks will capture, but we could do that, if you
25 can figure out a way to distribute allocation or if you like
26 some of the ideas presented yesterday.
27
28 **MR. THIERRY:** I would just also like to say, I mean, what
29 percentage of the fishery would be -- Who would be left and who
30 would be able to survive a whole year of not fishing anyway? It
31 would be a very small percentage of the fleet, I mean 1 percent
32 or something. Your vessel is going to fish, and so it seems
33 like that's really in the weeds.
34
35 **MR. WILLIAMS:** I have a question. I think the big elephant in
36 the room is, and we really haven't addressed this to any extent
37 here at this meeting, but I think it's a concern to everyone.
38 These latent permits, is there any way that we can identify
39 latent permits, to where we wouldn't even have to wait this one
40 year and that we could pull up the charter boat amendment as
41 well, through identification of latent permits. I don't know
42 what that would be. Maybe it would be -- I know who the
43 partyboats are in my fleet. I don't know who the charter boats
44 are, and, if somebody said, hey, I'm a partyboat running out of
45 Galveston, I know if that's true or not.
46
47 **MS. MUEHLSTEIN:** It's my understanding, and, tech staff, correct
48 me if I'm wrong, but there isn't a way to determine latency

1 without having some sort of other program in the charter fleet,
2 and is that true?

3

4 **MR. ELLER:** Pick up a telephone and call them.

5

6 **MS. MUEHLSTEIN:** Jessica.

7

8 **MR. ELLER:** There is only 1,200 of them. Every state could pick
9 the ones in their state. I bet you in about sixty days that we
10 could come back and report.

11

12 **MS. MUEHLSTEIN:** Okay, but so --

13

14 **MR. ELLER:** It seems pretty simple. I mean, there is so many in
15 each state, and we've got all these state guides here. Every
16 state could put a group together to pick all the permits in
17 their state. You call them, you drive to where they're at, you
18 find them, and you might not get every single one of them, but
19 you're going to capture the fishermen. Then you're going to
20 have this small percentage left, and it's something that I think
21 that we should be doing on our own anyway, because the --
22 Nothing personal, but the government doesn't seem to be able to
23 do it, and it's kind of ridiculous.

24

25 **MS. MUEHLSTEIN:** Jessica, is there something like that that can
26 be done? I just don't know.

27

28 **DR. STEPHEN:** I think what you want to do is probably a problem
29 with an appeals process and how you determine activity, and I
30 would want to talk to the lawyers about whether that is
31 something we could legally do when we're determining who is in
32 and out of a program.

33

34 **MS. MUEHLSTEIN:** Okay.

35

36 **MS. STAUGLER:** All right. I have Gary and then Tom and then
37 Scott.

38

39 **MR. BRYANT:** In my mind, the electronic logbooks would -- I
40 mean, you're going to have to go purchase some kind of logbook
41 and pay for a monthly fee, and that's going to basically
42 determine your latent permits that are going to drop out, most
43 of them, at that point. That's why I think that's so important,
44 because the people that aren't actually fishing or don't have a
45 boat or have got a permit parked somewhere, they're not going to
46 be able to make that step, or they're not going to make that
47 step, if they can't actually go catch fish.

48

1 **MS. STAUGLER:** Go ahead, Tom.
2
3 **MR. STEBER:** My question was a legal question, too. You know,
4 if we wanted to make this happen, we could either independently
5 fund it, to go find out these. I can tell you every one of them
6 in the State of Alabama, and so I don't understand why we can't
7 -- I am with Mike. Why can't we identify them and not take the
8 away, but say, okay, you're not part of this fishery and so
9 you're not here. You're not playing in the field. Yes, you've
10 got the permit, but you're not fishing for a living.
11
12 **MR. ELLER:** At least bring them out of the woodwork.
13
14 **MS. STAUGLER:** Okay. Gary Jarvis.
15
16 **MR. JARVIS:** You know, we were talking earlier, yesterday, about
17 trying to get a better definition or establish a definition of a
18 headboat and that would be a part of the process here. Really,
19 we almost need to do that for -- What is the definition of a
20 latent permit?
21
22 Especially on the west coast of Florida, there is active permit
23 holders who do fish in the EEZ, but they don't harvest a certain
24 species of fish, and so their permit may not be participating in
25 the fishery, but it's still an active permit, and it's an
26 operational permit. That is where the logbook part comes in, in
27 my mind, with what Gary was saying.
28
29 If you record some landings, and I don't know what that
30 threshold would be as we move forward with an FMP of
31 substantially fished, but, just because your permit doesn't show
32 any landings of red snapper and amberjack, per se -- You've got
33 a lot of guys, I think, down there that do snook and inshore
34 fishing, but they do have active permits. They're active
35 charter boat operators, but they're not participating in a
36 certain fishery. Maybe that's one thing that the agency or the
37 council needs to do, is try to define what a latent permit
38 really is.
39
40 **MS. STAUGLER:** Okay. We have Scott and then Eric.
41
42 **MR. ROBSON:** It's my understanding, at least through our AP,
43 that we were discussing -- I'm trying to figure out where we
44 are. Are you saying that -- I mean, we're looking at 2020, and
45 I'm trying to get ahold of all of this. We talked about, for
46 example, if our program was implemented tomorrow, that, through
47 the logbook time, that those latent permits, or inactive
48 permits, and participating permits in this particular fishery

1 would flush itself out.
2
3 Are we holding up either program or both programs or something
4 until we define who those people are, or do we move forward with
5 these programs and those ones that are non-participating will
6 flush themselves out through this logbook program? I mean, is
7 that going to hold us up until we define them or does that -- I
8 thought that would just be a flush out, and, as time goes on,
9 within a couple of years, you're going to know. I am asking if
10 that would change the timeline.

11
12 **DR. STEPHEN:** I think, obviously, for the first couple of the
13 program, no matter what, we're going to figure out who is not
14 harvesting, because you will have to report that, but that kind
15 of cyclic presentation that I did the other day, that addresses
16 the question sooner in methods that are established.

17
18 If we went with the traditional kind of catch share programs,
19 the once-and-done distribution, then flushing that out is really
20 amongst you guys buying and selling amongst each other to get
21 those guys who have something and aren't doing anything with it.

22
23 With the kind of cyclic nature, where every season or so we do
24 something with bringing it back to NMFS and redistributing it,
25 that speeds the process up, and that's one way to get to it
26 quicker. Regardless, once we start a catch share program, we
27 get landings for those species in the program, and so we do
28 start to identify.

29
30 If you do traditional, and you want say five years afterwards to
31 take everything back and figure out who is doing it, that's a
32 possibility. Again, you might run into different problems with
33 another referendum that way.

34
35 **MR. ROBSON:** Okay, and so I'm just saying, are we holding
36 ourselves up right now, instead of moving forward with the fact
37 that we first need to identify these boats. They're going to
38 get identified, I think, and so I don't think that should be a
39 hold-up on moving forward, whether it's one or two programs.

40
41 In other words, I see some that, well, for example, in the
42 headboat industry -- We have identified already. In the for-
43 hire, we haven't identified, but don't let that hold us up,
44 moving forward. We just move at the same speed together, and we
45 will get those identified.

46
47 **MS. STAUGLER:** We are going to take two more, Eric and Ed, and
48 then we're going to kind of wrap it up and regroup a little bit.

1
2 **MR. SCHMIDT:** To Gary's point, I guess my question would be
3 participation. What is going to be the threshold for
4 participation in order to qualify in the charter sector? Is it
5 going to be one trip a year or is it going to be ten trips a
6 year? In southwest Florida, we do have quite a few part-time
7 participants in the charter industry. Mainly, they're a lot of
8 sheriffs and firemen that charter on their days off. They use
9 the boat ramps and they really infuriate the guys that have
10 docks and pay for full-time insurance and things like that. If
11 they use their permit three times a year, does that qualify them
12 as active participants?

13
14 **MS. MUEHLSTEIN:** My understanding is that is something that we
15 would -- Who defines that?

16
17 **DR. STEPHEN:** My feeling is that this is a group -- The
18 industry, when we do the amendment process, along with the
19 council, would be the ones defining that, and your input is
20 going to be strongly affecting that. If you feel that those
21 part-time ones are valuable and are part of the fishery that you
22 feel, even if you have a couple of trips, you should have some
23 kind of say in it, then we include them.

24
25 If you guys feel that they're not, then maybe we do different
26 ways of having things to work with that, but, again, to me,
27 that's an industry perspective. You guys know your industry
28 better and know the value of that.

29
30 **MR. WALKER:** I was just thinking about it, when Gary was
31 talking, and I'm not really sure where we would be on -- Are we
32 going to talk about if you catch any kind of reef fish in the
33 five and you're a participant? Like guys in the northern Gulf,
34 they're going to, by definition, be latent on red grouper. Guys
35 that don't catch any red snapper down in south Florida, they
36 would be latent on red snapper.

37
38 You might need to say that -- There is some complicating factors
39 there, because like he said, a lot of guys don't catch red
40 grouper, and so, technically, what we're talking about, you
41 would have a latent red grouper permit, unless -- You would have
42 to figure that out.

43
44 **MS. MUEHLSTEIN:** Okay. Cool. Again, I think that's probably a
45 parameter that then we get to, sort of as an industry, come
46 together and make those suggestions and start to define it.
47 Let's back up a little bit, because I think we did have some
48 questions that needed to be clarified in order for us to sort of

1 start talking about this timing program and then, of course, the
2 natural next question is talking about latent permits more in
3 depth, and that's also sort of that definition of the headboat,
4 and so we'll move to that, but let's focus back on this timing
5 idea.

6
7 We defined this idea of if we want to be able to define
8 participation through one year of electronic logbook usage, then
9 we would have a program by 2020, is sort of the goal there.
10 Then the third one, sort of the most far out of all of the
11 choices here that we have, is waiting to actually have landings
12 history collected through electronic reporting.

13
14 It's my understanding that sort of the benchmark for landings
15 histories is a three-year time period, and so, with that going
16 into consideration, that puts us then at 2022 for implementation
17 of a program.

18
19 We're kind of clear on what our choices are here, right? We've
20 got 2019 if we move forward, if headboats moves forward, in sort
21 of the trajectory they're going and charter boats use some sort
22 of proxy for landing. It's 2020 if we want to use electronic
23 logbooks to define participation and then 2022 if we want to
24 build a catch history before we start. Are we good? Do we kind
25 of all understand that? My question to you guys is who is
26 willing to wait until 2022? Let me see you hand if you're
27 willing to wait until 2022.

28
29 Okay. I'm just trying to gauge where we're at, because, if
30 nobody was willing to wait, we can take that off the table, but
31 it looks like some people are willing to wait. There are some
32 questions. Scott, go ahead.

33
34 **MR. ROBSON:** So we're talking about landings history. I
35 thought, as we discussed yesterday, that we really might not
36 want to go down that -- When you say landings history, are you
37 saying the council is going to need landings history before we
38 can move forward with a program? That would seem to us to
39 decide how those shares are going to be, if we're going to call
40 them shares or whatever, divvied up without worrying about a
41 landings history.

42
43 In other words, through the proxy or however we decide, as an
44 AP, that that is -- I am trying to get with you. In other
45 words, you're saying that maybe the council or whatever would
46 wait until we created a landings history before we could do
47 those shares? Why?

48

1 **MS. MUEHLSTEIN:** I am not saying you have to. This is a
2 question to you. You have the choice. If you want your
3 landings history, you can get that if we wait until 2022 to have
4 it. If you don't want to and you want to move ahead now, you
5 can choose to do that, but you have to understand that you're
6 doing that without an individual landings history. You're doing
7 that then and using a proxy.

8
9 **MR. ROBSON:** Okay. Correct.

10
11 **MS. MUEHLSTEIN:** That's totally viable, but that's what we're
12 trying to figure out right now. You can have it all if you wait
13 for it or you don't if you don't.

14
15 **MS. STAUGLER:** Go ahead, Tom.

16
17 **MR. STEBER:** I guess my question is why would we have to be
18 locked into a three-year benchmark? Why couldn't you do a two-
19 year and divide the fish, spread the fish, and then two more
20 years and do it again and then two more years or whatever? Then
21 you kind of set it.

22
23 You wouldn't have to take the whole ball of wax in one year or
24 two years, but you adjust it, kind of like one of the other
25 programs had, where you adjust it as it went along. That way,
26 you're not penalizing anybody if they're down or whatever else,
27 but you're actually spreading the fish where the fish are caught
28 and not having to put them somewhere -- You made the suggestion
29 a while ago that if they don't catch it that they are -- Why
30 would you give them fish? They're not catching the fish.

31
32 We have got to have a way to divide the fish where they're being
33 caught, and you can always adjust that based on -- If you take
34 two years and decide, okay, here is the fish and then, two more
35 years, we tweak it. Two more years, you tweak it again.

36
37 **MS. MUEHLSTEIN:** Jessica, can you answer that?

38
39 **DR. STEPHEN:** I am just making sure that I understand you
40 correctly. You're basically talking and saying using two years
41 of landings and then doing kind of the cyclic nature that I
42 showed that, every X amount of years, we take back and
43 redistribute, based on landings during that time period,
44 correct?

45
46 **MR. STEBER:** Correct.

47
48 **DR. STEPHEN:** That is another viable option. Like I said, what

1 I presented the other day has a lot of different variations to
2 it. Now, the problem with using your first two years is, if
3 those years that we pre-decide we will use, say a hurricane
4 happens or something else, we might be no closer. That's the
5 only benefit of three years, is you get a better average. You
6 get a little bit more robust of nailing it right the first time,
7 getting the allocation where it belongs.

8
9 If that's a risk you guys are willing to take, we can talk with
10 Science Center staff and making sure we're still statistically
11 robust in what we do, but, considering one of our options is
12 just using passenger capacity and region, that sounds like it
13 might be a little bit better than the others. If you guys want
14 to put forward an idea like that, we're willing to consider it.

15
16 **MS. STAUGLER:** Gary, go ahead.

17
18 **MR. BRYANT:** The 2022 is what I've been waiting for. Under all
19 the scenarios, we have so many of the fish caught in such a
20 small area of Alabama and the Panhandle. Right or wrong, that's
21 just the way it is. We're catching eighty-something percent of
22 the fish.

23
24 Under any of the scenarios, those fish don't go back to that
25 area, because we're dividing it equal. Also, we have places in
26 Texas that don't have a good history. If we're willing to wait,
27 we can show what we're actually catching, and we will stay in a
28 derby fishery until then.

29
30 When we get there, under five species, the grouper guys will
31 have grouper and we'll have snapper. There's going to be some
32 of those species that I won't have. I won't have the red
33 grouper, but, anyway, that's what I've been waiting on. It's
34 going to have time to flush out the people that aren't fishing,
35 and it's going to have time -- It's long enough that the people
36 that are going to be crazy and change their business and run for
37 thirty-dollars, they're going to broke trying to do that for
38 three years. To me, I am willing to wait. I think that's where
39 we need to go.

40
41 **MS. STAUGLER:** Mike, John, Cliff.

42
43 **MR. NUGENT:** One of the things, after I hear everybody talking,
44 that just leaps out at me, and I don't know if it's hypocrisy or
45 disjointedness. I don't know what the correct term would be,
46 but we get one person that speaks about we don't want fleet
47 reduction and we don't want to take away fish.

48

1 We get another person that talks about the non-boat-owning
2 public that we're concerned about. Of course, those people are
3 paying us to stay in business, and so I understand being
4 concerned about them. We get all these comments, but, to me, if
5 indeed we do not want fleet reduction, and if indeed we want to
6 use the charter fleet as best as we can use it, and we want to
7 get an electronic data reporting system in, but the first thing
8 we ought to be doing is we ought to be contacting those permit
9 holders and telling them that it's time that you either get in
10 and get this thing used, in whatever fishing you're doing,
11 wherever you are, or you're not going to make it, because we
12 don't want to kick you out of the fishing business, but we want
13 you to be in the fishing business or be out.

14
15 Make it your decision, but I think the number one thing that we
16 have to do is try to get everybody that has a permit, get them
17 fishing, if they want to fish, and then, like Gary was talking
18 about, about the electronic logbooks, as soon as we can get it
19 implemented, but it's hard to balance these statements about we
20 don't want fleet reduction and we don't want to discriminate
21 against the non-boat-owning public, because, when you're looking
22 at the number of trips, if we were strictly doing that, we
23 discriminate against the non-boat-owning public when, instead of
24 a forty-day season, we may be taking eighteen or nineteen days
25 under allocation-based management. I understand trying
26 something better down the road, but it just seems like clarity
27 in what we're trying to do is just really hard to come by.

28
29 **MS. STAUGLER:** Go ahead, Johnny.

30
31 **MR. WILLIAMS:** I have two comments. The first one, I would like
32 to address what Mike referred to. I don't think that the
33 purpose here is fleet reduction. I think what we're talking
34 about is initial allocation. I think that's what everybody is
35 concerned about.

36
37 I think that we don't want to get rid of these permits. I mean,
38 we're going to have to expand at some point in the future, and
39 so I think that the -- If someone is not participating in the
40 fishery, that doesn't mean that we take their permit away. That
41 means that, when we come up with this initial allocation,
42 perhaps they wouldn't get anything or get what the people that
43 were involved in the fishery, because those are the people that
44 caught the fish in the past and built the history. I am totally
45 against pulling permits. What I am basically envisioning this
46 as is for initial allocation.

47
48 The second thing is that 2022 doesn't seem appealing to me. I

1 don't know how it does for the rest of the folks in the
2 partyboat industry, but, man, we're ready to go, and we really
3 don't want to wait until 2022. If the people in the charter
4 boat industry want to wait until 2022, and it probably would be
5 a good idea to have a certain number of years and stuff like
6 that, to really get a good feel of what's going on, but we would
7 support them 100 percent.

8
9 We're honorable people. We're trying to address some of these
10 issues with the five species and with the latent permits. We
11 will try helping them any way we can, but, personally, I'm
12 getting up there in age, and I really don't know if I will even
13 be around in 2022. 2022, I don't think appeals to a lot of us
14 in 42, but I do support it in 41, if that's what they want.

15
16 **MS. MUEHLSTEIN:** Personally, John, can I ask, what are you
17 willing to wait for? In understanding that 2019, if you guys
18 were flying solo, and 2020, if they had one year, and so 2022
19 is not going to work for you? 2019 is probably, obviously,
20 where you want to be, and are you comfortable with 2020? I
21 don't mean to put you on the spot, but this is a conversation
22 that we're going to have to start having to have.

23
24 **MR. WILLIAMS:** I'm sixty-seven years old, and I don't know if
25 I'm going to live to actually be sixty-eight, and so I may not
26 be around for any of this. None of us really know how long God
27 plans on leaving us down here on Earth. I lost my wife when she
28 was fifty-six, but, boy, 2022 really doesn't appeal to me.
29 2019, that's what I would really like to see. That's just my
30 opinion, but I want to help the charter boat guys and get them
31 what they want, the best program they can get too, and so I will
32 work with them and support them any way that I can. Thank you.

33
34 **MS. STAUGLER:** I have Cliff and then Jim and then Gary and then
35 Skipper.

36
37 **MR. COX:** I haven't read the electronic logbook document. Does
38 it include just only certain species? What are they going to be
39 reporting in the charter boats?

40
41 **MS. MUEHLSTEIN:** Jessica can answer that for you.

42
43 **MR. COX:** Then I have another question after that.

44
45 **DR. STEPHEN:** I believe the intent is to record everything you
46 catch, all species.

47
48 **MR. COX:** Okay. I think that, in itself, would address some of

1 the issues about the latency of permits, even if they're not
2 catching red snappers or amberjacks or whatever. If they're
3 reporting everything they catch, then that's still going to show
4 them as a participant in the fishery, and so I think that -- The
5 electronic logbooks will flesh out some of the non-users, or
6 some of the permits that are just sitting their idle on a jet-
7 ski or whatever they might be attached to.

8
9 **MS. MUEHLSTEIN:** I think then the issue there is, if you do one
10 year of data, to do exactly what you're talking about, just
11 defining participation, or, if you wait for that sort of three-
12 year benchmark of data in order to define the landings history,
13 and so --

14
15 **MR. COX:** Right, and, I mean, especially with like -- Say they
16 got up and running in 2017, there is no triggerfish, and so
17 there is going to be no catch history on triggerfish. That's a
18 problem, and some of the other fish that might have a short
19 season or might get shut off early, but I think it's going to be
20 really good to flesh out some of the latent permits that are
21 actually being not used at all, but I don't think that -- I
22 think it's going to be skewed if you try to use 2017 and everybody
23 knows that is going to be their catch history.

24
25 I think it's going to create kind of a false image of what
26 actually should be going on. People are going to be trying to
27 catch as much as they can catch and killing themselves to do it,
28 to build a quota, and I don't think that's a good way to do it.
29 Those are my thoughts anyway.

30
31 **MS. STAUGLER:** Go ahead, Jim.

32
33 **MR. GREEN:** I am going to pass at this time. You can go to the
34 next one.

35
36 **MS. STAUGLER:** Okay. Gary. You're passing? Skipper.

37
38 **MR. THIERRY:** I guess this is a question for Jessica. I don't
39 understand the -- I wasn't aware that we could move forward with
40 a charter plan without electronic logbooks, but it seems like
41 that if you could in 2019, I don't see the advantage of waiting
42 until 2020. You could do the same thing in 2019, with some
43 proxies, and you would be a year ahead in identifying the
44 participants in the fishery, or maybe I am not understanding
45 that. It seems like you should either do 2019 or move on out
46 and have a catch history in 2022, and maybe I am not
47 understanding.

48

1 **DR. STEPHEN:** You could start in 2019, if we get everything
2 lined up well and that's a large enough timeframe, where you're
3 using something other than electronic logbooks to determine who
4 is getting the allocation. If you do that with that kind of
5 cyclic nature, where every season or two seasons we take back
6 and redistribute, I think you're right that you're one year
7 ahead of waiting for one year of electronic logbooks to identify
8 participation, and it's kind of you start at that rotating
9 schedule a little bit early.

10
11 2019 is viable, particularly if you use that kind of cyclic
12 nature to it. It's viable if you use other things, but we have
13 already heard what some of those other problems are. If we wait
14 one year for electronic logbooks, and remember that one year was
15 our optimistic we're going to get the funding to go through with
16 everything, and so keep in mind that that could be a little
17 gray.

18
19 Now, I feel fairly confident at this point in time, but,
20 depending what comes down budget-wise, it needs money to get
21 enacted, and so that would be 2020 if we wait for one year of
22 logbooks, just to determine who is actively participating in a
23 fishery at that point in time, or 2022 to get the really robust
24 three years, using those landings history possibly as your means
25 of allocating in the first year of the program.

26
27 **MS. STAUGLER:** Okay. We're going to go Eric, Chad, Shane.

28
29 **MR. SCHMIDT:** It's my understanding that some of these charter
30 boats also have dual permits, commercial and charter.
31 Commercial regulations require you to have VMS. You have to
32 give a declaration to determine what kind of trip you're on, and
33 is there any way for the agency to go back and determine who
34 declared a charter trip and whether or not they used their
35 permit?

36
37 **MS. MUEHLSTEIN:** I think there is only seventy or some dual-
38 permitted vessels.

39
40 **MR. ELLER:** It's more like 160.

41
42 **MS. MUEHLSTEIN:** There's more than that. Then I suspect that
43 that's something that they could do, but that would only make
44 that determination for a fraction of the whole fleet.

45
46 **MS. STAUGLER:** Go ahead, Chad.

47
48 **MR. HAGGERT:** My point of view on this is, in a perfect world,

1 of course, I would like 42 to move forward and get on the water,
2 but, for the sake of what we're trying to do here and build a
3 proper fishery management plan for the industry, maybe taking a
4 look at holding off and getting the proper numbers that we need.
5 The 2022 is not that far off.

6
7 In my opinion, it would allow some of the reprehension from 41,
8 allow them to build and move forward and catch up with us. It
9 would still keep them moving forward separately, but it would
10 be, in my opinion, more fair and equitable to allow them to
11 build that catch history and then implement them both at the
12 same time.

13
14 **MS. STAUGLER:** Okay. We have Shane and then Mike and then Mark.

15
16 **MR. CANTRELL:** I am looking at this, and I see, when you come
17 down to allocation-based programs, it goes over and you've got
18 2020, if you use it to identify active vessels, or it's 2022, if
19 you use the landings.

20
21 We come right back over, and that supposes that we wait, and
22 then pick up development, under separate or single programs, and
23 continue on. I am not comfortable with the council process in
24 taking a let's wait a year and then come back to it. I don't
25 buy it. I am looking at this and saying, well, what if we
26 choose to wait on that electronic reporting and there is some
27 intellectual dishonesty that comes out and you don't get that
28 funding.

29
30 Now we're in a situation where we don't have electronic logbook
31 funding and we don't have that. That doesn't make sense. Why
32 would we not keep working on this, because we've got some big
33 issues in front of us, and incorporate that into it, because
34 there's a lot of things that we can iron out in the time that
35 this electronic reporting is getting up and going, because I
36 don't see us with that time.

37
38 We will never achieve that 2022 if we don't continue working on
39 this all the way through. We will get it done when we get it
40 done, and I understand those estimated timelines, but we've got
41 to continue pushing on this, because we don't have time, with
42 the sunset, that says this is done and this is gone and to take
43 that gamble with an entire industry.

44
45 **MS. STAUGLER:** Okay. Mike and then Mark and then Scott and then
46 Troy. Mike, have you got a question?

47
48 **MR. ELLER:** No.

1
2 **MS. STAUGLER:** Okay. Mark.
3

4 **MR. HUBBARD:** I agree with Chad. The moving forward quickly, we
5 are just forcing it. If we take a little time, like Gary Jarvis
6 was saying earlier, and do it right, we will all benefit. If we
7 push forward in the charter industry and go with the models,
8 there is a lot of people that are going to miss out, and that
9 was some of the stuff that we were talking about there in the
10 deal breakers part of it.
11

12 In our area, we catch all five species, and so, in doing the
13 models the first year, we get to keep enough fish for one trip.
14 I mean, that's not going to work out well for those people in
15 the central west Florida area, and there is 400 permits in that
16 area. That is a third of the fishery, and that's not really
17 thinking about fair and equitable for those people, whereas, if
18 we spend a little bit more time and developed a catch history
19 for the charter sector, it will be implemented much more fairly
20 for everyone concerned.
21

22 The developing in 2022, it would be a much better information
23 for everyone concerned, partyboat and charter boat. It takes
24 care of the latent permit issue, and it gives us time to find
25 out which ones are being used and to come up with some -- We
26 could work on this the whole time. Let's not stop working on
27 it. Definitely let's keep working hard on both of these
28 amendments or put them together, and it gives us the time to do
29 that.
30

31 Then the sunset provision, I mean that would have to be
32 extended, because it's definitely a challenge, and that's a deal
33 breaker. If you can't do the -- If we can't figure something
34 out for the charter sector, then that's a deal breaker for them.
35 The sunset provision has to be extended, and then we can both
36 move forward together and perhaps put these two amendments
37 together.
38

39 We both have catch history. That's the biggest part of having
40 two amendments, is one doesn't have catch history and one does.
41 If we have implementation of the logbooks on the charter sector,
42 then that issue goes away.
43

44 **MS. MUEHLSTEIN:** Okay. Can I ask a clarifying question of both
45 Mark and Chad? What I am hearing is sort of, from your
46 perspective as headboat operators, you seem to be encouraging
47 waiting for 2022, in order to gather a catch history. Now, are
48 these comments from the two of you with the understanding that

1 you would also be waiting on your program, or is this coming
2 from you are assuming that you guys are going to go forward with
3 yours, but you support them waiting? I just want to clarify, so
4 I understand where you're at.

5
6 **MR. HUBBARD:** I have permits, and I have both. I have charter
7 boats and partyboats, and so, putting them together and moving
8 forward together simplifies my life. I love this fishery, and I
9 am doing it for the next generation working with me, and so I'm
10 a conservative. I think the simpler, less government, the
11 better.

12
13 **MS. MUEHLSTEIN:** So you're willing to wait on all fronts and go
14 together in 2022?

15
16 **MR. HUBBARD:** Yes.

17
18 **MS. MUEHLSTEIN:** Chad, can you clarify for me, just so I
19 understand where we're at?

20
21 **MR. HAGGERT:** I agree, and the premise of what we're trying to
22 do here is come to common ground and make it fair for everybody.
23 I would be willing to wait to get the proper things. I still
24 believe that they should go through in separate amendments, but
25 I have no problem waiting to implement 42 until 41 is caught up
26 and ready to go at the same time.

27
28 **MS. MUEHLSTEIN:** Okay, and so what I'm hearing from you then is,
29 if the charter side wants to wait until 2022, so that they can
30 have an established landings history, you prefer separate
31 programs, but you're willing to sort of wait and get your
32 program in the same time period as theirs.

33
34 **MR. HAGGERT:** Correct. There is a lot of, the same as other
35 people, heartburn on some of the stuff, trying to address some
36 of that with the latent permits and the new entries, and this
37 seems to be the other big sticking point, and so yes, I would.

38
39 **MS. MUEHLSTEIN:** Okay. Then my understanding, from what I heard
40 from Johnny, is that you're probably not onboard with waiting
41 for these guys to get the landings history.

42
43 **MR. WILLIAMS:** No, I don't care to wait until 2022. I think
44 there is probably some ways maybe that we can design things, but
45 we're not talking about that right now. We're talking about the
46 years and stuff like that, and you were going to talk about
47 latent permits and stuff later, and we'll discuss that later,
48 but, right now, no, my preference is 2019.

1
2 **MS. MUEHLSTEIN:** Sorry to sideline that, but I'm just trying to
3 gauge where we're all at, because it sounds like there is some
4 variation here.

5
6 **MS. STAUGLER:** We have a lot of hands up, and I have, on my
7 list, Scott and then Troy and Jim and Charles and Gary. Any
8 more hands? Okay. Go ahead, Scott.

9
10 **MR. ROBSON:** We keep seem to be tossing back and forth are we
11 willing to wait until 2022 or 2019, and the first question is,
12 if headboats understand this really, but all of us are the for-
13 hire industry. We all have the year 2022 is the sunset for all
14 of us. Then, also, that our -- Because we all became separate,
15 as a sector.

16
17 The next thing is what is the -- In other words, by the time
18 that you get -- When we're talking about the five species, we're
19 going to have to go through some kind of a process of trying to
20 get those allocated to us, like we have with the snapper, and
21 what's the fastest timeline that we can get to that?

22
23 If it's 2019, that's fine, and I think we're at a point that,
24 and we can probably kind of -- Whether it's a vote or whatever,
25 a consensus, on should we go to 2019 and move forward, because
26 I'm not sure what we're trying to get at in developing a catch
27 history, because I think we cautioned on catch history a little
28 bit.

29
30 I am not saying participation history or something like that,
31 but I'm talking about, when we talk about building catch
32 histories, it gets back into, okay, I went and ran for nothing
33 today and I went and caught my twenty red snappers. I am
34 running every single day and catching my, and I am just throwing
35 twenty out there, for nothing, but I got some history with some
36 red snapper now.

