

Tab B, No. 8(a)

Reef Fish Amendment 42: Reef Fish Management for Headboat Survey Vessels



April 2016



Outline

- Headboat and Charter Vessels Definitions
- Purpose and Need for Action
- Management Alternatives
- Next Steps

Headboats and Charter Vessels Definition

The federal for-hire permit for reef fish does not distinguish between headboats and charter vessels. Currently, there are 1,314 federally permitted for-hire vessels.

In Amendment **42**, a vessel is considered to be a **headboat** if it:

- Has a federal-for hire permit
- Has landings in the Southeast Regional Headboat Survey
- **67 headboats in 2015**

In Amendment **41**, a vessel is considered to be a **charter vessel** if it:

- Has a federal-for hire permit
- Does not have landings in the Southeast Regional Headboat Survey
- **1,247 charter vessels**

Purpose and Need

The purpose of this action is to reduce management uncertainty and improve economic conditions for Gulf reef fish headboat operators/owners, and provide flexibility by increasing fishing opportunities for their angler passengers through a management program for Gulf headboats participating in the Southeast Region Headboat Survey.

The need for this action is to prevent overfishing while achieving, on a continuing basis, the optimum yield from the harvest of reef fish by headboats, and taking into account and allowing for variations among fishery resources and participants.

Action 1: Type of Management Program for Headboat Survey Vessels

Alternative 1. No Action. Continue to manage the reef fish species included in the headboat management program using recreational seasons, size limits, and bag limits.

Alternative 2. Manage the reef species included in the headboat management program by establishing an **Individual Fishing Quota Program (IFQ)**.

Alternative 3. Manage the reef species included in the headboat management program by establishing a **Permit Fishing Quota Program (PFQ)**.

Action 2: Species to Include in the HBSV Management Program

Alternative 1. No Action. Do not define reef fish species to include in the management program.

Alternative 2. Include **red snapper** and **gag** in the management program.

Preferred Alternative 3. Include **red snapper, gray triggerfish, greater amberjack, gag,** and **red grouper** in the management program.

Action 3: Participation at the Onset of the HBSV Program

Alternative 1. No Action. All HBSV as of **DATE** must participate in the program.

Alternative 2. Any HBSV as of **DATE** may choose whether to **participate** in the program selected in Action 1 at the onset of the program. Vessels choosing not to participate must notify NMFS by October 1 of the year before implementation of the program. Vessels not in the program will be managed under the federal recreational regulations for each species selected in Action 2.

Alternative 2 gives the option to **opt in/out at the beginning** of the program. **How** should those who opt-out be managed?

Action 4: Headboat Survey Vessel Endorsement or Permit

Alternative 1. No Action

Alternative 2. Establish an **endorsement** for HBSV.

Option 2a. HBSV endorsements are **not transferrable**, except with transfer of the Gulf reef fish for-hire permit that it is originally assigned to.

Option 2b. HBSV endorsements are **transferrable** to any HBSV that opted out of the program at the onset (Action 3) or met the HBSV criteria after the control date.

Option 2c. HBSV endorsements are **transferrable** to any vessel with a Gulf reef fish for-hire permit.

continued

Action 4: Headboat Survey Vessel Endorsement or Permit (continued)

Alternative 2. Establish an **endorsement** for HBSV.

Alternative 3. Establish a **Gulf reef fish headboat permit for HBSV**. Gulf reef fish for-hire permits held by HBSV program participants at the time of implementation of this action will be converted to Gulf reef fish headboat permits. A Gulf reef fish **headboat permit holder** may **only fish off the HBSV quota** for the species selected in Action 2 throughout the year.

Option 3a. Gulf reef fish headboat permits are transferrable to any HBSV that opted out of the program at the onset (Action 3) or met the HBSV criteria after the control date.

Option 3b. Gulf reef fish headboat permits are fully transferrable.

Action 5: Allocation of Annual Catch Limit to the Headboat Survey Vessel Program

Alternative 1. No Action.

Alternative 2. Allocate a portion of the recreational ACL for each species to the Headboat Survey Vessel Program based on landings from **the most recent five years (2011-2015)**

Alternative 3. Allocate based on **the longest time series (2004-2015)**

Alternative 4. Allocate based on **50%** from the most recent five years **(2011-2015)** and **50%** from the longest time series **(2004-2015)**

Options for Alternatives 3 and 4

Option a. Use all years

Option b. Exclude 2010

continued

Percentage of Recreational Landings Harvested by Headboat Survey Vessels

Alternative	Red Snapper	Greater Amberjack	Gray Triggerfish	Gag Grouper	Red Grouper
Alternative 2 2004-2015 Average	11%	6%	6%	5%	4%
Alternative 3 2011-2015 Average	13%	5%	9%	4%	4%
Alternative 4 50/50	12%	5%	8%	4%	4%

Action 6: Units of Measure for Quota Distribution and Reporting

Alternative 1. No Action. The Headboat Survey Vessel quotas are distributed and reported in **pounds**.

Alternative 2. The Headboat Survey Vessel quotas are distributed and reported in **numbers of fish**.

