Tab B, No. 12

Ad Hoc Red Snapper Charter For-Hire Advisory Panel Summary May 13, 2015 Gulf Council Conference Room Tampa, Florida

AP members present:

Jim Green, Chair Tom Steber, Jr., V Chair Gary Bryant Shane Cantrell Mike Eller

Troy Frady Chuck Guilford Gary Jarvis Mark Kelley Tom Marvel, Jr.

Council Member & Staff:

Johnny Greene Ava Lasseter Karen Hoak Bernie Roy Assane Diagne Carrie Simmons Doug Gregory

Others:

Steve Branstetter Andy Strelcheck Jessica Stephen Cynthia Meyer Bob and Cathy Gill Kristen McConnell Tom Wheatley Jeff Barger Betty H. (Guilford)

Mike Nugent

Scott Robson

Troy Williamson, II

Rene Rice

Ed Walker

The Ad Hoc Red Snapper Charter For-Hire Advisory Panel (AP) meeting was convened at 8:30 a.m. on Wednesday, May 13, 2015. Jim Green was elected Chair, and Tom Steber was elected Vice Chair.

Staff reviewed the charge to the AP, which was to make recommendations to the Council relative to the design and implementation of flexible measures for the management of red snapper for the for-hire sector. AP members began discussing data collection for the charter fleet including the status of the Joint Generic Charter Vessel Reporting Amendment and passed the following motions:

- To recommend that the Council review the current data collection programs. If current data collection methods are not sufficient to support a flexible and accountable system, we urge the Council to develop data collection and monitoring needs for these programs to be successful.
- Ask the Council to implement electronic log books for the Gulf charter for-hire reef fish permit holders, including validation tools, no later than June 2016.

• To recommend that the Council do a feasibility study for the gulf charter-for-hire reef fish permit holders to see about the practicality of incorporating the for-hire data collection into the headboat program.

Panel members noted the work they are doing to develop a management plan for the charter fleet at this meeting, and they expressed the need for more time to develop, implement, and then evaluate the effects of any new management plan. They want to provide recreational anglers the opportunity to experience a new management plan before the sunset occurs, too. The AP passed the following motions:

- To recommend that the Council extend the sunset of Amendment 40 for two years.
- Recommend the Council remove the charter for-hire component from Amendment 39.

AP members discussed management approaches and focused on allocation-based management. The concept of permit fishing quotas, or PFQs, was introduced and discussed. In contrast with individual fishing quotas (IFQs), the quota under PFQs would be attached to the federal permit and could not be transferred in any way from the permit. AP members noted that the transferability of IFQ shares and allocation in the commercial red snapper program was not a desirable program feature for allocation-based management of the charter fleet. AP members expressed opposition to the transferability of any kind of quota under an allocation-based management approach.

Tags were discussed as a desirable tool to help the charter fleet remain within its quota and aid in enforcement. AP members stated the tags should not be able to be separated from the charter permit and vessel. That is, tags could be used, or not used, by the permitted vessel to which they were assigned, but they could not be "leased" or sold. AP members then passed the following motions:

- To recommend the Council develop a plan for allocation-based management for the charter-for-hire component that can include but not be limited to such items as PFQs (permit fishing quotas), tags, cooperatives, and AMOs (angler management organizations).
- To define PFQs (permit fishing quotas) as presented to the Council:
 - Reef fish permit-based allotment that remains attached to the permit not the individual
 - No transferability, leasing, or selling of the allocation
 - Fish must be landed by the vessel that the permit is attached to
 - Annual opt-in to participate in the federal red snapper fishery

Jessica Stephen noted that PFQs are used in the Pacific bluefin tuna longline fleet. The quotas are assigned to a permit based on its vessel landings history, and are permanently attached to the permit. The allocation can be transferred under some conditions.

The AP discussed the potential progress of their recommended management plan, and staff noted that the Council has initiated development of Amendment 41 to address red snapper management for the charter for-hire component. AP members then passed the following motion:

• To recommend that the Council specify that Amendment 41 be reviewed five years after implementation to assess the extent to which it is meeting its goals.

Speaking to the accountability measure that set a 20% buffer on the red snapper quota, AP members expressed that if the fleet could adopt a management plan that enables them to demonstrate the ability to remain within the quota, the 20% buffer could potentially be decreased or even eliminated. A member noted that a goal for the fleet was to have the possibility of a year round fishery that is totally accountable. The AP then passed the following motion.

• To recommend to the Council that the purpose of Amendment 41 is to increase flexibility for permit holders, to decrease management uncertainty, and increase accountability to catch limits. A long term goal to have a year round fishery that is totally accountable.

AP members began to discuss qualifications for participating in a new charter for-hire management plan. AP members discussed a series of participation qualifiers, by which vessels intending to participate in the charter red snapper management plan could be identified and separated out from latent charter permits, and from vessels in regions where red snapper are infrequently encountered. AP members passed the following motions:

- To recommend that the management plan be open to all federal charter-for-hire reef fish permit holders.
- To recommend to the Council that the plan be structured so that permit holders who intend to participate in an allocation-based management plan, annually opt-in to the program for the purpose of identifying the user group for that year.
- To recommend the Council consider how the cost of any new program will be shared between the charter for-hire industry and NMFS, under an opt-in scenario.