37
38 I want to caution when we talk about building catch history.
39 Then now I deserve -- I am not saying that nobody deserves any
40 fish, but I am just saying maybe there is another term that we
41 need to use on building catch history, but I think we're at a
42 point now that we can -- Why don't we just put a show of hands
43 of are we, as the for-hire industry, more so, I think, as trying
44 to -- Are we ready to move forward with this? If we can get
45 this started in 2019, move forward, and we will worry about that
46 history, because --

47
48 **MS. MUEHLSTEIN:** Two things that I'm sort of assuming, from what

1 I have heard so far, and correct me if I'm wrong. The first
2 thing, and I think we sort of heard this a lot yesterday, is
3 that the headboat group sounds like they're willing to put their
4 program on the same timeline as the charter group. Now, whether
5 that's single or separate amendments, it doesn't matter, but it
6 sounded, to me, like a lot of them are onboard with getting
7 along the same timeline as the charter folks.

8
9 I think I have heard that, and then the second thing I've heard
10 is that we can kind of eliminate this idea of 2020, this one
11 year of landings history, and so, really then, the question is
12 are we waiting until 2022, so that the charter group can
13 establish their individual landings histories, or are we moving
14 forward in 2019? Am I right in where I'm at right now, that
15 basically our decision is 2019 or 2022?

16
17 **MR. GREEN:** You're wrong, because the statement that you're
18 making is you're assuming that we're willing to wait. None of
19 us are willing to wait. We're being forced to wait. Now, you
20 can say, do we recognize the timeline that this may take? Yes,
21 we do, but I'm not willing to wait. I'm not willing to sit on
22 my hands waiting for this magical timeframe to take place and
23 assuming that the Gulf Council is going to, in 2022, all of a
24 sudden say, oh, we're going to go ahead and institute this FMP
25 and send it out for referendum. None of us are willing to wait.

26
27 **MS. MUEHLSTEIN:** I think you're confusing the issues. I think
28 we could probably move forward and develop the amendment, but
29 understand that it won't be implemented until such a time that
30 the data is there.

31
32 **MR. GREEN:** I agree. I understand that, but we are not willing
33 to wait, and so we need to quit saying that.

34
35 **MS. MUEHLSTEIN:** Okay. With knowing that our timelines are
36 different, depending on how we choose to move forward with
37 gathering individual landings history or using proxies, that is
38 what we're trying to decide, and so who did we have next?

39
40 **MS. STAUGLER:** We have Troy next.

41
42 **MR. FRADY:** I am sitting here listening to all of this, and I'm
43 trying to make a comment that actually makes sense to my own
44 little brain here. I hear comments about data collection and
45 when do we want it and how soon do we want it, and data
46 collection is supposed to go final with the council in January,
47 correct? Then we're looking at 2019 before implementation, and
48 is that correct? It will be a minimum of 2019 before we start

1 collecting data?

2
3 **DR. STEPHEN:** To clarify, there could be a 2018. Once the
4 council goes final, it doesn't mean the money is there to do it,
5 and so NMFS has to get the money and has to build the
6 infrastructure and has to build the software. It has to have
7 the staff on hand to do validations and everything else.

8
9 Implementation, ideally, could take a year, if we get funding
10 right away, but we have nothing in place currently to just kind
11 of build on top of. Now, we've got ideas from the headboat
12 survey, but that system can't handle the load of the entire for-
13 hire fleet, and so 2018 is overly optimistic. 2019 is probably
14 a little bit more realistic, especially because we would like to
15 kind of start full collection at the beginning of a year. Does
16 that help?

17
18 **MR. FRADY:** Yes. The biggest thing that I'm worried about right
19 now is -- We all worry about budgets and stuff like that, but
20 that's beyond our control and beyond our scope right here, is
21 whether or not the appropriations is going to come, even if the
22 council approves this, and to ask Bonnie to start this data
23 collection system.

24
25 We have no control over that. Can we wish for it? Yes. Can we
26 wish for it as soon as possible? Yes. I want all of these
27 things to happen, but the problem is I'm starting to have a
28 little rub a little bit, because I'm hearing people talk about
29 catch history, catch history, and I've already had people this
30 year who are doing the CLS system who are manipulating their
31 numbers intentionally, in hopes that they will get a bigger
32 share of the pie.

33
34 If they were sitting here today, they would sit there and go, oh
35 no, I'm not doing that. Then you would have some that would be
36 going, well, by God I am and I don't want to be left behind.
37 Well, when I hear someone saying that I want a catch history,
38 that is just, in lay terms, to me, someone saying I want to make
39 sure that it comes out in my favor.

40
41 Latent permits, when I hear people talk about let's identify the
42 latent permits, I can go two ways with that. I see the benefit
43 of identifying those people who are not fishing, but I also see
44 Mike's point over there about fleet reduction. I have got a
45 real problem if we limit anybody.

46
47 If we lose any more permits in this fishery, and for someone's
48 potential new entrant coming into this fishery, or my son

1 decides to leave college and come into this, or your
2 grandchildren decide to get into this, I don't want there to be
3 one fewer permits available to get into this fishery.

4
5 In the trucking industry, we go out and every year we buy an
6 apportioned tag for our trucks. It doesn't mean that you're
7 going to make money. It means you have the potential, you have
8 the opportunity, to go make money and operate in interstate and
9 intrastate commerce. To me, commerce is generating revenue, and
10 so I'm wondering, instead of saying let's identify latent
11 permits, why don't we see who is operating in commerce? Who is
12 generating revenue with their permits?

13
14 Some people aren't as smart as other people. Some people could
15 actually get out there and make a million dollars a year with
16 their permits, and some people are not as smart. Some may get
17 out there and make \$15,000 to supplement their Social Security
18 or something. I don't want to see fleet reduction in any way.
19 I don't want to prohibit anybody from getting into this fishery,
20 and I don't want to see a catch history manipulated after two or
21 three years from now and, all of a sudden, we've got one year to
22 build a catch history, because I know exactly what's going to
23 happen.

24
25 There is going to be somebody out there who takes their permits
26 and says, well, Ed, I'm coming down to Key West down there with
27 you, and I'm going to catch some of them mutttons and whatever
28 else and grays and blues and whatever else you all have got down
29 there, peacocks, and I don't care, but I can see the potential
30 for somebody trying to manipulate the numbers and say, well,
31 I've got a catch history on gag grouper in south Florida, and I
32 just don't want to corrupt this system.

33
34 I want a system that's going to be fair and open and honest and
35 that allows anyone who wants to get into this fishery to operate
36 in commerce and make a living for their family. I don't want to
37 keep anybody out of it. If you're not smart enough to make a
38 living charter fishing, then that's just the way it is. You're
39 just not smart enough to generate enough revenue, but I don't
40 want to prohibit you from having an opportunity to get out and
41 grow a business and potentially grow you a niche or something.

42
43 The idea of identifying latent permits, to me, is only simply
44 telling someone that we're going to figure out a way that I get
45 more fish. If I identify who is not fishing, that means that I
46 get more fish, and I don't want to hurt those people who are
47 just getting started who don't know how to catch a fish.

1 **MS. STAUGLER:** Okay. Thank you. We're going to finish up with
2 the hands that were already up, and then we're going to take a
3 break. When we come back, we're going to try to work on a
4 consensus statement. Jim, Charles, and then Johnny.

5
6 **MR. GREEN:** First, I want to say that I appreciate Chad's
7 comments earlier in trying to continually work with us. I
8 appreciate that, Chad, and I think building a catch history is a
9 detrimental idea. I think it's going to take too long, and I
10 think that, like Troy just said, it's going to open the door for
11 the illusion of pulling one over. I think using the data to
12 identify who is in the fishery and having an appeals process for
13 that is probably the best way to move forward in a timely
14 manner.

15
16 I also am against building a catch -- Going after and opening
17 the gates is not good for the friendships, it's not good for the
18 businesses, and it's not good for the biomass. I mean, there is
19 a lot of negative factors in that, and I think that identifying
20 the participants is what we need to do. I also echo Troy. I am
21 not trying to remove people from this fishery, and, when we do
22 open this up for a year or two, if we do that, you might have a
23 little influx.

24
25 There might be some people that, and I think it's going to be a
26 small number, that are going to jump on there and try and get
27 something out of the system, but, if you weren't going to get
28 into the charter business in the next few years, I don't think
29 that you're going to have a huge influx, especially if you set
30 the threshold of what you've got to catch to a level that deters
31 that.

32
33 I also wanted to ask the other headboat folks and, if we do open
34 this up, are you talking about -- In your vision, do you not see
35 headboats opening back up? I mean, if somebody wanted to start
36 a headboat business, would they be able to create catch history
37 and become part of 42? Is that something that -- Have you even
38 thought of that? Is that something that headboats are willing
39 to talk about?

40
41 If we're talking about 41 being opened up, and here is our
42 identifiers, and someone has a headboat permit and wants to
43 start a headboat business, is that something that -- If they
44 approach you on it, how are we going to address that, or how
45 would 42 people address that?

46
47 **MS. MUEHLSTEIN:** I think, yesterday, we did hear from some of
48 the headboat guys that they've already had discussions about

1 having some sort of set-aside, and so I think we can address
2 that.

3
4 **MR. GREEN:** I wanted to see if they would elaborate or if they
5 had gotten any further besides just the discussion part of how a
6 new entrant would look in 42.

7
8 **MS. MUEHLSTEIN:** Okay.

9
10 **MS. STAUGLER:** All right. Charles.

11
12 **MR. GUILFORD:** Both of my boats are dual-qualified commercial
13 and charter, and what I would like to say to all of you charter
14 boat and headboat operators is the last thing you want to do is
15 to operate under VMS regulations. It is out of this world what
16 you have to go through.

17
18 The second comment I have, and I am probably just barking up the
19 wrong tree, but seventy years of observation there is the marine
20 fishery council did not put those fish in the Gulf out there,
21 but, due to the marine fishery council management, so many of
22 the species are so out of natural order until it's absolutely
23 pathetic of what we're doing through, and it's due to the
24 management of the council on how many we can bring in.

25
26 Let's go back to a season and a bag limit, and maybe it will
27 help a little bit, if we can provide valid information as to the
28 catch. That is where the problem is now. These decisions are
29 being made on inaccurate catch information. Thank you.

30
31 **MS. STAUGLER:** Johnny, go ahead. Charlie was first. Go ahead.

32
33 **MR. PAPROCKI:** We've got so much speculation and such, all these
34 questions and all, and I think most of the people in here want
35 stability in their businesses. They want the resource managed
36 correctly and all too, but, with these deal breakers, they are
37 going to work with you, I think, on any way, if it's timeframe
38 or whatever.

39
40 With Gary, they want to get something that's stable. That's why
41 he wants it now. He wants it now because it's stable. We don't
42 have triggerfish this year. The triggerfish are coming out of
43 our ears. It's crazy how many are out there. The amberjack, a
44 lot of the other charter guys built their business on amberjack
45 for a year. Now they've pulled the rug out from under them and
46 it's not anymore, and so, basically, they want something stable
47 quick. That's what they want. That's what I think everybody
48 can agree upon to do.

1
2 I think everybody will work toward it. They will work toward
3 it, whether it's timeframe, whether it's with a proxy or
4 whatever. I think the charter guys want something done. We're
5 okay with it. Do a proxy and move on. I think they're able to
6 do that. I think we can move forward with some of that. They
7 will do it, but the stability is the thing, and that's with Pam.
8 Pam wanted to keep it status quo, because of the stability.

9
10 They've got it figured out that their system will work it. We
11 want the resource saved. We do, but, when you keep changing and
12 changing, how does anybody do anything with that, but I think
13 everybody will work together, like I say. You keep wanting to
14 know the deal breakers, but I think everybody will work together
15 and get this done. They will, but you want it stable. They
16 want something that -- All right. What are we going to do next
17 year? We don't know. With what we've got now, we don't know,
18 and, with states growing as they are, we're going to get less,
19 and so I think we can agree on that anyway.

20
21 **MS. STAUGLER:** Okay, Johnny.

22
23 **MR. WILLIAMS:** I have just a couple of things. Number one, you
24 said, in a statement a minute ago, that many of the people in 42
25 want to wait for 41, and I heard two people say it. There may
26 be more than that, but all I heard was two say that and not
27 many.

28
29 The second thing is we're talking about the most optimistic
30 timeframe. I mean, you said that it would be 2022. I've been
31 involved with the council for a lot of years, probably longer
32 than some of the folks in here have been around, and nothing
33 really goes as quickly as we would hope. That has been my
34 experience.

35
36 We get to a meeting, and we expect a vote, and they table it or
37 whatever. They don't vote on it or something, and so, if you're
38 saying 2022 and everybody says, oh yeah, we're going to have it
39 in 2022, I think that's kind of a pipedream, because it's been
40 my experience that things just don't quite go as quickly as we
41 would like.

42
43 We have council members that change yearly, and there's a lot of
44 different variables that go in, and it's not the council's
45 fault. That's just, anytime you have a government process like
46 that, it seems like it takes a little bit longer than we would
47 hope, and that's why I think that it's going to be longer than
48 2022.

1
2 **MS. MUEHLSTEIN:** Okay. Here is where we're at. The discussion
3 that we're having is whether we are going to establish an
4 individual landings history in the charter before we move
5 forward or, if we are going to use some kind of proxy to
6 determine sort of how we're going to move forward, and, in doing
7 that, Jessica had presented us with sort of those cyclical looks
8 at how maybe, in incremental time periods, we can readjust, so
9 that that initial sort of apportionment that you get, or that
10 initial allocation that you get, can be revised through time.

11
12 I am also hearing that the headboats seem to be willing to wait,
13 but there might not be full desire for it to take as long as it
14 might to establish our landings histories, and so that's where
15 we seem to be at. What we're going to do right now is take a
16 fifteen-minute break.

17
18 What I would like you to do is recognize that, when we come
19 back, we're going to have to really start trying to make a
20 decision on whether or not we are going to establish our
21 individual landings histories, and understanding what the
22 implications are of that timing-wise, or if we're going to move
23 forward using a proxy and potentially considering some sort of
24 incremental look at that initial apportionment. I will see you
25 at 10:20.

26
27 (Whereupon, a brief recess was taken.)

28
29 **MS. MUEHLSTEIN:** We are back, and we are working on what we want
30 to do about establishing a catch history for the charter fleet
31 or moving forward with a program without a catch history, and so
32 my thought is that most of this part of the conversation might
33 be focused on the folks that are in the charter fleet, because
34 it's sort of your conversation, and keeping in mind that the
35 headboat guys have sort of already expressed that they are
36 willing, potentially, to match the timeline.

37
38 It sounds like some of those guys would prefer sooner rather
39 than later, and so where are we at, guys, with our thoughts on
40 moving forward without individual catch history or establishing
41 our catch history before we move forward, and I think Mike had
42 his hand up first.

43
44 **MR. ELLER:** Speaking with Gary and Scott before we all broke,
45 while we would love to have a very good catch history
46 established, we're not willing to wait until 2022. If we have
47 to move forward with some way of pushing fish out there to
48 people and then pulling them back and going that way, that's

1 what we would probably lean towards.
2
3 We don't want to wait, because we know how glacially slow the
4 federal government is and the council process is, and I think we
5 can catch up. We think that electronic logbooks is going to
6 happen. We think that the funding is there, and so we don't
7 want to wait.
8
9 We want to push forward, even if it means issuing fish to people
10 that -- I personally didn't want to do this, because I don't
11 want to make a system where we issue fish to somebody and then
12 we've got to trade and transfer to get those fish back away from
13 them, which I'm not in favor of doing, but, what Jessica showed
14 us yesterday, we all kind of are in favor of doing something
15 like that.
16
17 **MS. MUEHLSTEIN:** Okay. We're going to start with this sort of
18 idea of making a consensus statement for Question 2, with this
19 timeframe, and it sounds like sort of the first suggestion that
20 I'm getting from Mike is maybe you guys are willing to wait.
21 Now, we are missing Shane and Gary. Are they out in the
22 hallway, because it seems like this might be a conversation they
23 don't want to miss.
24
25 **MR. ELLER:** Gary is checking out. He told me to cover for him,
26 but that's what we discussed, that we don't want to wait.
27
28 **MS. MUEHLSTEIN:** Okay, and so do you want to make a consensus
29 statement or take a stab at that, to that point?
30
31 **MR. ELLER:** No.
32
33 **MS. MUEHLSTEIN:** Okay.
34
35 **MR. HUBBARD:** I am not on the charter/for-hire committee, but I
36 have four permits, and I feel, in the central west Florida area,
37 which has a third of the permits fishing from that area, that we
38 have the greatest to lose by moving forward now, and we would
39 have more to gain by waiting, because of the catch history.
40
41 Now, the problems with the catch history is people are going to
42 rally fish and try to skew the numbers, and so it would have to
43 be coupled with some kind of dock intercepts to hold people
44 accountable. Implementing the electronic logbooks and
45 developing the catch history and then moving forward that way,
46 it would be fair and equitable to all concerned. Otherwise,
47 we're going to get totally screwed for two years, and how do you
48 survive if you can't keep fish to fish with?

1
2 **MS. MUEHLSTEIN:** Mark, with the understanding that you do own
3 and operate some charter vessels, and taking into account sort
4 of that problem that potentially sort of the south Florida --
5 Just based on the way things work, is there anything, any sort
6 of contingency, that would help you move to supporting the idea
7 of going forward without establishing a catch history?

8
9 **MR. HUBBARD:** Doing the phase-in and phase-out of the every two
10 years and changing the allotment of fish that you showed
11 yesterday, versus doing the trading of the stock, would make
12 more sense. That way, the vessels that catch a certain species
13 slowly will move towards having enough species to run their
14 trips, if they survive the initial implementation.

15
16 **MS. MUEHLSTEIN:** Okay. What I'm hearing is that would maybe
17 sweeten the idea, if we could use that program that we're
18 talking about with the redistribution. Okay. Cool. Thank you.

19
20 **MR. WALKER:** I agree with that, having looked at all these
21 options and recognizing that there is real issues with building
22 a catch history without being able to backdate it a few years.
23 It's just going to be a lot of people trying to pad their catch
24 history, and I'm not sure how you can avoid that. We're kind of
25 stuck there.

26
27 What has stuck with me on this is what Mark was just talking
28 about, and that was Jessica's redistribution plan that she ran
29 through yesterday. That seems to me like it might work, and it
30 might save some time, waiting to build a catch history and all
31 of that. I like that plan. I mean, I would like to examine it
32 a little bit closer, but it seems to me that you could do that
33 and maybe give each region a little bit more than the other
34 regions, to speed it along, where it's going to eventually find
35 its way anyway, if the plan works.

36
37 I mean, the red snapper guys shouldn't have to wait six years
38 for the red snapper to trickle its way up where they really need
39 it. Give them -- I think we called it passenger capacity
40 combined with the region. I think that's what we came up with
41 in the other one.

42
43 Maybe start out giving a little bit of a nod to each region and
44 their particular fishery and then roll that redistribution plan,
45 I guess it's called, and let things find their way where they
46 need to go through that system, and it seems to me like that
47 could be started soon, a lot sooner than some of the timeframe
48 we're talking about.

1
2 **MS. STAUGLER:** Would you like to make that into a consensus
3 statement?
4
5 **MR. WALKER:** That's my opinion. I don't know. I haven't talked
6 with anybody in the room, and so I don't know that I have the
7 authority to --
8
9 **MS. STAUGLER:** Our thought is we have to start somewhere.
10
11 **AP MEMBER:** I concur.
12
13 **MR. WALKER:** I mean, we could talk about it.
14
15 **MR. HUBBARD:** To rebut Ed's comment, the issue of the rally
16 fish, or trying to skew the numbers, will still be there even
17 with that program, because they're going to try -- The ones that
18 are going to be dishonest and try to manipulate the logbooks,
19 they're going to try to manipulate this adjustable system the
20 same way. I mean, they're going to try to get a higher catch
21 history as we move forward, which seems odd, because it directly
22 conflicts with what our goal is of trying to fish longer.
23
24 If you skew the numbers and everyone puts a bunch of extra fish
25 on their logbooks that they claim they're catching, it's only
26 going to shut their fishery down quicker, and it seems
27 frustrating.
28
29 **MR. WALKER:** I thought about it a little bit in the lobby just
30 now, and I thought, during -- Just as an idea, during the time
31 that we're shifting this allocation back and forth, or a
32 percentage of the allocation, maybe even the industry could hire
33 some additional validators, or each region could have their own
34 validators, to increase the accuracy and reduce the likelihood
35 of people fudging their landings, just because that seems to
36 keep coming up.
37
38 I mean, there is people that check occasionally. I don't get
39 checked hardly ever, on commercial or charter, and so it seems
40 to me that if I wanted to fudge something that I probably could.
41 If we're going to base people's allocation on what they
42 legitimately caught, I think we should police it and get it as
43 accurate as we could. I don't have any recommendation on who
44 would pay for it, but it's just a thought.
45
46 **MS. STAUGLER:** Go ahead, Gary.
47
48 **MR. BRYANT:** I'm just really kind of torn with this, because I

1 know we need to move forward and we need to have a consensus,
2 and we don't want to stalemate any process. I realize that's
3 important. I also know there is people that are going to cheat
4 the system, however we do it, and just to throw out these two
5 things.

6
7 We were like thirty-something percent under our ACL the last two
8 years, and so there is room for people to cheat or to increase
9 effort, and then we're going to have the recalibration, and it
10 might be beneficial for us to be catching more fish at some
11 point, but that's beside.

12
13 Just where I am, you know Troy made the point of people will try
14 to be greedy, and I'm trying to figure out -- I'm not trying to
15 get ahead of where I am, but I'm trying to figure out how I can
16 stay close to where I am. I know I'm going to get less fish.
17 My little boat ran seventy-five snapper trips last year, during
18 our season. Under the programs we have put up here, I'm going
19 to have enough fish to run twelve to fifteen snapper trips.

20
21 That's a big difference, when that's my premier fish and I make
22 the bulk of my money in June and July. I'm not trying to take
23 away from anybody, but I'm trying to come up with a way not to
24 lose where I'm at, and the whole purpose of doing this is to
25 create something that's better for us, and we want something
26 stable, but I don't want something stable where I went way
27 backwards.

28
29 I don't see a process, and I know if we start here that we can
30 go up, but I'm not seeing where I can go up that much, and so
31 that was my wanting a catch, and I think a lot of the issues
32 just go away, time being the biggest factor, but that was just
33 my comments, but I want us to move forward. I am willing to
34 lose some, but I just hate to lose everything for the sake of
35 going forward.

36
37 **MS. STAUGLER:** Go ahead, Mark.

38
39 **MR. HUBBARD:** I think everyone here wants to do something with
40 the fishery. We have to do something, because the past, the
41 closures -- What I have heard through these whole two days is
42 everything that we are proposing is going to negatively affect
43 us at the beginning, some of us hugely.

44
45 I don't understand, with bag limits, seasons, and size limits,
46 when we all catch a certain amount of species and we're not
47 overfishing the fishery, why is everything we're proposing here
48 negatively impacting us so? Even, as you said, Gary, at some

1 point, we may not even get back to where we're keeping the fish
2 that we're currently keeping under the seasons and bag limits
3 and size limits, under that conservative management style.
4

5 If we can't get back to that or greater, then what are we doing
6 here? That's the whole idea of this effort, is trying to get to
7 that point and being able to keep those fish and be able to not
8 go backwards, but, right out of the gate, we're going to start
9 way less than that. Am I missing something or --

10
11 **MS. ANDERSON:** These questions that I'm going to throw out,
12 nobody has to answer them, of course, but it's just something
13 that we think about when we're trying to sort through all of
14 this. Who wants a healthy fishery? All of us. Who wants more
15 opportunity for their customers? All of us. Who agrees that
16 some sort of data collection, through ELBs, is necessary to
17 achieve 1 and 2? All of us.

18
19 Who believes that ELBs and more data collection in the private
20 angler groups, which is happening, is going to improve stock
21 assessments, because it's going to be more accurate data? All
22 of us believe that. Who wants more government regulation on
23 their business? We don't. Who wants to pay for the excess
24 regulation if it will not make a difference to improve on
25 Questions 1 and 2? We don't.

26
27 Ken's headboat is a sixty-passenger, and it runs two trips per
28 day, full or almost full, the entire season, and so forty-six
29 days. Approximately 100 passengers at only one fish is 4,600
30 red snapper. With headboats, Amendment 42, the best-case
31 scenario would be 1,740 fish, seventeen-and-a-half days. Now
32 why in the world would we be for that when we can accomplish
33 everything without Amendment 41 and 42? That is the reason why
34 I stand where I do.

35
36 **MS. STAUGLER:** Go ahead, Mark.

37
38 **MR. HUBBARD:** All right. I kind of side with Gary Bryant and
39 the fact that it's a hard pill for me to swallow to accept less,
40 but, in the region I'm in, it's going to be less, but, somewhere
41 in this process, when we first started talking about latent
42 permits, the definition was a latent permit was a permit that's
43 setting on the shelf that's not being used. It's setting on
44 somebody's john boat and they bought it, like a stock or a bond,
45 for the investment part of it, which there could be some sitting
46 in this room owning them.

47
48 Now we have taken the latent permit and moved it to the point

1 that a latent permit could be a permit that has no qualifying
2 catch history of red snapper, which would be a bunch of the
3 south Florida boys, and I'm not here to pick on south Florida.

4
5 I feel like that some of these programs that me and Gary is
6 looking at, where we're getting 30 percent of what we're
7 accustomed to catching, that 30 percent could possibly be
8 increased above the 50 percent range, if not more, if we could
9 identify the permits that are not being used.

10
11 Now, I'm not advocating to do away with these permits, but
12 somebody that has a permit that is not using it, they're not in
13 the charter fishing business. They're in the investment
14 business, and part of an investment is you take a risk and a
15 loss. When I bought a charter boat, I had a risk of not making
16 it, not paying for that boat. It's the same way when they buy
17 this permit.

18
19 If there is 30 percent or 10 percent or who knows what is out
20 there that is not physically -- There is a pile in Panama City,
21 because I have went through the list and looked. There is a lot
22 of dormant permits that is not being used. When you take those
23 fish that would be allocated in any of these methods we look at,
24 that increases per person's yearly amount tremendously. Without
25 that, I don't know that I can agree with some of this.

26
27 To agree for less, a lot less, it would be hard for me. The
28 whole purpose of me going to the sector separation was to have
29 forty-five days or thirty days or whatever it was in the
30 beginning, and I am willing to move backwards a little bit, but,
31 how far back, I don't know.

32
33 **AP MEMBER:** Mark, to add to that, and I don't know if I did the
34 math right yesterday, but we talked about that the general
35 consensus seemed to be about 30 percent. When I did the math on
36 the region that they showed, that 30 percent added a total of
37 six days to what I would get, if that 30 percent is accurate,
38 and so it's not going to give you significantly more.

39
40 **MS. STAUGLER:** Okay. I want to go to Troy.

41
42 **MR. FRADY:** Gary, to address your point there about you don't
43 want to do less, I am not trying to be anything other than
44 taking into consideration every user in here. Everybody in here
45 does not want to take a haircut. Everybody has made substantial
46 investments in their businesses, to where they can hopefully
47 make a living for their families.

48

1 I don't want you to be able to catch one less pound than what
2 you're catching now, or to anyone in here, or even myself,
3 because this affects me as much as it does anyone else. I kind
4 of like the if we were able to do an angler declaration, instead
5 of the use-it-or-lose it, because I don't want anybody's
6 permits, whether they're sitting on them and waiting on their
7 child to get out of high school or college to come back and
8 maybe enter the fishery or whatever.

9
10 Whatever the reason may be, I don't want anyone to not have an
11 opportunity to enter into this. I don't want to lose any more
12 permits, but an angler declaration of who is going to fish that
13 year would give someone an opportunity not to lose their
14 permits, but also then the pie would be shrinking or increasing,
15 because I want you to maximize your catch.

16
17 Everyone in here, I want them to catch every fish they can catch
18 to make their business work for them. I just don't want to see
19 anybody get left out of this fishery or fleet consolidation. We
20 wouldn't even be here today if it weren't for the -- If I had
21 forty-six days derby and guaranteed for the rest of eternity, I
22 would probably say, okay, forty-six days, but there is a part of
23 me that says is this best for the fishery and is it best for
24 safety and is it best for the fishing industry?

25
26 I don't know. I would probably say forty-six days, but I do see
27 this utopia coming, if we can ever get through all the jargon
28 here and get down to something that could work for everybody
29 that is flexible and that can expand and can contract. I want
30 something that everybody in here can live with.

31
32 I know I'm going to take a hit. I'm going to lose allocation if
33 we go to this system, and I may only get twenty days' worth of
34 fish. I don't want that to happen, but I am willing to accept
35 the cut, in order to have the flexibility to operate in the
36 future.

37
38 Again, I like Jessica's presentation yesterday. I think we need
39 to get going with something, for the essence of time. We need
40 to put something on paper and let's give the council something,
41 but I assure you that I'm not trying to take a shot at anybody
42 and hurt anyone with these comments.

43
44 **MS. STAUGLER:** Okay. I have a question for the group, because
45 it seems like we're not going to get to a consensus statement on
46 the timing without addressing the latency.

47
48 **AP MEMBER:** Yes, you're right.

1
2 **MS. STAUGLER:** So maybe we can move to some information that
3 Jessica has on latency, but we'll take Shane first. Then we'll
4 go to latency.
5
6 **MR. CANTRELL:** I think the consensus statement on timeframe for
7 implementation would be that the charter boats and the headboats
8 going fishing at the same time. These programs, regardless of
9 the year or the timeline it needs to go to, we need to start
10 fishing on the same day. The charter boat program and the
11 headboat program going fishing on the same day is a consensus
12 that everybody can get behind, I would imagine.
13
14 **MS. MUEHLSTEIN:** There is kind of a caveat there, that if you
15 guys don't make the decision on whether or not it's with a
16 landings history or without, that then the headboat folks here
17 are asking to sign on to this without knowing whether that's
18 going to be that 2019 timeframe or the 2022.
19
20 **MR. CANTRELL:** That makes sense, but, in terms of this, we're
21 talking specific to a timeframe. There's a lot of development
22 issues that are going to affect this, but I think we're doing
23 ourselves a disservice by continually letting those be what
24 distracts us from the timeframe. We want this to go through as
25 soon as we can get it with everybody going fishing at the same
26 time. If I'm off base there -- There's a lot of things that can
27 go into this, but I could be off track. I had some stuff going
28 on that I had to take care of out in the hallway.
29
30 **MS. MUEHLSTEIN:** Okay. Let's start here then. Is there anybody
31 that can't live with what's up on the board, that the charter
32 and headboat program go fishing on the same day, meaning that
33 the programs, whether they're separate or together, that the two
34 different components -- Program or programs are implemented at
35 the same time. Is there anybody that can't live with this?
36
37 **MR. WILLIAMS:** I don't necessarily say that I can't live with
38 it. If we can implement the charter boat program in 2019 and
39 the headboat program in 2019, and I spoke with some people
40 outside while we took the break from the charter boat side, and
41 they have the feeling that they would like to go forward and get
42 it started in 2019. If it happens in 2019, certainly I would
43 support that. Thank you.
44
45 **MS. STAUGLER:** Okay. So we have what would make Johnny come to
46 the table, and probably a few others in this room.
47
48 **MR. CANTRELL:** I think putting a time certain on this actually

1 diminishes our opportunity for success, because then anybody
2 that's not onboard with this has that date to shoot at. I'm not
3 talking anybody that's within this room and working for the
4 better of the charter boat industry, but somebody on the outside
5 that doesn't like the direction of this has a timeline to say
6 that we've just got to get to then and all of this stuff starts
7 falling apart. That is my concern there.