Action 7.1: Time Period Used in the Initial Apportionment of Shares

Alternative 1. No Action.

Alternative 2. For each species, the apportionment of initial shares among eligible participants is based on landings by vessel during the **most recent year (2015)**.

Alternative 3. For each species, the apportionment is based on average landings during the **most recent five years (2011-2015)**.

Alternative 4. For each species, the apportionment is based on the most recent five years **(2011-2015) omitting the year with the lowest landings**.

Alternative 5. For each species, the apportionment is based on the year with the **highest landings** during the **most recent five years (2011-2015)**.

Action 7.2: Distribution of Initial of Shares

Alternative 1 No Action.

Alternative 2. Distribute **a percentage** of initial shares for each species **equally** among HBSV permit holders participating in the program and distribute the **remaining percentage** of the initial shares **proportionally**.

Alternative 3. Distribute a **percentage** of initial shares through an **auction system**. All HBSV permit holders participating in the program are allowed to place bids.

Alternative 2

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

Alternative 3

Option	Distribution of Initial Shares	
	By Alternative 2	By Auction
3a	0	100
3b	25	75
3c	50	50
3d	75	25

Action 8: Transferability of IFQ Shares

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

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

Alternative 3. Shares can be transferred to any US citizen or permanent resident alien.

A Permit Fishing Quota (**PFQ**) program **ties shares to a permit**. If a permit is transferred, the shares automatically move with the permit

Action 9: Maintenance of Shares

Alternative 1. No Action. Shares can be held by any US citizen or permanent resident alien.

Alternative 2. To hold shares, require a **reef fish for-hire permit with HBSV endorsement**, **or** a reef fish **headboat permit** (whichever is established in Action 4). Shares can only be held by US citizens or permanent resident aliens. IFQ: If a participant transfers their permit or the permit expires, the owner must divest of their shares. PFQ: If a permit is transferred, the shares automatically transfer with it; if a permit terminates, NMFS will redistribute the shares proportionally to the current participants.

Alternative 3. Require **either** a reef fish for-hire permit (with or without endorsement) **or** a reef fish headboat permit to hold shares.

Action 10: Transferability of Annual Allocation

Alternative 1. No Action. Do not allow transfer of annual allocation.

Alternative 2. Require a **valid reef fish for-hire permit with HBSV endorsement** or a **valid reef fish headboat permit** (whichever is established) to receive annual allocation through transfer. Transfers to US citizens or permanent resident aliens.

Alternative 3. Require a **valid reef fish for-hire permit (with or without endorsement)** or a **valid reef fish headboat permit** to receive annual allocation through transfer. Transfers to US citizens or permanent resident aliens.

Alternative 4. Transfers to **any** US citizen or permanent resident alien.

Action 11: Share Ownership Caps

Alternative 1. Do not constrain the amount of shares one person can own.

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

Alternative 3. In each species category, no person shall own shares which comprise more than the following percent of the quota allocated to the HBSV program:

Option a. 2 percent;

Option b. 5 percent;

Option c. 10 percent.

Percentages selected across species may vary

Action 12: Allocation Caps

Alternative 1. No Action. Do not constrain the amount of allocation that one person can hold.

Alternative 2. Each person's total holdings (from all accounts) cannot be more than the maximum holdings attributed to a person (as determined in Action 11) in each species category **at any point in time.**

Alternative 3. Each person's total holdings (from all accounts) cannot be more than the maximum holdings attributed to a person (as determined in Action 11) in each species category **cumulatively throughout a year.**

Action 13: Distribution of Quota Adjustments

Alternative 1. No Action. Do not establish a method to adjust annual allocation within a year for a species if the quota changes.

Alternative 2. If the quota for a species increases, distribute the increase **proportionally** to each shareholder as soon as possible after implementation of the increase.

Alternative 3. If the quota for a species increases, distribute the increase **equally** to each shareholder

Alternative 4. If the quota for a species is anticipated to **decrease**, the RA has the authority to **hold back** the anticipated amount of decrease during distribution of allocation at the beginning of the year. If the decrease does not occur, the amount held back will be distributed

Action 14: Cost Recovery Fees

Alternative 1. No Action. Cost recovery fees will not be required.

Alternative 2. For each participant, cost recovery fees will be based on a **standard price** per pound (or per fish) of a given species multiplied by the number of pounds (or of fish) harvested by the participant during the specified time period. NMFS will specify the standard prices to be used for cost recovery purposes. Participants must submit the fees:

Option a. monthly

Option b. quarterly

Option c. annually

Alternative 3. The costs of administering the HBSV program will be covered by withholding a portion of each participant's annual allocation at the beginning of every calendar year. The annual allocation withheld will be **auctioned off by NMFS**. For each participant, up to 3% of the annual allocation will be withheld

Next Steps

May 2016 Reef Fish Headboat AP Meeting

- ❖ Review amendment and provide recommendations to the Council

June 2016 Council Meeting

- ❖ Discuss AP recommendations
- ❖ Suggest changes to the amendment

August 2016 Council Meeting

- ❖ Review Public Hearing Draft for Reef Fish Amendment 42

Thank you