The use of tags by participating vessels was discussed as a way to validate all fish caught under the management plan. AP members noted how tags are used in the Headboat Collaborative program. A Collaborative participant stated that tags helped identify that the fish were caught legally. For example, if headboat passengers take their red snapper catch to cleaning stations in public places, law enforcement would be able to determine easily that the fish were caught legally. Concerns about the use of tags included how they would be distributed, or allocated, and the physical properties of tags so as to avoid tampering. The AP then passed the following motion:

• To recommend all participating vessels in the management plan use carcass tags that could be validated for law enforcement which will be distributed at the beginning of the year. Tags will expire at the end of the year, to validate all fish harvested under this plan.

There was discussion concerning the use of an independent body such as the Harte Institute for administration of the chosen plan. However, AP members and NMFS staff noted the additional complexity, as such administration would still require NMFS to be involved, in addition to requiring a federal contract, which would increase costs compared with in-house administration by NMFS.

Next, AP members discussed options for distributing allocation fairly among federal charter forhire permit holders and noted their intent not to exclude anyone. They noted that defining fair and equitable depends on where you are in the Gulf and it can be defined in different ways. Without vessel catch histories, one member noted that dividing the quota up evenly was the only way to be fair, while another member questioned this method as red snapper is not accessible to charter boats in all areas of the Gulf. Further discussion addressed the use of electronic logbooks. The AP passed the following motions.

- To recommend the Council pursue allocation options that include all federal charterfor-hire reef fish permit holders.
- To recommend to the Council that all participants in the management plan report using electronic log books with dockside validation.

Continuing the discussion on landings validation, an AP member noted that currently, a charter captain can refuse to participate in dockside intercept surveys and this should not be permitted in a new management plan. The AP members want enforcement measures to require compliance with the new charter management plan, including modifying NOAA law enforcements' penalty schedule, if at all possible, and requiring charter operators to participate in dockside intercept surveys. The AP then passed the following motion:

• To recommend to the Council that opt-in participants are subject to dockside intercepts and validated landings by local or federal law enforcement at any time. Any vessel found in violation would be subject to NOAA law enforcement sanctions.

AP members further discussed potential qualifiers for participation in the charter for-hire red snapper management plan. The idea of qualifiers was proposed as a way to identify active versus latent permits, and vessels that actively fish for red snapper versus those charter vessels that do not. For example, a federally permitted vessel that does not have the corresponding state licenses to be actively charter fishing, could be considered inactive in red snapper fishing. However, it was noted that the Gulf States have different requirements for federally permitted charter vessels, which could complicate identifying latent permits Gulf-wide. AP members passed the following motion:

• As a qualifier to participate, the participant must meet all licensing requirements for his/her state of operation.

The AP discussed the use of quota on dual-permitted (charter and commercial) vessels under an allocation-based management plan, and passed the following motions:

- After implementation of the plan, that there be no inter-sector (commercial and recreational) trading permitted.
- That any allocation granted to a permitted vessel may only be used during charter-forhire trips.

Next, the AP discussed allocating quota among charter vessels and passed the following motions:

- To recommend that the allocation tier level be based on permit capacity but no greater than approved passenger capacity.
- To recommend that the Council consider the following allocation scenario to divide the quota among participating vessels:
 - 6 passenger vessels = 1 allocation/share
 - Multi passenger COI vessels with permit capacity of 7 to 24 = 2 allocations/shares
 - Multi passenger COI vessels with permit capacity of 25 or more = 3 allocations/shares
- To recommend to the Council that for apportioning the quota between charterboats and headboats, to use the time frame formula from Amendment 40 (50% 1986-2013 + 50% 2006-2013 excluding landings from 2010).

AP members expressed their preference not to hold an AP meeting from June through August 20, due to the busy fishing season, and passed the following motion.

• To recommend that the Council reconvene this panel to provide further advice on charter-for-hire program development as soon as possible.

The AP returned to discuss other allocation-based management approaches including AMOs and cooperatives. One member liked AMOs because they would involve management at a more local level, while another expressed concern with having an individual manager of each AMO decide how quota should be divided up. AP members reiterated support for tags and PFQs, and passed the following motion:

• To recommend to the Council to adopt as the preferred management plan the use of PFQs with tags.

AP members discussed the issue of "stacking" or "marrying" reef fish permits as undesirable for the charter management program. They also discussed that not all charter operators who opt-in may want or be able to use the amount of quota that may be allocated to their vessel, especially if the vessel is homeported in an area without abundant red snapper. The AP passed the following motions:

- To recommend the Council not allow stacking or consolidating of reef fish permits.
 - Stacking of charter permits is defined as putting multiple permits on one vessel
 - Consolidation of charter permits is defined as consolidating two or more permits to one permit which contains the catch history of both permits

• To recommend to the Council, to allow the participant in the program to opt-in at the level of allocation the participant chooses, up to the maximum amount of the participant's allocation.

Following review of their recommendations, the AP meeting was adjourned at 3:00 pm.

Failed motions:

Motion: To recommend the Council consider using an independent body, such as the Harte Institute for administration of the chosen plan.

Motion failed with one in support.