8
9 **AP MEMBER:** Can we clarify what the meaning is of that last
10 sentence? It's kind of --

11
12 **MS. MUEHLSTEIN:** The program or programs are implemented.

13
14 **AP MEMBER:** I get it, but can we put it in writing, so somebody
15 else --

16
17 **MS. MUEHLSTEIN:** Karen, can you amend that, rather than saying
18 "go fishing on the same day"?

19
20 **AP MEMBER:** You can put that in quotation marks and then say
21 what its true meaning is.

22
23 **MS. MUEHLSTEIN:** At the same time.

24
25 **MS. STAUGLER:** Go ahead, Gary.

26
27 **MR. JARVIS:** I think it should say "The intent is that charter
28 and headboat programs are implemented on the same day", because
29 we're all forgetting about the fact that, in a rights-based
30 management program, once the amendment is completed, the
31 documents, 41 and 42, or a combined one, however it turns out,
32 it still has to face a referendum.

33
34 If we keep them separate and one passes and the other doesn't,
35 we've got a problem. Our intent, I think, is that these
36 programs are implemented at the same time, on the same day, but
37 we have to recognize the fact that, as stand-alone amendments,
38 one may pass and one may not, which is another reason that I
39 have heartburn of having them not combined.

40
41 **AP MEMBER:** (The comment is not audible on the recording.)

42
43 **MR. JARVIS:** I will just add to that. I have given you a list
44 of reasons why I think they should be combined, and I just added
45 another one to that list, because that is the reality that we're
46 facing. I hate to say it, Johnny, because I know where you're
47 at, and I respect you tremendously, and we're friends, but the
48 stand-alone issue right now and the not complete, this is

1 another problem with two separate amendments, because one may
2 pass a referendum and one may not, and that creates -- I don't
3 even want to think about it.

4
5 **MR. HUBBARD:** In this consensus statement, what do you all think
6 about a trigger to -- If, say, in a Kumbaya moment, the charter
7 boat sector does the logbooks and we find that there is less
8 effort and we get the 20 percent buffer down to 15 or maybe 10
9 percent, and that increases our days fished dramatically, and we
10 end up with almost a year-round fishery for red snapper and the
11 other five species have a year-round fishery, do you feel that
12 there should be a trigger in here somewhere, to where, if we
13 have a year-round fishery for these fisheries, that perhaps we
14 back away from these amendments all together or it goes forward
15 no matter what and we get pulled back to another -- We don't get
16 to fish year-round, because we're implementing these programs,
17 and we then go back to only a thirty-day fishery or a --

18
19 **MR. JARVIS:** It's up to you how you execute your fishery in
20 rights-based management. In essence, it becomes a year-round
21 fishery, as long as you have allocation. You have to fish
22 according to your business needs, your business model.

23
24 I wish that there was glaring, good signs that year-round
25 fisheries in all five of these species is on the horizon, but
26 triggerfish are closed in 2017, and the word for 2018 is even
27 bleaker than that. Amberjacks, we may get two-and-a-half or
28 three months, at the most. Red grouper, everybody I have talked
29 to from your area says that red grouper is not what it was a
30 couple of years ago, since that big red tide, and we still have
31 a recalibration cloud hanging over our head that may really
32 cause an issue in the recreational fishery.

33
34 It's kind of like looking out on the horizon, and I don't see
35 bright sunshine and blue skies in the fishery, and so I think
36 that's why, me personally, what a rights-based management system
37 does is it, one, stabilizes, but at least, every single year, we
38 know where we're at. We can look at out to the horizon and we
39 know what we're looking at, and we build our business models and
40 our plans accordingly. In today's present management system,
41 none of that is capable. There's total uncertainty.

42
43 **MS. MUEHLSTEIN:** Okay. Not to cut you guys off, but I would
44 like to sort of bring us back to this situation. That's okay,
45 but we're kind of reverting back to this traditional versus --
46 It's not that we've made that decision and that is going to be
47 sort of happening, but we've already sort of committed to going
48 down this road and exploring it, and so let's just stick there

1 for the moment and kind of revisit this consensus statement.
2
3 What we have on the board right now is that the charter boat and
4 headboat programs be implemented at the same time, on the same
5 days. Implemented at the same time is probably good enough.
6 The intent is such that, even though -- If we go through with
7 separate amendments, one program may pass and one program might
8 not, and so we're just taking that into account, and I'm sure
9 that we can sort of reword this so it is a little bit more
10 fluid, but the point is there.
11
12 We have a consensus statement. I have heard a little bit of
13 dissent. Is there anybody else who can't live with what we have
14 on this board right now? If so, let's talk about it. Is there
15 anybody that can't live with what we have? Okay. Then I feel
16 like that is a success then, and it sounds like we can move on.
17
18 We will move on, and one of the things that has been creeping
19 sort of into the conversation a little bit, and so I'm glad that
20 this is the next thing on the list, is this idea of dealing with
21 latency. What I'm going to need is support from my super hero,
22 Jessica, on this one, because she did some analysis last night.
23 She put together a presentation, because you guys asked for it,
24 and so we're going to give her an opportunity to give you guys
25 some background information.
26
27 Then we're going to start talking about this other deal breaker
28 that we had listed when we were trying to make this decision of
29 a single program or separate programs, which is the idea of how
30 we're going to deal with latent permits in the fishery, and so,
31 Jessica, are you ready? Rock and roll.
32
33 **DR. STEPHEN:** I just want to recap what we talked about
34 yesterday, was using -- On the permit application, I just did a
35 screenshot of what that part of the permit application is, where
36 you guys self-identify that this vessel is used mostly for, and
37 the choices are commercial, charter, or headboat.
38
39 I looked for all the reef fish for-hire permits, and so that's
40 RCGs and the historical captains, HRCG permits. In the blue, we
41 show how many vessels self-identified as charter, which is the
42 bulk of them, how many identified as commercial, and, most
43 likely, these are all dually-permitted and they felt the urge to
44 hit commercial instead of one of the charter or headboat.
45
46 Then we had ninety that self-identified as headboats and four
47 that didn't identify at all, and so this not a field that sends
48 that permit application back to you in order to have it filled

1 out, and so keep that in mind when thinking about this.

2
3 I broke that up into how they self-identified and how we have
4 identified them as charter or headboat, based on the
5 participation in the headboat survey. You can see that there
6 are thirty-five vessels that have self-identified as headboat,
7 but are in the charter portion of the two amendments at this
8 point in time. Do we have any questions and we want to stop it
9 right there for a second?

10
11 **AP MEMBER:** There is likely a few more than thirty-five, just
12 based on the self-identifier. There's probably a few that just
13 checked charter or commercial or something, and it's likely
14 slightly higher than that.

15
16 **DR. STEPHEN:** This, again, is using that self-identification
17 field, which is one avenue we wanted to look at, and you're
18 right that someone might self-identify themselves the wrong way.
19 You can see that, even those vessels that are in the headboat
20 survey, some of them have identified themselves as charter. One
21 thing to keep in mind is if you had a permit application five or
22 six years ago and you haven't since updated that field since in
23 your other permit applications, it doesn't get changed. That's
24 a little kind of caveat to kind of keep in mind with this permit
25 application. Pam.

26
27 **MS. ANDERSON:** I haven't looked at this application, but, in
28 this, do you describe what a headboat or a charter boat is? Do
29 you make that so that they can make the more obvious decision?

30
31 **DR. STEPHEN:** I haven't looked into all the pages of
32 instructions on the permit, which is numerous. It might be
33 identified in there, but that's a very good point to make, is
34 that it's how people are interpreting how they are self-
35 identifying. This has kind of been the reason that this field
36 hasn't been used in other analyses that we've done, is that we
37 feel that there might be a misunderstanding in it in what
38 qualifies as "mostly used". As you can see, we do have some who
39 say commercial, yet they're in this fleet. The term is "mostly
40 used".

41
42 **MS. ANDERSON:** I just think that maybe this is an issue that the
43 council really needs to look at and make a decision on what they
44 qualify as a headboat and a charter boat, and there may be some
45 deciding factors that may swing one way or the other, but I
46 think that, for the purposes of these amendments or anything
47 else going forward, you really need to know a more accurate
48 number.

1
2 **DR. STEPHEN:** Correct, and so what I've done is I have already
3 sent an email to our permits staff. I'm going to set up a
4 meeting with them this week or next, to get a little bit of
5 information on how this field is used and what they think some
6 of the concerns might be, such as a definition within it.
7
8 **AP MEMBER:** When we fill out these permits, can you leave this
9 blank, because the number of charter boats isn't equaling to the
10 number of permits that are available.
11
12 **DR. STEPHEN:** Correct. You can leave it blank. Again, there is
13 somewhat of a problem with using this, but I wanted to show what
14 the information was and how people have self-identified. If we
15 decide to go forward with using this, we will dig more into it.
16 It might be a point where we're returning applications in order
17 to get someone to accurately fill out that. Again, this was
18 taken also off a -- I was matching it to the data I had, and so
19 it was taken on a particular date when I pulled the data, and so
20 this is not current data at this point. Again, these numbers
21 may change as permits come in and out throughout the year. Are
22 there any other questions? Johnny.
23
24 **MR. WILLIAMS:** Just so I understand everything, Jessica, what
25 you're saying is there is a -- There's basically ninety people
26 that self-identify themselves as headboats. Out of that ninety,
27 fifty-five are reporting to Beaufort and thirty-five are not?
28
29 **DR. STEPHEN:** Correct. That ninety is composed of the thirty-
30 five that we've put in the charter program at this point and the
31 fifty-five that are in the headboat survey. Likewise, out of
32 the 1,094 that have self-identified as charter, nine of those
33 are in the headboat program and have been identified through the
34 headboat program as a headboat. I think this illustrates some
35 of the problems with using these definitions of the two and one
36 of the reasons, in the amendment, we talked about those with a
37 landings history, rather than trying to use headboat and charter
38 boat and the problems with those definitions. Mike.
39
40 **MR. NUGENT:** Along those lines, isn't there sixty-three that was
41 listed in 42 or did I forget? I was thinking it was -- If
42 that's the case, is that eight boats that are in the Beaufort
43 survey that is not --
44
45 **DR. STEPHEN:** That sixty-five is close to what the number is.
46 Depending on how we keep splitting what boats are included or
47 not, we have gone from sixty-three to sixty-seven, and some of
48 that depends on what year, who still has a permit, who might

1 have transferred their permit to their charter vessel for a part
2 of the year when we pulled it, and these are problems, if we go
3 forward with 42 separately -- Actually, whether we go forward
4 separately or together, we're going to have to identify what is
5 the cutoff time period and how we're taking care of it.
6 Skipper.

7
8 **MR. THIERRY:** Just a comment. This just doesn't seem to prove a
9 whole lot, to me, how you self-identify, because how many of you
10 guys actually -- I mean, how many of your secretaries filled
11 that or how many of your wives filled that out and renewed it?
12 I don't know what in the world my wife put on mine, but I'm
13 pretty much a headboat.

14
15 **AP MEMBER:** I think we're getting there, but I want to Jessica
16 be able to continue on and help us get this information out
17 there.

18
19 **DR. STEPHEN:** Troy, do you have one comment before we move on?

20
21 **MR. FRADY:** Isn't this already pre-filled out when you -- It's
22 automatically filled out from the previous year. You have to do
23 it each year? Part of the form is filled out.

24
25 **DR. STEPHEN:** The stuff that's pre-filled out should be your
26 name and certain information. We don't pre-fill out the rest,
27 because we want the permit owner to reaffirm what they feel they
28 are, and we know that things can change from year to year. If
29 you're doing an online permit application renewal, which is our
30 new process only for, I believe, the charter boats in the Gulf,
31 with nothing having changed is the stipulation to it, and so it
32 might be -- I will have to check again if that's one of the ones
33 they have pre-filled out there or not. Again, if you feel that
34 it changed, you should stop the online renewal and go back to
35 the older method. All right.

36
37 The other thing we looked at, and I kind of kept these
38 designations of how they self-identified and also what we've
39 identified them as, but I looked at passenger capacity of
40 fifteen and greater, which is the blue chart. In those that
41 were fifteen and greater, there is 120 charter boats, period,
42 that are fifteen passenger and greater. Of those, twenty-six
43 declared themselves, kind of self-identified, as a headboat out
44 of that.

45
46 Then we looked also at -- I think forty-nine was the other
47 number thrown out, and so those vessels that had forty-nine
48 passengers and greater capacity. In this, I used the lesser of

1 the two, and so remember that we have the permit baseline
2 passenger capacity, the vessel passenger capacity, and then what
3 fishing regulations state currently, which is you can only take
4 out the lesser of the two, and so I used that criteria for this.

5
6 In the forty-nine passengers and higher, we had thirteen that
7 were charter boats, and eight of those had self-identified as
8 headboat, and I think that's my last slide on this one, and so
9 do we have any questions here?

10
11 **AP MEMBER:** Just to comment a little further on it. I think the
12 main thing that this illustrates, as we go down this path of
13 looking at sub-sectors and how 41 and 42 is going to be handled
14 and who is going to be included in where, I think it's
15 imperative that the council take up and revisit the issue of
16 what is a headboat.

17
18 Last time it was done, it was done simply as, well, if they're
19 in the Beaufort survey, but I mean that doesn't fit these
20 amendments as they go forward, and so, if we're going to
21 continue to explore it, which obviously we are, I think it's
22 imperative that, rather expeditiously, the council comes up with
23 a definition of what a headboat is, so we know how to move going
24 forward.

25
26 **DR. STEPHEN:** Okay. Emily, is this a good time just to go, one
27 more time, into the cyclic thing, or do you want to wait for
28 later for that?

29
30 **MS. MUEHLSTEIN:** I think maybe we run with this for now. Can I
31 ask a question of you, while you're still in the hot seat?

32
33 **DR. STEPHEN:** Sure.

34
35 **MS. MUEHLSTEIN:** Okay. It's my understanding that, in this
36 defining a headboat or sort of trying to figure out this latency
37 issue, where we're at here is, if we go forward with a single
38 amendment, this issue might not be as important. It might be in
39 the sort of initial apportionment.

40
41 If we want to go move forward with separate amendments, we
42 absolutely have to sort of figure out the difference. My
43 question is, if we redefine what 42 was saying was a headboat,
44 how then, and let's say we gather more headboats, because we're
45 maybe broadening the scope, so that it's not just those vessels
46 with landings histories, but how then do we move some sort of
47 allocation or -- What happens then?

48

1 **DR. STEPHEN:** Let's go back to how the council divided up the
2 two amendments. They divided up 42 not, per se, on headboat,
3 which I kind of get a little leery using that term there,
4 because we don't have a good definition. What they did is they
5 divided up vessels with landings history and created an
6 amendment for that versus vessels without, with the thought that
7 landings history can go more along the lines of how we've
8 traditionally done a catch share program.

9
10 If we were to put these vessels that don't have a landings
11 history in them, we don't know whether they fished or were
12 active at all, and so, if you're going to put them over, one of
13 the discussions with those who were kind of in 42 would be do
14 you -- I heard one suggestion, I believe, that we bring them
15 over and we give them nothing. Well, I'm sure, if there is
16 anyone sitting in the room who is one of those, they might not
17 like that.

18
19 The idea is how much then to bring over, and I kind of looked at
20 the forty-nine and greater, and there are about -- I looked at
21 what percentage of that, out of all the charter only vessels,
22 and it was pretty low, somewhere I think around 10 percent,
23 maybe. Then do you say that the number of vessels that you move
24 over is also equivalent, percentage-wise, to the amount of quota
25 or is there something else?

26
27 It would, to me, involve a fairly detailed discussion of how
28 much quota to move over, and you come up with the same problems
29 we're going to have in the charter only kind of section, of we
30 don't know if they're active or not, and we don't know if
31 they're harvesting whatever species we put on the list or not,
32 but it doesn't mean that we can't go forward with asking those
33 questions. Mark.

34
35 **MR. HUBBARD:** That's one of the reasons we have to try to come
36 up with a different logbook system for even the partyboats. The
37 system has been there for years and years and years. There's a
38 lot of history there, but they're changing the recreational
39 sector. They're doing the formula conversions, and this would
40 be the time to do it.

41
42 At the beginning of this meeting, we talked about being brutally
43 honest and doing what's right for the fishery, and we're going
44 to have to come up with a definition for partyboats and charter
45 boats. We're going to have to come up with a solution to the
46 latent permits.

47
48 Yes, they may be fishing, but they're not catching these reef

1 fish. Fine. Then we move them to a partyboat, fine, but
2 they're not getting a portion of the reef fish fishery, because
3 they aren't catching them before, or perhaps they are. There
4 has to be some provision for that, but it's a small percentage,
5 but we need to recognize these brutal facts and come up with
6 some kind of a solution or a plan for them.

7
8 **MR. PAPROCKI:** I think if you combine them and not segregate the
9 history, you're creating more problems, because you already have
10 history. You know what you have, and so are you going to undo
11 that? Then what do you have? I don't know what you have if you
12 undo the history, the records. They already have that, and so I
13 don't know where you go from there.

14
15 **DR. STEPHEN:** I think one other suggestion I might have heard,
16 and I could be wrong, is that the 42 vessels were willing to set
17 aside a portion of the quota, but that might not be enough to
18 satisfy those vessels that might feel that they're being pushed
19 into this situation or not, but it's a very good point to make.
20 When you start mixing a landings history with another method,
21 you have probably not fair and equitable distribution. Tom, I
22 believe you had your hand up.

23
24 **MR. STEBER:** I personally feel that you've got the Beaufort
25 survey that's been there for thirty years. Leave that alone.
26 You're going to address the latent permits with these bigger
27 boats. They're going to fall out. Not go away, but fall out in
28 the whole shuffle, and so I think we're wasting a lot of time
29 trying to move eight people over. It just doesn't make any
30 sense to me.

31
32 **MR. GREEN:** I think it's a lot more than eight. That's just who
33 checked the box on a government form. I think that we really
34 need to move forward with finding a more directed, goal-oriented
35 way of figuring out who is latent or not a substantial
36 participant than to rely on -- Not offense, Jessica, and I know
37 you worked hard on doing this, but that's not -- That is not
38 going to cut the mustard, because that's not -- Nobody knows
39 what it was for.

40
41 Half the people at this table just admitted that they don't fill
42 out their permit application, and so I would like to see
43 something a little bit more steady than what they check on the
44 form, unless we can change to are you a charter business, change
45 that field to something that's more goal-oriented in what we're
46 trying to accomplish.

47
48 **DR. STEPHEN:** I just want to clarify too that we used the lesser

1 of the two, and so this is a number that's subject to change
2 every time a permit is transferred to a different vessel. Did I
3 see a hand over here before? Gary and then Eric.

4
5 **MR. BRYANT:** Just a point that was made earlier. If you move
6 the vessels over and then have to move the quota over for those
7 vessels, you have not gained anything. It may be better just to
8 flush them out with whatever system we're going to redistribute
9 or however it works.

10
11 **MR. SCHMIDT:** This is my own self-interest here, because the
12 vessel that I run has participated for the last twenty-two years
13 in the Beaufort study. It was originally certified by the Coast
14 Guard for forty-nine passengers, and, five years ago or six
15 years ago, whenever it was that the Coast Guard came in and
16 changed the -- They changed everybody's weight. They came in
17 and they changed the COI, and so we went from forty-nine to
18 forty.

19
20 It is a headboat. We sell individual tickets. On the weekends,
21 we go to the Tortugas, and so, if we're going to have this
22 forty-nine passenger designating the headboats, forty-nine
23 passengers and up, this boat has been operating for twenty-two
24 years as a headboat and now we're going to fall under the
25 charter sector, and, when we take forty people, we're going to
26 have a charter boat allocation.

27
28 **DR. STEPHEN:** I would like to point that, when you look at the
29 forty-nine and greater, to that point, there is forty-two versus
30 the sixty-five listed originally that were part of the survey,
31 and so I think you have to keep that in mind when you're doing
32 things as well. Skipper.

33
34 **MR. THIERRY:** I was just reading, back in 42 -- Everybody keeps
35 saying there is not a definition of a headboat, but there is
36 three criteria defined in Amendment 42. One is the vessel is
37 licensed to carry fifteen or more passengers, two is the vessel
38 fishes in the EEZ, and three is the vessel charges primarily per
39 angler, which I guess is more than 50 percent. I don't know. I
40 guess we could look up Webster's definition of "primarily", but
41 I just wanted to share that with everybody.

42
43 **AP MEMBER:** But that's not accurate, because one of the names
44 that you just pulled up is in the Beaufort that is considered a
45 headboat, and, unless he has changed recently, the last time I
46 referred a trip to him, he doesn't charge by the head, and that
47 would be Steve Tomeny's boats on our coast. I don't want to
48 speak for Steve, and he may have changed his way, but Steve

1 charges a flat price for up to so many people, but he's in the
2 headboat program.

3
4 **MR. THIERRY:** I can't speak to all of that, but I can just tell
5 you what it says, and maybe there needs to be a little more
6 enforcement on what --

7
8 **AP MEMBER:** I am forty-four people, primarily private groups,
9 but, when they put us in Beaufort, they said, because you take
10 over fifteen people, or it might have even been fifteen back
11 then, and because, on occasion, you do individual person trips,
12 but most of mine are private, but I do have the big COI. Take a
13 lot of people and get more data I guess was the thinking.

14
15 **AP MEMBER:** I've got two boats that are lumped into private
16 charter boats that are twenty-four passengers, and I bitch all
17 the time that I want records on these things, and they won't let
18 me go into the partyboat logbook program. That's been about a
19 five-year argument.

20
21 **DR. STEPHEN:** I think we've kind of established that there was
22 probably some differing criteria over time with the headboat
23 survey, and what we were stuck with was those who had landings
24 and those who don't. If you guys care to go in a different
25 direction, this is the forum to go towards that.

26
27 **MS. STAUGLER:** Thanks, Jessica.

28
29 **MS. MUEHLSTEIN:** Okay. Well, it sounds like we have a little
30 bit of background here on what direction we were going to go to,
31 and so it seems like the decision that we're looking at here is
32 also very closely tied, maybe, to single or separate. I am not
33 totally sure yet, but the idea here is -- It sounds like we're
34 talking about the definition of a headboat and whether we go
35 with what we have or we do something different. Where are we
36 at? Ed.

37
38 **MR. WALKER:** I think that just demonstrated that we really need
39 a number of passengers. There was fifteen and forty-eight, and
40 the difference between latent, whatever you want to call latent
41 -- If it's fifteen boats, there is a hundred latent permits
42 based on that thing, but, if it's forty-nine, there is not that
43 many.

44
45 Everybody is throwing around that I've got a twenty-four-
46 passenger boat and I've got this and who is latent and --
47 Somebody has got to pick a number. That's what I think. Pick a
48 number that you're a headboat and not just participation in the

1 survey, and I said that the beginning of the first day. That is
2 a tough one, because everybody here has a different sized boat,
3 and so I'm not saying what the number should be. I just think
4 we should pick one, so we have something to talk about.
5

6 **MS. MUEHLSTEIN:** So you're also then supporting the idea that
7 the current definition of the survey vessel -- That basically
8 dividing the two along the lines of whether you're in the survey
9 or not isn't useful, in your opinion, and that we should go with
10 some sort of capacity.
11

12 **MR. WALKER:** I'm not a headboat guy, and so I'm not as informed,
13 but it seems, to me, that just those participating in Beaufort -
14 - There are other headboats. Unless you want to take the rest
15 with you, I don't think they should be able to dump off
16 everybody that wasn't in the survey on the other side. That's
17 what it looks like to me. Why don't we pick a number? Somebody
18 throw a number in, and we can all fight about it. If you want
19 to get somewhere, let's do it.
20

21 **MS. STAUGLER:** Pam, go ahead.
22

23 **MS. ANDERSON:** I still think that it's the Gulf Council's
24 responsibility to say what a headboat is and what a charter boat
25 is, but, in that respect, if they're going to be transferred
26 over to the headboat survey, and there is going to be a timeline
27 that stretches out here a little bit for the charter boats to
28 get their electronic logbook program going, then possibly, at
29 the same time, the headboats that all of a sudden have become
30 eligible for the headboat survey could go ahead and do the same
31 thing, and so they would be -- If they're a ticketed boat, if
32 that's what the headboat is described as, then they would be on
33 the headboat side. So would their fish, because that percentage
34 of fish would have to move over to the headboat side.
35

36 Even so, that could be determined on down the line, once you
37 have determined who is a headboat and who is a charter boat and
38 what rules are going to apply to each boat, and it doesn't
39 matter whether it's a twenty-four or twenty-six-passenger boat
40 or whether it's a hundred-passenger boat. If they are a
41 ticketed boat, if that's the rule that describes them as
42 headboats, that they mostly fish by selling tickets, then that
43 would be the rule and then they would choose one or the other.
44

45 **MS. STAUGLER:** Go ahead, Gary.
46

47 **MR. BRYANT:** I've kind of got a question and a comment, because
48 I'm a little confused about some of this, because we've had the

1 survey for a long time. If you decide these boats now qualify
2 for a headboat, but they have no catch history, it seems, to me,
3 that the way things normally work is you're going to assign them
4 by whatever formula. You're going to come up with a formula,
5 and you're going to give them history, and you're going to move
6 that amount of fish from the charter/for-hire to the headboat.

7
8 Now, when they get over there and they're not actually fishing,
9 now you've given the headboats more fish. Basically, you've
10 just allocated more fish to the headboats, the boats that aren't
11 actually going fishing, and so I am kind of wondering, what is
12 the net gain if these aren't -- You're not going to move them
13 into a category without making sure they have some kind of catch
14 going with them. It's not just magic that they're disappearing,
15 and so I'm wondering, what do we have to gain by muddying the
16 water on this?

17
18 **MS. STAUGLER:** I've got Mark and then Pam and then Shane.

19
20 **MR. HUBBARD:** How accurate is the headboat Beaufort? I mean,
21 the logbook would be accurate on the boats that participate, but
22 evidently -- What I'm seeing is there is a massive disconnect
23 between the National Marine Fisheries Service and the Beaufort
24 process, because, somewhere along the lines, you would think
25 their process would say, hey, can't you show me what's a
26 headboat and what is not in your fleet, instead of being
27 industry -- From what I hear from Jim and several others, it's
28 industry regulated, where, when they actually come around the
29 dock and they see a boat that is operating as a headboat, they
30 say, hey, you've got to get in the program. There's not a whole
31 lot of teeth in it if you do it or you don't do it. That's just
32 what I am perceiving.

33
34 **MS. ANDERSON:** To Gary's point, I think that -- When I was
35 talking about deciding which is headboat and which is charter
36 boat, I am not trying to determine who is latent and who isn't.
37 I would think that, if somebody is operating as a headboat, they
38 should be on the headboat side.

39
40 If they're operating as a charter boat mainly, they should be on
41 the charter boat side, and their fish should fall into whatever
42 pot they need to go into. If they're latent, that's another
43 issue, but headboats should be headboats and charter boats
44 should be charter boats.

45
46 **MS. STAUGLER:** Shane and then Dustin.

47
48 **MR. CANTRELL:** One thing on these is, if we go above fifteen

1 passengers, I know that cuts a lot of boats that are not charter
2 boats and not headboats. They are multi-passenger boats, and my
3 understanding, and I'm not sure how the permits are broken down
4 of where those boats necessarily are, but I would venture to say
5 that the majority of those boats are in a rather small
6 geographic area.

7
8 I know that a lot of them -- Tom identified a lot of them, when
9 they were looking in their Alabama EFP. There are a lot of
10 multi-passenger boats. I know that Destin has got some, and I
11 know that Panama City has got some. I know that, in Texas, we
12 don't have a lot of multi-passenger boats.

13
14 Knowing where that breakdown is, we can identify kind of where
15 we're looking at, and that would be helpful, but identifying who
16 is active and who is not would be a good way to start figuring
17 out who is actively fishing. Then you would know what
18 allocation you're looking at moving over, because moving those
19 permits over and moving the assumed allocation is a dangerous
20 game, to do what somebody had just mentioned, but we need to
21 focus back on how we get something moving forward to the
22 council, because it's not our job to develop a program in two
23 days.

24
25 It is the council's job to implement these things, but it is our
26 responsibility, as members of this AP, to give them
27 recommendations from the industry, and I think we've gotten a
28 couple of them done, and I thought we were on a path here to
29 reviewing the definition of what is a headboat and get that
30 discussion had and bring it back to both APs or a joint AP,
31 whatever it may be, but we've got to get something out of this
32 meeting, and we're getting close to it.

33
34 **MS. MUEHLSTEIN:** Just to sort of reiterate that with Shane, I
35 think what we're hoping to end this meeting with, and correct me
36 if you guys have different aspirations, is what I hear from what
37 we want or what we sort of want to end today with is to tackle
38 this issue right here, this definition of a headboat, for moving
39 forward with kind of answering this question that we seem to be
40 hung up on, which is reasonably so as well.

41
42 Just where I am at is -- My assumption is what we're going to
43 try and leave here today with is a recommendation, based on
44 consensus, to the council with how we would like them to move
45 forward.

46
47 We will have opportunities to design a program or programs, but
48 we need to give the council some direction on whether or not

1 it's going to be a program or programs, and so just, with that
2 out there, we're now addressing this definition of a headboat,
3 if we were to move forward with a program or programs, and I
4 think that's what we're trying to do by the end of the day. Did
5 you have a line?

6
7 **MS. STAUGLER:** I do have a line. I have Dustin, Mark, Jim, and
8 Skipper.

9
10 **MR. TROCHESSET:** Okay. Shane brought up a good point, the
11 multi-passenger aspect. We're multi-passenger. We're permitted
12 for more than six people, and, when we got into Beaufort, later
13 than a lot of these other guys, it's because our leadership with
14 our charter boat association said that we need to have some
15 accountability, years ago, and get some catch history, because
16 we're behind. I haven't been in Beaufort for thirty years, but
17 we did it to establish catch history.

18
19 Then, according to Ms. Anderson, hell, I'm not a ticketed boat,
20 and so I get thrown back in the other one with all of you guys
21 who are charter boats, but I've got all kinds of catch history
22 compared to what you've got, and so I don't see how that -- That
23 is apples and oranges there, putting me back in another group,
24 because I don't get a ticket. Would you want me to come in
25 there and I've got all this catch history and you don't? I just
26 think it's something to think about.

27
28 **MR. HUBBARD:** I've heard that throughout this meeting. Some
29 folks have brought up -- Not to your amount, because you operate
30 as a charter boat and you sometimes are a partyboat, but there
31 is a lot of partyboats, and I don't think there's a partyboat in
32 here that has never been chartered out before. I mean, we all
33 get chartered out. That's one of our goals, if we can get paid
34 for everyone onboard before we leave the dock, but no one can
35 afford that, and so you sell tickets.

36
37 Is that a tripping stone for some of us, that if a partyboat or
38 a headboat charters ten times a year, or even twenty times a
39 year, is that a big problem? Because I still consider myself a
40 partyboat on those two.

41
42 **AP MEMBER:** Just a short comment, kind of what Dustin talked
43 about. First off, I don't see how in the world you're going to
44 take -- We, as a group, have classified them as headboats in the
45 for-hire industry, and how you're going to take them out of a
46 no-catch-history system and then we're moving them into a system
47 with a catch history.

48

1 I don't know how you could even consider giving any kind of
2 allocation shift with that, because he we sit, as a charter
3 industry, and, if we had some catch history, we wouldn't even be
4 discussing all of this. We would be moving forward, and so it's
5 kind of a -- I mean, it's a problem. Is it a charter boat
6 problem or a headboat problem? I don't know whose problem it
7 is, but it's just a problem.

8
9 **MS. MUEHLSTEIN:** Maybe that's a question that we do need to ask.
10 Is that possible? Is it possible to move people without catch
11 history into what's been sort of developed as a catch history
12 program? Is there some mechanism for doing that has been
13 thought of?

14
15 **MR. GREEN:** I think this is a little bit cart before the horse.
16 If we identify the latent permits, which I have heard from 30 to
17 40 percent out of people, maybe we don't need to identify
18 specifically who a headboat is. If we, like we've said for
19 three or four meetings, know our universe, this might be all --
20 The big burden is figuring out latent permits.

21
22 That's the burden for 41. Now, some of 41 has asked 42 to incur
23 some of the burden and help us figure that out. I don't know if
24 we have to identify a headboat until that problem rears its
25 head. We need to identify our latent permits, and we might not
26 have to go through this slugfest of what a partyboat is, because
27 I know me and Cliff's boats are vastly different in design and
28 style, but he is definitely a partyboat and operates that way,
29 and so do I.

30
31 If we find out our latent permit problem, then we might not have
32 the what is a headboat problem, and so I think we should spend
33 our time more wisely in figuring out what metrics would be used
34 and how to identify latent permits than how to really identify a
35 moving target of a headboat, because Beaufort decides.

36
37 I don't know if it's Ken or if it's a panel of them, but they
38 decide whether or not you're a headboat, and so that's kind of a
39 moving target. Let's stick to something we know. We need to
40 figure out who is active in the fishery and then we can move
41 forward from there, because everything else we're kind of
42 walking in circles with.

43
44 **MR. THIERRY:** Kind of following up on that, Jim, I think we have
45 to decide are we going to identify latent permits now or are we
46 going to use whatever program we develop, by proxy or whatever,
47 to let that identify the latent permits? To me, the only way
48 that it can be done is through proxy or whatever, to just start

1 fishing and see who is catching these fish. I don't think
2 there's any way to do it today, and so it seems like we're
3 debating about nothing.

4
5 **MR. GREEN:** I know we've asked staff about it, and they're like,
6 well, you can do it this way, but it's not really -- It's got a
7 hole here and stuff, and I agree with you, Skipper. Let's
8 figure out the latent permit. Let's figure out who is -- If we
9 can figure out the participants and we can figure out which ones
10 aren't, and that's been something that has been echoed at the 41
11 AP for a year-and-a-half now.

12
13 **MS. MUEHLSTEIN:** Okay. Basically, in order to determine sort of
14 this idea of latency, we already have two options on the board,
15 and the first option is to sort of use that proxy with the
16 redistribution and that will sort of weed it out, right? Then
17 the second one is to establish a catch history, which will also
18 weed it out. I think what we then need to focus on are is
19 either one of those better and/or is there a different option
20 that we can accomplish as we move forward. Did you have a --

21
22 **MS. STAUGLER:** I had Gary.

23
24 **MR. BRYANT:** I had raised my hand. We just keep going around
25 and around on the headboats, and I would like to kind of call
26 the question on having a consensus. I would like the headboats
27 to stay as the boats that are in the Beaufort survey that have a
28 landings history. If there is a consensus that the people with
29 landings history are going to be the headboats, then we can just
30 move on, instead of going around and around on this.

31
32 **MS. MUEHLSTEIN:** Okay. Karen, I think we sort of have a
33 proposed consensus statement that doesn't really fit under
34 anything, typically, but what Gary is suggesting is that we
35 continue to use the definition that's been used in 41 and 42,
36 which defines those headboats as the vessels that are in the
37 Beaufort study, the ones that have landings histories. Is there
38 anybody that cannot live with that definition, in understanding
39 that we're sort of moving through that conversation about
40 latency as a different conversation than this conversation? Is
41 there anybody that maybe cannot deal with that as a consensus
42 statement? Go ahead, Mike.

43
44 **MR. NUGENT:** Just one question about that. As I brought up
45 yesterday, I agree with the headboats being the ones in the
46 Beaufort that have a catch history, and you don't want to take
47 boats without a catch history that's not in the Beaufort and
48 move them into the headboats, but I would also like the

1 stipulation or understanding that, if it is a headboat and it is
2 in the Beaufort study, and if they don't have a catch history of
3 red snapper, for instance, then that boat can't be shuffled over
4 into the charter boat side just because it doesn't have a catch
5 history of red snapper if it's a headboat.

6
7 **MS. MUEHLSTEIN:** Let me summarize what Mike said, and then I
8 think Jessica wants to talk. What I'm hearing is that what you
9 would like is maybe to add that, if you lack a catch history,
10 even though you fall into all of these categories and you are
11 considered in a certain species, you don't get to fish under the
12 other program. You still remain in the program within which you
13 are defined to be in.

14
15 **MR. NUGENT:** You're either a headboat or you're not a headboat.

16
17 **MS. MUEHLSTEIN:** Okay. Then let's go to Jessica, because I'm
18 sure she has got something.

19
20 **DR. STEPHEN:** I just want to kind of clarify how Amendment 42
21 was set up. It was set up exactly like that. If you were in
22 the survey and, for one of those species, if you had no catch
23 history, because you didn't target it, you got zero percentage
24 of shares, and you could not then go play in the other program.

25
26 I think some of you guys talked about how we had this
27 endorsement or a switch in the permit, and that was to give us a
28 mechanism to make sure that didn't happen, and so that was the
29 intent of that program, initially.

30
31 **MS. MUEHLSTEIN:** Okay. Karen, can you add something to that, to
32 the effect of, once defined as a specific type of entity, you're
33 there for the whole program?

34
35 **MS. STAUGLER:** Okay. We also had Mike.

36
37 **MR. ELLER:** It seems like we are dancing around it, and it
38 really comes back to we're right back to where we started
39 yesterday, where the charter boat side doesn't want headboats
40 who are not part of the Beaufort survey, which there obviously
41 are some, or I'm assuming there are some. It looks like, to me,
42 there are some, and so the headboats, they want rid of them.
43 Hey, you didn't ever participate in this Beaufort survey, but
44 maybe they were never made to participate. Maybe they didn't
45 know.

46
47 I don't know, but you're going to shove those large-capacity
48 permits over to the charter boat side because they weren't in

1 Beaufort, and that's what we started with yesterday, is what is
2 the problem, what is the deal breakers, and that was one of
3 them. We're right back to where we started.

4
5 **MS. MUEHLSTEIN:** I am not calling it yet. We're still working
6 on it. What I currently have is the headboats will be those
7 vessels that are included in the Beaufort study. It sounds like
8 there is some objection. Is there anybody else that can't live
9 with this definition?

10
11 If so, I would like to hear why, because I'm hearing Mike's
12 concerns, and I sort of also have heard an answering to that, is
13 that there is some way to move landings along with those
14 vessels, and that might have been what made some folks
15 comfortable that weren't comfortable yesterday. If we're
16 looking at this as a consensus statement, is there anybody that
17 cannot live with defining headboats, for the purposes of moving
18 forward with separate or a single program, as those vessels that
19 were in the survey and have established landings histories?

20
21 **MR. HAGGERT:** This goes back to kind of what I was talking about
22 yesterday with trying to relieve some of the burden from those
23 in Amendment 41, because we know there is going to be permits
24 out there that will qualify under headboat permits that are not
25 operational permits right now, and I think that's what I had
26 tried to articulate yesterday.

27
28 I can't speak for the whole 42 advisory panel, but something
29 maybe to discuss in the future about a set-aside for those. We
30 talked about the not having a history of catching our main fish
31 we're talking about here, red snapper, but the species is moving
32 out. I am catching them in twenty-three feet of water now off
33 of Clearwater, where I never did. Somebody who has a permit on
34 a boat there who doesn't have red snapper history might need
35 some in the near future.

36
37 I don't know what the number is for a set-aside with that, but
38 that is the big sticking point of 41, is absorbing all of these
39 permits who aren't going to qualify for this, and there has got
40 to be some kind of middle ground that we can meet on here with a
41 way to fund those permits, in the time or event that they need
42 those species on there.

43
44 **MR. WILLIAMS:** I guess I have a question. It's my recollection
45 that, in 42, we were trying to address folks that maybe have
46 what we might refer to as a latent permit for a headboat that is
47 currently not reporting in the Beaufort study.

48

1 We were trying to make allowances for folks that wanted to
2 perhaps have one of these permits to enter the fishery at some
3 point. They wouldn't be allowed to participate in the initial
4 allocation in 42, but, if they wanted to join in, they could
5 actually join in, and they would have to purchase or lease or
6 whatever the red snapper.

7
8 I think that we used that the vessels had to be forty-nine
9 passengers or over. If we continue with the two programs, which
10 I hope we do, and we kept these folks in the charter boats and
11 we didn't allow trading between partyboats and charter boats,
12 what would be the outcome of that?

13
14 **MS. STAUGLER:** Are you just asking the question?

15
16 **MR. WILLIAMS:** I am asking a question, yes.

17
18 **MS. STAUGLER:** If the headboats without landings history stay in
19 the charter boat side and there is trading between -- Can you
20 say your statement again?

21
22 **MR. WILLIAMS:** I tried to explain this a little bit yesterday,
23 and I didn't go into depth about it, but I don't really want to
24 see trading between partyboats and charter boats for allocation
25 and stuff like that. As a graduate of the Cox School of
26 Business, with master's degree in it from SMU, and this is
27 probably contrary to what they taught us, but I think that, if
28 we have the partyboats and charter boats together in one
29 amendment, I think, over time, what will happen is that the fish
30 will be a lot more valuable to the charter boats than the
31 partyboats.

32
33 I think there is a great danger of the fish being transferred
34 from the partyboats to the charter boats and that it will not
35 allow the average American working citizen the access to the
36 resource, because they won't be able to afford to go. Right
37 now, most of the people that we take, and I mean there are
38 exceptions, are not as affluent as the folks that go on the
39 charter boats, and I'm kind of concerned about the migration
40 from the fish that are in the partyboats to the fish that would
41 be in the charter boats, if that was allowed.

42
43 Philosophically, I am opposed to that, because, when I testify
44 before Congress and to the Gulf Council, I always say that we're
45 really the only avenue that most folks in the United States have
46 to access the resource, and I don't want to see them lose that
47 privilege. Thank you.

48

1 **MS. STAUGLER:** Okay. I think that we discussed that that could
2 potentially be addressed in the amendment language, whether or
3 not there was trading between, but that is a good question, a
4 good point, and we do have that up here. I'm going go to
5 Charles and Tom and to Jim.

6
7 **MR. PAPROCKI:** I think that it keeps coming back to the latent
8 permits, and I hate to beat a dead horse, or whatever you want
9 to call it, but I think you need more details on it before you
10 can make more decisions.

11
12 If they're in the charter boat sector, if they use proxies, they
13 are going to get some history, regardless. If they're in the
14 headboat end, they won't, because they're going to use history.
15 We have our history, but I think that's one of the big bumps in
16 the road there. You need more details on it. It keeps coming
17 back, and we keep talking about it, but we don't have enough
18 details of how many are in one or the other. More specifics on
19 it. I mean, you showed your chart, but we still don't know on
20 that.

21
22 Then, as far as -- We spent quite a bit of time on the
23 headboats, what is a headboat and what is not. We have history
24 in Beaufort, and I think you got that far, but that's -- I was
25 going to say that earlier.

26
27 That's why they picked it, because we do have history, but, like
28 I say, you need more details on it before you can make any
29 decisions, I think, because, every time it comes up, every
30 little while, it's what about those and what about those, and
31 so, if you don't have that, how do you come to the next step of
32 whether they're in the headboat or in the charter? If you don't
33 know more details on it, it's like we're throwing them back and
34 forth, just keep tossing them back and forth, and so I don't
35 think you can get any further.

36
37 **MS. STAUGLER:** Go ahead, Tom.

38
39 **MR. STEBER:** Just to clarify something that I don't know if
40 Johnny is privy to, or I don't guess, but all along in 42, in
41 the AP on 42, we have talked about keeping trading and selling.
42 In 41, the entire time, we have talked about no trading, no
43 selling, until we get somewhere down the road and we want to
44 revisit that. Unless we change it, that's already set. That is
45 one of the two big differences in the two programs.

46
47 **MR. WILLIAMS:** Tom, like I said, I have to apologize. I don't
48 know that much about 41. I am pretty attuned to what's in 42,

1 but there is a lot of gaps that I don't know about 41, and I
2 yield to you. Thank you for the enlightenment. Thank you.

3

4 **MS. STAUGLER:** Go ahead, Jim.

5

6 **MR. GREEN:** In 42, we talked about forty-nine passengers, and we
7 talked about new entrants, and we talked about medallions and
8 all of that stuff, but those were all recommendations. They're
9 not a preferred, and the council never moved on them. If that's
10 going to be something that's going to help us, and there is the
11 potential for, after we identify latent permits, if there is
12 some of these big permits that still identify or have the notion
13 that they're -- Over a hundred-passenger permit is going to be a
14 headboat permit, most likely. I have never seen a charter boat
15 like that, but we talked about it, but we never acted on it, and
16 some of the messaging that I got from 42 people is 42 -- My
17 folks that are on the AP with me said that we're done, we're
18 ready, but we haven't made a preferred for new entrants, and we
19 haven't made a set-aside. We talked about it. We passed a
20 recommendation, but now all I hear is that we're ready for a
21 referendum, and none of that stuff has been worked out, other
22 than, yes, we should do that. Then it's kind of like 80 percent
23 of the recommendations that an AP makes on anything. They kind
24 of got swept aside.

25

26 I don't know if 42 is ready, if we're not ready to do something
27 like Chad was speaking of and what the guys have been talking
28 about. I haven't been purview to that conversation, but I think
29 that's something that we need to address.

30

31 If there is over hundred-passenger permits, and there's a set-
32 aside and we can have a way for, as the fishery rebounds, the
33 fleet rebounds and we're thoughtful and proactive about it,
34 because I don't think the set-aside would have to be real huge.
35 It definitely is a lot better than say, hey, if you want to be
36 in the headboat business, you better take out a million-plus-
37 dollar load and start buying some fish.

38

39 **MR. FRADY:** I guess I may be missing something here. I mean,
40 we're trying to identify latent permits in the headboat sector,
41 and is that correct?

42

43 **MS. MUEHLSTEIN:** Latent permits, period.

44

45 **MR. FRADY:** Latent permits, period? If it comes down to the
46 headboats, I don't see any difference between a headboat or a
47 charter boat, when it comes down to latency. If the headboats
48 are worried about somebody who may all of a sudden appear and

1 try to get allocation who is just getting into the business, for
2 the fear of not losing any more permits or fleet consolidation
3 or anyone who may be sitting on a permit who is maybe waiting to
4 make the initial investment to go into that business, I don't
5 have a problem with them doing an annual allocation to those
6 boats.

7
8 I mean, I don't want anybody to get hurt. Everybody is so
9 afraid that they're going to lose something, and everybody knows
10 that's imminent at some point. We don't know to what extent. I
11 know we just keep beating this horse to death, and I want to
12 move on, because I don't see anything other than we're just kind
13 of slipping the gears here.

14
15 This is something the council, I think, will deal with, and
16 we're giving them as best we can, but we're down to the point
17 right now where we can't decide if it's fifteen people or twenty
18 people or forty-nine people. Is it an annual allocation or do
19 people want to get in it? I don't want anybody to ever be left
20 out of this fishery, and I want all the allocation to be used,
21 but, in reality, we're never going to use all of the allocation
22 each year. There is going to be different circumstances
23 happening, and so can we move on?

24
25 **MS. MUEHLSTEIN:** Okay. Should we revisit this consensus
26 statement then before we move on, or another thought that I am
27 having is we have sort of progressed forward. We have kind of
28 come up with a timing idea, and we're sort of working in a
29 direction. We kind of lost some traction, recently, with this
30 idea of latency or the definition of a headboat, and so what I
31 am thinking is maybe it's time for a lunchbreak. It's about
32 noon. Maybe we need to come back with the understanding that,
33 by five o'clock today, the big decision that we need to make is
34 single or separate programs.

35
36 An understanding that, potentially, in order to make that
37 decision, some of these details, like how we're going to work
38 out latency or how we're going to -- That might be important in
39 getting somebody onboard with one side or the other.

40
41 Let's take an hour-and-a-half lunchbreak, and we are going to
42 come back with the understanding that there are some underlying
43 things, and bargaining chips, probably, that need to be
44 discussed in order to get us to the answer to this question. It
45 is about noon right now, and we will see you all at 1:30. Then
46 we've got some real work to do.

47
48 **AP MEMBER:** Can I make a quick comment? There is one thing, in

1 my mind, as far as moving forward, and that is we need to decide
2 if we're going to do this the fast way or build the whole catch
3 history. We haven't talked about that. That directly affects
4 how you're going to -- If you're doing a catch history, there is
5 going to be no latency. They're not going to have a history.
6 If you go the other way --

7
8 **MS. MUEHLSTEIN:** There will be latency for a while, but the --

9
10 **AP MEMBER:** We're talking about things and not knowing how we're
11 going to build the system.

12
13 **MS. MUEHLSTEIN:** Thank you. We will see you at 1:30.

14
15 (Whereupon, the meeting recessed for lunch on January 10, 2017.)

16
17 - - -

18
19 January 10, 2017

20
21 TUESDAY AFTERNOON SESSION

22
23 - - -

24
25 The Joint Meeting of the Ad Hoc Reef Fish Headboat and Ad Hoc
26 Red Snapper Charter Advisory Panels of the Gulf of Mexico
27 Fishery Management Council reconvened at the Hyatt Centric
28 French Quarter, New Orleans, Louisiana, Tuesday afternoon,
29 January 10, 2017, and was called to order at 1:30 p.m. by Emily
30 Muehlstein.

31
32 **MS. MUEHLSTEIN:** We're going to get this rolling. We've got
33 work to do, like a lot of it. Guys, come find your way up to
34 the table. Let us go ahead and get started, my friends. After
35 the lovely lunch break, I think one of the things that we tried
36 to work on this morning and sort of backpedaled and couldn't
37 really come to an agreement actually has a lot of weight to
38 answering some of the other questions that we have been bringing
39 up.

40
41 Specifically, this idea of latency and how we might deal with
42 that in the sort of charter group, and so we played with this
43 idea of maybe redefining headboats. We've been told that that
44 might be really difficult, to bring new people without changing
45 or without basically nullifying catch history, and so it's kind
46 of a big, scary idea about how we're going to do that.

47
48 I think what we need to do is back up a minute, and we're going

1 to revisit this conversation that we were having, and we were
2 kind of talking about it with timing in mind, but I think what
3 we can also do at this moment is talk about it with latency in
4 mind, and so the idea here being that we have three options.

5
6 The first one is moving forward with the proxies. That is what
7 gets us to a program in 2019. This will deal with latency in
8 the second year, right? If we think about that -- Go ahead.

9
10 **DR. STEPHEN:** I just want to clarify that, when we're talking
11 the proxies, you're talking about the proxies and using the
12 cyclic nature in combination.

13
14 **MS. MUEHLSTEIN:** Yes, exactly.

15
16 **DR. STEPHEN:** I think that should be clear to proxies. It's not
17 just proxies the way we had done in the old 41, which obviously
18 wasn't working for everyone.

19
20 **MS. MUEHLSTEIN:** So moving forward with proxies and cyclic
21 redistribution. Thank you for clarifying that. The first way
22 that we can approach this is to go ahead and do that. Our first
23 year of the program, we're still going to have those permits
24 hanging out there, and so we're going to have some issues,
25 maybe, at first. As time goes through, we will continue to sort
26 of alleviate the problem and then sort of get rid of that
27 latency over time.

28
29 The second one that we can do is we can wait for our electronic
30 reporting. We can gather one year of data, and that will help
31 us define who is active and who is not active in the fishery,
32 and so what that is going to do is then allow us to progress
33 forward a little bit slower.

34
35 **DR. STEPHEN:** This is one is also cyclic.

36
37 **MS. MUEHLSTEIN:** And cyclic. So we've got to add that, too.
38 That would put us at 2020, and so that sort of delays us a year
39 from going straight for it. It still doesn't establish that
40 three-year catch history, in order to sort of make maybe some
41 individual allocation decisions off of, but it will sort of take
42 care of our latency problem and delay us a year. Did you have a
43 question?

44
45 **AP MEMBER:** On the first one, moving forward with proxies, and
46 we're talking about distributing to the whole fleet?

47
48 **MS. MUEHLSTEIN:** I am talking just charter right now.

1
2 **AP MEMBER:** That's what I am talking about, is charter.
3
4 **MS. MUEHLSTEIN:** I am talking just charter.
5
6 **AP MEMBER:** So how are we proving that we're in the fishery and
7 we're not in -- How are we going to prove a latent permit in
8 that process?
9
10 **MS. MUEHLSTEIN:** How are you going to prove that you are --
11
12 **AP MEMBER:** How are we going to prove that a vessel is latent or
13 a vessel is not participating?
14
15 **MS. MUEHLSTEIN:** What this does is, if we move forward with a
16 proxy with that cyclic redistribution -- Once we have a program,
17 that is going to mandate your reporting, and so we will get that
18 first year of data from the program, or from you guys, and then
19 there is that cyclic process. If you didn't land in that year,
20 your allocation is sort of redistributed differently, and is
21 that --
22
23 **MR. ELLER:** But the first year it goes to everybody.
24
25 **MS. MUEHLSTEIN:** But the first year it goes to everybody.
26
27 **AP MEMBER:** So have we done any kind of numbers, and, I mean,
28 I'm a number guy, when we split it up a thousand different ways,
29 the proxy or cyclic or however many it is?
30
31 **MS. MUEHLSTEIN:** That decision tool that you saw yesterday
32 doesn't account for the -- That's what you would get in year
33 one.
34
35 **MR. ELLER:** You would have to play with it a little bit to get
36 the --
37
38 **MR. GREEN:** Yes, but -- Or it would be whatever 41 decides the
39 formula is for the initial distribution, correct? It's whatever
40 the 41 AP decides or, inherently, the council says is okay and
41 agrees to. However that initial distribution goes out, that is
42 how the fish will be given out.
43
44 **MS. MUEHLSTEIN:** Then the latency is dealt with.
45
46 **MR. GREEN:** Then it's dealt with until that cycle finishes.
47 Then the fish are taken 50/50.
48

1 **AP MEMBER:** That's clear as mud.
2
3 **MS. MUEHLSTEIN:** That's what I am going for.
4
5 **AP MEMBER:** Emily, in that first year under the proxies, where
6 you say that data collection would be mandated in the program,
7 we just heard, if I'm not mistaken, that they're not going to be
8 ready for it. They're not going to have the infrastructure or
9 anything to handle it until the following year, and so how do we
10 collect that data?
11
12 **DR. STEPHEN:** I can answer some of that. With catch share
13 money, and I don't know how many of you are familiar with the
14 commercial program, and I know a lot of you have it, but we have
15 an infrastructure already built for commercial that we can
16 change the structure to suit the headboats, and so we're not
17 talking about new infrastructure in the database system in that
18 sense.
19
20 We have a lot of the design elements already put forward from
21 having done the commercial and other methods, and so, for
22 example, kind of a hail-out and hail-in and some kind of
23 reporting. We also have what we built for the Headboat
24 Collaborative that can be modified, and so, with those two
25 sampling designs, we have jumped the hurdle.
26
27 Now, what this is not giving you that electronic reporting gives
28 you is effort data. It's simply giving us landings for the
29 species that have been selected for the program, and so it's not
30 as comprehensive as electronic reporting. It doesn't have a lot
31 of the elements that the Science Center would need for stock
32 assessments.
33
34 What it does give is a way to establish your catch history for
35 those species based on what you're doing and allowing that to
36 redistribute to you to identify the latency over a couple of
37 seasons, and so consider each season being your cycle. The
38 first season, you would be distributing by whatever proxies are
39 chosen.
40
41 The season after that, we would take back -- Let's just stick
42 with the 50 percent, because it's easy math. 50 percent of
43 everyone's shares would come back, and those would get
44 redistributed only to those people who did landings, and it
45 could be distributed equally or it could be distributed
46 proportionally. Again, that's going to be a choice among the
47 industry. Then that just keeps repeating.
48

1 There might be a point in time where you say one season is not
2 enough and I want two seasons of data and I want you to take
3 back 30 percent, because we're getting closer to what the
4 industry is representative of. That's that kind of cyclic
5 nature to address latency over time. Maybe, by 2022, you're
6 close to where you would have been if you had waited for
7 electronic reporting, but you had stability until that point.

8
9 **AP MEMBER:** Okay, but the comment that stuck in my head was
10 that, whenever you referred to the commercial program, that it
11 did not have the capacity to handle the volume of reporting if
12 you brought the charter boats into it, but you're telling me
13 that's not the case if all we do is use it to identify latency?

14
15 **DR. STEPHEN:** The program that I was talking about that didn't
16 have the capacity to handle it is the headboat survey program,
17 which is different than the commercial program.

18
19 **MS. MUEHLSTEIN:** Okay. Charlie.

20
21 **MR. PAPROCKI:** In that first year, if the charter boats do what
22 they're saying to divvy that up, with some of those latent
23 boats, will they be able to sell their red snappers for that
24 year?

25
26 **MS. MUEHLSTEIN:** We haven't even gotten to selling.

27
28 **MR. PAPROCKI:** No, if they get some. If they get some of it.

29
30 **DR. STEPHEN:** Okay, and so I don't want to get too far in the
31 weeds, but that idea of trading within a year can be a decision
32 made by the panel, again, and there is also -- Don't forget that
33 we're considering now this idea of carryover from an underage of
34 one year, and so maybe, if those vessels that are, quote, latent
35 didn't harvest anything, that allocation can be put into next
36 year's quota and the ones who are receiving it have their
37 percentage of an even higher quota than before, and so it might
38 be kind of a one-year delay with it, and so those are other
39 ideas we can think about, about those fish that are kind of left
40 on the table.

41
42 **AP MEMBER:** On the gather one year of data, are we going to use
43 that data just to identify the universe, or is that a starting
44 point for distribution, catch history?

45
46 **MS. MUEHLSTEIN:** Is that a starting point for also gathering
47 landings history?

48

1 **DR. STEPHEN:** What I would say is that you could do it two
2 different ways. With that one year of electronic reporting, but
3 not having a catch share program, what you have identified as
4 vessels that are not active at all, non-operational and not
5 fishing in the fishery at all, is we could use the landings data
6 to identify those that may have harvested red snapper or not.

7
8 Now, remember some of the comments made around, is that some
9 people might intend to harvest it to get something more, if they
10 traditionally harvest it, and so there's a little bit on danger
11 in going that way, and it's up to you guys to feel what you're
12 comfortable with, but, in general, we could use that one year to
13 identify, instead of 1,300 permits, maybe we had 1,100 active,
14 and that might change what you guys think you would get using
15 those same proxies as before.

16
17 **AP MEMBER:** Just to clarify, so that first year would be under a
18 derby, and we would just be reporting data and seeing what the
19 universe is, and then we would go into a proxy system?

20
21 **DR. STEPHEN:** Correct.

22
23 **AP MEMBER:** I just wanted to be sure. Thank you.

24
25 **MS. STAUGLER:** Jim, did you have a question?

26
27 **MR. GREEN:** I was going to say that maybe, instead of building a
28 catch history, we could have like substantial and not. We could
29 set a threshold of how much poundage is considered substantial,
30 and then you could have not only identifying the universe, but,
31 if there are part-timers, then they could have a Class B and the
32 full-timers could have a Class A, and not necessarily using what
33 you caught.

34
35 Whatever that ends up being, it will be your percentage of the
36 TAC or catch history, and, again, I like the idea of identifying
37 the universe and then identifying who is substantial and not,
38 but I wouldn't want to start collecting catch history. I mean,
39 use it to identify an area or a certain amount of harvest that's
40 being done, but don't use it to hand out quota, because it's
41 going to create more problems, and it looks terrible. It would
42 be a bad shot to the industry, I think.

43
44 **MS. STAUGLER:** Ed, go ahead.

45
46 **MR. WALKER:** Okay. The beginning of it is up on the screen, and
47 the way it's written, and like Jessica was saying, it all can be
48 changed in different directions, but everybody gets an equal

1 share in the first year, and so you don't have to choose
2 anybody. It's everybody, and that's what we would call latent
3 or not.

4
5 Then, the way this system would be, it would automatically start
6 to filter out those who weren't, and the shares would start to
7 move, but, if you're talking about a multispecies approach, I
8 think this is the greatest idea ever, because I am never going
9 to need a triggerfish, and I am happy that, when I don't land my
10 triggerfish, they flow up north to you guys that need it. You
11 guys that never catch red grouper under this system, that could
12 -- If you don't land it, it would come down to the people who
13 do, and I think that's what we're trying to get at.

14
15 I also think, and it's not up there yet, but I think, if you
16 were to start such a plan, you could start by weighting a little
17 bit ahead of time, like by region. Like the guys up in red
18 snapper land shouldn't have to wait for however many years for
19 it to filter up there where they need it, and, I mean, not that
20 it's going to go -- Whoever catches it gets to use it.

21
22 The red grouper, there is no reason to give a guy in Texas a
23 bunch of red grouper. At the beginning of such a program, you
24 would regionalize it somewhat, and not entirely, but weight it a
25 little bit, where it makes sense, so it doesn't take as long to
26 trickle down, but I really like this plan. I think we should
27 roll with this.

28
29 **MS. STAUGLER:** Okay. We have Gary and then Pam.

30
31 **MR. BRYANT:** I have one question that could sway how I would
32 vote, and something that I heard mentioned is, under the proxy
33 system, we all get an even share, and obviously, like Ed just
34 said, you may have a species you don't need. The idea is, if
35 you don't catch it, you lose part of it.

36
37 I heard an idea that, under the same scenario, that you might
38 could trade your fish, and, if you traded it, it counted it as
39 you didn't catch it, but it didn't go to waste, because you got
40 to move it to somebody that would catch it, and so I didn't know
41 if that was possible, but that would, to me, would ease the pain
42 of doing a proxy system, where I'm not going to catch any red
43 grouper, but maybe I can get some snapper out of them and the
44 redistribution will keep going and they will end up where they
45 need to be.

46
47 **DR. STEPHEN:** Just to go with that, that is a possibility, if
48 you guys so choose to allow a bartering mechanism, particularly

1 in the situation that Ed just talked about, where red grouper
2 are given to someone in an area that they don't catch it and red
3 snapper are given to someone in an area that they don't catch
4 it.

5
6 You might say, well, I will give you my five red snapper for
7 your five red grouper, and then it's not necessarily what we
8 were talking about of an economic I have money to buy your
9 allocation, and we can design transfers that say transfers can
10 only be bartered, transfers can be for money, or transfers can
11 be not at all.

12
13 Again, that is going to be input from you guys, and I don't want
14 you guys to get too stuck in the weeds with this. The concept
15 of redistribution is really to handle latency and new entrants
16 and keeping it in the fishery. Those are the three main kind of
17 drivers of this type of program.

18
19 **MS. STAUGLER:** Go ahead, Pam.

20
21 **MS. ANDERSON:** Okay. Am I hearing you all right in that you're
22 saying that, in the Amendment 41, a forty-nine-passenger owner
23 would get the same percentage as a six-pack owner and they're
24 okay with that?

25
26 **MR. GREEN:** Only if you set it up that way. It's whatever way
27 41 decides the initial allocation. That's a totally separate
28 issue than how it's redistributed. That's an example up there.

29
30 **MS. ANDERSON:** I get that, but there are more than ten boats,
31 and so the percentages are going to be much, much less than
32 that, and some of those boats are six-packs and some of them are
33 forty-nine or somebody said ninety-nine-passenger boats, and I
34 can't imagine people looking at that and thinking of what's good
35 for their business and thinking that that's okay.

36
37 **MS. MUEHLSTEIN:** It's my understanding that you could
38 redistribute amongst the people that are participating in an
39 equal way or you could redistribute based on their percentage of
40 participation, and so it doesn't have to be.

41
42 **MR. ELLER:** This is just an example. I mean, you could start
43 out with deciding how you're going to do the initial split
44 before you ever -- We're not thinking it's going to be an even
45 thing at all. That's not going to fly, I wouldn't think. It's
46 going to have to be weighted by your passenger capacity of some
47 sort, your permit capacity of some sort. There's got to be some
48 common sense dictated in that. This is just an example for all

1 of us to see, but that's not the way the AP sees it, as just an
2 even distribution.

3

4 **MS. STAUGLER:** Go ahead, Gary.

5

6 **MR. JARVIS:** To address that very fact, in the AP, the
7 charter/for-hire AP, we agreed to a tiered system during our
8 last meeting, and we made that our preferred before the council,
9 and that was just on the initial allocation, because one thing
10 we have to remember is, if we adopt this system, is that the
11 initial allocation across the board wouldn't be a number that
12 would pass a referendum. It would be a really, really hard
13 sell, because there is 137 permits south of Marco Island that
14 are involved in the red snapper fishery at the present time, and
15 it goes even more so on when you start adding latent permits.

16

17 We came up with a tiered system. Now, whatever the council
18 would agree on, whether it was how much percentage on regional
19 management and how much percentage on COI, but it would start
20 out -- The end product would start out with something that is
21 more palatable to the people that are involved in the red
22 snapper fishery or more palatable for the gag grouper fishery or
23 more palatable for the red grouper fishery in their regions.

24

25 Then you apply this over the set timeline, and so the initial
26 allocation, whatever we come up with or the council agrees to,
27 needs to be something that we can sell to the industry, that
28 guys can say, okay, I know, on the initial allocation, that I'm
29 going to get far less than I'm getting under my derby situation,
30 but then I will know that I'm not under the threat of sunset and
31 the uncertainty of what's going to happen with the resource down
32 the road, and I'm willing to accept that, knowing that I'm going
33 to get a 10 percent or a 15 percent or a 12 percent increase as
34 long as I remain viable in the fishery over the next three
35 years.

36

37 When I get those increases, it's going to be something that I
38 can live with in the end, and then I will make that vote with my
39 referendum ballot and say yes, and so what we're doing is we're
40 taking a new concept and idea that Jessica so graciously has
41 provided for us and given us an opportunity to put ourselves in
42 the position that we develop an allocation split that will pass
43 a referendum.

44

45 **MS. STAUGLER:** Johnny, go ahead.

46

47 **MR. WILLIAMS:** I have a question. In this allocation process
48 for the first year, since the supposition is there is about 30

1 percent of the boats out there that are not fishing, would we be
2 able to remove that 20 percent buffer for this group? I think
3 that would be a reasonable thing to do, if we're going to have a
4 lot of people that we know are not going to be out there on the
5 water fishing. I think we ought to remove the buffer for that
6 first year.

7
8 **MS. MUEHLSTEIN:** Can somebody tell me where the 30 percent
9 number came from?

10
11 **MR. ELLER:** It came from Tom talking about boats in Alabama, I
12 believe, wasn't it? That is just a number that we threw out
13 there. We're sitting here thinking to ourselves that there
14 might be more latent permits than there are boats fishing, for
15 all we know, and so I think that we need to, before the next
16 council meeting, in the next two weeks, each one of our states
17 needs to get their list in that region and let's identify who we
18 know, who we know, is fishing. Then that will leave a smaller
19 number, but that's where that came from. Tom thought that about
20 30 percent of the --

21
22 **MR. STEBER:** That's strictly anecdotal.

23
24 **MS. MUEHLSTEIN:** I want to caution us against sort of using that
25 number as an empirical, because I think the conversation that I
26 had is that there are permits that are renewable that have not
27 been renewed that are out there, but it's nowhere near the 30
28 percent mark.

29
30 **MR. WILLIAMS:** Even if we're not considering latent permits,
31 there is certain areas of the Gulf where they're going to be
32 getting an allocation where they're not going to be able to
33 harvest them, and so I think, for that reason alone, even if we
34 don't even consider latent permits, I think we should remove the
35 20 percent buffer. That's just my opinion, and I think that
36 this group probably ought to send that message forward to the
37 council, that, because there are a lot of areas where they're
38 not even harvesting red snapper, that we should remove that 20
39 percent buffer.

40
41 **MS. MUEHLSTEIN:** Okay. Then, finally, moving on to our third
42 option, which is taking the time to establish a catch history
43 over three years, which puts us at a 2022 timeline and,
44 theoretically, removes that latent permit issue all together.
45 Are there any questions before we sort of -- Do we want to have
46 some discussion before we move on to do the little sticky dots?
47 Are we ready to do it now? Where are we feeling like we are?
48 Do you guys need some clarifiers before we move forward?

1
2 **AP MEMBER:** On the three-year history, 2019 and 2020 or whatever
3 the three years would be, which would be the final three years,
4 so we're fishing in a derby fishery, like we our traditional
5 methods right now, to establish our catch history. Then, at
6 that point in time, we'll go with a catch history or divide them
7 up amongst the ones that are actually using them and so forth,
8 and am I correct on that?
9
10 **MS. MUEHLSTEIN:** Yes.
11
12 **AP MEMBER:** Emily, if we go with some type of proxy, why are we
13 still in a derby? I mean, if you're going to give me X number
14 of fish, why would we still be set on a status quo system, if
15 you would?
16
17 **MS. MUEHLSTEIN:** You wouldn't be.
18
19 **AP MEMBER:** Okay, and so I think -- Did I misunderstand the
20 question then?
21
22 **MR. GREEN:** The first one, you wouldn't be in a derby. We would
23 figure out a way of distributing the allocation and it would go
24 out --
25
26 **AP MEMBER:** That's twice that she has answered that yes, we
27 would be in a derby.
28
29 **MS. MUEHLSTEIN:** No, we were talking about the three years. He
30 was just asking me about waiting for the three years and not
31 about the -- If you're waiting for the three years, then, yes,
32 we are going to use our electronic logbooks, and, theoretically,
33 we're under the same traditional management we are, because we
34 have not initiated any sort of program, throughout that time
35 that we are building our landing history. Throughout the other
36 ones though, there will be a proxy where you will be fishing
37 within the program.
38
39 **MS. STAUGLER:** Okay. Pam and then Gary.
40
41 **MS. ANDERSON:** One of the concerns that has been brought up with
42 the three-year landings history is that there will be some that
43 will probably fudge on the numbers and so forth, and I
44 understand that that's quite possible. I think that that has
45 also happened before this, when people knew ahead of time that
46 some changes were going to be made.
47
48 There are going to be good people and bad people no matter what.

1 Hopefully there is a higher percentage of good ones, but, in the
2 meantime, I think that, as far as the latent permits, you really
3 need to just establish like who they are. NMFS should have some
4 type of data on who is not fishing, because, for one thing,
5 they're supposed to be doing dockside sampling. Is one boat
6 sitting there every time that they go out to the docks? There
7 should be some kind of indication that these boats are not
8 fishing at all, or hardly fishing.

9
10 With that, they should possibly be the ones that are being
11 targeted a little bit on their reporting, and that would help
12 alleviate some of the angst on having the landings history more
13 accurate. I think that it's important that they get the
14 landings history, and I think that, in our situation, I don't
15 have a problem at all with having other headboats come in with
16 us, but they do need the landings history also, because we've
17 been doing that, but, even if they've only got it for three
18 years, we can compare that, whatever they give, with what the
19 averages are on our side that have had these catch limits or the
20 landings history forever and see, okay, well, are they similar
21 or are they really skewed? Are they just way out there, or do
22 they have -- Their numbers, do they seem to be correct?

23
24 I think that those things, those questions, can be answered by
25 those who are collecting the data and kind of alleviate some of
26 the problems here with the latency.

27
28 **MS. STAUGLER:** Go ahead, Gary.

29
30 **MR. JARVIS:** Also, before we put our little sticky dots up
31 there, especially if we're combining the two documents together,
32 one of the things that this example here is, and what we're
33 talking about, is to address the issues that Amendment 41 is
34 facing that Amendment 42 doesn't have, because they do have
35 catch history.

36
37 There is a possibility here that we can go ahead and keep the
38 headboat Beaufort landings history as part of their initial
39 allocation and they can avoid this portion of the three-year
40 timeline or something for the redistribution, and so, when the
41 entire document goes up for referendum and is passed and we
42 begin to initiate it as designed, those guys will get their
43 allocation upfront and can press on with doing business. Then
44 we can press on with our initial distribution. Then, over time,
45 it gets reestablished. Then there is no interruption for either
46 group as they move forward.

47
48 **MS. STAUGLER:** All right. Are we ready to put our dots on our

1 preferred option? Chad, go ahead.
2
3 **MR. HAGGERT:** Just one comment to that there. If we're looking
4 at using the Beaufort study of the numbers as part of the
5 headboat thing, then I don't see a reason to combine the two
6 amendments. If you've got one set, one group, that is set to do
7 it with the cyclic redistribution and go with that and you've
8 got the headboats that already have the number, that's more of a
9 reason to keep them in separate amendments.
10
11 **MS. MUEHLSTEIN:** I think, once we address this, then we can
12 address that.
13
14 **MR. ELLER:** This is just discussion for charter boats.
15
16 **MS. MUEHLSTEIN:** We are talking charter right now.
17
18 **AP MEMBER:** So give me a timeframe of two-thousand-whatever on
19 each one.
20
21 **MS. MUEHLSTEIN:** This is 2019, this is 2020, and this is 2022.
22
23 **AP MEMBER:** So we're assuming that, by 2019, we will have
24 electronic logbook reporting? That's how we're assuming that
25 we're going to get the data?
26
27 **MS. MUEHLSTEIN:** That's with this one. We have electronic
28 logbooks for one year.
29
30 **AP MEMBER:** In 2019? So we would have logbooks in 2019, we're
31 assuming. Without that, we have no redistribution, because we
32 don't know of anything that has gone on, and so there is an
33 assumption there.
34
35 **DR. STEPHEN:** Part of that assumption is they will get funding.
36
37 **AP MEMBER:** If it's 2019 without electronic logbooks, how are
38 you redistributing to somebody that you don't know fished or
39 didn't fished?
40
41 **MS. MUEHLSTEIN:** That's why I didn't put the years up there,
42 because what we're looking for is the mechanism rather than the
43 years, but the idea is we have an approximated time period for
44 each one.
45
46 **AP MEMBER:** We're assuming that we will have it. Okay.
47
48 **MS. STAUGLER:** Go ahead, Gary.

1
2 **MR. JARVIS:** I have been asked to clarify one thing, and I'm not
3 sure if it changes our dot setting exercise, but, in this
4 redistribution example, would it be like a first cycle in year
5 one and a second cycle two years later of that and the final --
6 Is it going to be like -- The cycle, would it be annually, until
7 the cycle is finished? Jessica, could you answer that, just for
8 clarity, because there is council members in here that would
9 like to hear that.

10
11 **DR. STEPHEN:** Again, this is something that I think the group
12 can decide. If you feel that that initial distribution is not
13 dead on, my recommendation would be to cycle seasonally. Every
14 season, do a cycle for say three seasons. Thereafter, you might
15 want to start stretching that out, and my recommendation would
16 also be probably to take back a higher percentage versus a
17 lower.

18
19 Again, my example up there was simple math, but, again, this is
20 a discussion that -- If you decide to go down this route, we
21 will have more meetings where you can hash out what is best for
22 the group as a whole, and so it could be one season for three
23 years and then do two seasons for a couple more cycles, et
24 cetera.

25
26 **MS. MUEHLSTEIN:** All right. We're ready to rock now. So, you
27 still have your sticky dots, and I think the idea here is that
28 we will each -- Everybody has a different color, depending on
29 what AP they're on, and I think, if you guys can just get up and
30 go ahead and put your sticky dot where you are sort of leaning
31 right now that maybe we can start to establish a pattern or a
32 direction.

33
34 Should we take a look at this? Just to decode this, because I'm
35 sorry that I didn't set it up that well, the red ones belong to
36 the Headboat AP members, the yellow ones belong to the Charter
37 AP members, and the blue ones belong to the members that have to
38 live in both of those universes.

39
40 What I am seeing is they're all over the board, but this one
41 might be one that we can take off the table for the purpose of
42 this discussion, because it's super minority. What that leaves
43 us with is potentially what looks like a desire for -- There is
44 a majority here that are from the Charter AP to wait for one
45 year and get that latency taken care of and then establish that
46 program using proxies.

47
48 Then, here, I am seeing some of -- It's not totally evenly

1 split, but there is, in some direction, a desire for some of the
2 Charter AP folks to want to just go for it now and then with
3 that cyclic distribution. Then it looks like there is a pretty
4 good support from the headboat group here to do it as fast as
5 possible, and understanding that they're sort of linked to the
6 timing of the program that comes out of the charter graph.

7
8 **MS. ANDERSON:** I think, with that, you need to find out, those
9 of us who are on the third page, what would we do.

10
11 **MS. MUEHLSTEIN:** Yes, we're there, but I'm just getting here
12 first. Based on the fact that we did remove one, and there was
13 four or five dots on that one, of those of you who are kind of
14 getting eliminated in this conversation, is there something that
15 can be done to make you more comfortable with the other two
16 options, one of the other two options?

17
18 **MS. ANDERSON:** I think the second option, which was the middle
19 one, would be the closest, because, the more data you have, the
20 better the whole system will work, if it's going to work at all,
21 and so you can't go into a situation guessing and think that
22 something good is going to come out of it. We're talking about
23 people's businesses, and I think that there at least needs to be
24 one year of data.

25
26 **MS. MUEHLSTEIN:** Okay. Thank you. Is there anybody else that
27 kind of just got eliminated that would like to express their
28 thoughts on the fact that they have been eliminated and what
29 they would prefer in lieu of that?

30
31 **AP MEMBER:** Just to address that, it seems to me that the issue
32 is that that is likely to be skewed data, because you can't go
33 back and set a control date from before everybody knew that this
34 was going to be used to develop their catch history.

35
36 That is the issue here. I mean, we would all like to have three
37 years of solid data now, but you can't say, okay, everything
38 from here on out is going to be what you get in the future.
39 People are going to fish more than they normally fish. People
40 that don't normally fish are going to either say they did or
41 they're going to go do it to build it, and so I think there is
42 inherent flaws in collecting data after you announce that this
43 is going to be used to eliminate you, possibly, in the future.

44
45 **MS. MUEHLSTEIN:** Okay. Eric, go ahead.

46
47 **MR. SCHMIDT:** Has there been any control date established by the
48 Gulf Council on either one of these amendments? Just on

1 headboats?

2

3 **AP MEMBER:** December 31, 2015.

4

5 **MR. SCHMIDT:** So nothing on charter boats?

6

7 **MS. MUEHLSTEIN:** Okay. Cliff, go ahead.

8

9 **MR. COX:** I agree with what Eric just said, but I think either
10 one of the first two will still result in weeding out the people
11 that are in the fishery and the people that are not in the
12 fishery, and there is no way that -- Like you just said, if you
13 start trying to establish catch history, it's going to cause
14 effort shifting, and it's going to really be a distorted picture
15 of what actually has happened in the past, and so I think either
16 one of those two, whichever one they can decide on, would
17 probably end up achieving the same goal, the end goal anyway.

18

19 **MS. MUEHLSTEIN:** Okay. Any other thoughts about the differences
20 between these two and some rationale as to why we might go one
21 way or the other?

22

23 **MS. STAUGLER:** Go ahead, Gary.

24

25 **MR. BRYANT:** On these two, I think it's -- I voted on the middle
26 one, not being greedy, but let me explain my rationale for why I
27 think I come out better on the middle one between the two.
28 Under the gather one year of data, that keeps us in a derby for
29 one more year, and so we know we're going to have so many days,
30 as opposed to -- We've seen the decision tools, and we know our
31 first year is going to be less.

32

33 We are able to put the electronic logbooks on and fish under the
34 derby to determine our universe, and then we move into a proxy.
35 Well, there is going to be a lot of latent permits that are not
36 going to put the ELBs on their boats, and so this allows us to
37 fish longer that year, and then we go into the proxy with less
38 boats, and so we get more fish. That is less pain, in my
39 opinion, and that's why my rationale for going with the gather
40 one year of data, as opposed to straight into it.

41

42 **MS. MUEHLSTEIN:** To follow up and ask you a direct question,
43 we're trying to find a middle ground, right? We're trying to
44 make a decision between these two, and so I kind of understand
45 that there is some people on this side and some people on this
46 side, and we need to sort of figure out what we can do to make
47 everybody happy and find a middle ground.

48

1 There are ways that we can retool this redistribution. Jessica
2 also mentioned the idea of potentially having some sort of
3 carryover, so that, the first year, if we went with this way, it
4 kind of stinks on ice, but, some of the other years, maybe we
5 can make up for that problem sooner and then also deal with the
6 uncaught quota from the year. Is there something in what we've
7 heard that might help you come the other way?
8

9 **MR. BRYANT:** What swayed me in going strictly with the three-
10 year plan was the possibility of trading. We're going to throw
11 these fish out there in places we know they're not going to be
12 caught, but the idea is, if you don't catch it, it's going to go
13 back in the pot and be redistributed the next year, but I like
14 the idea, and we can build this however we want. We're building
15 this program.
16

17 During this initial however many years, if you trade that fish,
18 it counts as you didn't catch it, but you have helped somebody
19 else maintain their business. You're not going to catch it
20 anyway. You don't get credit for catching it, but you have
21 helped your -- You have put the fish where they need to be, and
22 we're not leaving them in the water, and we get to work some
23 more, and so that idea concept of being able to trade -- There
24 is no money involved, or I'm not talking about trying to profit.
25

26 Once you trade it, you didn't catch it, and so it's going to get
27 redistributed, and, this distribution time, we will determine
28 how long that lasts, until it stabilizes, but that was a factor
29 that allowed me to come off the three years.
30

31 **MS. STAUGLER:** Jim and then Gary.
32

33 **MR. GREEN:** I was going to say that I see that there is some
34 headboat stickers up on the one that gets it done the quickest,
35 and I understand that, and I appreciate how coming to the table
36 the pure headboat folks are. It's very encouraging to see us
37 all work together.
38

39 Without any disrespect, we waited two years for the EFP to go
40 through. For some of us, that was a very trying time, and so
41 one more year, getting that one year of data, would be very
42 helpful and cross a lot of -- It would put a lot of checks on
43 the boxes of what we need to get done, and I would hope that
44 maybe they would consider moving it one more year, after we
45 waited two years for the EFP to conclude. That's not too much
46 to ask, so that we could form more consensus in that manner. It
47 might be asking too much. It might be out of the --
48

1 **MS. MUEHLSTEIN:** That sounds sort of like an appeal to the
2 headboat guys that want it done the fastest. You recognize too
3 that there is also charter folks that have asked that same
4 thing.

5

6 **MR. GREEN:** Yes, I do, but I voted for the second one. That's
7 why I'm lobbying for that.

8

9 **MS. MUEHLSTEIN:** Okay. For those charter folks that have voted
10 for the first option, this idea of moving forward immediately,
11 is there anything that can bring you over to the other side? I
12 mean, it sounds like we've heard some rationale that says we
13 don't want to have this derby type of situation, where people
14 might inflate their landings.

15

16 **MR. GREEN:** I thought the second one wasn't about landings and
17 it was about showing participation.

18

19 **MS. STAUGLER:** The second one is.

20

21 **MR. GREEN:** That that shouldn't be a concern, inflating
22 landings. She just said that she was concerned about a derby
23 and --

24

25 **MS. MUEHLSTEIN:** I am not. I am using other words.

26

27 **MR. GREEN:** All right. Maybe I misheard you then.

28

29 **MS. STAUGLER:** Go ahead, Ed.

30

31 **MR. WALKER:** I think, if you narrow it, if you're going to go
32 that route, a one-year derby, number one, that's only red
33 snapper, I think. It seems like it would make multispecies more
34 difficult, but maybe not. Maybe you could do all of the
35 multispecies in a one-year. A one-year derby, if we're lucky,
36 it's forty-five days or something. That's what you get. If it
37 blows twenty-five miles an hour during the red snapper season --

38

39 **MR. GREEN:** We call it June-tober, and we go in six-footers all
40 the time, but we do that now. We do that now, and it's not to
41 build up a catch history. It's to prove that we participated.
42 That's the whole point of having it. It's not that we caught
43 all of these pounds of fish.

44

45 **MR. WALKER:** I get it, but I just -- I don't know. Forty-five
46 days to demonstrate your total participation in the fishery
47 seems a little narrow to me.

48

1 **MS. MUEHLSTEIN:** Jessica, can you sort of help clarify what's
2 going on here, because I think there's some confusion.

3
4 **DR. STEPHEN:** Yes, and I think I want to kind of focus the
5 discussion a little bit. If we're talking about using the one
6 year of electronic reporting, I am not sure who mentioned it,
7 but remember that electronic reporting is going to come with
8 some requirements. It's an electronic logbook. We know VMS was
9 up there at one point in time, and that's been taken off, but
10 some type of electronic equipment on your boat, of some way,
11 shape, or form, is still on there.

12
13 As someone mentioned, those people who are not actively fishing
14 at all any species, that will be quickly identified, through the
15 fact of either the equipment is on there but not turned on,
16 where they declared no fishing for entire year, month, et
17 cetera. That takes your large number of vessels and immediately
18 decreases it, regardless of species.

19
20 Into the multispecies, electronic reporting will be collecting
21 everything, and so, whether you guys go forward with red snapper
22 or all five species or something in between, we can determine
23 activity, at least in fishing in general, and maybe that's where
24 you guys want to stop with the redistribution, using the proxies
25 of only that.

26
27 Maybe you want to go on further with some kind of passenger
28 capacity and regional, but those are ideas that we can work out
29 down the road, and I just kind of wanted to focus the idea that
30 this one year of data is really about identifying those vessels
31 that are not fishing at all.

32
33 **MS. MUEHLSTEIN:** Which is to say that, potentially, it's not
34 going to establish some landings history that is, in the future,
35 going to haunt you or not.

36
37 **DR. STEPHEN:** Correct. Then what it also does, of course, is
38 our calculations are on all permits right now and all of those
39 decision tools. Consider, if all those permits are decreased to
40 a smaller number of permits, but your amount of quota we're
41 still allocating is high, everyone gets more, in some way,
42 shape, or form.

43
44 **MS. STAUGLER:** Go ahead, Johnny.

45
46 **MR. WILLIAMS:** What validation method are you all going to use,
47 say if you do the one-year gathering? As Ed mentioned, some
48 folks might want to change the way they fish, and some folks

1 might want to claim fish that they never caught. What sort of
2 validation tool would you have to ensure that people were
3 reporting accurately, so we wouldn't have situations where
4 somebody off of Texas reported going out and catching a limit of
5 red grouper for everybody on their boat one day when they never
6 have seen a red grouper before in their life?

7
8 **MR. ELLER:** Why don't we just use the one that they use on the
9 partyboat data right now?

10
11 **MR. WILLIAMS:** When we did the headboat survey --

12
13 **MR. ELLER:** The Beaufort.

14
15 **MR. WILLIAMS:** Yes, and, when we did that -- We started doing
16 that voluntarily before 1990. In 1990, we were required to,
17 and, through the years when we were doing all of this, there was
18 no plan on using this, other than, at that time, just a tool to
19 see what the catches were.

20
21 There was no intent, in 1990, when we were required to do it,
22 that these were going to be used for -- We viewed it as a burden
23 and not as a blessing, and so there was no reason for us to
24 misreport anything, because it wasn't going to affect anything
25 one way or the other.

26
27 **MS. MUEHLSTEIN:** Jessica, can you answer Johnny's original
28 question, which is about validation in that first year?

29
30 **DR. STEPHEN:** What I want to remind you guys about is the for-
31 hire electronic reporting requirement has built-in validation
32 aspects to it. There is the hail-in with the number of fish
33 prior to arriving at the dock, which means, when a port sampler
34 and law enforcement agent is there, they can see whether you
35 reported correctly.

36
37 There are scientific methods to take a sub-sample and figure out
38 what that is on the whole for the region, and there are some
39 fairly robust ones that the Science Center is working on. Those
40 are built automatically into the electronic reporting. If you
41 went with the other option, with the catch share, most likely we
42 would have some very similar scenario, like we did in the
43 Headboat Collaborative, which is you hailed-in with how many
44 fish, and we had validation by when people were there, and it's
45 not going to be every time. It's not even every time with
46 commercial, but it's enough to keep people honest.

47
48 **MR. JARVIS:** That is written in the amendment that is up for

1 final action, Johnny, what she just said. That's actually in
2 the amendment. There is a level of validation that, if they
3 pass the amendment, that the agency will have to implement in
4 their ELB plan.

5
6 I want to address Gary's comments real quick on the issues of
7 trade. If we develop this, and recognizing the fact that it's
8 never been done before, and there is a tremendous amount of
9 distrust on any type of rights-based management in the first
10 place, and so, whatever we do, it's going to have to pass -- It
11 has to be a product that will pass a referendum.

12
13 The only reason it will pass, or has the capability to pass, is
14 if there is a level of confidence in those that right now
15 mistrust the present management system that this will work for
16 them. In my community, the words "trade" or "sale" or "transfer
17 of allocation", that kind of stuff, when they're already
18 suspect, is really a non-starter.

19
20 I really think that, if we go through some form of proxy system
21 with this redistribution, that we need to allow a honeymoon
22 period, so guys can get comfortable with ELBs and get
23 comfortable operating in rights-based management, and then I
24 don't want to make a decision five years from now that the
25 younger guys may want to address trade or transfer or those
26 kinds of things. I think trade and transfer, coming right out
27 of the box, will scare the hell out of people, and it will
28 prevent a referendum from passing.

29
30 I think we need to curb that trade conversation. I do
31 understand that it's a really important conversation, but I also
32 think it's sort of secondary to the question that we're asking.
33 I do hear that it was sort of helping you to sort of come this
34 side, and so I appreciate that, but let's hold that off until we
35 figure out how many programs and what kind of programs we're
36 going to design, at which point that's totally an appropriate
37 conversation to have.

38
39 We are still working here on this kind of split decision that we
40 have going on. What I just sort of heard was, if we wait for
41 that year, that one year, we don't have to sort of establish the
42 landings. This fear of the inflated landings and things like
43 that might not be an issue, because there is going to be
44 validation.

45
46 Then, secondly, we're going to use that information. We're not
47 necessarily going to use that information to establish a catch
48 history, because we've already decided not to establish a catch

1 history. We're going to move forward with the proxies and this
2 redistribution idea.

3
4 I am wondering if, in light of that information, that the sort
5 of potential inflation of landings, because of this one year,
6 isn't necessarily a concern, because all we're doing is trying
7 to establish participation or no participation, and does that
8 help anybody that is over here move in the direction of giving
9 us one extra year to help define latency?

10
11 **AP MEMBER:** I would speak to that. I think that's a valid
12 point, but there is also other benefits to the Number 1 there
13 that you didn't mention, like multispecies. That one does more
14 than identify participants. It starts the process already, and
15 so that's not the only issue between these two.

16
17 **MS. MUEHLSTEIN:** The other issues being?

18
19 **AP MEMBER:** It seems like without choosing who is latent and who
20 isn't with some other manner. Everybody gets some share at the
21 beginning, whether it be equal or weighted or whatever, but then
22 the transfer process of people getting multispecies fish, like I
23 said, triggerfish, that I don't need, will start -- A part of my
24 triggerfish could go to Gary over there in Alabama, who it would
25 help his business to get triggerfish, and I have no use for
26 triggerfish, really.

27
28 I mean, I would probably keep some, but most of my landings I
29 wouldn't need, and so, if someone else can use them better, and
30 so I think that's a benefit to Number 1, besides just -- Both
31 would identify participation, I think, but there is more
32 benefits to Number 1 than just identifying participation.

33
34 **MR. BRYANT:** I just want to reiterate that my point was, going
35 on Number 2, is you would define the universe while fishing your
36 normal seasons. You would get another year of what you're used
37 to, instead of going straight into it's divided up amongst
38 everybody. Then, when you went into year two, there would be
39 less boats to be divided up against. Does that make sense?

40
41 If we could do year one, we're going in full, every permit. If
42 we wait, we're fishing a year normal with electronic logbooks
43 and then we're going into our proxy at a lower number, and so
44 that means you're going to get more. You're going to go into
45 the proxy with more fish, and so it would benefit your business,
46 I would think.

47
48 **AP MEMBER:** I am just wondering, is it not -- Would it not be,

1 like Gary just said, that you would go into 2019 with 100
2 percent participation, every charter vessel permit, and I may be
3 wrong, but I'm just thinking that probably not 100 percent of
4 them are going to participate and get the electronic logbook.
5 Maybe we could also require a business license and I don't know
6 what else you could do, but I think there would be -- You
7 wouldn't go into year one with 100 percent, I don't think.
8 That's just a thought.

9
10 **MR. ELLER:** Then the other thing that you could do, and it was
11 mentioned earlier, is that you could -- On the first year, where
12 you redistribute, instead of redistributing 50 percent, you
13 would redistribute a large amount, like call it 70 percent, and
14 so that would get you -- It would get the people that are not
15 fishing -- It would get the fish away from them faster, and it
16 would get the fish to the people.

17
18 Instead of reclaiming 50 percent that first year, you could
19 reclaim 75 percent and do it that way, and it would move you
20 along faster. If you wait the one year, you're definitely going
21 to be a little more accurate, and you're not giving fish,
22 necessarily, to a bunch of people that aren't going to use them.

23
24 **MS. MUEHLSTEIN:** Okay. I still think that we might be having
25 trouble sort of reaching a consensus answer right here between
26 these two. I don't want to diminish the fact that we have
27 already sort of made a big decision by being kind of able to
28 eliminate one out of the pool, and so what I would like to do
29 right now is move on from this to our next topic, just sort of
30 in the interest of time.

31
32 If we can, we can sort of revisit it, or it's something that
33 maybe we want to revisit later, but we've made some headway. I
34 think that's okay right now. I am not seeing the consensus
35 happening, and so let's move on.

36
37 I think what we need to move on to is figuring out what we want
38 to work on or how we want to deal with the headboats and their
39 landings history. If we're going forward in designing a program
40 or programs, the headboats that are in the Beaufort survey have
41 established landings histories, and so I think what we need to
42 start addressing, as we move forward, is how we want to handle
43 the fact that they have that.

44
45 Would anybody sort of like to kick off that discussion with an
46 idea on how we move forward in handling the headboats and their
47 individual landings history as we develop a program or programs?
48

1 **MS. STAUGLER:** Tom and then Johnny and then Skipper and Eric and
2 Chad.

3
4 **MR. STEBER:** I guess the way I see it is you've got a catch
5 history, and you've got X amount of boats, and you divide up the
6 fish. Based on when we created sector separation in 40, that
7 was the number we're using, and so, if you use that number, and
8 if that number is 43 percent of the recreational sector, and, at
9 that time, the headboats caught 28 percent of that 43 percent
10 and the charter/for-hire caught 72 percent, then you use that
11 number. You divide it up based on catch history. Now, we've
12 got to come up with a way to handle new participants. That's
13 the only thing I think we've got to come up with.

14
15 **MS. MUEHLSTEIN:** Thanks, Tom. Johnny.

16
17 **MR. WILLIAMS:** Well, once again, I think, when we filled out
18 these reports, as I mentioned before, there was no reason for us
19 to try to fudge them or anything like that. I mean, we've got
20 the raw data there.

21
22 We have got the data on all the species that we caught, not just
23 the five that we're going to be including here, but all the
24 species. We have to report every single fish that we catch, no
25 matter what the species is. We've got really good data. We've
26 had a pilot program that was overwhelmingly successful, and I
27 feel like we're ready to go.

28
29 The people that have caught these fish are the people that were
30 historically dependent on it, and so we don't have to worry
31 about trying to weed out people that aren't catching the fish
32 and aren't dependent on them and stuff like that, and so I
33 strongly urge this group to go forward and approve the headboat
34 landing histories as a way of prosecuting the fishery. Thank
35 you.

36
37 **MS. MUEHLSTEIN:** Skipper, you're next.

38
39 **MR. THIERRY:** It sounds like the goal of just about everybody in
40 this room is to get the fish to the people that need them as
41 quickly as possible. That seems like that's the easiest way to
42 do them in the headboat portion, is to use the landings.

43
44 **MS. MUEHLSTEIN:** I haven't heard much opposition yet. I think
45 we have two more people or three. Eric.

46
47 **MR. SCHMIDT:** I would step back for just a second to the
48 conversation we were having before lunch. I received a text

1 message at lunch. The Mid-Atlantic Fishery Management Council
2 just dealt with an issue last year regarding blue-line tilefish.
3 According to the Mid-Atlantic Council, their definition of a
4 headboat is -- I will read the text. It took the Mid-Atlantic
5 Fishery Management Council ten minutes to indicate that the
6 United States Coast Guard has legally been codified in the
7 regulations that it's defined as a vessel that carries more than
8 six passengers and is subject to both hull and equipment
9 inspection in order for it to take customers.

10
11 The definition had to be approved at the April 2016 meeting, in
12 order to implement the blue-line tilefish fishery management
13 plan, and the council adopted this definition at the advice of
14 NMFS legal counsel.

15
16 **MS. MUEHLSTEIN:** Okay. I think, while that's helpful if we want
17 to start talking about redefining the definition of a headboat,
18 right now the conversation is based on the vessels that have
19 landings and what we do with those landings. I think that put
20 Chad next.

21
22 **MR. HAGGERT:** I stated earlier that the boats that have the
23 landings, we need to be able to use those. I've got -- Tom
24 mentioned new entries, and I think that can be discussed in 42.
25 I brought it up yesterday and earlier today.

26
27 I can't speak for the whole 42 AP, but I think we need to
28 discuss a way to have something set aside for new entries, and I
29 think, if I am understanding it correctly from talking with
30 Jessica earlier, that we might be able to work some type of the
31 cyclic redistribution in that, to help new entries in there as
32 well, if we decide to go that way.

33
34 There was talk earlier of combining the two amendments and
35 letting the headboats use their data that they got. My opinion
36 is move both of them forward separately. The headboats, we can
37 make accommodations for new entries into the system, but we've
38 got the data, and so we need to use it.

39
40 **MR. GREEN:** Back to what you were saying a second ago, Johnny.
41 You said that, back in the 1990s, we didn't have any reason to
42 pad these numbers and stuff like that, and that's correct. The
43 problem is that the headboat data that you're using is from 2011
44 to 2015. In 2013, we knew that the EFP was coming down the
45 pipe. In 2014 and 2015, it happened, and then the cutoff date
46 was December 31 of 2015.

47
48 There was approximately two-and-a-half to three years that you

1 could have padded your numbers, knowing that an allocation-based
2 fishery was being tested for your sub-sector. You can't pad
3 them today, because the cutoff date was 2015.

4
5 **AP MEMBER:** I can think of one trip in the two years that I ran
6 during that EFP that I wasn't checked by a validating officer.

7
8 **MR. GREEN:** Let me explain, because I wasn't in the EFP, which
9 you know, and I didn't see nobody. You know why? It was
10 because they were so concerned in validating the EFP. I saw
11 David Bartee once every two months, where I normally see him
12 twice a month, but the problem was -- It wasn't a problem, but
13 the reason why was because he was on Cliff's dock validating him
14 for the pilot project, and that was a priority at that time.

15
16 Those of us that weren't in the EFP saw less validation during
17 that timeframe, because you know as well as I do that they've
18 only got like five validators for the whole Gulf or eight maybe
19 or something like that. I am just saying that we can't say that
20 it wasn't, because there was two-and-a-half years there where I
21 don't think that Chad or Cliff -- I know you didn't, because you
22 were under a microscope. I know I didn't, but that's not to say
23 that everybody else adheres to the moral code that some of us
24 hold, and that's all that I'm saying.

25
26 **MS. STAUGLER:** Okay. One more from Charlie.

27
28 **MR. PAPROCKI:** We went over some of this in the Headboat AP
29 there. We hashed it out, and there were some issues with it the
30 years that we did pick, the last five years, like Jim said, and
31 let me see. One of those five years, we had nine days, and I
32 think the EFP, I guess, they used 2011 for their data to base
33 theirs on.

34
35 In the years 2013 and 2014, and was that the EFP? Were those
36 the years? It was 2014 and 2015? They could catch -- Whatever
37 data they had from that, they had a whole year to catch them,
38 whereas we had limited days, but I think there was issues with
39 that, which days.

40
41 The other question was you asked where the data came from, and
42 is this corporately or individually? Which are we using? I
43 should have asked that first, but I don't think some of the
44 boats should get penalized if they have an older permit too, if
45 they've been doing it for years and the history and all of that,
46 but they took the recent five years, and I asked scientists at
47 the meeting how do we do that? How can they use those years and
48 we only get nine days? It never was answered. It never was.

1
2 **DR. STEPHEN:** Just some clarification on that, because I don't
3 want us to belaboring a point where we've kind of handled some
4 things. When we looked, in Amendment 42, we recognized 2014 and
5 2015 being Headboat Collaborative years, and those were not good
6 years to use between the split between charter and headboat, and
7 so it isn't negatively affecting the distribution between what
8 went to the survey headboat vessels versus the rest of the
9 amount, and so that was addressed in 42 and acknowledged.

10
11 Now, what was allowed, and this could be open for discussion as
12 these go down, but I don't want to dig too much into it, is if,
13 within the headboat sector themselves, they agreed with their
14 distribution among their quota to use it, that may be viable.
15 We had, I think, quite a few different options of pick your best
16 year out of these and things like that. The years though are
17 something that we can work with the groups as a whole to come to
18 a consensus, and I don't want that to drag down the rest of the
19 discussion.

20
21 **MR. PAPROCKI:** Why are we asking it then? Are we asking it to
22 regroup what we did? We already went through all of that, and
23 so we're asking it again? You know, about where the
24 distribution is?

25
26 **DR. STEPHEN:** I guess I think the point of whether -- The
27 question is, and I might be understanding this wrong, is whether
28 you guys feel comfortable letting the headboats use their
29 landings to determine headboat kind of subcomponent quota or if
30 you feel -- This kind of goes hand-in-hand with the two programs
31 or one program idea, that their landings should not be used and
32 they should go under a similar method as the rest of the for-
33 hire fleet and the pros and cons of each of that. Did I handle
34 that right, guys? Is that your intention?

35
36 **MS. MUEHLSTEIN:** That's exactly right. So, to reiterate, the
37 idea of letting the headboats, as defined by the program, and so
38 I guess the survey vessels, and we'll call them that, use their
39 landings history in a program moving forward. Now, whether that
40 be two programs or whether there is a way to do it in one
41 program, we just are trying to figure out, as we move forward,
42 how to handle the fact that we have a group of boats that does
43 have an established landings history and then we have a group of
44 boats that doesn't.

45
46 At this point, I haven't heard a whole lot of negative against
47 it. I haven't heard a whole lot of dissention. I have heard
48 some concerns, potentially, with the years that we're using in

1 that landings history. I have also sort of heard the rebuttal
2 that, during those years where they maybe would have been able
3 to inflate those landings, they were under a microscope, and so
4 that might not be a concern. Really, that's what we're trying
5 to do, is just the --
6

7 **MR. PAPROCKI:** Just the general years? Just using it? That's
8 all I mean.
9

10 **MS. MUEHLSTEIN:** Just using the landings history, period. I
11 know Pam has her hand up, and then we've got Cliff and then Tom.
12

13 **MS. ANDERSON:** A couple of things. One question I have is why
14 are we talking new entrants when it's a limited access program?
15 New entrants, I would think, would be purchasing a permit and
16 taking that catch history with them, and so I don't know why
17 we're talking new entrants.
18

19 Then the other question, as far as the delaying and putting the
20 headboat amendment forward, I don't think we're ready for that,
21 because there is some things that really haven't been answered,
22 and this has come up today. The question about new entrants is
23 not decided, and the latent system of are we going to accept any
24 of the latent permits into our amendment and how are we going to
25 do that, and what is a headboat? Nobody has decided exactly
26 what a headboat is here, and so we need to be finalizing some of
27 those issues before Amendment 42 even moves forward. It's
28 getting where it's closer to ready than 41, but it's not ready.
29

30 **MS. MUEHLSTEIN:** I do think you're kind of jumping ahead,
31 because we're actually not sort of talking about Amendment 41
32 and 42. We haven't made a decision as to how we're going to go
33 forward, and we are talking -- Just to take away the concerns
34 about the definition of a headboat, we are specifically talking
35 about whether the landings of the vessels that are in the
36 Beaufort program, the historical landings, should go forward or
37 not, and so that's notwithstanding how we define the word
38 "headboat". I am literally talking about those boats that
39 already have a landings history.
40

41 **MS. ANDERSON:** Okay, and I believe that's an absolute given,
42 because we've done it for thirty years. We should be given the
43 opportunity to use that information.
44

45 **MS. MUEHLSTEIN:** Okay. Then it sounds like Jessica has
46 something to say.
47

48 **DR. STEPHEN:** I am adding to my long list of words that have

1 ambiguous meanings. So not only do we have latency, but we have
2 actually new entrants. We use that term really in probably an
3 inaccurate manner. What we're talking about are replacement
4 fishermen, fishermen who are buying another permit, and so they
5 might be new to the fishery, but they are not -- We're not
6 getting rid of permits, and we're not increasing the number.
7 It's a replacement fishery. It's fishermen who are buying a
8 permit from someone who is exiting the fishery.

9
10 **MS. ANDERSON:** But, if he's buying that company, he is also
11 buying the history.

12
13 **DR. STEPHEN:** Correct, if we use permit history as a mechanism
14 to define it. Now, in the headboat survey vessel portion of the
15 amendment, we chose vessel history over permit, and so, when you
16 think of catch history, we have traditionally chosen permit in
17 the Gulf, but not every region has. Sometimes they have chosen
18 vessel history over the permits, regardless of what permit.

19
20 There are, again, endless variations to it, but I want to be
21 careful when we say "new entrants". That gets confused a lot.
22 Particularly, in the commercial, it got confused with we're
23 trying to decrease capacity. This doesn't change capacity.
24 It's just a replacement fisherman.

25
26 **MR. COX:** I think we're all pretty much in agreement that we
27 want the fish to go where they need to go and where they should
28 go. In my mind, the only tool we have, the best tool we have,
29 for right now is the landings. That is really the only tool in
30 the toolbox at this point, and so I think we definitely need to
31 use the landings history and then come up with the best
32 alternative for the charter guys.

33
34 **MS. MUEHLSTEIN:** Are you then prepared to offer up a statement,
35 a consensus statement, for us to consider?

36
37 **MR. COX:** Yes.

38
39 **MS. MUEHLSTEIN:** Okay. Do it.

40
41 **MR. COX:** I am saying that we should use the catch history.

42
43 **MS. MUEHLSTEIN:** So the landings histories for the survey
44 vessels be carried forward into the program that is developed or
45 programs.

46
47 **MR. COX:** Yes. If you want to leave it there, we can leave it
48 there, or we can add that we want to come up with the best

1 alternative for the charter vessels.

2
3 **MS. MUEHLSTEIN:** Okay. We will get that on the board. Then, of
4 course, my next question, and I'm sorry I cut off the whole line
5 of you guys. What is being proposed right now is that the
6 landings histories for the headboat vessels -- Not headboats.
7 For the survey vessels. We're avoiding the use of the word
8 "headboat", because there seems to be some confusion about what
9 that means.

10
11 The landings histories for the survey vessels should be brought
12 into the program or programs. Is there any opposition to what
13 we're working on here? Okay. I've got one. Gary.

14
15 **MR. JARVIS:** Actually, it's semi in opposition and semi in
16 support. I don't have a problem, in a multispecies type of
17 scenario, where the Beaufort survey boats that record their
18 landings get an allocation based on that historical survey.

19
20 The problem is what is not addressed is the boats in there that
21 don't have historical landings in some of the species that we're
22 talking about. I think they have a large-capacity boat, and I
23 think you were speaking of it.

24
25 You have some half-day grunt boats and stuff like that that are
26 in Beaufort, but they have no landings, and that's fine, because
27 there is good chance of them getting charter/for-hire allocation
28 are diminished, but we still have it -- Under this particular
29 scenario, you still don't address any of these high-capacity
30 permits that would be considered boats or some that are even in
31 the Beaufort headboat study from dipping into the charter boat
32 portion of the allocation, using our proxy and redistribution
33 problem.

34
35 Until either 42 separately or we address it as a combined
36 document, we've got to address these high-capacity permits that
37 are listed as headboats. They have to be dealt with by the
38 active headboat participants.

39
40 Now, we're not going to support a high-capacity permit dump into
41 our sector, to where the guys that have landings histories take
42 their ball and go home and then we bear the burden of that other
43 sector, and so that's a deal breaker.

44
45 **MR. HAGGERT:** I don't know if this an answer or not, but I kind
46 of spoke on it yesterday, and I can't speak for all of the
47 headboat operators, but I think it is something that needs to be
48 discussed. I have no problem making concession for those high-

1 capacity permits. How we do that, I don't know. I would
2 imagine that it would have to be a set-aside to start with.

3
4 I called them new entries earlier, but my vision of that would
5 be, if somebody retires and buys a partyboat that doesn't have
6 any quota of we'll say red snapper, because that's the main
7 fish, but he's going to be in an area that has them, in my
8 opinion, I don't want to punish that guy because he just bought
9 it. I want to have him have something. I don't think it should
10 be as much as people that are historically fishing it, but he
11 should have the ability to come in and get something to start
12 his business going.

13
14 Then whether he leases or trades other species to get the one
15 that he wants the majority of, I have no problem with that.
16 That's something that I guess would have to be discussed at
17 another joint one or at the 42 AP, but I understand where 41 is
18 coming from with that.

19
20 In my opinion, we should address that, and I offered that up
21 yesterday, along with a couple other scenarios, to take some of
22 the burden off of 41, and I think the only thing that I've
23 really asked in return would be that we move them forward
24 separately, but address those problems that 41 has.

25
26 **MS. MUEHLSTEIN:** Okay. With that said, that question, sort of
27 that response, is there a way then that we can manipulate the
28 statement that we have on the board to reflect that in good
29 faith, so that we can sort of move forward to finalize our
30 thought process here? I would entertain that from either of
31 you, I suppose.

32
33 **MR. HAGGERT:** I am not good on that literary part of it, but the
34 landings histories should be brought in. I don't know how you
35 would word it to take care of the high-capacity permits that
36 we're speaking of here without saying that 42 could entertain a
37 set-aside to adjust for those high-capacity permits. I am not
38 sure what that would look like or how I would need to word that.

39
40 **MS. MUEHLSTEIN:** Let's let Jessica -- She might be able to
41 direct us.

42
43 **DR. STEPHEN:** I feel like I'm in the hot seat all the time.

44
45 **MS. MUEHLSTEIN:** You are. We need you.

46
47 **DR. STEPHEN:** I think, going along those lines, if you guys want
48 to make a statement of -- Let me try wordsmithing a little bit

1 and see what you go for. For vessels with high passenger
2 capacity that were not previously included in the survey, and so
3 that's kind of identifying that realm of vessels that I think
4 you're talking about, the survey vessels will consider a set-
5 aside. Now I'm at a loss for words. It's a set-aside with
6 future cyclic redistribution.

7
8 **MS. MUEHLSTEIN:** Okay. Then we'll erase that last part that you
9 got.

10
11 **MR. HAGGERT:** The reasoning for doing that is I've heard
12 somebody say it before, that it's all got to hurt a little bit.
13 Just like 41 doesn't want to absorb the high-capacity permits,
14 we still need a definition of what that is, because 42 doesn't
15 want to accept 150 six-pack permits as well, and so we'll find
16 some middle ground with that, but I think there is room to work
17 there on both sides to come to something that both groups could
18 live with.

19
20 **MR. JARVIS:** We attempted to address some of this same issue in
21 the charter/for-hire industry in Amendment 41, because we have a
22 large amount of latent permits as well, and I think the
23 redistribution idea that Jessica has brought is an attempt at
24 that.

25
26 I just want to make sure that what we're trying to accomplish
27 here, with this language, is a starting point and that we both
28 recognize that we haven't reached a panacea here. Not everybody
29 in my fleet may put a stamp of approval on that, but, as
30 written, it's a starting point, one that I can accept, myself
31 personally, and I don't know about the rest of the charter/for-
32 hire guys.

33
34 **MS. MUEHLSTEIN:** Okay. Let's then open it up again. We have a
35 current pending consensus statement right now that reads: The
36 landings histories for the survey vessels should be brought into
37 the program or programs. For vessels with high passenger
38 capacity that were not previously included in the survey, the
39 survey vessels will consider a set-aside with future cyclic
40 redistribution.

41
42 Hopefully that is allowing for the landings histories while
43 still considering a way to sort of deal with that group that
44 gives heartburn to the charter folks.

45
46 **AP MEMBER:** Take out the word "consider".

47
48 **MS. MUEHLSTEIN:** Okay.

1
2 **AP MEMBER:** Because, if you leave the option open --
3
4 **MS. MUEHLSTEIN:** Is that okay?
5
6 **MR. HAGGERT:** Like I said, I can't speak for everybody. That's
7 why I used the word "consider". That would have to be hashed
8 out.
9
10 **MS. MUEHLSTEIN:** We're speaking for this room right now. Karen,
11 will you take the word "consider" out of that consensus
12 statement?
13
14 **MR. HAGGERT:** As far as I'm concerned, yes, we can look at doing
15 that, but I can't speak for everybody on the panel.
16
17 **MS. MUEHLSTEIN:** With that change that says that the survey
18 vessels will set aside with future cyclic distribution, is there
19 anybody at this table that cannot live with this moving forward?
20 Is this a cannot live?
21
22 **MS. ANDERSON:** Pretty much.
23
24 **MS. MUEHLSTEIN:** Okay.
25
26 **MS. ANDERSON:** I think that putting "consider" back in there is
27 fine, and I think that it should be considered, but I also say
28 that, if the percentages that were laid out when they decided
29 this percentage was for the charter boats and this percentage
30 was for the headboats, and the headboat percentage was because
31 of their landings history -- If that's why it was figured that
32 way, then what it means is, whatever boats were put on the other
33 side, it was because of whatever they thought they caught over
34 there.
35
36 Some of those fish should be going over to the other one, and
37 that would be the right thing to do. Now, maybe it's a very
38 limited number, but really that is the way it should be, because
39 we do have the history. We have done the work, and it's not
40 because they didn't want to do the work. We have been
41 advocating, I have been advocating, for ten years for them to
42 get this, and Bob Zales has been doing it for twenty-five,
43 trying to get the logbooks. It hasn't happened yet, and it has
44 still not happened.
45
46 Regardless of the reasoning, that would be the fair way to do
47 it, because we know what we've got, and the allocation that was
48 set aside was according to the headboat history, as far as I

1 know, the headboat landings history. Thank you.

2
3 **MS. MUEHLSTEIN:** I think it's probably a good time to take a
4 twelve-minute break. Let's take a break until 3:20. Then we
5 will come back and readdress what we're working on right now.

6
7 (Whereupon, a brief recess was taken.)

8
9 **MS. MUEHLSTEIN:** All right. It looks like we're all wandering
10 back, at least those of us that are still here. I think we
11 might have lost a couple in the mix just then. Okay. How about
12 we start this last push with where we've been? Where have we
13 been already and what have we already accomplished?

14
15 I am sort of looking at my notes, and I am thinking that we
16 started with the idea that, as a group, we were going to sit and
17 explore an allocation-based program, and so that's obviously
18 what we've been doing. Some of the things that we've gotten out
19 of that exploration so far, just to recap really quickly, are
20 the headboats, kind of in good faith, agreed to align their
21 timeline for implementation of a program with that of the
22 charter, and so that's one of the things that we sort of have
23 determined in the last two days.

24
25 Another one that we went through is we determined which species
26 that we want to include in whatever program or programs is
27 designed. We have also narrowed down the decision to either
28 move forward using proxies immediately in the charter group or
29 to just get one year's data and then move forward using proxies,
30 with that sort of latency issue taken care of, and so we still
31 have a decision point there, but we made some forward progress.

32
33 Where that lands us is at this sort of next issue that we're
34 tackling, and this is the idea of what we're going to do with
35 those landings histories from the survey vessels, and so where
36 we left off before our break specifically was with this sort of
37 consensus statement in the making that landings histories from
38 the Beaufort survey vessels be brought into whatever program or
39 programs are designed.

40
41 Also, as a contingency, because I think there was some concern,
42 that four vessels with high passenger capacity that were not
43 previously included in that survey, the folks that were in the
44 survey will set aside some sort of allocation with future
45 cyclical redistribution, to allow for those guys to sort of
46 participate in that program.

47
48 **MR. HAGGERT:** I want to make sure that my meaning on that is

1 portrayed correctly on here, because I know there is a lot of
2 those permits out there that are good permits, but they're not
3 operational at this point, and so, when I talk about setting
4 aside quota for those, that would be contingent upon them being
5 on the proper vessel and ready to operate and not just putting
6 quota on those permits that are sitting there on a crew boat or
7 whatever the case may be now. If they're an operational vessel
8 and they're going to participate in the fishery, having that
9 ability in that amendment for that.

10
11 **MS. MUEHLSTEIN:** So does it work to say for active vessels with
12 high passenger capacity? Is that something that means anything
13 to you, Jessica?

14
15 **MR. HAGGERT:** Opposite of latent.

16
17 **DR. STEPHEN:** You guys all know that I hate the word "active".
18 It's another one of those ambiguous meanings. I think the point
19 though is well taken. At the very least, it needs to be a valid
20 permit, but, furthermore, you're talking a boat in the water
21 operating. That's the word we've been using, and I kind of like
22 that, rather than active.

23
24 **MR. HAGGERT:** I thought that's what I had said, operational
25 permit, and maybe I said active, but operational.

26
27 **DR. STEPHEN:** I'm not sure which one of us got active, but let's
28 go with operational.

29
30 **MS. MUEHLSTEIN:** So, for vessels with a valid permit that are
31 operating. I need help.

32
33 **DR. STEPHEN:** For vessels with high passenger capacity that were
34 previously not included in the survey, the survey vessels will
35 set allocation with future cyclic redistribution for those
36 vessels that are operational, and so it would kind of hit in two
37 ways, and my wordsmithing can go up to the group as a whole.

38
39 **MS. STAUGLER:** Okay. Eric and then Jim.

40
41 **MR. SCHMIDT:** The vessel that I ran last year for Speedy Hubert,
42 we operated out of Marco Island. It is one of those high-
43 capacity permits. We had 103 passengers on that particular
44 permit. In this scenario, we would then qualify for possible
45 distribution of red snapper shares, but we would have no use for
46 them, because, at that particular time, the boat fished no
47 further than fifteen miles offshore.

48

1 It was a half-day boat, geared for first-times and families. We
2 fished for grunts and lanes and small red groupers and things
3 like that. Then we would end up with red snapper, and that
4 would take red snapper away from somebody else that actually
5 could use it, and, if we can't transfer the shares, then those
6 fish go unclaimed.

7
8 **MR. HAGGERT:** I guess I'm not making the point that I'm trying
9 to make. If that permit, you're currently fishing it, but it's
10 a grunt boat right now, a half-day boat --

11
12 **MR. SCHMIDT:** (The comment is not audible on the recording.)

13
14 **MR. HAGGERT:** I've got you, because my idea with that is there
15 is a lot of the permits that are sitting there, and, if you
16 aren't going to have that permit on a boat to actively fish the
17 red snapper --

18
19 **MS. MUEHLSTEIN:** Or the five reef fish, any of the five reef
20 fish.

21
22 **MR. HAGGERT:** Or the five reef fish. The ability that, if you
23 wanted to access that fishery, there would be some set-aside.
24 It wouldn't be -- We would have to figure out what the number
25 is. My idea is not as much as the other boats equally, but a
26 certain number to get if you're going to access the red grouper
27 fishery or the red snapper fishery, that the ability to get your
28 foot in the door and get going would be there.

29
30 **DR. STEPHEN:** I just want to add to this a little bit. This
31 whole statement is going to take quite a bit of work to get
32 through, and I think the intent is there. We could possibly
33 build in that, if something like your vessel is not fishing it
34 and you don't want to take it away, that you maybe have an opt-
35 out scenario, where you say, hey, I don't need that from you
36 guys, but, otherwise, they would kind of plan to do it, and that
37 would take a bit of outreach, to make sure we have the outreach
38 out there, but I think we have some leeway to play with this,
39 and the idea was to be as inclusive as possible and then find
40 other ways to allow people to choose not to do that if they
41 don't want to, with the understanding that they're going to then
42 go into the charter side of things.

43
44 **MR. GREEN:** I was just going to build on what Chad -- The way I
45 understand it, because Chad has talked about it a few times, is
46 basically you're talking about a re-entrant and not a new
47 entrant, but when a permit is re-entering one of the five
48 headboat species. You're talking about having a little bit set

1 aside, so, if that permit wants to re-enter into the headboat.

2
3 **MR. HAGGERT:** Correct, because there's a lot of them sitting out
4 there right now that we all know that we've been talking about,
5 and my idea with it is not to fund those permits now. Somebody
6 said earlier that some people bought a lot of those, like a
7 stock, as an investment, and so my idea wouldn't be to get
8 somebody rich by funding those permits, but, if he sold one of
9 those permits to a person who bought a boat and wanted to enter
10 the fishery, there was a way for him to do that.

11
12 **MS. MUEHLSTEIN:** Okay. With that sort of said and everything
13 clarified, I think we need to revisit this and figure out if
14 we're ready to approve it and move on or if we still have some
15 sticky things that are deal breakers. So, the consensus
16 statement currently reads: The landings histories for the
17 Beaufort survey vessels should be brought into the program or
18 programs. For vessels with high passenger capacity that were
19 not previously included in the survey, the survey vessels will
20 set aside allocation with future cyclical redistribution for
21 those vessels that are operational. Is there anybody who cannot
22 live with this?

23
24 **MR. GREEN:** It's not that I can't live with it, but I was going
25 to ask that if maybe we could put high passenger capacities that
26 were/were not, were or were not, because there are some people
27 that haven't been in Beaufort for a long time, not since 2004,
28 when they started putting it with the vessel, that might have
29 been a part of it at the initial distribution of the permits,
30 but, for some reason, either that business has failed or someone
31 bought the permit and hasn't been able to reestablish it into
32 that fishery.

33
34 **MS. MUEHLSTEIN:** Okay. Is Jim's amendment to this a deal
35 breaker for anybody that was previously onboard? Okay. Cool.

36
37 **MR. GREEN:** Because you would still have to have the boat. You
38 still have to be qualified by Beaufort to get that.

39
40 **MS. MUEHLSTEIN:** Okay, and it sounds like, Pam, you had your
41 hand up as somebody that is potentially still not onboard with
42 what's going on.

43
44 **MS. ANDERSON:** We still haven't addressed it, if that boat was
45 on the side -- If their fish were on the side of the Amendment
46 41 group, that those fish should be transferred over to
47 Amendment 42, if they're going to be in Amendment 42. It may be
48 a very low amount, but at least something should come over to

1 Amendment 42 if we're going to put them in with the folks that
2 have had their history forever.

3

4 **MS. MUEHLSTEIN:** Okay. That there is some fish that then would
5 be left in the group that they're not fishing with. Okay.

6

7 **MR. GREEN:** I thought Assane made it clear, a couple of meetings
8 ago, that, if the permit is in 42, that whatever fish will be
9 moved with that, even if it's the estimation, or they will not
10 be -- Sorry, Assane. I know you're giving me a weird look, but,
11 if they aren't in 42 -- It was something to do with, if they're
12 in one or the other, they're not like -- 42 boats aren't going
13 to use all the headboat data if there is boats that were
14 included in that data and not in 42 anymore.

15

16 **MS. MUEHLSTEIN:** Okay. Assane or Jessica, can one of you guys
17 answer the question that Pam just posed?

18

19 **MR. GREEN:** You've got to talk, Assane, today. I haven't heard
20 you all day.

21

22 **DR. DIAGNE:** You know that's one of the most dangerous things,
23 giving me a mic, but I don't recall exactly the discussion, and
24 so I would reserve an answer and go back and read.

25

26 **MS. MUEHLSTEIN:** Okay. We've got Mike Nugent, and then it
27 sounds like we --

28

29 **MR. GREEN:** That is a cop-out. That is a cop-out. You were
30 there. You were there. You were there.

31

32 **DR. DIAGNE:** No, it is not. I just want to be very precise on
33 the statements that I make.

34

35 **MR. GREEN:** I appreciate your diligence.

36

37 **DR. DIAGNE:** Okay. If I said that, let's say, a vessel -- One
38 of the things that we used to discuss was this idea of opting in
39 and opting out, and that's what I recall. If a vessel decided
40 to opt out of 42 and wanted to be part of the management in 41,
41 then their respective allocation would follow them. That, I
42 said, but that is not what you said.

43

44 **MS. ANDERSON:** Then why would it not work in reverse?

45

46 **MR. GREEN:** I don't have a degree, Assane. I went to the
47 University of Gulf of Mexico.

48

1 **DR. STEPHEN:** Pam's point, I think, is a valid point that we
2 covered initially in some discussion. I think that maybe there
3 could be an and/or, and we can explore this more, either some
4 portion of set-aside and/or some portion of that, quote, charter
5 boat allocation moved with the vessels that move. It's
6 something that needs further exploration as a whole before you
7 guys can agree to it, and so I don't know if anyone wants to
8 modify your consensus statement or not, but it's an avenue we
9 can look to. It's hard to say whether anyone is going to agree,
10 I think, without knowing what that value is.

11
12 **MS. MUEHLSTEIN:** Pam, is there any way that we can amend this
13 then so that it reflects your concerns and takes them into
14 account? Will you let Mike talk to that?

15
16 **MR. NUGENT:** To that, yes. I think a good rationale could be
17 made from something that I talked about yesterday and something
18 I heard, I believe, Mark Hubbard talk about earlier today,
19 because I don't know how else we could deal with it, but it's
20 granted that almost every single headboat occasionally runs
21 charter trips where people book the whole boat, and that's just
22 part of the business, but I believe that, if we took into
23 account that there are occasions when headboats run charter
24 trips, where they are not running headboat trips, and that would
25 account for a certain amount of poundage that might compensate
26 for what we're talking about here.

27
28 **MS. MUEHLSTEIN:** Correct me if I'm wrong, but those landings
29 that you're talking about, depending on how the fee structure,
30 they are still counted by the survey, and they would still be
31 counting by the -- I don't think that that's necessarily
32 pertinent to the conversation that we're having, and so let's
33 move back to Pam with maybe amending this consensus statement,
34 so that it fits your needs. Then it seems like we're pretty
35 close to being all onboard.

36
37 **MS. ANDERSON:** Yes, because I know who the headboats are at our
38 marina. All of them fill out the surveys for all of their
39 trips. It doesn't matter. Even if it's a free trip for the Boy
40 Scouts, they fill out their fishing reports, and so that's
41 supposed to be what they do, and, as far as I know, they all do
42 it, according to David Bartee.

43
44 In addition, I guess I should say, for these additional vessels
45 that would be added to the program, a portion of what would have
46 been allocation in Amendment 41 would be transferred to
47 Amendment 42.

48

1 **MS. MUEHLSTEIN:** Maybe, actually, can we, rather than use the
2 amendment language, can we just talk about the sub-components,
3 and so maybe that would have been allocated to the charter
4 component or the non --
5
6 **MS. ANDERSON:** Yes, that works.
7
8 **MS. MUEHLSTEIN:** The non-survey vessel component would be
9 included.
10
11 **MS. ANDERSON:** It just seemed cleaner with the amendment in
12 there.
13
14 **MS. MUEHLSTEIN:** Yes, it is, but I just want to make sure,
15 because in case we decide not to attach it to these two. I
16 think that's more of a general. Okay. Did this amendment that
17 Pam just made turn anybody who was previously onboard off of
18 this? So you guys are not onboard with where we're going?
19
20 **AP MEMBER:** Could you repeat the question?
21
22 **MS. MUEHLSTEIN:** My question was Pam just amended it, and so
23 we're trying to get a consensus. The only problem that I saw,
24 when we first brought this up, was Pam wanted to amend it. She
25 just amended it, and so what I'm asking is, is there anybody
26 that was onboard with this going forward that is now sort of not
27 in support of it, based on the changes that Pam made? What I am
28 trying to do is --
29
30 **MR. NUGENT:** Can I ask a question? Other than the word
31 "portion", and whatever that would end up meaning, what is the
32 difference between that and what we started out this meeting
33 with, as far as those boats going into the charter boat section,
34 because, just like someone earlier had a big problem when the
35 word "consider" was in there, other than "portion", I don't
36 understand. That's the problem I would have with it, is I am
37 not sure of the difference now between what we had.
38
39 **MS. MUEHLSTEIN:** Jessica has a --
40
41 **DR. STEPHEN:** I can clarify that a little bit, at least from my
42 understanding, and you guys see if you agree with me. I think
43 what Pam added was two mechanisms to give to these vessels,
44 these high-passenger-capacity vessels, that were or were not in
45 the survey before, but don't have a landings history.
46
47 In doing this as both mechanisms, that proportion probably
48 wouldn't be as high as it would have been if you didn't also

1 have the headboat guys agreeing to set aside a portion as well,
2 and so I think it decreases the burden of how much, if we went
3 with just straight moving those vessels and moving a full amount
4 of quota from one component to the other.

5
6 It splits the difference, between the two components, of how
7 they're going to handle these vessels. That is my
8 interpretation of it, and feel free, guys, to tell me if you
9 have a different interpretation.

10
11 **MS. MUEHLSTEIN:** Eric.

12
13 **MR. SCHMIDT:** Mr. Williams spoke a little bit ago about the 20
14 percent holdover, the holdback, and perhaps come up with
15 something like a three to five-year window for potential new
16 participants in the headboat program and give them a percentage
17 of allocation from that, rather than taking away from already
18 established operations.

19
20 **MS. MUEHLSTEIN:** I don't know if that's possible. Where are we
21 at with that?

22
23 **DR. STEPHEN:** I'm not quite sure. I kind of like the idea of
24 putting a timeline on this on what vessels would come over.
25 That spoke to me suddenly, is that we don't want this going on
26 forever and ever. You kind of want it -- The cyclic
27 redistribution takes care of it afterwards. It's just that
28 initial amount, so that they can get to the cyclic
29 redistribution. I am not quite sure if we can do that or not.
30 I will have to look more into it.

31
32 **AP MEMBER:** The biggest challenge with this was the fact that
33 these boats didn't have catch history, and so we threw them in
34 with the charter boats. The biggest challenge with the charter
35 boats is that piece of the pie now gets separated amongst these
36 big-ticket boats. If we bring them back into the partyboat
37 sector, we're going to have the same kind of situation.

38
39 I agree with Chad that we should make some provision, maybe
40 going forward with new allocations, that would be available,
41 but, in the short run, we have to have something formed, and so
42 Johnny's idea meets that criteria of giving them something
43 without taking anything away from the partyboats that have catch
44 history.

45
46 **MR. HAGGERT:** I think that's what Jessica was trying to come up
47 with, but what that does, with bringing a portion of it over
48 from there, plus a set-aside from us, is it splits the burden up

1 amongst both user groups and not just put it all on the charter
2 boats to fund it by, if those permits come over, they bring
3 whatever portion was going to be allotted to them over, or, if
4 they come over to us and we have to set a portion aside, it kind
5 of splits the burden between the two groups.
6

7 **AP MEMBER:** It comes from the margin, the 20 percent margin. It
8 doesn't come from the charter boat sector, because their piece
9 of the pie is going to be split amongst the charter boats,
10 whatever we decide those are.
11

12 **MS. MUEHLSTEIN:** No, that's not my understanding. I don't think
13 it's coming from that. I think it's coming from the actual
14 split.
15

16 **DR. STEPHEN:** Were you talking the 20 percent buffer, which is
17 for everyone at this point? That is not coming from this. Now,
18 mind you, as we get into a couple of cycles or seasons of these
19 programs, we can readjust the buffer aspects.
20

21 What the wording is, and my interpretation between Chad and
22 Pam's suggestions, was kind of exactly splitting that burden.
23 These guys are guys we don't quite know what to do with. They
24 don't fit in either realm really well, and, by bringing them
25 over to the headboat, you have put them where the higher
26 passenger capacity, how they function, is more similar, and
27 headboat was willing to say that we'll not only take them, but
28 we'll give something to them, but what Pam is saying is that, if
29 we give them everything, maybe it hurts some of those headboats,
30 particularly the partyboats that don't have a lot.
31

32 It might hurt them a little bit more than might be fair and
33 equitable, and so maybe have a little from the charter boat.
34 Not as much as you would have had if you said the charter boat
35 side was funding them completely, and I guess, to me, it was a
36 way to split that burden between the two, and no one is ideally
37 happy with it, but it might be something that you can both live
38 with.
39

40 **MS. MUEHLSTEIN:** Okay. With that said, we have a consensus
41 statement up. We have done our due diligence in trying to split
42 the burden and sort of everybody trying to come together to one
43 place to deal with something that we can all live with. Is
44 there anybody at this point that cannot live with what we have
45 on the board?
46

47 **MR. WILLIAMS:** I really don't think that we should move a
48 portion to the headboat. I mean, we don't have any idea what

1 they caught, and I suspect that there is only eight of these
2 boats anyway, and I think most of them are just latent permits,
3 and I think that, once we identify these boats as being latent
4 permits -- I mean, how can we move fish from one category to
5 another category on a boat that never even caught a fish?
6

7 I think that we can probably absorb these eight vessels. This
8 is just my opinion. I don't speak for our group, but I think
9 that we're going to find out that these vessels are probably
10 latent permits anyway, and so how would you determine which
11 portion of the allocation is going to come out of 41 and go to
12 42? I don't think that's very fair to 42, because I don't think
13 there is hardly any, if any, in there.
14

15 **MS. STAUGLER:** I have Jim and then Pam.
16

17 **MR. GREEN:** I was going to call for the consensus.
18

19 **MS. MUEHLSTEIN:** Okay. Can we let Pam respond? Then we will
20 move forward, because it sounds like we have very little
21 opposition so far.
22

23 **MR. GREEN:** It sounds like the story of our life.
24

25 **MS. MUEHLSTEIN:** Pam, can you sort of answer to Johnny and then
26 we'll move forward?
27

28 **MS. ANDERSON:** Yes, and, even if they supposedly didn't have any
29 fish on that side, and they can't prove it. I mean, Gary Jarvis
30 can't prove his fish either, and he's got a bunch. Even if he
31 didn't have some, in their division, they are going to be
32 dividing their fish into certain groups, percentage to go to
33 six-packs and whatever tiers they're going to decide on.
34

35 These boats will have an allocated portion of those fish, and so
36 we should not be burdened with all of them, and, if they're got
37 some on that side, we should take at least half. We should take
38 half of what they would have gotten on that side. It relieves
39 the burden on the Amendment 41 side, and then we can match that
40 if we need to or whatever according to the size of the boat, the
41 number of passengers, whatever we decide down the line, but
42 that's more fair than us taking that burden all together.
43

44 I mean, maybe you think that you've got a lot of fish coming and
45 it's going to be more than you need and so you can afford to
46 give them, but, if we're jumping from forty-six days down to
47 seventeen with one fish instead of two fish, we don't have that
48 to give out, and we're one of the biggest operators in the Gulf.

1 We want to be fair, but we don't want to give more than is
2 necessary.

3
4 **MS. MUEHLSTEIN:** Okay. One last time. We have a consensus
5 statement. It is on the board. Is there anybody that cannot
6 live with this consensus? Okay. We're moving on. Thank you,
7 guys. That's hard work, and I really appreciate everybody's
8 willingness to come to the middle here. I mean, this is some
9 big stuff.

10
11 With that said, why don't we take that tone to this next
12 question, which is actually Question 2 of all of the questions
13 that we were supposed to approach, and this is, potentially, we
14 have until five o'clock, and so have about an hour and ten
15 minutes to figure out -- To determine whether we're going to
16 move forward with separate amendments or if we're going to move
17 forward with single amendments.

18
19 Just to sort of lay the structure of where we've been and what
20 we've already decided, some of the things -- I know I just did
21 this, but I think it's going to be helpful in moving into where
22 we're going.

23
24 The headboats have already decided that, whether or not we have
25 single or separate programs, they are willing to work with the
26 timeline of the charters, so that implementation happens at the
27 same time. We have all agreed, no matter whether or not we have
28 two programs or one program, that we will be including all five
29 species in our recommendations.

30
31 We have narrowed down, for the charter side, the decision to
32 either move forward using proxies immediately or gather one year
33 of data, so that we can sort of deal with latency before we move
34 forward. We have just determined that those survey vessels
35 should be allowed to retain their landings histories, as long as
36 we sort of make some conditions to allow those other high-
37 capacity vessels to enter in with that group.

38
39 With that said, it was Number 2. I don't know what happened to
40 it, but it's the single or separate. With that said, let's
41 start having this conversation again. We already have some
42 stuff on the board here. We have already addressed it. We have
43 come a long way since the first time that we looked into it, and
44 so I am guessing that everybody might have an idea of where they
45 want to be perched. Skipper, does that mean that you want to
46 start us off? Sweet.

47
48 **MR. THIERRY:** Yes, ma'am. I would speak for keeping them two

1 separate amendments. It seems like it would be a smoother
2 process, keeping them separately. That being said, I would like
3 to offer up, and I can't speak for all headboats, but we all
4 agreed to ask for the five species to be included in both
5 amendments or both plans or whatever, but I would like to
6 further add that, if the council can't agree to add that to
7 Amendment 41, then the multispecies be removed from 42, just for
8 having us all executing our businesses in the same way, in the
9 same manner, and to make it fair and equitable.

10
11 **MS. MUEHLSTEIN:** So what you're saying to me is that you would
12 be willing to move forward with separate programs. However, if
13 the charter group wasn't able to get their five species, that
14 you would prefer then that the headboat group only focuses on
15 red snapper as well. Okay. Anybody have anything to add?

16
17 **MS. STAUGLER:** Okay. Let's take Mike, Cliff, Chad.

18
19 **MR. ELLER:** This is our only leverage on the charter boat side.
20 I foresee where it could happen is the headboats get their
21 referendum approved, because of who is voting on it, and the
22 charter boats don't, and so they press on forward and we are
23 left in the mud, because of what we've got to deal with.

24
25 I'm not willing to take that risk. I know my fleet is not
26 willing to take that risk, as far as the charter boat side of
27 it, and we're either all in it together or it's all going to
28 fail together, because we're not going to do it.

29
30 We're not going to support it. We're not going to go forward
31 until we see that they're both going to go forward, because it
32 is going to fundamentally shift our business. It is going to
33 fundamentally shift a lot of things for us if we are left in the
34 dirt and we are left behind while the -- It's great that you've
35 got catch history, as good as it is or as shitty as it is,
36 you've got it. Well, we don't have it.

37
38 We are going to get left in the dirt. There is a big
39 possibility that we're going to have a huge fight with these
40 six-passenger boats. There is a huge possibility that we're
41 going to have a huge fight with the boats in the Peninsula, and
42 we're not going to put ourselves at risk like that. It's all
43 either all for one or we just stay in the derby, we stay where
44 we're at, and, if you all don't want to work together and you
45 don't want to pull together and do it together, then we're all
46 going to just say in the derby and that's what we're going to
47 push for.

48

1 **MS. MUEHLSTEIN:** Okay, and so just to ask you a question.
2 Moving forward, you would prefer to go as a single program,
3 obviously.

4

5 **MS. STAUGLER:** I think that's correct.

6

7 **MS. MUEHLSTEIN:** Then sort of the other big question there
8 though involves this idea of the headboats and them having --
9 The survey vessels and their landings history, and so
10 understanding that there is then, moving forward, when it comes
11 to that separation, there will still be a difference in the way
12 that's handled.

13

14 **MR. ELLER:** Yes, and I don't have a problem with the landings
15 and all of that. I don't have a problem with them using their
16 landings, in no way, shape, form, or fashion. I know, for a
17 fact, that the landings aren't accurate on some boats in Destin,
18 Florida. That's all I can tell you. I know, for a fact, that
19 they're not accurate, and, if you're going to use those and use
20 your historical data, based on that crappy logbook, then that's
21 what you get. That's fine, but I am just saying that I am not
22 willing to risk us being left in the dirt while these guys say,
23 oh, we've got this data, this crappy data, but it's all they've
24 got, but, by God, they've got it, and I'm not willing to take
25 that chance.

26

27 **MS. MUEHLSTEIN:** Okay.

28

29 **MR. GREEN:** I just want to disclose that we restarted the
30 conversation, because that's where we were on day one, and don't
31 any of you all take it the wrong way. In my opinion, it could
32 go as two, as long as both of them are happy with the way it's
33 going and they're implemented at the same time.

34

35 **MS. MUEHLSTEIN:** Cliff, go ahead.

36

37 **MR. COX:** I think that what Jim just said is -- We've already
38 agreed that we're not going to start one without the other, and
39 so that pretty much takes care of that concern that Mike has.
40 One program is not going to fly without the other one, and I
41 think that we should keep them separate, but the two amendments
42 should mirror each other, as closely as possible, where it's
43 practical.

44

45 Really, I think the only difference should be -- I agree with
46 Skipper, too. If we can't bring all five of these fish in, then
47 I would be willing to go one fish, if that's what it takes, but
48 I think the two amendments should mirror each other, where it's

1 possible and practical, and the main difference would be how we
2 divide the fish up.

3
4 **MS. MUEHLSTEIN:** To Mike's point, however, if it comes to
5 referendum time and you guys are all ready to go and you get a
6 positive response, and his group is not and they get a negative
7 response, are you telling me that you're cool?

8
9 **MR. COX:** No, I mean we've already agreed. It's already going
10 to be written in that we've agreed not to start without you, and
11 so, if we can't all come to a conclusion that everybody is happy
12 with, then none of us are going.

13
14 **AP MEMBER:** (The comment is not audible on the recording.)

15
16 **MR. COX:** I thought that we had already talked about that.

17
18 **MR. ELLER:** Signed in blood.

19
20 **MR. COX:** Well, I mean, it's already on the board, and so I
21 don't know what else we can do.

22
23 **MR. ELLER:** I think the only problem with that, and I appreciate
24 that, Cliff, and I appreciate that a lot, and that says a lot,
25 but I also feel like, if we get bogged down on the charter boat
26 side and you guys are ready to go, you're going to look at each
27 other and you're going to go, hey, look, we said we would wait
28 for them, but they're going to be bogged down for another year
29 or two and we need to press forward. That's what I foresee
30 happening.

31
32 **MS. STAUGLER:** Okay. I've got Chad, Dustin, Skipper, Gary.

33
34 **MR. HAGGERT:** I understand those concerns, and, to echo what
35 Cliff said, I thought we had brought that up, where both of them
36 were moving forward at the same time. I took a little offense
37 with the somewhat hostility that was coming in talking about if
38 we don't want to work together that we're not going to work at
39 all. I thought that's what we all were doing here.

40
41 We have given up several concessions, as far as helping absorb
42 some of those large-capacity permits and supplying for new
43 entries, and to say there is no trying to work together here, I
44 think that's a far cry from what we've been doing.

45
46 **MR. ELLER:** Then why do you need two separate ones? If we're
47 going to work together, just put it into one. You don't need
48 two separate ones. If they're not going to be implemented

1 differently, put them in one.

2

3 **MS. MUEHLSTEIN:** Okay. It looks like Jessica might have
4 something to add to the conversation.

5

6 **DR. STEPHEN:** Just one thing to think about. I think you guys
7 are right. Two separate programs or one, I think both are
8 viable options. The thought with one program is, if you go with
9 one single program versus two, are you going to do your cyclic
10 redistribution over everybody each year or do you want your
11 cyclic redistributions within your own groups and that we're
12 just kind of running two programs combined as the one? That is
13 something, between the two, that you guys need to think about
14 and have a discussion, because, to me, that's the real kind of
15 sticky point between the two.

16

17 We've got timing and we can handle it, and depending on what you
18 want to call it. If you want to call it the for-hire catch
19 share program that has a survey vessel component and a non-
20 survey vessel component, whatever we call them, we can do that.
21 Then you would have a referendum, I believe, for everything, and
22 I will defer to other people on referendum questions.

23

24 We would have one amendment that covers the two components in it
25 or you could have kind of two things that are going on, but we
26 need to have clarity on where that cyclic redistribution is
27 occurring, whether it's occurring within a component or overall
28 as a whole.

29

30 **MS. MUEHLSTEIN:** Assane, I think you had something to add?

31

32 **DR. DIAGNE:** Yes, and, I mean, not to prejudge anyone's decision
33 as to one or two programs or however many, but just, if we look
34 at the numbers, give or take, you have let's say 1,200 on one
35 side and seventy headboats, roughly.

36

37 If you guys decided to put it under a single program and develop
38 it and discuss it and then we went to a referendum, all seventy
39 headboat guys could say I am against it and it would still pass,
40 and so, at that moment, how would you value their point of view?
41 That is something for a consideration to have two separate
42 programs.

43

44 **MR. ELLER:** I definitely agree that's a great point.

45

46 **MS. STAUGLER:** Okay. I want to move to Dustin.

47

48 **MR. TROCHESSET:** Some things have come up since I raised my

1 hand, but I definitely don't want to beat a dead horse, because
2 we've done enough of that, but I want to echo, again, what Cliff
3 said and also to what Jim said. In the meetings that I've been
4 to, we always say, okay, the commercial has got their act
5 together and we need to get our act together, and so nothing
6 would be better for us, everybody in here, then if we could all
7 get on the same page and say we're ready to move forward as a
8 group.

9
10 I don't think -- Now, because some other things have come up,
11 maybe putting them into one might be a little bit more
12 difficult, but, in the best interest of all of us, and maybe
13 presenting a good face to the council to say, look, we're ready,
14 I think they both should -- Everything we can to get them both
15 to go together.

16
17 In a perfect world, that would happen. It might not, but
18 definitely we present a good front, if everything goes together
19 and we're all on the same page and we can move forward as
20 quickly as we can, and that's what I was going to say, and I
21 think that's what everybody wants.

22
23 Like Cliff said, we're ready. What have we got to do,
24 technically or whatever, to get them one way or the other, but I
25 think it's in our best interest, everybody's, to try to get them
26 both through, so we look like, hey, we're ready, too. We know
27 what we want and this is our goal and we're going to score a
28 touchdown or whatever. That's all I was going to say.

29
30 **DR. DIAGNE:** Just, I guess, before you guys move on, I know
31 that, by consensus, you did decide to, at the very least, and to
32 reinforce your point, have these two programs to be implemented
33 at the same time, and so you start, under this new management,
34 at the same time.

35
36 You can even backtrack, perhaps, a little bit and shoot for
37 having the two referendums around similar timeframes, and so
38 before -- Between referendum and implementation, you can see
39 whether both of the referendums did pass or one passed and one
40 didn't pass and that sort of thing. That's just something for
41 your consideration.

42
43 **MS. STAUGLER:** Okay. Skipper.

44
45 **MR. THIERRY:** Just a question, and it may be an impossible
46 question, and I don't know if it's for Assane or Jessica or who,
47 but would separating the two, 41 and 42, and creating Amendment
48 49 or whatever number we're on, what does do to our timeline of

1 2019 or 2020 or 2022 or 2025?

2
3 **DR. DIAGNE:** I think, given, I guess, the preliminary work that
4 has been done to date, keeping them separate, or having two
5 separate amendments, may, in many ways, be the easiest thing to
6 do, but that's just my perspective. I have been wrong many
7 times, but I think keeping them separate would be an easier
8 thing to do, especially if you keep them on similar timelines
9 and making sure that you make progress in steps.

10
11 **MS. STAUGLER:** Gary.

12
13 **MR. BRYANT:** I want to thank the headboat operators for making
14 concessions. I think that's very good spirit, and I appreciate
15 you all's willingness to wait on us. One point I have is we're
16 going to have a big can of worms in working out our allocations
17 on the charter boats, and I think that would be simpler if it
18 was just us charter boat guys, like we've been meeting, working
19 that out. I know the headboats have theirs worked out, and,
20 when they were talking all about that, and I really wasn't that
21 excited about, but, moving forward, I would like for us to keep
22 working in our 41 group on our allocation problems, and I
23 appreciate their cooperation.

24
25 **MS. STAUGLER:** Thank you. Gary Jarvis.

26
27 **MR. JARVIS:** I wish I could be such a trusting soul, but I
28 can't. The challenges that we faced six or seven or eight years
29 ago, it took an entire village for us to move and get Amendment
30 40 through the council process. It took hours and hours of
31 public testimony and hundreds and hundreds of charter fishermen
32 and headboat operators taking time away from their businesses
33 and their families to fight to preserve a level of access for
34 ourselves and our customers, and so we got to that point.

35
36 Well, it's the same village that is wanting to move to rights-
37 based management, and it's going to take one vote by that same
38 village of people to decide if we move into rights-based
39 management.

40
41 Unless you put some special language in there that would prevent
42 the implementation of a rights-based management program into the
43 headboats if the charter/for-hire referendum failed, then I just
44 can't support it.

45
46 Mike said it best when he said it's a risk/reward thing. You
47 can't take that kind of risk for the long-term success and
48 heritage of the charter/for-industry, if that took place. If we

1 put that language in, if the headboat operators are willing to
2 acquiesce to that, because in good faith and good intent they do
3 it, it puts us right back to what Assane just said.

4
5 If we use a single document that faces a referendum, those
6 seventy guys get held hostage if the referendum passes and they
7 don't want it or it fails and they do want it, and we can't
8 avoid that, but the problem is, for me personally, and I believe
9 for the majority of my fleet members, that if we move through
10 this process and it looks like these two things are going
11 separate ways, that that village that was so cohesive and came
12 to all those meetings to work to barely get, by one or two
13 votes, to pass Amendment 40, that ain't going to happen in this.

14
15 Then the headboat operators and the charter/for-hire operators
16 aren't going to get where they want to go, because the council
17 is not, in its makeup, is going to rubber stamp one group to
18 head on to the promised land when the other group doesn't, and
19 the reality of this whole situation is, unless we can do this
20 together, and I hate to say this, because my friends are at the
21 table, but I am going to make sure, to the best of my ability
22 and my power, that it doesn't happen, because I am not willing
23 to take the risk for my fleet. If we come before this council
24 in a divided manner like that, no one will move into rights-
25 based management, at least in the short-term.

26
27 **MS. STAUGLER:** Pam.

28
29 **MS. ANDERSON:** This amazes me, from the people who started all
30 this train going down the road, for pushing into sector
31 separation and pushing into Amendment 41 and 42, to come to the
32 time when it looks like we're just about going to be stuck with
33 it and then, all of a sudden, when we come to the table and we
34 sit down and we go through all of these things and say, yes, I
35 will agree with that and maybe I can live with that, then, all
36 of a sudden, they don't trust us, after we have put our word on
37 the list and said it's going to be this way.

38
39 I don't agree with the catch share program whatsoever, but, if
40 we say that -- If it's made law and the council decides on
41 something, it's what we have to live with. If the council
42 chooses to put one over the other, the only reason that -- The
43 only way they can get out of that is possibly by saying, in this
44 consensus statement, that we don't want it if they can't get it.

45
46 That may hold us up, but we have also said that we agree that it
47 needs to go in together or not at all, or it needs to go in with
48 one fish if it can't go in with five fish, and so, for them to

1 have come to the table time and time again saying they
2 represented all of the charter boat people across the Gulf and
3 everybody was on the same page, and then to come here and be
4 afraid that, when it goes out for a vote, that it may not
5 happen, this is troubling to me, and so I just want to put that
6 out there, and I don't have a problem with putting it in there
7 that the headboats will not go forward until the charter boats
8 do, but it's up to the council after that. It's not our
9 decision to make.

10

11 **MS. STAUGLER:** Okay. Chad.

12

13 **MR. HAGGERT:** I will try to articulate it the best I can. I
14 agree that, when I heard this several weeks ago, I thought this
15 was a bunch of BS, all the fighting that we've done together and
16 moving forward, and we all come to the table to sit down to come
17 up with solutions, and the headboats have offered a lot of stuff
18 up.

19

20 Then we hear talk that, if we can't get it both together, we're
21 going to do our best to kill it, and I think that's BS. I can
22 understand the points. Assane had just said a minute ago that
23 there's a way to write it in here to where we could have the
24 referendums go forward at the same time, before we do any kind
25 of talk about implementation, to see what kind of passage we get
26 on it.

27

28 What I have a problem with -- Now I lost my train of thought.
29 What I have a problem with in that is the same thing that was
30 said to me several weeks ago, that I want to take my ball and go
31 home with it. That's not true. We're here to try to work
32 things out.

33

34 I can tell you that there will be strong argument from the
35 headboats that, if we do combine these, that we want to go with
36 cyclical redistribution and I'm going to put my 175-passenger
37 permit to work, but I don't want to do that. I want what's
38 fair. I don't need that many fish, but I could go catch them,
39 and so we've offered up some options here, and then we get, if
40 we don't get it this way, we're going home, and I think that's
41 BS.

42

43 **MR. JARVIS:** Seeing how that was directed towards me, I'm going
44 to answer to that.

45

46 **MS. MUEHLSTEIN:** No, Gary. No offense, but we've heard a lot
47 from you, and we have a list.

48

1 **MS. STAUGLER:** Okay. We want to move on to Skipper and then
2 Mike and then Jim.

3
4 **MR. THIERRY:** I don't really want to, but I'm going to direct
5 something kind of at you and Mike, too, Gary. I am trying to
6 offer up a solution. I am not trying to -- I would like to
7 encourage you and Gary to work together, and maybe one of you
8 guys to wordsmith whatever you would like to put in the document
9 so that you guys would feel okay moving ahead with two separate
10 documents, and I feel like we would mostly support it.

11
12 **MR. JARVIS:** Just to be clear, Emily, and give me a chance.
13 It's not the fact of two separate documents. There is stuff
14 that is written in the document that is super, a-okay fine. The
15 main stumbling block is the risk and exposure unless we document
16 some verbiage in there of a portion of this industry moving into
17 a rights-based management program and the vast majority of it
18 not, and so you have made plenty of concessions.

19
20 I agree with you 100 percent, Chad, but, when I'm down long-
21 term, long after I'm not sitting in the captain's chair, that
22 our actions today and tomorrow and over the course of the next
23 three or four years that I end up, personally, and most of us do
24 not have regrets because we didn't foresee all the potential
25 negative consequences of what happens.

26
27 There is no guarantees in a referendum process of how it will
28 turn out. We know that we're facing dangers in the status quo
29 management, and we're trying to move forward in something that
30 will preserve our access levels, but there are certain things
31 that we can control to avoid things that we know could happen,
32 and that's what I am searching for. It's not a threat that
33 we're going to subvert this or subvert that, but it's making
34 sure that you understand that there is a level of risk
35 management that has to take place here.

36
37 **MS. STAUGLER:** All right. We want to get to a few more
38 comments.

39
40 **MR. ELLER:** Jim brought up a really good point that I didn't
41 think about, and I do also appreciate what you're saying, Chad
42 and Skipper. You guys are going to want to develop, probably, a
43 different plan, because you're going to want IFQ transferability
44 and that kind of thing, possibly, and we're not. We're going to
45 want PFQs and non-transferability.

46
47 So, when you look at it from that point of view, it does make a
48 little bit more sense to have them move forward separately, and

1 especially if the caveat is in there about not implementing, but
2 what you've got to remember is that decision is not going to be
3 up to you. That decision is going to be up to that council, and
4 you have seen what happens.

5
6 They start discussing on one thing and it turns into something
7 totally different, and I do appreciate the fact that you guys,
8 right off the bat, were willing to deal with latent permits and,
9 right off the bat, were willing to have a set-aside and some of
10 the notions that I came into this meeting with about a fish grab
11 and greedy partyboat fishermen was alleviated.

12
13 Gary has got very legitimate concerns, and so do I, because it's
14 not going to be up to you. It's going to be up to the council,
15 and Jim also made a very good point, and so did Assane, that
16 these things are going to be developed and they're not going to
17 necessarily be identical, that there is going to be differences,
18 because I believe you guys are probably going to want to go down
19 the path of IFQ and transferability.

20
21 I definitely see it from both sides. I see where it makes more
22 sense. If there can be enough assurances that they're not going
23 to be implemented until they're both ready to go, it will go a
24 long way. The problem is that you don't get to give us that
25 assurance. It's up to the council members to give us that
26 assurance, and that's kind of where we're left hanging in the
27 wind.

28
29 **MS. MUEHLSTEIN:** Okay. Just let me time out, and then, Jim, you
30 will be next, but I just kind of want to talk about where we
31 are. In relationship to a decision that we've already made, one
32 of the decisions that we all made unanimously, very easily, is
33 that we want five species.

34
35 The reason that we were able to do that is because we have
36 decided that we are here today to recommend to the council what
37 we would like them to do for us as a group, right? So this
38 shouldn't be any different. If the idea here is that we're all
39 sort of coming to this idea that maybe we can deal with separate
40 programs, as long as they are not implemented without one
41 another, then that is just like us saying that we want five
42 species to the council.

43
44 We can say that to the council, and that's sort of what we're
45 trying to do. I don't want to sort of get sidelined by saying
46 that it's up to the council ultimately, because it's true, and
47 so is the species argument, but that didn't stop us from trying
48 to find middle ground here, and so, with that said, there is

1 potential for us to move forward and to come up with our best,
2 most wonderful, pie-in-the-sky idea and tell the council that
3 that's what we're looking for.

4
5 I just wanted to sort of remind us and bring ourselves back to
6 the fact that it is up to us what we are recommending to the
7 council. You're right that there is never, ever a guarantee
8 that the council is going to go with what we said, but at least
9 we can make our point. Jim.

10
11 **MR. GREEN:** I just want to say that, on a two-day meeting, and a
12 day-and-three-quarters into it, we have finally started working
13 together and talking about this and came together. Like Mike
14 said, that's up to the council, and that's kind of out of our
15 hands, but I think that, for the next forty-four minutes, I
16 think that we should -- If we have a problem with the
17 uncertainty of the council, we shouldn't take that out on the
18 fact that we have two groups that are dynamically different in
19 some ways and very, very similar in others that are trying to
20 work together and come and work out their differences, and I
21 don't think that we need to transgress against either side when
22 we've come this far already.

23
24 **MR. WILLIAMS:** Quite a while back, we convened a panel, and they
25 chose, like I say, to approach this with two different groups,
26 and Bob Zales, a charter boat person, is the person from Panama
27 City that made the recommendation and the motion, and it passed.

28
29 I think our two panels have come up with some things that are
30 probably different, as Gary mentioned a minute ago. We want
31 transferability. When I was fishing in 2014 and 2015, I had
32 zero gag grouper. If I caught a couple of gag grouper one day
33 and I wanted to, I could pick up the phone and call one of my
34 friends and say, hey, put a couple of gag grouper in my account
35 or something. That way, we wouldn't have to destroy those fish
36 for no reason.

37
38 We wanted the transferability in our fishery, and that's one of
39 the focal points of 42. Another thing that we wanted was the
40 requirement for VMS, and I don't know. I've heard that it's
41 going to be kind of hard to sell this program to some of the
42 charter boats if they have to have VMS on their boat. If we go
43 back in together in one group again, we're going to have to
44 start all over again and delay things even further, to try to
45 come up with some sort of plan that would satisfy both the
46 people in 42 and the people in 41.

47
48 I don't know, but does everybody in the group think you can pass

1 41 easier with VMS or without VMS? Do you think you can pass 41
2 easier with transferability or without transferability? There
3 is some differences that we've suggested to the council of our
4 different groups over the years, and it's not that we're trying
5 to leave anybody behind.

6
7 I can tell you from the bottom of my heart that I want -- You
8 know, when I got into the pilot program, I wanted everybody to
9 see how great it was and how everybody would want that. I saw
10 what the commercial fishermen had, and I said, man, I want a
11 piece of that.

12
13 Then I got it in the pilot program. Sadly, it ended in two
14 years, but I wanted everybody to see that, wow, this thing could
15 really work for everybody, and I want it to work for everybody.
16 I don't want it to work just for me. I am not being selfish. I
17 want to try to work with you all. I will do anything I can to
18 try to help you all get 41, but I think it would be easier for
19 you to sell 41 to your constituents instead of trying to sell 42
20 to your constituents.

21
22 Otherwise, we're going to be just spinning our wheels and
23 getting back together and having a bunch of meetings and
24 dragging this thing out for a longer period of time if we try to
25 consolidate and amalgamate these two different amendments, I
26 believe. Thank you.

27
28 **MS. STAUGLER:** Okay. Thank you. We're going to go to Eric, to
29 Gary, and then to Chad.

30
31 **MR. SCHMIDT:** My point has already been covered.

32
33 **MS. STAUGLER:** Okay.

34
35 **MR. BRYANT:** I wanted to -- I can't remember what we started
36 talking about now, but I would like to make a consensus
37 statement that the charter/for-hire industry enter into a
38 rights-based fishery management plan together, meaning that,
39 even though we have separate amendments, our plan, our intent,
40 is for both of these to pass and us go into this --

41
42 **MS. MUEHLSTEIN:** Can I sort of --

43
44 **MR. BRYANT:** Yes, you can.

45
46 **MS. MUEHLSTEIN:** So that we move forward with two separate
47 amendments, with the contingency that neither amendment will go
48 forward without the other one.

1
2 **MR. BRYANT:** We can hold hands and sing something, Kumbaya.
3
4 **MS. MUEHLSTEIN:** Okay. I know Chad had asked to do the same
5 thing. Is this --
6
7 **MR. HAGGERT:** Yes, this is going to be maybe adding to what Gary
8 put, and Gary that is leaving the room, that wasn't directed at
9 you personally, Gary, but your statements. From a text you and
10 I had, you said that you hadn't seen me here fighting for your
11 industry. Well, I am here now trying to do it.
12
13 To add to that, I say that we suggest to the council to move
14 forward with two separate amendments, with the stipulation that
15 both come to a referendum vote at the same time and neither are
16 implemented unless both referendums pass.
17
18 **MS. MUEHLSTEIN:** Okay.
19
20 **MR. ELLER:** It seems like that's about as good as you could get.
21
22 **MS. MUEHLSTEIN:** Mike, hold on.
23
24 **MR. GREEN:** One of our biggest things was outrunning one
25 another, and we've already agreed that that's not going to
26 happen. We've done it in front of council members, and we've
27 done it on the record. With that agreement, and if people in 42
28 are happy with their management plan, and the people in 41, with
29 the concessions that 42 made -- If it turns out that 41 is happy
30 with their plan, then there is no reason to combine them if
31 there is two different modes of management that is desired by
32 the sub-sectors.
33
34 **AP MEMBER:** Go sell it to them, Jim.
35
36 **MR. GREEN:** Nobody talks to me. I don't get invited to dinner.
37 I am used to it.
38
39 **AP MEMBER:** We gave you some tools to sell it to your industry.
40 Go sell it.
41
42 **MR. GREEN:** The only reason I get dinner in my house is because
43 I paid for half of it. Half of it. She is the breadwinner, but
44 I am a fisherman. Come on, if we're making the concessions, and
45 one of them is not going to hit the water before the other one -
46 - If we combine them, guess what the new argument is going to
47 be? IFQ with transferability or PFQ with no transferability,
48 and so what happens then? Then we're arguing over a different

1 pie?

2

3 **MS. MUEHLSTEIN:** Okay.

4

5 **AP MEMBER:** Okay. Move forward. Come on, you're right.

6

7 **MR. GREEN:** I am not done. Thank you, Emily.

8

9 **MS. MUEHLSTEIN:** Thank you. Okay. We have a consensus
10 statement on the board. That consensus statement is to move
11 forward with two separate amendments and that neither amendment
12 will move forward without the other one. Both come to a
13 referendum at the same time. If one referendum fails, they both
14 stop. Is there anybody that cannot live with the consensus that
15 we have on the board? Well good lord by golly, I think we can
16 move on.

17

18 **MR. HAGGERT:** I should have said that yesterday.

19

20 **MS. MUEHLSTEIN:** All right. So we made some headway. Looking
21 back sort of at our agenda and at some of the things that we
22 wanted to look at in this two days, we have been sidetracked.
23 We didn't make it all the way through. I think we have about
24 half an hour, and I don't really have anything that I
25 strategically want to discuss.

26

27 I think the best thing maybe to do at this point is to leave it
28 open to you guys to sort of figure out maybe where we want to
29 move. Do we think that's a bad idea? Staff over here, is there
30 anything else that we need clarification on that we can do in
31 the next half hour? I am just trying to figure out how to use
32 this time.

33

34 **DR. STEPHEN:** Just to help clarify that cyclic redistribution,
35 I've got one more kind of season that shows the replacement
36 fishermen situation to it, and so that's up to the panel. If
37 they would enjoy seeing that, just to make sure it doesn't come
38 out looking a little rosier than it actually is in reality.

39

40 **MS. MUEHLSTEIN:** Are we cool with looking at her extra
41 information and then potentially revisiting this conversation on
42 the charter side with the rest of our day? Then, at five
43 o'clock, we're out of here? Okay. Thank you, Jessica.

44

45 **DR. STEPHEN:** Since you guys all love my ideas so much, let's
46 just make sure that we're all clear on certain things. I am
47 going to kind of say iteration, but, in essence, we're talking a
48 year or a season. I don't want to -- I want to make sure we're

1 kind of all on the same page. Certain cycles may be one season,
2 if that's so desired, or more than one season. Is anyone
3 unclear about that, before I move on to this example? All
4 right.

5
6 At the end of the last example, this was the end of kind of our
7 third cycle and redistribution through it. We had some vessels
8 that ended up with no shares, because we needed some way to take
9 the ones who weren't harvesting anything out in the long run.
10 Then we had vessels that had been kind of gaining throughout at
11 different rates, based on their participation. Just a reminder
12 that this was equal redistribution and nothing based on landings
13 history during that cycle, just to keep the math simple. That's
14 where we were at the end.

15
16 Now, to be clear, those three vessels that had no shares at the
17 end, it doesn't mean they've lost their permit. They still have
18 their permit. It just shows that, for whatever example, say red
19 snapper, they weren't harvesting it, and, therefore, they
20 weren't receiving anything each year, due to their shares,
21 because they weren't harvesting.

22
23 What happens at the start of the next season? We had this
24 orange vessel in here, and so this vessel was a permit transfer
25 to a new owner on a different vessel, and so what we would call
26 replacement fishermen, staying away from those words "new
27 entrant". He comes in with nothing, because, in this instance,
28 I am basing this on a more IFQ scenario. If had a PFQ scenario,
29 this might change a little, keeping in mind the group's two
30 different ideas.

31
32 He came in with nothing, but he was able to obtain allocation in
33 order to go harvesting, and he was able to make some landings.
34 At the end of the season, we're at the reclaiming point.
35 Everybody else, half of what they has goes back under this
36 scenario. He has half of nothing to go back, and so nothing
37 goes back to him, and we're at the point where 50 percent is
38 going back.

39
40 That 50 percent is now divided by the eight vessels that had
41 harvesting, and so that includes the guy who had nothing
42 initially, so he has, in essence, earned some shares out of
43 harvesting during that cycle.

44
45 Now, I want to point out some things. The vessels at the top,
46 that had 17 percent in the last iteration, now have 15 percent.
47 Just because you're continuously harvesting things under an
48 equal distribution, it doesn't mean that you will necessarily

1 always go up. I would anticipate those vessels going up
2 initially, as we're getting rid of latent permits, but,
3 thereafter, there might be a little up and down, based on how
4 many other vessels were also harvesting.

5
6 Again, this is based on an equal distribution, using kind of an
7 IFQ scenario. If people want other kinds of scenarios made up,
8 we can look into different ways to show things with an PFQ and
9 a, quote, landings history distribution.

10
11 **AP MEMBER:** Tell me again how the orange boat is obtaining quota
12 to fish with a zero --

13
14 **DR. STEPHEN:** He had zero shares. He was given no allocation at
15 the start of the year, but this is a system that we're assuming
16 allows transferability. He is able to buy allocation from
17 someone else who wasn't harvesting their full amount. He used
18 that and had landings, and, because he had landings, he now gets
19 shares in the next cycle. Is that clear? Do you have a
20 question, Pam?

21
22 **MS. ANDERSON:** If they have a permit, they got that permit from
23 somewhere out there that should have had a catch history with
24 it. It should have brought landings to the table, and so why
25 are they starting where zero where all the other boats have to
26 pitch in to put him in business?

27
28 **DR. STEPHEN:** This is an IFQ scenario where shares were given
29 out to individuals and not to permits. Therefore, thereafter,
30 that permit history isn't deciding what you get in the next
31 cycle. What you have harvested for that vessel or that owner is
32 determining it.

33
34 If this was a PFQ scenario, where the permit had some history,
35 when that permit was transferred, it would be transferred with
36 shares if it still had shares on it, and so it's a little
37 different in trying to think about the two different scenarios
38 that both groups are looking at, and I did this as a simpler IFQ
39 scenario. Did that answer your question?

40
41 **MS. ANDERSON:** I guess so. I was under the understanding that,
42 for instance, Ken Anderson Incorporated owns a permit. He can
43 put that permit on -- He has got it on the Captain Anderson,
44 but, if he chooses to put that on the Captain Anderson 3, those
45 landings would go with it, because it's the same corporation
46 that owns that permit, and is that not right?

47
48 **DR. STEPHEN:** If we determine landings by the vessel, no, it

1 would not go with it. If we determined landings by the owner
2 and same owner owned both vessels, that owner would get it and
3 decide how to distribute it to their vessels. Remember, in an
4 IFQ system, we distribute to the shareholder account, who could
5 have multiple vessels. Then it almost doesn't matter which
6 vessel, as long as they had a permit and earned something at
7 that timeframe and still had a permit. In a PFQ world, it's a
8 little different, because then we're attributing it to the
9 permit/vessel combination and/or the permit, depending on what
10 mechanism is chosen.

11
12 **MS. ANDERSON:** Okay. Then somebody would have to -- In order to
13 bring shares to the table, they would have to purchase a
14 permitted vessel and keep that corporate name. That way, it
15 would be the shares would go with the vessel and with that
16 permit?

17
18 **DR. STEPHEN:** In an IFQ, they could get their permit whether it
19 had shares or not. Now, we would have to obtain allocation.
20 Obviously, if you have shares, you would get allocation. They
21 could do that separate from the permit transaction, such as in
22 the commercial world. That is that IFQ scenario.

23
24 In the PFQ scenario, when they obtain that permit, if it had
25 shares with it, they would automatically get shares. Depending
26 on when they bought the permit and when allocation is
27 distributed, they should get allocation that year or the year
28 after.

29
30 **MS. ANDERSON:** Okay. Regardless, if they do come to the table
31 with shares, would those shares not be coming from somewhere
32 else to be put into this scenario or no?

33
34 **DR. STEPHEN:** If they came to the table with shares in an IFQ,
35 they would have had to purchase shares from someone else and
36 part of theirs would then be taken back in that 50 percent,
37 because we take 50 percent back from anyone who has shares in
38 this scenario and not just from those that had shares and did
39 something.

40
41 **MS. ANDERSON:** Okay. Then they would be bringing something to
42 the table instead of taking away.

43
44 **DR. STEPHEN:** Right, and so if they purchased in between -- Now,
45 one question in this cyclic thing is whether you want shares to
46 be transferable. I saw Johnny and then Mark.

47
48 **MR. WILLIAMS:** I guess I have a question to you, Jessica. If we

1 assume that they're operating in the charter boat industry under
2 a PFQ, and someone loses all their shares because they haven't
3 operated in three years or whatever it is, and then suppose
4 someone wants to enter the fishery. They would have, basically,
5 to buy shares and a boat from someone that is active in the
6 fishery. That permit that has zero shares basically would be
7 worthless, because, with the PFQ, they don't have any
8 transferability, and so how are we going to get new entrants
9 into the fishery?

10
11 **DR. STEPHEN:** In a PFQ, this system gets a little more
12 complicated, and I am going to tell you that I haven't fully
13 thought out the concept of it. There are some solutions to how
14 to handle things in a PFQ. Also, remember, in a PFQ, if your
15 permit terminates, we have to figure out what to do with that,
16 and it can terminate with shares on it.

17
18 If that's the case, there is a mechanism, through those, to
19 allocate to permits that have zero. Another mechanism would be
20 to not allow a permit to go to zero, but that changes the cyclic
21 redistribution somewhat, and hopefully I will be thinking about
22 things before -- I won't be at the next council meeting, but it
23 could be at the meeting after that, and think about ideas of how
24 this applies to a PFQ versus an IFQ scenario, and I will just
25 say that there is some work to be done on that thought. Mark, I
26 saw you.

27
28 **MR. HUBBARD:** This scenario only works if trading is approved.

29
30 **DR. STEPHEN:** It works a lot better if transferring is approved.
31 Now, whether that transfer is for money or if you're saying that
32 transfer can be for bartering back and forth, it definitely
33 makes this scenario work a little better than without having it.
34 I think Gary.

35
36 **MR. BRYANT:** I guess my thought was we would use this for so
37 many years to make up for not having a catch history. Then, at
38 some point, that's where you are. That's what I was
39 envisioning.

40
41 **DR. STEPHEN:** That is an option. When we were going through
42 this, and I don't know if you remember that really complicated
43 chart at the end that had a bunch of different things. With
44 this kind of example, you can do redistributions for X amount of
45 years.

46
47 You can change that cycle and the percentage, and then maybe you
48 say that we got where we want to go and we don't need to

1 redistribute any more. Then you can have it stop at that point,
2 and so there are variations that you can do with this, or you
3 can say, hey, every ten years, we only take back 10 percent or
4 something that allows some redistribution over a longer
5 timeframe. I saw Mike first and then Gary.

6
7 **MR. ELLER:** When the Charter Boat AP came up with the PFQ idea,
8 obviously this scenario that's in front of us wasn't there. Of
9 course, our idea was that you didn't have a permit -- That you
10 couldn't strip the fish off the permit and here you've got a guy
11 with fish and here you've got a guy with a permit.

12
13 This obviously changes it and vastly complicates that more,
14 because, there, you are basically -- With this scenario, you are
15 basically stripping fish off of a permit, until that permit gets
16 down to zero. What the Charter Boat AP came up with, in their
17 idea of PFQ and this, they don't mesh together very well at all,
18 and so I think the Charter Boat AP has got some work to do to
19 try to figure that out. How can we get what we want, stopping
20 people from stripping fish off of a permit, and --

21
22 **AP MEMBER:** (The comment is not audible on the recording.)

23
24 **DR. STEPHEN:** You strip the potential though, when you think
25 about it.

26
27 **MR. ELLER:** Right. You would strip the potential, and I'm not
28 saying that -- We really like this. I think everybody really
29 likes this, and so we may have to go back and revisit the whole
30 PFQ thing again, because this is -- Now that you have given us
31 some more scenarios that we didn't think of.

32
33 **AP MEMBER:** You can still fish for other species, and so the
34 permit still has value. You can fish for mangos or other things
35 that aren't in the --

36
37 **MR. GREEN:** Yes, but not in the five major species of the Gulf
38 fisheries. The main reason why, 90 percent of the reason why,
39 those permits are bought are to catch those kind of species in
40 the EEZ.

41
42 **AP MEMBER:** We're talking about latent. I mean we want to get
43 rid of latent or you don't.

44
45 **DR. STEPHEN:** With the charter group and the idea of the PFQ, my
46 understanding was that you were trying to use the PFQ to keep it
47 in the fishery. Remember there are other mechanisms. If you
48 want to keep it in the fishery, requiring a permit to even hold

1 or maintain shares does the same effect as the PFQ, and it's
2 just an additional alternative and selections that would have to
3 go through in the process, but we can address that concern with
4 another mechanism and make this still work. Gary, I think I saw
5 you.

6
7 **MR. JARVIS:** You're in the hot seat, but that's what rock stars
8 get. By using a redistribution system like this, will that help
9 address range expansion of the species, as the stocks improve?
10 Through this scenario, Captain Walker is catching gag and red
11 grouper, and I catch one every now and then. Through the third
12 and fourth season, my permit is reduced in the gag and the red
13 grouper thing, but, all of a sudden, either a hurricane or the
14 gag and red grouper -- If there is an explosion of the resource
15 and they range back up and vice versa. You can say the same
16 thing about red snapper.

17
18 Is there a mechanism in that that can address that, because, if
19 a guy that's in let's just say Marco Island doesn't have any red
20 snapper landings, because there are really not that many around
21 and not that he doesn't want to catch them, but it's just
22 they're not readily available, but then, four-and-a-half or five
23 years later, the stock rebounds and there's an explosion of the
24 resource and now it's moving all the way down to Key West. How
25 does that work? I mean, how would you do that? Is that where
26 trading would come into something like that down the line?

27
28 **DR. STEPHEN:** So the way I see it is that this mechanism can
29 handle an expansion of a stock, because you're taking what
30 they're harvesting and using that to redistribute later. Now,
31 the key point of that though is they have to something,
32 allocation, given to them or used in some way so that they can
33 harvest it.

34
35 Typically, that method would be, if they don't have shares, that
36 a transferability of some sort is occurring, and let's keep in
37 mind that transfers kind of got a bad name in the commercial,
38 because of other aspects, and not necessarily because of the
39 literally transferring of it, and some of the ideas we've
40 learned from that are let's have a permit and let's keep it in
41 the fishery, so you can't have people outside the fishery
42 controlling what's going on in your fishery.

43
44 By having that permit requirement, whether it's a PFQ or an IFQ
45 with a permit requirement, you start to alleviate, I think, some
46 of the concerns where transfers went. Transfers are good for
47 when you haven't figured out allocation exactly right. They're
48 good for stock expansions, where the stock is going to where it

1 traditionally wasn't.

2
3 You have seen, in the commercial IFQ, that 150 percent of the
4 allocation gets transferred. A lot of that, one, has to do with
5 being transferred multiple times, but the other one is it's
6 getting to where it hadn't been before and getting into the
7 hands of those people, yet they're landing 97 or 98 or 99
8 percent of their quota. It's getting to where it needs to be to
9 be harvested. I think we can find the good aspects of that
10 program and acknowledge the bad parts and build something
11 better. Ed.

12
13 **MR. WALKER:** This 50 percent reduction, that's not set in stone
14 either, right? It could be 10 percent or 20 percent or
15 something.

16
17 **DR. STEPHEN:** The best thing about this is that, as an industry,
18 you figure out how much do you want taken back? Do you want
19 more or less? Do you want that to change over time? How often
20 do you want that redistribution to occur?

21
22 Initially, with the charter guys, you might want a high
23 percentage at a rapid pace, if you think those proxies aren't as
24 good as what you're at, but you may want to slow that down
25 later. The idea is to build into the amendment a significant
26 amount of time series, so you're not fighting about that in a
27 council process, how we're changing it. Maybe say for, three
28 years, that we want it every year at 70 percent. Thereafter,
29 for the next set of cycles, we want two years for 40 percent, et
30 cetera.

31
32 Those are things that you guys are going to have to figure out
33 what you think, and hopefully we'll get some more models built
34 that will help answer those questions then. Mark.

35
36 **MR. HUBBARD:** What Chad had said yesterday about new
37 allocations, as the fishery rebounds, splitting that up equally
38 through the whole fishery, that gives the latent permits, or the
39 people that don't have that catch share, an opportunity to fish
40 it. Most likely, being that the stock is rebounding, the fish
41 would be in the region, and so that would sort of take care of
42 two issues.

43
44 **DR. STEPHEN:** Correct. Anyone else? Johnny.

45
46 **MR. WILLIAMS:** I have a question. There are dreamers and there
47 are doers. I want to be a doer.

48

1 **DR. STEPHEN:** I'm a doer.

2
3 **MR. WILLIAMS:** What can we do to ensure that both of these
4 amendments pass? I mean, I've got all kinds of ideas that are
5 going through my head, and, for one thing, these boats that
6 we're going to take from 41 to 42, are we better off
7 transferring them before the referendum or after the referendum,
8 in order to ensure that both of them are going to pass?

9
10 How do you envision the referendum to be designed? Is it going
11 to be like one boat and one vote or is it going to be a weighted
12 average of the passenger capacity? I mean, I want to try to do
13 everything I can to -- I mean, I think in our portion of it, I
14 think in the headboat portion of it, I think we're ready to go.

15
16 I mean, I think we can get the referendum passed right now.
17 We're being constrained though by 41, and I want to try to do
18 everything that I can to ensure that 41 passes, and so maybe if
19 you could give us all here at the table a little bit of advice
20 on what we can do to ensure that that passes. I mean, that
21 would be very helpful, I think.

22
23 **DR. STEPHEN:** I am going to start with I am your data person,
24 and Assane is your amendment person, and so I'm going to pass
25 the wheel over there.

26
27 **DR. DIAGNE:** What I wanted to say is that, short of being able
28 to be in council members' heads, the only way that I guess that
29 we can be very confident that these amendments would both pass
30 is to genuinely address the concerns of your respective fleets.

31
32 If you design programs that really meet the needs of the
33 charter/for-hire guys and the headboat folks, the for-hire fleet
34 together, why wouldn't it pass? That's the thing, and so,
35 essentially, really, for me, the effort is in the design of the
36 program, for us to be able to allocate the fisheries and
37 accounting for the issues that you raised and then safeguard the
38 program to keep the fish within the fishery with those who fish,
39 et cetera.

40
41 The short answer is, by designing the best program that you guys
42 can design to address the concerns that you have in front of
43 you, it will increase the chances for them passing. The rest of
44 it, Jessica knows.

45
46 **DR. STEPHEN:** I will just say and -- I will add to Assane. I
47 agree with everything said. Also, if you guys need help in
48 understanding what this is -- This is not necessarily an easy

1 concept to understand, and, if you need some more outreach from
2 us in explaining what we have in amendments, both the council
3 staff, I believe, and NMFS staff would be more than happy to
4 work with you guys to make sure that there is a clear
5 understanding of what that referendum would entail and that
6 people who aren't familiar with the council process or reading
7 the documents know what they're going to be voting on or
8 against. I saw some hands over here.

9
10 **MR. STEBER:** When you vote for the permit, is it one vote per
11 permit or is it weighted?

12
13 **DR. STEPHEN:** That is a council decision.

14
15 **AP MEMBER:** (The comment is not audible on the recording.)

16
17 **DR. STEPHEN:** I would suggest that you put your opinion out to
18 the council. Mike.

19
20 **MR. ELLER:** Johnny, that is the thing, is how do we get this
21 thing passed. Man, that's what we're wrestling with, because we
22 knew, right from the get-go, that if we started off on the wrong
23 foot that we were going to piss them all off and we're never
24 going to get anything past them.

25
26 We're talking about the majority of the six-packs and all of
27 these people, the latent permits, and so we really went at this
28 with an open mind of how we can make something that is palatable
29 to everybody but still starts to slowly get rid of latent
30 permits or makes a permit where the value doesn't go away and it
31 just sits over here until somebody is ready to -- That was the
32 thing with the PFQs.

33
34 That was our whole thing, is that we weren't lucky enough to
35 have just seventy people that is going to vote in our
36 referendum. We're going to have eleven-hundred-and-something,
37 and we are way outnumbered on our over-six-passenger boats by
38 six-passenger boats, and so that's how we started the whole
39 thing, with we didn't want to get started off on the wrong foot
40 and make them mad and get their dander up right off of the bat,
41 and so we tried to approach it with the thought of what can we
42 get passed and how can we perfect it.

43
44 **DR. STEPHEN:** Anyone else? All right. I will turn it back over
45 to Emily.

46
47 **MS. MUEHLSTEIN:** It is 4:47. I don't think we need to start
48 addressing anything new. I have heard a lot of sort of issues

1 that we still want to address, and so I'm going to guess that I
2 can formulate a consensus statement that you guys would request
3 that the council have another AP meeting. Whether it be more
4 appropriate separate or together, I am not sure, but, before we
5 end today, sort of the one thing that I really want to emphasize
6 and point out is, first of all, I want to thank our technical
7 staff for being here and for doing such a good job of being
8 prepared and being ready to answer things and present scenarios.
9 I think that was awesome.

10
11 I also really want to acknowledge the work that everybody has
12 done in making a good-faith effort to make something work, and I
13 think that that's really awesome, because it's to the benefit of
14 yourselves to do so, but please acknowledge that a lot of people
15 have come a long way from where they wanted in the door two days
16 ago, and so thank you guys for that. That is awesome. With
17 that, we will be forwarding things. Assane, have you got
18 something?

19
20 **DR. DIAGNE:** Yes, we still have two hours, right? No, but I
21 just wanted to offer maybe one last consensus statement, and
22 that is to thank Betty for being here and also Emily for the
23 fantastic job that you guys did.

24
25 **MS. MUEHLSTEIN:** With that, I am sure that we will see some of
26 you in January. Whether you are there or you aren't there, we
27 will definitely forward this whole discussion. We had a really
28 robust showing of council members, and Roy was here for a while
29 as well, and so I really hope that the essence of today's
30 meeting is captured and presented to the Full Council well, and
31 I think it will be, and so thank you, guys.

32
33 **AP MEMBER:** Can we get some of this information emailed to us?

34
35 **MS. MUEHLSTEIN:** Yes, and is it okay that when we have a
36 summary, and can we email it to both of the panels?

37
38 **DR. DIAGNE:** By the time we have it, it will be around the
39 council meeting anyway, and so it will be in the briefing book.
40 If someone would like to study the recording, those will also be
41 available to listen in your car or going someplace.

42
43 **MR. ELLER:** Because not everybody is going to be at that council
44 meeting.

45
46 **MS. MUEHLSTEIN:** Yes, and so let's just go ahead and say that we
47 can email it to the entire panel once it's going into the
48 briefing book.

1
2 **DR. DIAGNE:** Yes, absolutely.

3
4 **MS. MUEHLSTEIN:** Go ahead, Gary.

5
6 **MR. JARVIS:** Are you going to put out a consensus statement
7 basically that the APs do want to reconvene to the council?
8 Now, it doesn't necessarily need to be a joint one. I think
9 both APs have got some issues that they need to probably work on
10 separately, and then come back together at some point.

11
12 **MS. MUEHLSTEIN:** We're on it. Thank you, guys, and travel home
13 safe.

14
15 (Whereupon, the meeting adjourned on January 10, 2017.)

16
17 - - -